

to join Prospector, a resource sharing database that provides access to over 2 million items through an online catalog of 40 public and academic libraries in Colorado and Wyoming. The ordinance is funded by outside resources donated to the City. This ordinance was approved unanimously on first reading by Council at the February 18, 2014 regular meeting.

3. **DEVELOPMENT SERVICES** (presenter: Bob Paulsen)
MINOR CODE AMENDMENTS FOR TITLE 18
A Motion to Approve and Order Published on Second Reading an Ordinance Amending Various Sections in Title 18 of the Loveland Municipal Code
 This is a legislative action to adopt an ordinance on second reading amending Title 18 of the Loveland Municipal Code. These amendments correct errors, provide consistency, and clarify use allowances within the zoning code. This ordinance was approved unanimously on first reading by Council at the February 18, 2014 regular meeting.
4. **DEVELOPMENT SERVICES** (presenter: Bob Paulsen)
MINOR CODE AMENDMENTS FOR LIMITED SIGNAGE NORTH CLEVELAND SUB-AREA
A Motion to Approve and Order Published on Second Reading an Ordinance Amending Sections 18.16.110, 18.48.020, and 18.50.090 of the Loveland Municipal Code to Permit Limited Signage for Home Occupations in the North Cleveland Sub-Area of the R3E Zone District
 This is a legislative action adopting an ordinance on second reading amending Title 18 of the Loveland Municipal Code. The proposed revisions include text adjustments that allow limited signage for home occupations located in the North Cleveland sub-area of the R3E zone district. This ordinance was approved unanimously on first reading by Council on February 18, 2014 at the regular meeting.
5. **DEVELOPMENT SERVICES** (presenter: Bob Paulsen)
MINOR CODE AMENDMENT FOR VARIANCES BY THE ZONING BOARD OF ADJUSTMENT
A Motion to Approve and Order Published on Second Reading an Ordinance Amending Section 18.60.020 of the Loveland Municipal Code Pertaining to Variances Granted by the Zoning Board of Adjustment
 This is a legislative action to adopt an ordinance on second reading amending the zoning board of adjustment provisions of Title 18. The proposed revisions clarify the powers of the zoning board of adjustment to grant variances, specifying that the board has the power to grant variances to properties in all zoning districts and authorizing the board to grant variances for dimensional and numerical standards. This ordinance was approved unanimously on first reading by Council on February 18, 2014 at the regular meeting.
6. **DEVELOPMENT SERVICES** (presenter: Brian Burson)
VACATION OF EASEMENT FOR MARIANA COVE
A Motion to Approve and Order Published on Second Reading an Ordinance Vacating a Portion of a Drainage and Utility Easement in Lot 7, Block 7, Mariana Cove PUD Subdivision, City of Loveland
 This is a legislative action to adopt an ordinance on second reading to vacate a 15 foot wide portion of utility and drainage easement along the south side of Lot 7, Block 7, Mariana Cove PUD Subdivision. The owner of the property is Dan Wester. This ordinance was approved unanimously by Council on February 18, 2014 at the regular meeting.

7. **WATER & POWER** (presenter: Melissa Morin)
AMENDMENTS CONCERNING WATER AND WASTEWATER REIMBURSEMENTS AND OVERSIZING
A Motion to Approve and Order Published on Second Reading an Ordinance Amending the Loveland Municipal Code at Chapters 13.04 and 13.08 to Revise the City's Water and Wastewater Reimbursement and Oversizing Policies and to Relocate the Policies from the City's Water and Wastewater Development Standards to the Loveland Municipal Code
 This is a legislative action. This ordinance on second reading amends the Loveland Municipal Code concerning reimbursements for water and wastewater line extensions, major structures and oversizing of lines. This ordinance was approved unanimously on first reading by Council on February 18, 2014 at the regular meeting.
8. **WATER & POWER** (presenter: Brieana Reed-Harmel)
CODE AMENDMENT FOR ELECTRIC LINE EXTENSION
A Motion to Approve and Order Published on Second Reading an Ordinance Amending the Loveland Municipal Code at Chapter 13.12 Regarding Electricity to Adopt an Electric Line Extension Policy and to Clarify Existing Electric Service Requirements
 This is a legislative action. This ordinance on second reading amends the Municipal Code concerning electric line extensions and oversizing of lines. This ordinance was approved unanimously on first reading by Council on February 18, 2014 at the regular meeting.
9. **PARKS & RECREATION** (presenter: Brian Hayes)
SALE OF A PORTION OF LONG VIEW FARM OPEN SPACE
A Motion to Approve and Order Published on Second Reading an Ordinance Authorizing the Conveyance of the City of Loveland's one Sixth Fee Title Interest in a Portion of Long View Farm Open Space to the State of Colorado, Approving an Amendment to the Related Declaration of Covenants, Conditions and Restrictions, and Granting an Adjacent Temporary Easement to Permit Access and Work by the Colorado Department of Transportation
 This is an administrative action. The ordinance on second reading authorizes the City to convey its 1/6 interest and grant a temporary easement to the State for road and drainage improvements at the intersection of U.S. Highway 287 and S.H. 392 (Carpenter Road), and to modify the associated covenants to allow for the improvements. The Colorado Department of Transportation (CDOT) is in the process of planning and designing a project at the intersection of U.S. Highway 287 and S.H. 392 (Carpenter Road) in order to provide a more efficient turning radius and as part of that project will be improving drainage. The State is seeking to purchase land that is jointly owned by the City, Larimer County and Fort Collins for these improvements and seeks a temporary easement for access and construction of the improvements. Open Lands Sales Tax Fund 202 will receive approximately \$177.67 in net proceeds from the sale of the small corner of the Long View Farm Open Space. This ordinance was approved unanimously on first reading by Council at the February 18, 2014 regular meeting.
10. **FINANCE** (presenter: John Hartman)
SUPPLEMENTAL APPROPRIATION FOR 2014 FLOOD RELATED PROJECTS
A Motion to Approve and Order Published on Second Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Flood Related Projects
 This is an administrative action. The ordinance on second reading appropriates funding for engineering costs to determine the scope of several projects and the cost to repair

several facilities from damage that occurred as a result of the 2013 Flood. The total appropriation net of transfers is \$10,494,930. Depending on the final determinations from FEMA on eligible costs, and other grant opportunities that may arise, the City's share of these costs will be between \$1,000,000 and \$1,800,000. The appropriation uses existing balance within several funds as the funding source. This reduces the ability to fund future projects in the short term. Over the long term, most of these costs will be reimbursed through insurance payments or FEMA and State distributions. When these reimbursements are received, the fund balances will increase allowing for use on other projects. This ordinance was approved unanimously on first reading by Council on February 18, 2014 at the regular meeting.

11. **ECONOMIC DEVELOPMENT** (presenter: Mike Scholl)
PUBLIC HEARING
SUPPLEMENTAL APPROPRIATION FOR THE HOUSE OF NEIGHBORLY SERVICE AND LOVELAND COMMUNITY HEALTH CENTER (SUNRISE)
A Motion to Approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget to Reappropriate Funding Approved in 2013 for Incentives Under the House of Neighborly Service Incentive and Fee Waiver Agreement and the Loveland Community Health Center Incentive and Fee Waiver Agreement
 This is an administrative action. The ordinance reappropriates funding approved but not completed in 2013, in the amount of \$593,500 for two one-time projects. The two projects are incentive agreements with the House of Neighborly Services (\$500,000) and Loveland Community Health Center (Sunrise) (\$93,500). The funding for the appropriation is from fund balance in the Council Reserve due to the projects not being completed in 2013. The appropriation of this fund balance reduces the flexibility to fund other projects. No specific projects are known to be affected.
12. **FINANCE** (presenter: John Hartman)
PUBLIC HEARING
SUPPLEMENTAL APPROPRIATION FOR POLICE OVERTIME EXPENSES
A Motion to Approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2013 City of Loveland Budget for 2013 Police Overtime Expenses for Special Investigations
 This is an administrative action. The ordinance, on first reading, appropriates \$36,620 in police seizure revenues received in 2013 that were not appropriated at the time of adoption of the 2013 Budget and ratifies the expenditure of such funds for police overtime costs incurred and paid in 2013. The appropriation is necessary so that 2013 expenses do not exceed the appropriated amount in the Police Seizure and Forfeiture Fund. The revenue in the ordinance has been received to cover the expenses.
13. **PUBLIC WORKS** (presenter: Eric Lessard)
RENEWAL CONSTRUCTION CONTRACT WITH MOUNTAIN CONSTRUCTORS, INC.
A Motion to Renew a Construction Contract with Mountain Constructors, Inc., in the Amount of \$516,000 to Complete Stormwater Maintenance Projects Under Project No. SW1201 for 2014 Stormwater Maintenance Projects and to Authorize the City Manager to Execute the Contract
 This is an administrative action to approve a construction contract renewal with Mountain Constructors, Inc., in the amount of \$516,000 for Stormwater Maintenance Projects under Project No. SW1201 in 2014. This is a planned maintenance contract funded by the Stormwater Utility's Capital Improvement Project Fund appropriated in 2014.

14. **WATER & POWER** (presenter: Larry Howard)
PUBLIC HEARING
CODE AMENDMENT REGARDING BARNES DITCH & CHUBBUCK DITCH WATER RIGHTS
A Motion to Approve and Order Published on First Reading an Ordinance Amending the Loveland Municipal Code at Section 19.04.080 Concerning the City's Acceptance of Barnes Ditch and Chubbuck Ditch Water Rights
 This is a legislative action. This ordinance on first reading amends the Loveland Municipal Code at Section 19.04.080 to remove references to the Barnes and Chubbuck ditches in conformance with the terms of a settlement agreement between the City of Loveland and the Greeley Loveland Irrigation Company. There is no budget impact to the City.
15. **FINANCE** (presenter: Brent Worthington)
FINANCIAL REPORT- JANUARY 2014
 This is an information only item. The Snapshot Report includes the City's preliminary revenue and expenditures including detailed reports on tax revenue and health claims year to date, ending January 31, 2014.
16. **CITY MANAGER** (presenter: Alan Krcmarik)
INVESTMENT REPORT- JANUARY 2014
 This is an information only item. According to the 2014 budget projections, the budget estimate for investment earnings for 2014 is \$2,025,920. For January, the amount posted to the investment account is \$249,128. Actual earnings are above the year-to-date budget projection by \$68,506. Based on the monthly statement, the estimated annualized 1.02% yield on the securities held by US Bank was down from last month's reading of 1.07%. The annual target earnings rate (determined by the revenue projection for 2014 divided by the 2013 ending market value of \$215.1 million) is 0.94% for 2014. Due to the demands for draws from the fund balances to pay for the cost of flood response and project repair, the portfolio currently has a significantly lower fund balance than it would otherwise.

END OF CONSENT AGENDA

CITY CLERK READS TITLES OF ORDINANCES ON THE CONSENT AGENDA

PUBLIC COMMENT *Anyone who wishes to speak to an item NOT on the Agenda may address the Council at this time.*

1. **Larimer County Annual Report on the Community** (presenter: Commissioner Tom Donnelly)

PROCEDURAL INFORMATION

Anyone in the audience will be given time to speak to any item on the Regular Agenda before the Council acts upon it. The Mayor will call for public comment following the staff report. 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

17. **CITY CLERK** (presenter: Terry Andrews)
APPROVAL OF CITY COUNCIL MEETING MINUTES
 1. **A Motion to Approve the City Council Meeting Minutes for the February 4, 2014 Regular Meeting.**
 This is an administrative action to approve the City Council minutes from the February 4, 2014 regular meeting. Councilor Trenary was absent.
 2. **A Motion to Approve the City Council Meeting Minutes for the February 18, 2014 Regular Meeting.**
 This is an administrative action to approve the City Council minutes from the February 18, 2014 regular meeting. Councilors Krenning and Clark were absent.
18. **PARKS & RECREATION** (presenter: Janet Meisel-Burns)
PUBLIC HEARING
SUPPLEMENTAL APPROPRIATION FOR MEHAFFEY PARK PHASE 2 AND AMENDMENT TO THE CONSTRUCTION CONTRACT
 1. **A Motion to Approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for the Full Build Out and Construction of Mehaffey Park**
 This is an administrative action. Approval of an appropriation ordinance on first reading for Phase 2 construction of Mehaffey Park per master plan design. A total appropriation of \$3.1 million from the following funds: \$1.6 million from Parks CEF fund, \$ 1.0 million from the Conservation Trust Fund (Lottery) and \$500,000 from the Recreation CEF Fund. These are dedicated funding sources for parks and recreation purposes and have current balances exceeding requested appropriations.
 2. **A Motion to Authorize the City Manager to Amend the Contract with ECI, Site Construction Management, Inc., as the Construction Manager/General Contractor (CM/GC) for the Guaranteed Maximum Price (GMP #5) of not to Exceed \$10,385,000 for Full Construction of Mehaffey Park**
 This is an administrative action. ECI, Site Construction Management, Inc. and staff have reviewed and evaluated the additional costs for construction caused by the delay of Phase 2 and determined that the additional costs of approx. \$300,000 is reasonable and recommends approval of the contract amendment. The additional cost in part, is caused by the 4 months of additional general conditions (\$120,000) to extend construction of the project to February of 2015. There is also an increase due to material costs for both steel and concrete for the construction of the major facilities in phase 2, the skate park, tennis/pickle ball courts, basketball courts and restroom. The Mehaffey Park Project Phase 1 has a current budget of \$7,669,500. An additional \$3.1 million appropriation will take the total construction cost to \$10,769,500, including the City held contingency of \$384,500. Funding is currently available in the fund balances to provide funding for this request. It is anticipated that the only short term project impacted would be the extension of 1 year to fund the Phase 2, Loveland Sports Park development, reflected in the 10 year capital plans. Current projected cash flow and funding needed for flood relief does not anticipate a need for designation or use of the requested fund sources to meet flood related repairs and restoration work.
19. **FINANCE** (presenter: John Hartman)
CITIZENS' FINANCE ADVISORY COMMISSION APPOINTMENT
 This is an administrative action recommending the appointment of David Hallet to the Citizens' Finance Advisory Commission. At the February 4, 2013 Council meeting, the appointment of Mr. Hallet was deferred pending staff returning with additional information to allegations made in two emails to a City Councilor. This item supplies that information.

20. CITY COUNCIL**APPOINTMENT OF PLANNING COMMISSIONER**

Discuss and decide the method of interview of applicants and recommendation to fill the vacancy on the Planning Commission. This item is placed on the agenda at the request of four City Council members. Applications have been closed and the applicants are: Alexi Greiwal, Jeremy Jersvig, and Bob Massaro.

21. HUMAN RESOURCES**(presenter: Karen Rees)****DISCUSSION REGARDING THE RECRUITMENT PROCESS FOR THE CITY ATTORNEY AND THE APPOINTMENT OF AN "ACTING" CITY ATTORNEY****Actions to Fill a Vacancy in the Office of City Attorney**

1. A Motion Directing Staff to Solicit Proposals from Executive Recruiters for the Council's Consideration

2. A Motion to Convene an Executive Session to Discuss the Appointment of an Acting City Attorney

City Attorney John Duval gave notice of his resignation on February 19, 2014, and has expressed the intent to stay on as City Attorney through April 1, 2014. Council will need to establish a hiring process and appoint an Acting City Attorney effective April 2, 2014. Staff recommends retaining an executive recruiter because an outside recruiter can streamline the hiring process for Council and provide high-quality, pre-screened candidates reducing a considerable amount of time spent by Council and staff. The Council will also need to appoint an Acting City Attorney effective April 2, 2014, until a new City Attorney is hired. The City's 2014 adopted Budget does not include funding for the costs of the recommended action. However, salary savings from the unfilled position are expected to be sufficient to cover costs.

BUSINESS FROM CITY 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.*

CITY MANAGER REPORT**CITY ATTORNEY REPORT****ADJOURN**



CITY OF LOVELAND
CITY MANAGER'S OFFICE

Civic Center • 500 East Third • Loveland, Colorado 80537
(970) 962-2303 • FAX (970) 962-2900 • TDD (970) 962-2620

AGENDA ITEM: 1
MEETING DATE: 3/4/2014
TO: City Council
FROM: City Manager's Office
PRESENTER: Bill Cahill, City Manager

TITLE:

Appointment to the Historic Preservation Commission

RECOMMENDED CITY COUNCIL ACTION:

Motion to appoint Jon-Mark Patterson to the Historic Preservation Commission for a term effective until June 30, 2015.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action

SUMMARY:

This is an administrative action recommending the appointment of a member to the Historic Preservation Commission for a term effective until June 30, 2015.

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

BACKGROUND:

Trudy Manuel resigned from the Historic Preservation Commission in December, 2013. One application was received and an interview was held February 12, 2014. The committee recommends the appointment of Jon-Mark Patterson to the Historic Preservation Commission for a term effective until June 30, 2015.

REVIEWED BY CITY MANAGER:

William Cahill

LIST OF ATTACHMENTS:

None



CITY OF LOVELAND
LOVELAND PUBLIC LIBRARY

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AGENDA ITEM: 2
MEETING DATE: 3/4/2014
TO: City Council
FROM: Marcia Lewis, Library Department
PRESENTER: Marcia Lewis, Library Director

TITLE:

An Ordinance on Second Reading Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget to Join the Prospector Database for Regional Library Resource Sharing

RECOMMENDED CITY COUNCIL ACTION:

Approve the ordinance on second reading.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

SUMMARY:

This is an administrative action. The ordinance on second reading appropriates \$37,080 from funds donated by the Kroh Charitable Trust Funds for the Loveland Public Library to join Prospector, a resource sharing database that provides access to over 2 million items through an online catalog of 40 public and academic libraries in Colorado and Wyoming. This ordinance was approved unanimously on first reading by Council at the February 18, 2014 regular meeting.

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

The ordinance is funded by outside resources donated to the City.

BACKGROUND:

The Kroh Charitable Trust Funds designated for the library may be used for the benefit of the library provided they are not used for ordinary operating expenses. On August 22, 2013 the Library Board approved expenditure of Kroh Funds for the purpose of implementing and joining the Prospector Resource Sharing System.

In 2013, there were significant reductions in one-time costs to participate, making this an advantageous time to join.

REVIEWED BY CITY MANAGER:



LIST OF ATTACHMENTS:

1. Ordinance

FIRST READING February 18, 2014

SECOND READING March 4, 2014

ORDINANCE NO. _____

AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2014 CITY OF LOVELAND BUDGET TO JOIN THE PROSPECTOR DATABASE FOR REGIONAL LIBRARY RESOURCE SHARING

WHEREAS, the City has received funds not anticipated or appropriated at the time of the adoption of the City budget for 2014; and

WHEREAS, the City Council desires to authorize the expenditure of these funds by enacting a supplemental budget and appropriation to the City budget for 2014, as authorized by Section 11-6(a) of the Loveland City Charter.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That revenues in the amount of \$37,080 from the Kroh Charitable Trust in the General Fund 100 are available for appropriation. Revenues in the total amount of \$37,080 are hereby appropriated for software and training to join the Prospector Database maintained by the Colorado Alliance of Research Libraries for regional library resource sharing. The spending agencies and funds that shall be spending the monies supplementally budgeted and appropriated are as follows:

**Supplemental Budget
General Fund 100- Regional Library Resource Sharing Database**

Revenues		
100-53-750-0000-35305	Donations	37,080
Total Revenue		37,080
Appropriations		
100-53-750-0000-42015	Computer Software	12,000
100-53-750-0000-43450	Professional Services	25,080
Total Appropriations		37,080

Section 2. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full.

Section 3. This Ordinance shall be in full force and effect upon final adoption, as provided in City Charter Section 11-5(d).

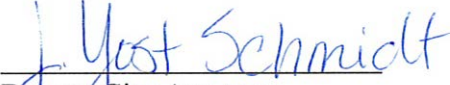
ADOPTED this 4th day of March, 2014.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Deputy City Attorney



CITY OF LOVELAND
 DEVELOPMENT SERVICES DEPARTMENT
 Civic Center • 500 East 3rd Street • Loveland, Colorado 80537
 (970) 962-2346 • FAX (970) 962-2945 • TDD (970) 962-2620

AGENDA ITEM: 3
MEETING DATE: 3/4/2014
TO: City Council
FROM: Greg George, Director of Development Services
PRESENTER: Bob Paulsen, Current Planning Manager

TITLE:

An Ordinance on Second Reading Amending Various Sections in Title 18 of the Loveland Municipal Code

RECOMMENDED CITY COUNCIL ACTION:

Adopt the ordinance on second reading as presented.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

SUMMARY:

This is a legislative action to adopt an ordinance on second reading amending Title 18 of the Loveland Municipal Code. These amendments correct errors, provide consistency, and clarify use allowances within the zoning code. This ordinance was approved unanimously on first reading by Council at the February 18, 2014 regular meeting.

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

BACKGROUND:

The most noteworthy of the amendments address Safety Training Facilities and Indoor Shooting Ranges. Currently, the code is silent as to these uses. The amendments define these uses and specify which zones would allow the uses. As the City is moving forward with plans to develop the Regional Training Facility at the airport, it is important to clarify zoning and use issues prior to project review. Amendments addressed by the ordinance are summarized as follows:

- Drive-in or Fast Food Restaurant: A redundant definition is being eliminated and the remaining definition is being clarified. Drive-in restaurants like Sonic and restaurants with drive-up service windows require special review approval in commercial zoning districts.
- Two Family Dwelling Unit: Currently, this definition allows only attached units (duplexes); the revised definition would allow detached units to occur on a single lot when a two-family development is allowed.
- Indoor Firing Range: This use is defined and an allowance made for the use to occur by right in the I-Industrial District, and as special review use in the B, MAC and E districts.
- Safety Training Facility: This use is defined and an allowance made for the use to occur by special review in the I-Industrial district.
- Downtown BE zone: The amendment would limit drive-in restaurants and restaurants with drive-up services windows to a special review use. In addition, the role of the Planning Commission in reviewing plans for development in Downtown is clarified. Finally, minor adjustments are provided to address parking lot setback requirements.
- Swimming pools: An adjustment to the Accessory Building and Uses provisions would provide alternative means of preventing unwanted access to pools.

At a noticed public hearing on November 25, 2013, the Planning Commission recommended approval to the City Council of the minor zoning code amendments specified in the ordinance.

Note: The amendment to Chapter 18.60 relating to the authority of the zoning board of adjustment (ZBA) has been submitted to the City Council in a separate ordinance; the ZBA adjustment was part of the collection of minor amendments that were reviewed by the Planning Commission on November 25, 2013. This collection of minor amendments was reviewed and supported by the Title 18 Committee.

REVIEWED BY CITY MANAGER:

William A. Cahill

LIST OF ATTACHMENTS:

1. Ordinance
2. Complete first reading packet from February 18, 2013 can be accessed at:
<http://www.cityofloveland.org/index.aspx?page=20&recordid=49805>

FIRST READING February 18, 2014

SECOND READING March 4, 2014

ORDINANCE NO. _____

AN ORDINANCE AMENDING VARIOUS SECTIONS IN TITLE 18 OF THE LOVELAND MUNICIPAL CODE

WHEREAS, the definition of “two-family dwelling” contained in Section 18.04.143.6 for the purposes of Title 18 of the Loveland Municipal Code (“Code”) requires modification to allow greater flexibility in the arrangement of structures on property that is zoned for two-family and medium-density residential uses; and

WHEREAS, Code Sections 18.04.161 and 18.04.335, which currently define “fast food or drive in restaurant” and “restaurant, drive in or fast food” require modification to eliminate overlap and inconsistencies with respect to these definitions used for the purposes of Title 18 of the Code; and

WHEREAS, Title 18 of the Code requires modification to define and identify appropriate zoning districts for indoor firing ranges and safety training facilities; and

WHEREAS, the provisions of Code Section 18.24.050 regarding Planning Commission approval of certain proposed development in the BE zone district requires modification to clarify procedures and criteria for such approval; and

WHEREAS, side and rear parking setbacks as set forth in Table 18.24.080-1 contained in Code Section 18.24.080.E.1 (General and core character areas urban design standards for BE District), require specification; and

WHEREAS, Code Section 18.48.050 regarding swimming pools requires modification to permit alternative safety measures in light of changes in technology and methods that have become available in the marketplace.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the following Sections of Chapter 18.04 of the Loveland Municipal Code, which contains definitions of terms used in Title 18, are hereby amended to read as follows:

18.04.143.6 Dwelling, two-family defined.

“Two-family dwelling” means a building or lot containing two (2) dwelling units designed for occupancy by two (2) families living independently of each other, which has not less than one bathroom for each family and a minimum of five hundred (500) square feet per

dwelling unit, except that if the dwelling is designed with respect to separate electric, water, and gas utility connections and common wall construction to allow each dwelling unit to be located on its own separate lot through a subdivision after issuance of the building permit, then the dwelling shall be a single-family attached dwelling, following approval of such subdivision.

18.04.161 Firing range, indoor defined.

A completely enclosed building or group of buildings which contains facilities for the use of firearms and similar weaponry for training, testing, or recreational purposes in which noise, vibration, smoke, odor, and light flashes are contained within the building(s). Such facilities include the use of ammunition using kinetic propellants where a projectile is fired from a firearm, as defined by Title 18 Chapter 44 of the United States Code, or facsimile thereof and use of force scenarios where such firearms are used. The presence of activities that include archery, paintball systems, video-based gaming, laser-based technology of low output and other technologies that do not cause emission of a destructive force, including compressed gas, air propulsion based firearms or spring-based propulsion systems, do not constitute an indoor firing range, although such activities may occur within an indoor firing range.

18.04.335 Restaurant, drive-in or fast food defined.

A restaurant so developed that patrons can be provided with food or beverage service while remaining in their vehicle, with service provided at on-site parking spaces or through a drive-up service window or similar facility. Such restaurants may or may not also have indoor or outdoor dining areas for patrons.

18.04.342 Safety training facility defined.

Outdoor or partially-enclosed facility operated for the purpose of providing training or recreation relating to law enforcement, fire or emergency management, simulated use of force, electronic based simulation technology for the operation, testing, or training of motor vehicle operations, motor vehicle testing or training under high speeds or hazardous conditions, or similar activities that result in the creation of off-site noise, vibration, smoke, light flashes, or hazards. Such facilities may include indoor firing ranges.

Section 2. That Code Section 18.24.020 (Uses permitted by right in the BE District-Established Business District) is hereby amended by the deletion of subsection PP as follows:

**Chapter 18.24
BE DISTRICT - ESTABLISHED BUSINESS DISTRICT**

18.24.020 Uses permitted by right.

...

Section 3. That the following Code Sections of Chapter 18.28 (B District-Developing Business District) are hereby amended as follows:

**Chapter 18.28
B DISTRICT-DEVELOPING BUSINESS DISTRICT**

18.28.010 Uses permitted by right.

- ...
- N. Restaurant, standard;

18.28.020 Uses permitted by special review.

- ...
- S. Restaurant, drive-in or fast food;
- NN. Firing range, indoor.

Section 4. That the following Code Sections of Chapter 18.29 (MAC District – Mixed-Use Activity Center District) are hereby amended as follows:

Chapter 18.29
MAC DISTRICT – MIXED-USE ACTIVITY CENTER DISTRICT

18.29.020 Uses permitted by right.

- ...
- BB. Restaurant, standard;

18.29.030 Uses permitted by special review.

- P. Firing range, indoor.

Section 5. That the following Code Sections of Chapter 18.30 (E District, Employment Center District) are hereby amended as follows:

Chapter 18.30
E DISTRICT – EMPLOYMENT CENTER DISTRICT

18.30.020 Uses permitted by right.

- ...
- U. Restaurant, standard;

18.30.030 Uses permitted by special review.

- P. Firing range, indoor.

Section 6. That the following Code Sections of Chapter 18.36 (I District – Developing Industrial District) are hereby amended as follows:

Chapter 18.36
I DISTRICT – DEVELOPING INDUSTRIAL DISTRICT

18.36.020 Uses permitted by right.

...

- II. Restaurant, standard;
- TT. Firing range, indoor.

18.36.030 Uses permitted by special review.

- ...
- V. Safety training facility.

Section 7. That Code Section 18.24.050 (BE District-Established Business District) of the Loveland Municipal Code is hereby amended as follows:

18.24.050 Proposals requiring approval by the planning commission

A. Applications for development and redevelopment of structures, buildings or additions that meet the criteria specified in one or more of the numbered subsections below require site development plan approval by the planning commission at a public hearing noticed in accordance with Chapter 18.05. Uses listed in Section 18.24.030 as requiring special review and meeting the thresholds listed in one or more of the numbered subsections below shall require a noticed neighborhood meeting and approval by the planning commission at a noticed public hearing in lieu of the special review process; notice distance shall be as specified for special review in Chapter 18.05.

- 1. Any allowed uses located in the general, core or Fourth Street character areas containing more than 25,000 square feet of gross floor area construction.
- 2. Any allowed uses located in the neighborhood transition character area containing more than 10,000 square feet for gross floor area construction.
- 3. Any building or structure height above seventy (70) feet, exclusive of church spires, chimneys, ventilators, pipes, elevator shafts, or similar appurtenances.

B. In approving a site development plan application, the planning commission must determine that the following findings have been met:

- 1. The proposed development complies with the standards of this chapter and any other applicable provisions of the Municipal Code.
- 2. The proposed development is consistent with the goals of the document, Destination Downtown: Heart Improvement Project Downtown Strategic Plan and Implementation Strategy, as updated or as provided in the most current downtown strategic planning policy document adopted by the City Council.
- 3. The proposed development is compatible with surrounding properties when considering the allowances for development intensity specified in this Chapter and the urban orientation of the downtown which is characterized by a diversity of uses and building types.
- 4. Adequate infrastructure is available to serve the proposed development.

C. Planning commission decisions may be appealed in accordance with chapter 18.80 of this Title.

Section 8. That Table 18.24.080-1 contained in Code Section 18.24.080.E.1 (General and core character areas urban design standards for BE District) is hereby amended to read as follows:

Table 18.24.080-1

Dimensional and Intensity Standards for General and Core Character Areas Only								
Use	Minimum yard requirements^{1,3}				Open space, and lot size			
	Front	Side, Lot line 4	Side, right- of-way 6	Rear, lot line	Rear Right- of-way 6	Useable Open Space	Min Lot Size	Min Lot Width
One-family detached	10	5	5	10	5	None	4,000	35
One-family attached⁴	10	5	0	10	5	None	1,600	17
Two-family	10	5	0	10	5	None	4,000	40
Accessory Bldg	25	5	0	5	5	None	N/A	N/A
Multi-family	10	5	0	10	0	10% Gen	5,000	50
Non-res & mixed	0	5-Gen 0-Core	0	10	0	7.5% Gen 0% Core	None	None
Off-street parking lots and structures²	8	8	8	0	5	N/A	N/A	N/A

Notes:

1. Setbacks for garage doors fronting public alleys shall be either five (5) feet or less; or eighteen (18) feet or more. Setbacks for garage doors fronting a public street shall be at least twenty (20) feet.
2. Setbacks may be reduced for surface parking when a decorative masonry wall at least three (3) feet in height is provided along public rights-of-way at least six (6) feet in height when adjacent to any residential use.
3. Structures fifty (50) feet in height or taller shall be set back a minimum fifteen (15) feet from the face of the curb.
4. Attached one-family dwelling units shall be allowed to have a zero (0) foot sideyard setback where party walls are used.
5. See section 18.24.080.E.2.c for setbacks from public streets in the core character area.
6. Parking setback from side or rear lots adjacent to an alley is zero (0) feet.

Section 9. That Code Section 18.48.050 is hereby amended as follows:

18.48.050 Swimming pools.

A. Swimming pools may be located in any zoning district as an accessory use provided that such pools are situated on a lot, tract, or parcel in a manner which is not detrimental to the health, safety and welfare of the users of the pool or the adjacent property owners.

B. All swimming pools shall have safety features that prevent unwanted access to the pool as determined by the chief building official. Access may be controlled by completely enclosing the pool with a minimum of a four-foot high fence, or elevating the pool at least four feet above the ground level, or by installing an automated pool cover, or by use of other safety features.

C. Gates, ladders, or entrances to the swimming pool area shall be designed to prevent people gaining access to the pool area without the owner's consent.

Section 10. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full.

Section 11. That this Ordinance shall be in full force and effect ten days after its final publication, as provided in City Charter Section 4-8(b).

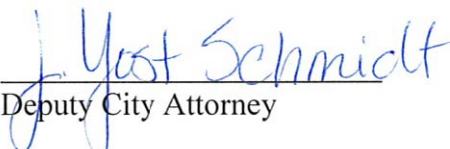
ADOPTED this 4th day of March, 2014.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Deputy City Attorney



CITY OF LOVELAND
 DEVELOPMENT SERVICES DEPARTMENT
 Civic Center • 500 East 3rd Street • Loveland, Colorado 80537
 (970) 962-2346 • FAX (970) 962-2945 • TDD (970) 962-2620

AGENDA ITEM: 4
MEETING DATE: 3/4/2014
TO: City Council
FROM: Greg George, Director of Development Services
PRESENTER: Bob Paulsen, Current Planning Manager

TITLE:

An Ordinance on Second Reading Amending Sections 18.16.110, 18.48.020, and 18.50.090 of the Loveland Municipal Code to Permit Limited Signage for Home Occupations in the North Cleveland Sub-Area of the R3e Zone District

RECOMMENDED CITY COUNCIL ACTION:

Adopt the ordinance on second reading as presented.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

SUMMARY:

This is a legislative action adopting an ordinance on second reading amending Title 18 of the Loveland Municipal Code. The proposed revisions include text adjustments that allow limited signage for home occupations located in the North Cleveland sub-area of the R3E zone district. This ordinance was approved unanimously on first reading by Council on February 18, 2014 at the regular meeting.

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

BACKGROUND:

The home occupation regulations specified in Chapter 18.48 of the Municipal Code prohibit the use of advertising signage. The amendment would allow an exception to this prohibition for home occupations located within the six-block section of North Cleveland that extends from 10th Street, north to the Loveland Burial Park. Signs would be limited to one, twenty (20) square foot

sign per property that is non-illuminated or indirectly lit—which is the same limitation placed on all other business signs within this corridor. The purpose of this amendment is to help facilitate appropriately-scaled business activity in this transitional area.

The Planning Commission considered this amendment at a noticed public hearing on December 23, 2013, voting 7-0 to recommend approval to Council. This amendment was reviewed and supported by the Title 18 Committee in December of 2013.

REVIEWED BY CITY MANAGER:



LIST OF ATTACHMENTS:

1. Ordinance
2. Complete first reading packet from February 18, 2014 can be accessed at:
<http://www.cityofloveland.org/index.aspx?page=20&recordid=49805>

FIRST READING February 18, 2014

SECOND READING March 4, 2014

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTIONS 18.16.110, 18.48.020, AND 18.50.090 OF THE LOVELAND MUNICIPAL CODE TO PERMIT LIMITED SIGNAGE FOR HOME OCCUPATIONS IN THE NORTH CLEVELAND SUB-AREA OF THE R3E ZONE DISTRICT

WHEREAS, the North Cleveland Sub-Area is established pursuant to Chapter 18.16 of the Loveland Municipal Code (“Code”) as a sub-area in the R3E zone District subject to standards and requirements set forth therein to recognize the unique nature of this transitional area; and

WHEREAS, major and minor home occupations, as regulated by Code Section 18.48, are not currently permitted to have signs under Code Section 18.40.090; and

WHEREAS, the unique nature of the North Cleveland Sub-Area lends itself to the use of limited signage for home occupations located therein.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That Code Section 18.16.110.C (Design Standards for the North Cleveland Sub-Area is the R3D zone district) is hereby amended by the addition of a new Subsection 6, to read as follows:

**Chapter 18.16
R3E DISTRICT – ESTABLISHED HIGH-DENSITY RESIDENTIAL DISTRICT**

18.16.110 North Cleveland Sub-Area Identification and Supplemental Regulations.

...

C. Design Standards

...

6. Home Occupations: Home occupations shall comply with the provisions in Section 18.48 and shall be permitted one sign on North Cleveland Avenue, subject to the sign regulations in Section 18.50.090.

Section 2. That Code Section 18.48.020.D.3.a is hereby amended as follows:

D.3. Minor Home Occupations. A use shall be classified as a minor home occupation and allowed without a business occupancy permit in all residential districts provided that the general provisions of subsection (D)(1) and the following standards are met:

- a. There shall be no advertising, sign, exterior activity, or other indications of a home occupation on the premises except as follows:
 - i. boarding and rooming houses and bed and breakfast homes may list the address of the home occupation in business or telephone directories; and
 - ii. Properties within the North Cleveland Sub-Area, as defined in Section 18.16.110, shall be permitted one sign on North Cleveland Avenue subject to the standards in Section 18.50.090.

Section 3. That Code Section 18.48.020.D.4 is hereby amended by the addition of a new subsection h as follows:

D.4. Major Home Occupations. A use shall be classified as a major home occupation, and allowed by permit in all residential districts, provided that the general provisions of subsection (D)(1) and the following standards are met:

...

- h. Properties within the North Cleveland Sub-Area, as defined in Section 18.16.110, shall be permitted one sign on North Cleveland Avenue subject to the standards in Section 18.50.090.

Section 4. That Code Section 18.50.090.D. is hereby amended to read as follows:

D. Home Occupation Sign. No signs are allowed in conjunction with any home occupation, except for properties within the North Cleveland Sub-Area, as defined in Section 18.16.110, which shall be permitted one sign on North Cleveland Avenue subject to the standards contained in this section.

Section 5. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full.

Section 6. That this Ordinance shall be in full force and effect ten days after its final publication, as provided in City Charter Section 4-8(b).

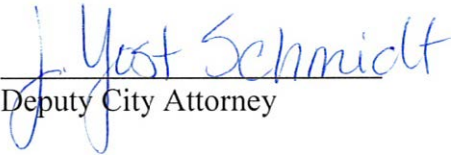
ADOPTED this 4th day of March, 2014.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Deputy City Attorney



CITY OF LOVELAND
 DEVELOPMENT SERVICES DEPARTMENT
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AGENDA ITEM: 5
MEETING DATE: 3/4/2014
TO: City Council
FROM: Greg George, Director of Development Services
PRESENTER: Bob Paulsen, Current Planning Manager

TITLE:

An Ordinance on Second Reading Amending Section 18.60.020 of the Loveland Municipal Code Pertaining to Variances Granted by the Zoning Board of Adjustment

RECOMMENDED CITY COUNCIL ACTION:

Adopt the ordinance on second reading as presented.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

SUMMARY:

This is a legislative action to adopt an ordinance on second reading amending the zoning board of adjustment provisions of Title 18. The proposed revisions clarify the powers of the zoning board of adjustment to grant variances, specifying that the board has the power to grant variances to properties in all zoning districts and authorizing the board to grant variances for dimensional and numerical standards. This ordinance was approved unanimously on first reading by Council on February 18, 2014 at the regular meeting.

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

BACKGROUND:

Chapter 18.60 of the Municipal Code grants the Zoning Board of Adjustment (the Board) the authority to grant variances that offer relief where there are practical difficulties or unnecessary hardships in the way of carrying out the strict letter of the Code. The amendment provides clarifications and minor adjustments to the authorities of the Board as follows:

1. Specifies that the Board has the authority to grant variances for properties in each zoning district, clarifying that the Board's authority extends to properties zoned Planned Unit Development (PUD).
2. Clarifies that variances cannot be granted to authorize a special review use or a "use not otherwise allowed" by applicable zoning regulations.
3. Extends the authority of the Board to grant variances to dimensional and numerical standards specified in the Code (with limitations relating to signs and building height). Existing Code provisions limit variances to the specific categories of lot area, lot dimensions and setbacks. With the broadened authority, variances can be granted for fence height, landscaping area, certain architectural requirements, and other site and building features that are defined numerically.

The Planning Commission considered this amendment addressing the Zoning Board of Adjustment (ZBA) authorities in a public hearing on November 25, 2013. The amendment was part of a larger grouping of amendments that the Commission recommended for City Council approval by a vote of 7-1. This ZBA amendment was reviewed and supported by the Title 18 Committee.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

1. Ordinance
2. Complete first reading packet on February 18, 2014 can be accessed at:
<http://www.cityofloveland.org/index.aspx?page=20&recordid=49805>

FIRST READING February 18, 2014

SECOND READING March 4, 2014

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTION 18.60.020 OF THE LOVELAND MUNICIPAL CODE PERTAINING TO VARIANCES GRANTED BY THE ZONING BOARD OF ADJUSTMENT

WHEREAS, Section 18.60.020 of the Loveland Municipal Code (“Code”) sets forth the powers and duties of the zoning board of adjustment with respect to variances, which are currently limited to standards for lot area, lot dimensions, and setback requirements, square footage of accessory structures, percentage of open space, and setbacks and space for certain signage; and

WHEREAS, the Loveland City Council (“Council”) desires to modify Section 18.60.020 to permit variances with respect to other numerical and dimensional standards within Title 18 of the Code, with the exception of standards relating to building height and certain standards relating to signs which shall remain limited by Code Sections 18.60.040; and

WHEREAS, Council also desires to clarify that that the power to grant variances under Code Section 18.60.040 extends to all zoning districts, including the PUD zone district.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That Code Section 18.60.020 is hereby amended as follows:

18.60.020 Powers and duties.

The board of adjustment shall have the powers and duties to grant variances from certain standards set forth in this title 18 subject to and in compliance with this chapter and the laws of the state. Where there are practical difficulties or unnecessary hardships in the way of carrying out the strict letter of this title, the board of adjustment may vary or modify certain regulations or provisions to the title so that the spirit of the title is observed, public safety and welfare secured, and substantial justice done.

The board of adjustment shall have the power to grant variances for properties within each zoning district; however, variances cannot be granted to authorize a special review use or a use not otherwise permitted within a given zoning district.

The board of adjustment has the power to vary or modify the application of the regulations or provisions of this title related to the following:

Standards for lot area, lot dimensions, setback requirements, and other dimensional and numerical standards within this title, with the exception of standards relating to building height (see chapter 18.54) and limited to standards relating to signs as specified in section 18.60.040 below.

After considering if a proposed variance meets the applicable criteria in Section 18.60.030 and 18.60.040 below, the board shall take action to approve, approve with conditions or deny the application.

Section 2. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full.

Section 3. That this Ordinance shall be in full force and effect ten days after its final publication, as provided in City Charter Section 4-8(b).

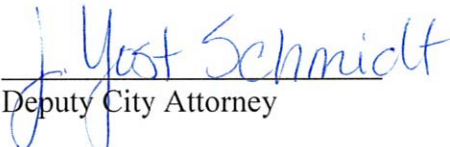
ADOPTED this 4th day of March, 2014.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Deputy City Attorney



CITY OF LOVELAND
 DEVELOPMENT SERVICES DEPARTMENT
 Civic Center • 500 East 3rd Street • Loveland, Colorado 80537
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AGENDA ITEM: 6
MEETING DATE: 3/4/2014
TO: City Council
FROM: Greg George, Development Services Department
PRESENTER: Brian Burson, Current Planning Division

TITLE:

An Ordinance on Second Reading Vacating a Portion of a Drainage and Utility Easement in Lot 7, Block 7, Mariana Cove PUD Subdivision, City of Loveland

RECOMMENDED CITY COUNCIL ACTION:

Adopt the ordinance as presented on second reading.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

SUMMARY:

This item is a legislative action to adopt an ordinance on second reading to vacate a 15 foot wide portion of utility and drainage easement along the south side of Lot 7, Block 7, Mariana Cove PUD Subdivision. The owner of the property is Dan Wester. This ordinance was approved unanimously by Council on February 18, 2014 at the regular meeting.

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

BACKGROUND:

The easement was originally dedicated as part of the final plat of Mariana Cove PUD Subdivision. It is unusually wide, and occupies a significant amount of lot area that could be made available for construction of a new custom-built home that would comply with the required side yard setbacks. The application has been routed to all providers of utilities for this subdivision. No objection or concerns have been indicated by these providers.

City Council conducted a public hearing, and considered the ordinance on first reading, on February 18, 2014. City Council approved the ordinance on first reading by unanimous vote, as part of the Consent Agenda. No further information has been received by City staff since first reading, and the ordinance remains as presented on first reading.

REVIEWED BY CITY MANAGER:



LIST OF ATTACHMENTS:

1. Ordinance
2. Complete first reading packet from February 18, 2013 can be accessed at:
<http://www.cityofloveland.org/index.aspx?page=20&recordid=49805>

FIRST READING: February 18, 2014

SECOND READING: March 4, 2014

ORDINANCE NO.

**AN ORDINANCE VACATING A PORTION OF A DRAINAGE AND UTILITY
EASEMENT
IN LOT 7, BLOCK 7, MARIANA COVE PUD SUBDIVISION, CITY OF LOVELAND**

WHEREAS, the City Council, at a regularly scheduled meeting, considered the vacation of that portion of the drainage and utility easement described below and located in Lot 7, Block 7, Mariana Cove PUD Subdivision, City of Loveland, County of Larimer, State of Colorado; and

WHEREAS, the City Council finds and determines that no land adjoining the portions of the easement to be vacated is left without an established public or private easement connecting said land with another established public or private easement; and

WHEREAS, the City Council finds and determines that the portion of the easement to be vacated is no longer necessary for the public use and convenience; and

WHEREAS, the City Council further finds and determines that the application filed with the Current Planning Division was signed by the owners of more than 50% of property abutting the easement to be vacated.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the City Council hereby adopts and makes the findings set forth above.

Section 2. That based on the City Council's findings described above, the following portion of the drainage and utility easement be and the same is hereby vacated:

A portion of the 15' Drainage and Utility Easement located in Lot 7, Block 7, of Mariana Cove PUD Subdivision, as recorded in reception no. 19940032684 of Larimer County, Colorado records, being a subdivision of a portion of Section 20, Township 5 North, Range 69 West of the Sixth Principal Meridian, City of Loveland, Larimer County, Colorado, more particularly described as Follows:

The Southerly line of said Lot 7, Block 7, was assumed to bear South 70°23'47" West according to the Recorded Plat of Mariana Cove PUD Subdivision, with all bearings contained herein relative thereto.

Commencing at the Southeasterly corner of said Lot 7 Block 7;

thence South 70°23'47" West, along the Southerly line of said Lot 7 Block 7, a distance of 15.00 feet to the POINT OF BEGINNING;
 thence continuing along said Southerly line South 70°23'47" West, a distance of 60.46 feet;
 thence North 65°06'13" West, along the Westerly line of said Lot 7 Block 7, a distance of 14.79 feet;
 thence departing said Westerly Line, North 19°36'13" West, a distance of 21.03 feet;
 thence South 65°06'13" East, a distance of 23.40 feet;
 thence North 70°23'47" East, a distance of 54.32 feet;
 thence South 19°36'13" East, a distance of 15.00 feet to the POINT OF BEGINNING.
 Containing 1,147.00 square feet or 0.0263 acres, more or less.

Section 3. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full.

Section 4. That this Ordinance shall be in full force and effect ten days after its final publication, as provided in City Charter Section 4-8(b).

Section 5. That the City Clerk is hereby directed to record the Ordinance with the Larimer County Clerk and Recorder after its effective date in accordance with State Statutes.

Signed this 4th day of March, 2014.

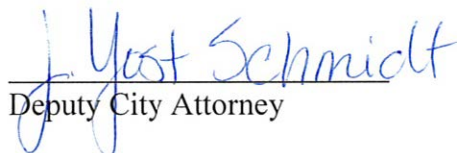
ATTEST:

CITY OF LOVELAND, COLORADO:

 City Clerk

 Cecil A. Gutierrez, Mayor

APPROVED AS TO FORM:


 Deputy City Attorney



CITY OF LOVELAND
WATER & POWER DEPARTMENT
 200 North Wilson • Loveland, Colorado 80537
 (970) 962-3000 • FAX (970) 962-3400 • TDD (970) 962-2620

AGENDA ITEM: 7
MEETING DATE: 3/4/2014
TO: City Council
FROM: Melissa Morin, Water & Power Department
PRESENTER: Melissa Morin, Civil Engineer

TITLE:

An Ordinance on Second Reading Amending the Loveland Municipal Code at Chapters 13.04 and 13.08 to Revise the City's Water and Wastewater Reimbursement and Oversizing Policies and to Relocate the Policies from the City's Water and Wastewater Development Standards to the Loveland Municipal Code

RECOMMENDED CITY COUNCIL ACTION:

Adopt the ordinance on second reading.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

SUMMARY:

This is a legislative action to amend the Loveland Municipal Code concerning reimbursements for water and wastewater line extensions, major structures and oversizing of lines. This ordinance was approved unanimously on first reading by Council on February 18, 2014 at the regular meeting.

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

BACKGROUND:

Presently the Department's policy for reimbursement agreements and oversize agreements is contained within the City of Loveland Water and Wastewater Development Standards ("Standards") at Chapter 1, Section 10 (or Section 1.10), titled "Public Water and Wastewater Extension, Oversize and Reimbursement." This section contains the definition and

requirements for reimbursement for main extensions and major structures, and for oversize reimbursement agreements.

The Standards need updating and clarification. While making these changes and in order to improve visibility to developers and the public, it is recommended to move these sections out of the Standards and into the Loveland Municipal Code. The following issues are addressed by the proposed changes:

- 1) Add a "public reimbursement" definition and record notice for when the Department is the "developer" and seeks reimbursement on future developable properties. A public reimbursement agreement would have a less stringent definition for term of contract.
- 2) Add a "future subdivision" point for collection. The Department was finding it very difficult to track existing private reimbursement agreements on tracts of lands that were subdividing into smaller parcels. There were no terms in the original agreements to cover this situation. Our desire is to collect the reimbursement at the time of subdivision, which we consider development.
- 3) Add a clause that if a parcel subject to an existing reimbursement agreement decides to develop and wishes to connect to a neighboring water or wastewater district's lines, if the City approves the petition to transfer service, the owner of the parcel would not be responsible for paying the reimbursement due under the agreement.
- 4) Clearer definition of when the reimbursements are due so that they are easier for staff to track
- 5) Modify the length of private reimbursement agreement term from 20 years to 10 years.
- 6) A procedural update requiring the Developer to notify the encumbered properties of the Reimbursement Agreement being recorded on their property prior to the City beginning any collection. Previously no notice was given. The new process will be similar to how the Public Works Department processes their Third Party Reimbursement Agreements. (This item was recognized as important to CAB.)

Staff has found that the codes for some neighboring cities (Greeley, Boulder, and Fort Collins) have policies similar to ours contained within their codes.

LUC unanimously recommended adoption of the Ordinance on September 18, 2013.

CAB unanimously recommended adoption of the Ordinance on January 22, 2014.

City Council unanimously approved the Ordinance on first reading on February 18, 2014.

REVIEWED BY CITY MANAGER:

William D. Cabell

LIST OF ATTACHMENTS:

1. Ordinance
2. Complete first reading packet from February 18, 2013 can be accessed at:
<http://www.cityofloveland.org/index.aspx?page=20&recordid=49805>

FIRST READING February 18, 2014

SECOND READING March 4, 2014

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE LOVELAND MUNICIPAL CODE AT CHAPTERS 13.04 AND 13.08 TO REVISE THE CITY’S WATER AND WASTEWATER REIMBURSEMENT AND OVERSIZING POLICIES AND TO RELOCATE THE POLICIES FROM THE CITY’S WATER AND WASTEWATER DEVELOPMENT STANDARDS TO THE LOVELAND MUNICIPAL CODE

WHEREAS, the City of Loveland has adopted water line and wastewater line reimbursement and oversizing policies, both of which are set forth in the City’s Water and Wastewater Development Standards; and

WHEREAS, Water Department staff has proposed certain revisions to these policies to improve reimbursement and oversizing administrative practices, and to address reimbursements and oversizing requirements for water booster stations and wastewater lift stations; and

WHEREAS, Water Department staff has also proposed that the revised policies be relocated from the Water and Wastewater Development Standards to the Loveland Municipal Code for greater visibility; and

WHEREAS, the Loveland Utilities Commission reviewed the proposed revisions at its September 18, 2013 meeting and unanimously recommended that the City Council adopt the proposed revisions; and

WHEREAS, the Construction Advisory Board reviewed the proposed revisions at its January 22, 2014 meeting and unanimously recommended that the City Council adopt the proposed revisions.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That Subsection J. of Section 13.04.031 of the Loveland Municipal Code is hereby amended to read as follows:

13.04.031 System impact fee regulations.

...

J. At the time system impact fees are due and payable for a property, the applicant for a water service meter shall also pay any charges for open area system impact fees which have previously been paid and which the city has,

by contract, agreed to collect from dwellings appurtenant thereto, and any applicable sewer system impact fees as set forth in Chapter 13.08.

Section 2. That Chapter 13.04 of the Loveland Municipal Code is hereby amended by the addition of a new Section 13.04.320 to read as follows:

13.04.320 Reimbursement for water mains.

- A. When a developer extends a water main through or adjacent to other property in order to serve his development, and where such other property has the potential to develop in the future in a way that could require use of the main, the developer may request a third-party reimbursement agreement in accordance with the provisions of this section. Any developer requesting a third-party reimbursement agreement must submit a draft agreement to the water and power department prior to the time the department signs the final public improvement construction plans, and must submit a final agreement to the department within thirty (30) days after initial acceptance of the water main by the city. All such reimbursement agreements shall be in a form approved by the director of the water and power department in consultation with the city attorney. The reimbursement amount shall be determined on a cost per linear foot of the property adjacent to the water main. The city shall attempt to collect the reimbursement amount, but shall not be obligated to collect the reimbursement amount, initiate or defend any legal proceeding to collect the reimbursement amount, or pay the developer a sum equal to the reimbursement amount if collection efforts are unsuccessful. The term of any third-party reimbursement agreement established hereunder shall be ten (10) years from the date of execution, regardless of whether the developer has been reimbursed. Prior to expiration of the agreement, the developer may request that the City Council approve a one-time extension of the term of the agreement, not to exceed an additional ten (10) years, for good cause shown. All third-party reimbursement agreements, and any extensions thereof, shall be recorded with the Larimer County Clerk and Recorder at the developer's expense.
- B. An applicant desiring to connect to the city's water system to serve property subject to a third-party reimbursement agreement shall pay to the city the reimbursement amount attributable to the applicant's property. The reimbursement amount shall be due and paid prior to connection to the city's water system, or prior to the city's approval of a subdivision final plat if the property is subdivided after the date of the reimbursement agreement, whichever occurs first. No building permit for property subject to a third-party reimbursement agreement shall be issued until the reimbursement amount is paid.
- C. When the city extends a water main as a system improvement at the city's expense, the city may require adjacent property owners to pay a portion of the cost of the main. The reimbursement amount shall be determined on a cost per linear foot of property adjacent to the water main. The

reimbursement amount shall be due and paid prior to connection to the city's water system, or prior to the city's approval of a subdivision final plat if the property is subdivided after the date on which the main is placed into service, whichever occurs first. No building permit for property subject to the payment requirement set forth herein shall be issued until the reimbursement amount is paid. The reimbursement obligation shall remain in effect and shall be enforceable as long as the main is in service. The city shall record with the Larimer County Clerk and Recorder a notice of the encumbrance and reimbursement amount due for each encumbered property.

- D. If the city installs or causes a developer to install a water main larger than that required to serve the water demands of the developer's property, or the water demands of the developer's property and adjacent properties in the case of a main intended to serve both of them, the city shall be responsible for the cost of the oversizing. The method for determining the city's share of the oversizing costs shall be established at the time the installation of the main is authorized, and payment of that oversizing amount shall be made over a period not to exceed ten (10) years following the city's acceptance of the main, subject to the limitations of Article X, Section 20 of the Colorado Constitution. The city and the developer shall enter into an oversizing reimbursement agreement, the form of which shall be approved by the director of the water and power department in consultation with the city attorney.
- E. Notwithstanding anything herein to the contrary, if the owner of property encumbered by a third-party reimbursement agreement or a recorded notice of reimbursement due to the city files a successful petition to be removed from the city's water service area, said owner shall not be required to pay the reimbursement amount, and the city shall not be required to collect it.

Section 3. That Chapter 13.04 of the Loveland Municipal Code is hereby amended by the addition of a new Section 13.04.330 to read as follows:

13.04.330 Reimbursement for water booster stations.

- A. The water and power department is authorized to cause surveys or engineering studies to be made for the purpose of determining those areas either within or without the city that would require the installation and operation of water booster stations to ensure adequate water pressure and supply to the area. The booster station service areas may include areas outside the city that might by annexation become a part of the city or that pursuant to an agreement with the city are being provided out-of-city water service.
- B. When a booster station is required because of development within the booster station service area, the cost of its construction is entirely the responsibility of the owners of the property to be served by the booster station. If only a part of a booster station service area is initially

developed, the developer shall be required to install a booster station of sufficient capacity to serve the entire area. The developer may request a third-party reimbursement agreement in accordance with the provisions of this section. Any developer requesting a third-party reimbursement agreement must submit a draft agreement to the water and power department prior to the time the department signs the final public improvement construction plans, and must submit a final agreement to the water and power department within thirty (30) days after initial acceptance of the water booster station by the city. All such reimbursement agreements shall be in a form approved by the director of the water and power department in consultation with the city attorney. The reimbursement amount shall be determined on a cost per developable area being served by the water booster station, as determined by the director of the water and power department. The city shall attempt to collect the reimbursement amount, but shall not be obligated to collect the reimbursement amount, initiate or defend any legal proceeding to collect the reimbursement amount, or pay the developer a sum equal to the reimbursement amount if collection efforts are unsuccessful. The term of any third-party reimbursement agreement established hereunder shall be ten (10) years from the date of execution, regardless of whether the developer has been reimbursed. Prior to expiration of the agreement, the developer may request that the City Council approve a one-time extension of the term of the agreement, not to exceed an additional ten (10) years, for good cause shown. All third-party reimbursement agreements, and any extensions thereof, shall be recorded with the Larimer County Clerk and Recorder at the developer's expense

- C. An applicant desiring to connect to the city's water system to serve property subject to a developer's third-party reimbursement agreement with the city shall pay to the city the reimbursement amount attributable to that applicant's property. The reimbursement amount shall be due and paid prior to connection to the city's water system. No building permit for property subject to a third-party reimbursement agreement shall be issued until the reimbursement amount is paid.
- D. When the city constructs a water booster station at the city's expense, the city may require property owners within the booster station service area to pay their share of the cost of the booster station. The reimbursement amount shall be determined on a cost per developable area to be served by the booster station, as determined by the director of the water and power department. The reimbursement amount shall be due and paid prior to connection to the city's water system. The reimbursement obligation shall remain in effect and shall be enforceable as long as the booster station is in service. No building permit for property subject to the payment reimbursement set forth herein shall be issued until the reimbursement amount is paid. The city shall record with the Larimer County Clerk and Recorder a notice of the encumbrance and reimbursement amount due for each encumbered property.

- E. Notwithstanding anything herein to the contrary, if the owner of property encumbered by a third-party reimbursement agreement or a recorded notice of reimbursement due to the city files a successful petition to be removed from the city’s water service area, said owner shall not be required to pay the reimbursement amount, and the city shall not be required to collect it.

Section 4. That Subsection E. of Section 13.08.040 of the Loveland Municipal Code is hereby amended to read as follows:

13.08.040 System impact fees.

...

- E. The applicant shall also pay, at the time that system impact fees are paid, any applicable water system impact fees as set forth in Section 13.04.030.

Section 5. That Chapter 13.08 of the Loveland Municipal Code is hereby amended by the addition of a new Section 13.08.140 to read as follows:

13.08.140 Reimbursement for wastewater mains.

- A. Any developer extending a wastewater main through or adjacent to other undeveloped property in order to serve his development and such other undeveloped property has the potential to develop in the future, the developer may request a third-party reimbursement agreement in accordance with the provisions of this section. Any developer requesting a third-party reimbursement agreement must submit a draft agreement to the water and power department prior to the time the department signs the final public improvement construction plans, and must submit a final agreement to the water and power department within thirty (30) days after initial acceptance of the wastewater main by the city. All such reimbursement agreements shall be in a form approved by the director of the water and power department in consultation with the city attorney. The reimbursement amount shall be determined on a cost per linear foot of the other undeveloped property adjacent to the wastewater main. The city shall attempt to collect the reimbursement amount, but shall not be obligated to collect the reimbursement amount, initiate or defend any legal proceeding to collect the reimbursement amount, or pay the developer a sum equal to the reimbursement amount if collection efforts are unsuccessful. The term of any third-party reimbursement agreement established hereunder shall be ten (10) years from the date of execution, regardless of whether the developer has been reimbursed. Prior to expiration of the agreement, the developer may request that the City Council approve a one-time extension of the term of the agreement, not to exceed an additional ten (10) years, for good cause shown. All third-party reimbursement agreements, and any extensions thereof, shall be recorded with the Larimer County Clerk and Recorder at the developer’s expense

- B. An applicant desiring to connect to the city's wastewater system to serve property subject to a third-party reimbursement agreement shall pay to the city the reimbursement amount attributable to the applicant's property. The reimbursement amount shall be due and paid prior to connection to the city's wastewater system, or prior to the city's approval of a subdivision final plat if the property is subdivided after the date of the reimbursement agreement, whichever occurs first. No building permit for property subject to a third-party reimbursement agreement shall be issued until the reimbursement amount is paid.
- C. When the city extends a wastewater main as a system improvement at the city's expense, the city may require adjacent property owners to pay a portion of the cost of the main. The reimbursement amount shall be determined on a cost per linear foot of property adjacent to the wastewater main. The reimbursement amount shall be due and paid prior to connection to the city's wastewater system, or prior to the city's approval of a subdivision final plat if the property is subdivided after the date on which the main is placed into service, whichever occurs first. No building permit for property subject to the payment requirement set forth herein shall be issued until the reimbursement amount is paid. The reimbursement obligation shall remain in effect and shall be enforceable as long as the main is in service. The city shall record with the Larimer County Clerk and Recorder a notice of the encumbrance and reimbursement amount due for each encumbered property.
- D. If the city installs or causes a developer to install a wastewater main larger than that required to serve the wastewater demands of the developer's property, or the wastewater demands of the developer's property and adjacent properties in the case of a main intended to serve both of them, the city shall be responsible for the cost of the oversizing. The method for determining the city's share of the oversizing costs shall be established at the time the installation of the main is authorized, and payment of that oversizing amount shall be made over a period not to exceed ten (10) years following the city's acceptance of the main, subject to the limitations of Article X, Section 20 of the Colorado Constitution. The city and the developer shall enter into an oversizing reimbursement agreement, the form of which shall be approved by the director of the water and power department in consultation with the city attorney.
- E. Notwithstanding anything herein to the contrary, if the owner of property encumbered by a third-party reimbursement agreement or a recorded notice of reimbursement due to the city files a successful petition to be removed from the city's wastewater service area, said owner shall not be required to pay the reimbursement amount, and the city shall not be required to collect it.

Section 6. That Chapter 13.08 of the Loveland Municipal Code is hereby amended by the addition of a new Section 13.08.150 to read as follows:

13.08.150 Reimbursement for lift stations.

- A. The water and power department is authorized to cause surveys or engineering studies to be made for the purpose of determining those areas either within or without the city that would require the installation and operation of lift stations to ensure adequate wastewater service to the area. The lift station service areas may include areas outside the city that might by annexation become a part of the city or that pursuant to an agreement with the city are being provided out-of-city wastewater service.
- B. When a lift station is required because of development within the lift station service area, the cost of its construction is entirely the responsibility of the owners of the property to be served by the lift station. If only a part of a lift station service area is initially developed, the developer shall be required to install a lift station of sufficient capacity to serve the entire area. The developer may request a third-party reimbursement agreement. Any developer requesting a third-party reimbursement agreement must submit a draft agreement to the water and power department prior to the time the department signs the final public improvement construction plans, and must submit a final agreement to the water and power department within thirty (30) days after initial acceptance of the lift station by the city. All such reimbursement agreements shall be in a form approved by the director of the water and power department in consultation with the city attorney. The reimbursement amount shall be determined on a cost per developable area to be served by the lift station, as determined by the director of the water and power department. The city shall attempt to collect the reimbursement amount, but shall not be obligated to collect the reimbursement amount, initiate or defend any legal proceeding to collect the reimbursement amount, or pay the developer a sum equal to the reimbursement amount if collection efforts are unsuccessful. The term of any third-party reimbursement agreement established hereunder shall be ten (10) years from the date of execution, regardless of whether the developer has been reimbursed. Prior to expiration of the agreement, the developer may request that the City Council approve a one-time extension of the term of the agreement, not to exceed an additional ten (10) years, for good cause shown. All third-party reimbursement agreements, and any extensions thereof, shall be recorded with the Larimer County Clerk and Recorder at the developer's expense.
- C. An applicant desiring to connect to the city's wastewater system to serve property subject to a developer's third-party reimbursement agreement with the city shall pay to the city the reimbursement amount attributable to that applicant's property. The reimbursement amount shall be due and paid prior to connection to the city's wastewater system. No building permit for property subject to a third-party reimbursement agreement shall be issued until the reimbursement amount is paid.
- D. When the city constructs a lift station at the city's expense, the city may require property owners within the lift station service area to pay a portion of the cost of the lift station. The reimbursement amount shall be

determined on a cost per developable area to be served by the lift station, as determined by the director of the water and power department. The reimbursement amount shall be due and paid prior to connection to the city's wastewater system. No building permit for property subject to the payment requirement set forth herein shall be issued until the reimbursement amount is paid. The reimbursement obligation shall remain in effect and shall be enforceable as long as the lift station is in service. The city shall record with the Larimer County Clerk and Recorder a notice of the encumbrance and reimbursement amount due for each encumbered property.

- E. Notwithstanding anything herein to the contrary, if the owner of property encumbered by a third-party reimbursement agreement or a recorded notice of reimbursement due to the city files a successful petition to be removed from the city's wastewater service area, said owner shall not be required to pay the reimbursement amount, and the city shall not be required to collect it.

Section 7. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading, in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect ten days after its final publication, as provided in City Charter Section 4-8(b).

ADOPTED this 4th day of March, 2014.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Assistant City Attorney



CITY OF LOVELAND
WATER & POWER DEPARTMENT
 200 North Wilson • Loveland, Colorado 80537
 (970) 962-3000 • FAX (970) 962-3400 • TDD (970) 962-2620

AGENDA ITEM: 8
MEETING DATE: 3/4/2014
TO: City Council
FROM: Brieana Reed-Harmel, Water & Power Department
PRESENTER: Brieana Reed-Harmel, Senior Electrical Engineer

TITLE:

An Ordinance on Second Reading Amending the Loveland Municipal Code at Chapter 13.12 Regarding Electricity to Adopt an Electric Line Extension Policy and to Clarify Existing Electric Service Requirements

RECOMMENDED CITY COUNCIL ACTION:

Approve the ordinance on second reading.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

SUMMARY:

This is a legislative action. This ordinance on second reading amends the Municipal Code concerning electric line extensions and oversizing of lines. This ordinance was approved unanimously on first reading by Council on February 18, 2014 at the regular meeting.

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

BACKGROUND:

This item amends the Loveland Municipal Code to address electric line extensions, oversizing of lines, and some other technical changes.

Extensions: The current practice for the Power Division is to require the developer to pay for the 200 amp line extension to the point of delivery of the development and the infrastructure to serve the development. The extension through the development area has been borne by the

utility. The Power Division is proposing that the Code require the line extension to be to the furthest point in the development area if determined necessary by the Power Division to facilitate orderly growth of the system

This is similar to the requirements for the Water/Wastewater Division, which is that their lines be extended through the edge of the developed area to facilitate orderly growth of the system and this cost be borne by the customer.

This new policy will provide additional benefit to the development and to customers. The extensions through the development area are done to provide loop connections to adjacent development areas. Most large developments are already designed with a minimum of two connections to the 600 amp feeder system, however smaller developments near the edges of the system may take time to have this benefit as areas around it develop at different rates. Installing duct for lines at the time of initial development eliminates future disturbance of the landscaping and does not significantly impact the initial development costs. Also, due to the fact that the electric utility only has two sizes of the primary system, if the extension through the development area will be oversized, this then becomes a 600 amp system improvement cost paid by Plant Investment Fees (PIF).

Oversizing: The Power Division currently has a policy for oversizing the electric lines that is contained with the sections for overhead and underground electric systems (Sections 13.12.080 and 13.12.091). This policy states that the cost to provide excess capacity into the designed system shall be borne by the City. This language will be pulled out of these individual sections and placed into a new section titled "Oversizing of Electric Lines". This will provide clarity, while helping to simplify the code.

Other Technical Changes: Other Code changes are proposed to add clarification, eliminate redundancies or contradictions and standardize language:

- The Power Division proposes removal of language that the electric meters may be authorized to be placed on the inside of the premises if reasonable access will be provided. This statement is contradictory to other statements in this paragraph, language in the *Requirements for Electric Services* book, and the Fire Department's access requirements.

The entire Chapter 13.12 will be renumbered to accommodate the addition of the sections on "Oversizing of Electric Lines" and the "Electric Line Extensions".

All of these changes have been reviewed and approved for recommendation by two commissions. The Loveland Utilities Commission unanimously recommended adoption of the ordinance at the September 18, 2013 meeting. The Construction Advisory Board unanimously recommended adoption of the ordinance at the January 22, 2014 meeting.

REVIEWED BY CITY MANAGER:

William D. Cahill

LIST OF ATTACHMENTS:

1. Ordinance
2. Complete first reading packet from February 18, 2013 can be accessed at:
<http://www.cityofloveland.org/index.aspx?page=20&recordid=49805>

FIRST READING February 18, 2014

SECOND READING March 4, 2014

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE LOVELAND MUNICIPAL CODE AT CHAPTER 13.12 REGARDING ELECTRICITY TO ADOPT AN ELECTRIC LINE EXTENSION POLICY AND TO CLARIFY EXISTING ELECTRIC SERVICE REQUIREMENTS

WHEREAS, Power Utility staff recommends that the City Council adopt an electric line extension policy consistent with the policies adopted for water and wastewater line extensions, and that Chapter 13.12 of the Loveland Municipal Code be amended to include the proposed electric line extension policy and to clarify certain other existing electric service requirements; and

WHEREAS, the Loveland Utilities Commission reviewed the proposed electric line extension policy and proposed changes to Chapter 13.12 at its September 18, 2013 meeting and unanimously recommended that the City Council adopt the policy and approve those changes; and

WHEREAS, the Construction Advisory Board reviewed the proposed electric line extension policy and proposed changes to Chapter 13.12 at its January 22, 2014 meeting and unanimously recommended that the City Council adopt the policy and approve those changes.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That Chapter 13.12 of the Loveland Municipal Code is hereby renumbered as follows:

Chapter 13.12

ELECTRICITY

Sections:

- 13.12.010** **Establishment of service.**
- 13.12.020** **Electric Development Standards.**
- 13.12.030** **Electric cooperatives.**
- 13.12.040** **Electric meters.**
- 13.12.050** **Overhead electric systems.**
- 13.12.060** **Underground electric systems – Residential.**
- 13.12.070** **Underground electric systems – Commercial and industrial.**
- 13.12.080** **Oversizing of electric lines.**
- 13.12.090** **Electric line extensions.**

- 13.12.100** **Costs – How paid.**
- 13.12.110** **Undergrounding of existing overhead electrical systems.**
- 13.12.120** **Interior wiring.**
- 13.12.130** **Electrical system disturbances.**
- 13.12.140** **Dangerous conditions.**
- 13.12.150** **Electric facilities expansion fund.**
- 13.12.160** **Street lighting.**
- 13.12.170** **Unmetered service for street lighting.**
- 13.12.180** **Cogeneration and small power production.**
- 13.12.190** **Interconnection Standard.**

All cross-references to such sections in the Loveland Municipal Code shall be updated in accordance with the renumbering set forth in this Section 1.

Section 2. That Section 13.12.040 of the Loveland Municipal Code is hereby amended to read as follows:

13.12.040 Electric meters.

The department shall furnish and install all necessary meters, and the same shall remain the property of the city. The location of all new meters for new construction shall be determined by the city and installed on the outside of the customer’s premises. All meters now located on the inside of a customer’s premises shall be moved to the outside when there is a change of service.

Section 3. That Section 13.12.050 of the Loveland Municipal Code is hereby amended to read as follows:

13.12.050 Overhead electric systems.

The city shall design, furnish material, install, and energize all overhead electric system extensions, and the same shall remain the property of the city. The cost of the system necessary to provide service, including direct and indirect costs of design, inspection, labor, material, and equipment, shall be borne by the customer, owner, developer, or contractor receiving the service. The electric department shall furnish material, energize, and maintain all individual overhead services up to the weatherhead, and the same shall remain the property of the city.

Section 4. That Section 13.12.060 of the Loveland Municipal Code is hereby amended to read as follows:

13.12.060 Underground electric systems – Residential.

The city shall design, furnish material, and energize all underground electric system extensions. The cost of the system necessary to provide service, including direct and indirect costs of design, inspection, labor, material, and equipment, shall be borne by the customer, owner, developer, or contractor receiving the service. Such person receiving the service will provide the earth work, including installation of vaults, trenching, backfilling, and compaction, and install primary and secondary CIC cables at his own expense and to city

specifications. Contractor personnel designated to handle the primary and secondary cables must first be qualified by the electric department. The city may elect to bid the earth work and installation of CIC cables, and perform such work if so requested. The city's bid price is to be based on current electric department unit prices; such prices to periodically be reviewed and updated. The installation of transformers and all primary and secondary terminations will be performed by the electric department. The underground service from the secondary/service splice box or transformer to the meter shall be installed by, and at the expense of, the person receiving the service, and such work shall be owned and installed by the city at the expense of the customer, owner, developer, or contractor receiving the service.

Section 5. That Chapter 13.12 of the Loveland Municipal Code is hereby amended by addition of a new Section 13.12.080 to read as follows:

13.12.080 Oversizing of electric lines.

The cost of any capacity designed into the system in excess of that necessary to serve the customer, as determined by the city, shall be borne by the city.

Section 6. That Chapter 13.12 of the Loveland Municipal Code is hereby amended by addition of a new Section 13.12.090 to read as follows:

13.12.090 Electric line extensions.

As determined necessary by the department, electric feeders shall be installed to the furthest point(s) of a development project area and within all rights-of-way. Such installation is intended to facilitate the orderly continuation of the electric system and to provide adequate service to the properties beyond a development project area. All feeders and electric lines providing service to or within a development project area shall be at the sole cost of the developer. For the purposes of this section, "development project area" shall mean an area approved by the city for development or re-development.

Section 7. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect ten days after its final publication, as provided in City Charter Section 4-8(b).

ADOPTED this 4th day of March, 2014.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

Shawn L. Oltus
Assistant City Attorney



CITY OF LOVELAND
PARKS & RECREATION DEPARTMENT
 Civic Center • 500 East Third • Loveland, Colorado 80537
 (970) 962-2303 • FAX (970) 962-2903 • TDD (970) 962-2620

AGENDA ITEM: 9
MEETING DATE: 3/4/2014
TO: City Council
FROM: Gary Havener, Parks and Recreation Director
PRESENTER: Brian Hayes, Open Lands Coordinator

TITLE:

An Ordinance on Second Reading Authorizing the Conveyance of the City of Loveland's one Sixth Fee Title Interest in a Portion of Long View Farm Open Space to the State of Colorado, Approving an Amendment to the Related Declaration of Covenants, Conditions and Restrictions, and Granting an Adjacent Temporary Easement to Permit Access and Work by the Colorado Department of Transportation

RECOMMENDED CITY COUNCIL ACTION:

Approve the ordinance on second reading.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

SUMMARY:

This is an administrative action. The ordinance on second reading authorizes the City to convey its 1/6 interest and grant a temporary easement to the State for road and drainage improvements at the intersection of U.S. Highway 287 and S.H. 392 (Carpenter Road), and to modify the associated covenants to allow for the improvements. The Colorado Department of Transportation (CDOT) is in the process of planning and designing a project at the intersection of U.S. Highway 287 and S.H. 392 (Carpenter Road) in order to provide a more efficient turning radius and as part of that project will be improving drainage. The State is seeking to purchase land that is jointly owned by the City, Larimer County and Fort Collins for these improvements and seeks a temporary easement for access and construction of the improvements. This ordinance was approved unanimously on first reading by Council at the February 18, 2014 regular meeting.

BUDGET IMPACT:

- Positive
 Negative

Neutral or negligible

Open Lands Sales Tax Fund 202 will receive approximately \$177.67 in net proceeds from the sale of the small corner of the Long View Farm Open Space.

BACKGROUND:

Long View Farm, consisting of 478.50 acres, was purchased in 1997 for \$2,465,000 as a partnership between Larimer County, the City of Fort Collins and the City of Loveland. Great Outdoors Colorado (GOCO) also provided funding for the open space project.

As a part of the GOCO requirements, Legacy Land Trust (LLT) holds the Declaration of Covenants, Conditions and Restrictions (CCR's) that have been placed of record on the property which preserve the property in perpetuity. The property is managed by Larimer County Open Lands, and it presently has a five-year farm lease for dryland wheat production.

In order to sell the Property to the State (CDOT) and permit the improvements, the Property must be released from the Declaration of Covenants, Conditions, and Restrictions held by the City, County, Fort Collins and Legacy Land Trust.

CDOT hired Western States Land Services, Inc. who determined the value for the purchase of 3,098 square feet and the purchase of a temporary easement consisting of 1,328 square feet to be \$1,270.00.

The City of Loveland has a 1/6 (16.7%) fee title ownership percentage in the property. GOCO will also receive a portion of the proceeds along with Larimer County and the City of Fort Collins.

The intersection improvement project is planned to start on April 1, 2014.

REVIEWED BY CITY MANAGER:



LIST OF ATTACHMENTS:

1. Ordinance
2. Complete first reading packet from February 18, 2013 can be accessed at:
<http://www.cityofloveland.org/index.aspx?page=20&recordid=49805>

First Reading: February 18, 2014

Second Reading: March 4, 2014

ORDINANCE _____

AN ORDINANCE AUTHORIZING THE CONVEYANCE OF THE CITY OF LOVELAND’S ONE SIXTH FEE TITLE INTERERST IN A PORTION OF LONG VIEW FARM OPEN SPACE TO THE STATE OF COLORADO, APPROVING AN AMENDMENT TO THE RELATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, AND GRANTING AN ADJACENT TEMPORARY EASEMENT TO PERMIT ACCESS AND WORK BY THE COLORADO DEPARTMENT OF TRANSPORTATION

WHEREAS, the City of Loveland (“City”), the City of Fort Collins (“Fort Collins”) and Larimer County (“County”) jointly own certain property known as Long View Farm Open Space consisting of 478.5 acres and located west of U.S. Highway 287 between the City and Fort Collins legally described in **Exhibit “A”** attached and incorporated by reference (“Open Space”); and

WHEREAS, the Open Space is subject to a declaration of covenants, conditions and restrictions jointly held by the City, County, Fort Collins and Legacy Land Trust, a Colorado nonprofit corporation (“LLT”) recorded on November 15, 2001 at Reception No. 2001103042 in the Larimer County, Colorado records (“Covenants”); and

WHEREAS, the City owns an undivided one-sixth (1/6) interest in the Open Space, Fort Collins owns an undivided one-third (1/3) interest in the Open Space, and the County owns an undivided one-half (1/2) interest in the Open Space; and

WHEREAS, as part of a project to improve the intersection of U.S. Highway 287 and Carpenter Road, the State of Colorado (“State”) seeks to acquire fee title to a parcel consisting of 3,098 square feet of the Open Space located near said intersection to be used for drainage improvements, which parcel is legally described in **Exhibit “B”** attached and incorporated by reference (“Property”); and

WHEREAS, the State additionally seeks a temporary easement over the Open Space on land located adjacent to the Property to be used for access and work space during construction of the intersection improvements, which easement is legally described in **Exhibit “C”** attached and incorporated by reference (“Temporary Easement”); and

WHEREAS, in order to convey fee title in the Property to the State for the State to construct the intersection improvements, the Property must be released from the Covenants; and

WHEREAS, on November 13, 2013 the Open Lands Advisory Commission unanimously recommended approval of the proposed conveyance of the Property; and

WHEREAS, the City Council finds that the conveyance of the Property and the grant of the Temporary Easement to the State, together with the Property’s release from the Covenants, are all in the best interests of the City.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO as follows:

Section 1. The conveyance of the City’s one-sixth (1/6) fee title interest in the Property and grant of the Temporary Easement to the State are hereby approved, subject to the contemporaneous conveyance by Fort Collins and the County of their respective fee title interests in the Property and their grant of the Temporary Easement to the State.

Section 2. The proposed amendments to the Covenants to release the Property from the Covenants are hereby approved, subject to the contemporaneous approval of such amendments by Fort Collins, the County and LLT.

Section 3. The City Manager is hereby authorized and directed to execute such documents as may be necessary for the conveyance of the City’s fee title interest in the Property and the grant of Temporary Easement to the State, and to amend the Covenants for the Property’s release from the Covenants subject to such modifications in form or substance as the City Manager, in consultation with the City Attorney, may deem necessary to effectuate the purposes of this Ordinance or to protect the interests of the City.

Section 4. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect ten (10) days after its final publication as provided in the City Charter Section 4-8(b).

ADOPTED _____ day of _____, 2014

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Assistant City Attorney

EXHIBIT A

LEGAL DESCRIPTION OF LONGVIEW FARM

A tract of land located in Section 23, Township 6 North, Range 69 West of the 6th P.M., Larimer County, Colorado being more particularly described as follows:

Considering the East line of the Southeast quarter of said Section 23 as bearing South 00°16'24" West from a 3" brass cap at the East Quarter corner of said Section 23 to a 3" brass cap at the Southeast corner of said Section 23 and with all bearings contained herein relative thereto:

COMMENCING at the Southeast corner of said Section 23; thence along the South line of said Southeast quarter, South 89°18'09" West 50.01 feet to the West right-of-way line of U.S. Highway 287; thence along said West right-of-way line, North 00°16'24" East, 30.00 feet to the Northerly right-of-way line of 69th Street, said point being the POINT OF BEGINNING; thence along said Northerly right-of-way line, South 89°18'09" West, 100.50 feet to a curve concave to the South having a central angle of 25°37'34", a radius of 305.00 feet and the chord of which bears South 76°29'23" West, 135.28 feet; thence continuing along said Northerly right-of-way line and the arc of said curve 136.41 feet to a point on the South line of said Southeast Quarter of Section 23; thence along the South line, South 89°18'09" West, 2362.39 feet to the South Quarter corner of said Section 23; thence along the South line of the Southwest Quarter of Section 23, North 89°19'35"; West, 1306.95 feet to the West 1/16 corner between Section 23 and Section 26; thence, North 00°11'51" East, 2650.27 feet to the Center West 1/16 corner of Section 23; thence, North 00°11'54" east, 2636.51 feet to the West 1/16 corner between said Section 23 and Section 14; thence along the North line of the Northwest Quarter of said Section 23, North 89°21'56" east, 1319.70 feet to the North Quarter corner of said Section 23; thence along the North line of the Northeast Quarter of said Section 23, North 89°29'53" East, 2588.28 feet to a point on the West right-of-way line of said U.S. Highway 287; thence along said West line, South 00°16'06" West, 2654.25 feet; thence continuing along said West line, South 00°16'24" West 2623.63 feet to the Point of Beginning.

EXCEPT:

A tract of land located in the Northeast Quarter of Section 23, Township 6 North, Range 69 West of the 6th Principal meridian, County of Larimer, State of Colorado, being more particularly described as follows:

Considering the East line of the Northeast Quarter of said Section 23 as bearing South 00°16'06" West from a 3" brass cap at the Northeast corner of said Section 23 to a 3" brass cap at the East Quarter corner of said Section 23 and with all bearings contained herein relative thereto:

Commencing at the East Quarter corner of said Section 23; thence, South 89°42'32" West, 50.00 feet to the West right-of-way line of U.S. Highway 287, said point being the POINT OF BEGINNING; thence along said West right-of-way line south 00°16'24" West, 25.25 feet; thence, South 89°42'32" West, 41.82 feet to a point on a curve concave to the Southeast having a central angle of 54°45'22", a radius of 610.00 feet and the chord of which bears South 62°19'50" West 561.03 feet; thence along the arc of said curve 582.96 feet; thence along a non-tangent line, North 55°02'52" West 279.71 feet; thence, North 27°44'06", West 137.30 feet; thence South 89°42'32" West, 812.49 feet; thence, North 00°17'28", West 1006.92 feet; thence, North 62°19'19" East, 680.61 feet; thence, North 89°42'32" East, 1053.02 feet to a point on the West right-of-way line of U.S. Highway 287; thence along said West right-of-way line, South 00°16'06" West, 1320.07 feet to the Point of Beginning

EXHIBIT B

**Project No. FSA 392A-016
PARCEL NUMBER: RW-1
Project Code: 18800
Date: July 17, 2013**

A tract or parcel of land No. RW-1 of the Department of Transportation, State of Colorado, Project No. FSA 392A-016 containing **0.071 acres**, more or less, located in the Northeast Quarter of Section 23, Township 6 North, Range 69 West, of the 6th Principal Meridian, in the County of Larimer, State of Colorado, said tract or parcel being more particularly described as follows:

Commencing at a point, whence the Northeast Corner of said Section 23 (3" Brass CDOT Cap in a monument box), bears **N 89°07'00" E**, a distance of **50.01** feet, said point being on the North line of said Section 23, and on the existing westerly right-of-way line of U.S. Highway 287, also being the POINT OF BEGINNING;

1. Thence along said existing right-of-way line, **S 0°10'01" E** a distance of **112.25** feet;
2. Thence **S 89°49'59" W** a distance of **41.66** feet;
3. Thence **N 00°10'01" W** a distance of **37.58** feet;
4. Thence **N 46°31'40" E** a distance of **34.57** feet;
5. Thence **N 00°10'01" W** a distance of **51.27** feet, to a point on the North line of said Section 23;
6. Thence along said section line, **S 89°07'00" E** a distance of **16.50** feet, to the POINT OF BEGINNING.

The above described tract or parcel of land contains 3,098 square feet (0.071 acres), more or less.

Basis of Bearings: Bearings are based on the west line of the Northwest Quarter of Section 24, Township 6 South, Range 69 West, of the 6th Principal Meridian, between the West Quarter Corner of Section 24, a found 3" Brass CDOT Cap in a monument box, bearing **N 0°10'01" W**, to the Northwest Corner of Section 24, a 3" Brass CDOT Cap in a monument box.

Prepared for and on behalf of the
Colorado Department of Transportation
Terry R. Maw, PLS #31161
Farnsworth Group, Inc.
4655 Forge Road, Suite 150
Colorado Springs, CO 80907



Count of Larimer, State of Colorado, AND

A tract of land located in the East Half of Section 23, Township 6 North, Range 69 West of the 6th Principal Meridian, County of Larimer, State of Colorado, being more particularly described as follows:

Considering the East line of the Northeast quarter of said Section 23 as bearing North $00^{\circ}16'06''$ East from a 3" brass cap at the East quarter corner of said Section 23 to a 3" brass cap at the Northeast corner of said Section 23 and with all bearings contained herein relative thereto:

Commencing at the East Quarter corner of said Section 23; thence, South $89^{\circ}42'32''$ West, 50.00 feet to the West right-of-way line of U.S. Highway 287, said point being the POINT OF BEGINNING; thence along said West right-of-way line South $00^{\circ}16'24''$ West, 25.25 feet; thence, South $89^{\circ}42'32''$ West, 41.82 feet to a point on a curve concave to the Southeast having a central angle of $54^{\circ}45'22''$, a radius of 610.00 feet and the chord of which bears South $62^{\circ}19'50''$ West, 561.03 feet; thence along the arc of said curve 582.96 feet; thence along a non-tangent line, North $55^{\circ}02'52''$ West 279.71 feet; thence, North $27^{\circ}44'06''$ West 137.30 feet; thence South $89^{\circ}42'32''$ West, 812.49 feet; thence, North $00^{\circ}17'28''$ West 1006.92 feet; thence, North $62^{\circ}19'19''$ East, 680.61 feet; thence, North $89^{\circ}42'32''$ East, 1053.02 feet to a point on the West right-of-way line of U.S. Highway 287; thence along said West right-of-way line, South $00^{\circ}16'06''$ West, 1320.07 feet to the Point of Beginning.

County of Larimer, State of Colorado

EXHIBIT C

PROJECT NUMBER: FSA 392A-016
TEMPORARY EASEMENT NUMBER: TE-1
Project Code: 18800
Date: July 17, 2013

A temporary easement No. TE-1 of the Department of Transportation, State of Colorado, Project No. FSA 392A-016 containing 0.031 acres, more or less, located in the Northeast Quarter of Section 23, Township 6 North, Range 69 West, of the 6th Principal Meridian, in the County of Larimer, State of Colorado, said temporary easement being more particularly described as follows:

Commencing at a point, whence the Northeast Corner of said Section 23 (3" Brass CDOT Cap in a monument box), bears N 24°01'02" E, a distance of 122.05 feet to a point on the existing westerly right-of-way line of U.S. Highway 287, the POINT OF BEGINNING;

1. Thence along said existing right-of-way line, S 00°10'01" E a distance of 10.00 feet;
2. Thence S 89°50'09" W a distance of 51.66 feet;
3. Thence N 00°10'01" W a distance of 51.89 feet;
4. Thence N 46°31'40" E a distance of 48.31 feet;
5. Thence S 00°10'01" E a distance of 13.74 feet;
6. Thence S 46°31'40" W a distance of 34.57 feet;
7. Thence S 00°10'01" E a distance of 37.58 feet
8. Thence N 89°49'59" E a distance of 41.66 feet, to the POINT OF BEGINNING.

The above described temporary easement contains 1,328 square feet (0.031 acres), more or less.

The purpose of the above described temporary easement is for construction of highway and drainage improvements.

Basis of Bearings: Bearings are based on the west line of the Northwest Quarter of Section 24, Township 6 South, Range 69 West, of the 6th Principal Meridian, between the West Quarter Corner of Section 24, a found 3" Brass CDOT Cap in a monument box, bearing N 0°10'01" W, to the Northwest Corner of Section 24, a 3" Brass CDOT Cap in a monument box.

Prepared for and on behalf of the
Colorado Department of Transportation
Terry R. Maw, PLS #31161
Farnsworth Group, Inc.
4655 Forge Road, Suite 150
Colorado Springs, CO 80907




CITY OF LOVELAND

BUDGET OFFICE

 Civic Center • 500 East Third • Loveland, Colorado 80537
 (970) 962-2329 • FAX (970) 962-2901 • TDD (970) 962-2620

AGENDA ITEM: 10
MEETING DATE: 3/4/2014
TO: City Council
FROM: Brent Worthington, Finance Department
PRESENTER: John Hartman, Budget Officer

TITLE:

An Ordinance on Second Reading Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Flood Related Projects

RECOMMENDED CITY COUNCIL ACTION:

Approve the ordinance on second reading.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

SUMMARY:

This is an administrative action. The ordinance on second reading appropriates funding for engineering costs to determine the scope of several projects and the cost to repair several facilities from damage that occurred as a result of the 2013 Flood. The total appropriation net of transfers is \$10,494,930. Depending on the final determinations from FEMA on eligible costs, and other grant opportunities that may arise, the City's share of these costs will be between \$1,000,000 and \$1,800,000. This ordinance was approved unanimously on first reading by Council on February 18, 2014 at the regular meeting.

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

The appropriation uses existing balance within several funds as the funding source. This reduces the ability to fund future projects in the short term. Over the long term, most of these costs will be reimbursed through insurance payments or FEMA and State distributions. When

these reimbursements are received, the fund balances will increase allowing for use on other projects.

BACKGROUND:

In 2013, staff brought to Council an ordinance requesting funding for the most immediate and known flood related projects. As we have had time to work through projects, and get further assessments after the water receded, we are able to project costs for the next round of projects to bring our facilities back from the damage incurred during the Flood. There are still a significant number of projects that will require engineering work to determine the scope of work necessary to rebuild some facilities and river work to mitigate damage from another event. As these costs become known, staff will return with the costs, recommending funding sources and an appropriation ordinance to budget for these costs.

The projects or equipment included in this ordinance include:

\$7,500 – Replacement of generators and tools at the Fire Training Grounds;

\$193,370 – Salary costs for enterprise personnel involved in determining the amount of work necessary within the river to mitigate costs from a future event. These costs are budgeted in the General Fund, since river management is not a function of our enterprises. Charging these costs to the General Fund will result in salary savings in the Water and Storm Water Enterprises.

\$46,780 – Salary costs to add a temporary Administrative Technician position to provide administrative support to the engineering teams involved in flood projects.

\$60,000 – Salary costs for a temporary Construction Management position in Parks & Recreation.

\$25,000 – Funding for a post-flood geomorphic assessment of the Big Thompson River.

\$50,000 – Funding for a contribution to the Big Thompson River Coalition for the Big Thompson River Restoration Master Plan.

\$2,328,000 – Capital costs for the reconstruction of Namaqua, Centennial, Jayhawker, Fairgrounds and Barnes Parks.

\$807,000 – Engineering and construction costs for repairs to the river bank at the Fire Training Grounds, and engineering costs to determine the scope of work at Centennial Park, the Wilson Avenue Pedestrian Bridge and Cottonwoods Meadows area.

\$1,014,680 – Reconstruction and mitigation at several Open Space sites.

\$40,000 – Funding for sidewalk repairs on U.S. 287 and Taft Avenue.

\$25,000 – Reconstruction of the road from the Water Treatment Plant to U.S. 34.

\$145,000 – Funding to repair the 16” water main where it crosses the river at Rivers Edge Park.

\$150,000 – Funding to repair the 6” water line where it crosses the river at Fairgrounds Park.

\$4,083,370 - Cost to repair the 20” and 36” water transmission line from the Water Treatment Plant to U.S. 34.

\$150,000 – Repair of the 8” water line where it crosses the river at Lincoln Avenue.

\$50,000 - Funding to repair the water intake structure at the Water Treatment Plant.

\$100,000 – Cost to construct a temporary diversion to the water intake structure.

\$10,000 - Funding to cover and protect the 24” water transmission line from the Water Treatment Plant to U.S. 34.

\$5,000 – Funding to inspect and repair large diameter water lines from potholing.

\$5,000 – Funding to protect the Wilson Avenue water line.

\$320,300 – Cost to repair the 20” wastewater force main at Boise Avenue and the Big Thompson River.

\$20,000 – Costs for manhole repairs and backfill reclamation.

\$385,400 – Funding to design and repair the Denver Avenue storm water outfall structure.

\$15,000 – Funding for flood recovery engineering in the Storm Water Enterprise.

\$151,700 – Funding for smaller repair projects at several storm water outfall structures.

\$356,080 – Costs for reconstruction and mitigation at the Mariana Butte Golf Course.

\$200,000 – Funding for the City’s deductible payment to CIRSA for insured properties that have claims from damage.

\$16,150 – Funding for the addition of temporary administrative assistance for environmental issues associated with flood damage projects.

REVIEWED BY CITY MANAGER:

William D. Cahill

LIST OF ATTACHMENTS:

1. Ordinance

FIRST READING February 18, 2014

SECOND READING March 4, 2014

ORDINANCE NO. _____

AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2014 CITY OF LOVELAND BUDGET FOR FLOOD RELATED PROJECTS

WHEREAS, the City has reserved funds not anticipated or appropriated at the time of the adoption of the City budget for 2014; and

WHEREAS, the City Council desires to authorize the expenditure of these funds by enacting a supplemental budget and appropriation to the City budget for 2014, as authorized by Section 11-6(a) of the Loveland City Charter.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That reserves in the total amount of \$10,494,930, including \$3,567,950 from fund balance in the General Fund 100, \$1,014,680 from fund balance in the Open Space Fund 202, \$2,623,370 from fund balance in the Water Enterprise Fund 300, \$2,100,000 from fund balance in the Water SIF Fund 301, \$340,300 from fund balance in the Wastewater Enterprise fund 315, \$616,700 from fund balance in the Storm Water Enterprise Fund 345, \$356,080 from fund balance in the Golf Enterprise Fund 375, and \$216,150 from fund balance in the Risk and Insurance Fund 502, are available for appropriation. Revenues from such reserves in the total amount of \$10,494,930 are hereby appropriated for flood related projects. The spending agencies and funds that shall be spending the monies supplementally budgeted and appropriated are as follows:

**Supplemental Budget
General Fund 100 - 2014 Flood Appropriations**

Revenues

Fund Balance	3,567,950
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Total Revenue	3,567,950
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Appropriations

100-22-222-0000-42033-FLD913	Fire equipment	7,500
100-23-231-0000-41011	Regular Salary	41,000
100-23-231-0000-41543	Insurance Benefits	10,590
100-23-231-0000-41544	FICA	3,140
100-23-231-0000-41545	Retirement	2,050
100-23-280-0000-41011	Regular Salary	73,170
100-23-280-0000-41543	Insurance Benefits	10,590
100-23-280-0000-41544	FICA	5,600
100-23-280-0000-41545	Retirement	3,660
100-23-280-0000-43450	Professional Services	25,000
100-23-280-0000-43714	Payment to Outside Agencies	50,000
100-46-310-0000-41011	Regular Salary	79,680
100-46-310-0000-41543	Insurance Benefits	10,590
100-46-310-0000-41544	FICA	6,100
100-46-310-0000-41545	Retirement	3,980
100-51-560-0000-41012	Non-benefited Wages	53,000
100-51-560-0000-41544	FICA	4,060
100-51-560-0000-42899	Other Supplies	1,440
100-51-560-0000-43265	Mileage	1,500
100-51-562-0000-49399	Other Capital	2,328,000
100-91-999-0000-47120	Transfer to Capital Projects Fund	807,300
100-91-9999-0000-47211	Transfer to Transportation Fund	40,000

Total Appropriations		3,567,950
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**Supplemental Budget
Capital Projects Fund 120 - 2014 Flood Appropriations**

Revenues

120-00-000-0000-37100	Transfer from General Fund	807,300
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Total Revenue		807,300
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Appropriations

120-23-280-0000-49352	Engineering	313,800
120-23-280-0000-49360	Construction	493,500

Total Appropriations		807,300
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**Supplemental Budget
Open Space Fund 202 - 2014 Flood Appropriations**

Revenues		
Fund Balance		1,014,680
Total Revenue		1,014,680
Appropriations		
202-51-590-0000-49399	Other Capital	1,014,680
Total Appropriations		1,014,680

**Supplemental Budget
Transportation Fund 211**

Revenues		
211-00-000-0000-37100	Transfer from General Fund	40,000
Total Revenue		40,000
Appropriations		
211-23-232-1700-43569	Repair and Maintenance	40,000
Total Appropriations		40,000

**Supplemental Budget
Water Enterprise Fund 300**

Revenues		
Fund Balance		2,623,370
Total Revenue		2,623,370
Appropriations		
300-46-318-2902-49352-FLW00C	Engineering	4,000
300-46-318-2902-49360-FLW00C	Construction	21,000
300-46-310-2903-49352-FLW02C	Engineering	10,000
300-46-310-2903-49360-FLW02C	Construction	135,000
300-46-310-2903-49352-FLW03C	Engineering	20,000
300-46-310-2903-49360-FLW03C	Construction	130,000
300-46-310-2903-49352-FLW04C	Engineering	600,000
300-46-310-2903-49360-FLW04C	Construction	1,383,370
300-46-310-2903-49352-FLW06C	Engineering	20,000
300-46-310-2903-49360-FLW06C	Construction	130,000
300-46-318-2902-43569-FLWO00	Repair and Maintenance	50,000
300-46-318-2902-43569-FLWO01	Repair and Maintenance	100,000
300-46-313-2903-43569-FLWO06	Repair and Maintenance	10,000
300-46-313-2903-43569-FLWO07	Repair and Maintenance	5,000
300-46-313-2903-43569-FLWO11	Repair and Maintenance	5,000
Total Appropriations		2,623,370

**Supplemental Budget
Water Enterprise SIF Fund 301 - 2014 Flood Appropriations**

Revenues		
Fund Balance		2,100,000
Total Revenue		2,100,000
Appropriations		
301-46-310-2903-49352-FLW04C	Engineering	600,000
301-46-310-2903-49360-FLW04C	Construction	1,500,000
Total Appropriations		2,100,000

**Supplemental Budget
Wastewater Enterprise Fund 315 - 2014 Flood Appropriations**

Revenues		
Fund Balance		340,300
Total Revenue		340,300
Appropriations		
315-46-310-2904-49352-FLZ07G	Engineering	50,000
315-46-310-2904-49360-FLZ07G	Construction	270,300
315-46-313-2904-43569-FLZO10	Repair and Maintenance	20,000
Total Appropriations		340,300

**Supplemental Budget
Storm Water Enterprise Fund 345 - 2014 Flood Appropriations**

Revenues		
Fund Balance		616,700
Total Revenue		616,700
Appropriations		
345-23-283-0000-49352	Engineering	79,600
345-23-283-0000-49360	Construction	537,100
Total Appropriations		616,700

**Supplemental Budget
Golf Enterprise Fund 375 - 2014 Flood Appropriations**

Revenues		
Fund Balance		356,080
Total Revenue		356,080
Appropriations		
375-51-513-5001-49399	Other Capital	356,080
Total Appropriations		356,080

**Supplemental Budget
Risk & Insurance Fund 502 - 2014 Flood Appropriations**

Revenues		
Fund Balance		216,150
Total Revenue		216,150
Appropriations		
502-17-170-0000-43311	Property and Liability Insurance Deductible	200,000
502-17-176-0000-41012	Part-time salary	15,000
502-17-176-0000-41544	FICA	1,150
Total Appropriations		216,150

Section 2. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full.

Section 3. That this Ordinance shall be in full force and effect upon final adoption, as provided in City Charter Section 11-5(d).

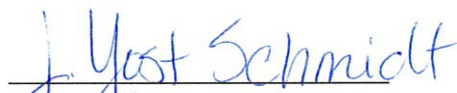
ADOPTED this 4th day of March, 2014.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Deputy City Attorney



CITY OF LOVELAND
ECONOMIC DEVELOPMENT OFFICE
 Civic Center • 500 East Third • Loveland, Colorado 80537
 (970) 962-2304 • FAX (970) 962-2900 • TDD (970) 962-2620

AGENDA ITEM: 11
MEETING DATE: 3/4/2014
TO: City Council
FROM: Mike Scholl, Economic Development
PRESENTER: Mike Scholl, Economic Development Manager

TITLE:

An Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget to Reappropriate Funding Approved in 2013 for Incentives Under the House of Neighborly Service Incentive and Fee Waiver Agreement and the Loveland Community Health Center Incentive and Fee Waiver Agreement

RECOMMENDED CITY COUNCIL ACTION:

Conduct a public hearing and adopt the ordinance on first reading.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

SUMMARY:

This is an administrative action. The ordinance reappropriates funding approved but not completed in 2013, in the amount of \$593,500 for two one-time projects. The two projects are incentive agreements with the House of Neighborly Services (\$500,000) and Loveland Community Health Center (Sunrise) (\$93,500).

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

The funding for the appropriation is from fund balance in the Council Reserve due to the projects not being completed in 2013. The appropriation of this fund balance reduces the flexibility to fund other projects. No specific projects are known to be affected.

BACKGROUND:

City Council approved two incentive agreements in 2013, one for Sunrise Community Health and one for House of Neighborly Services (HNS). The incentive agreement for Sunrise was unanimously approved June 18, 2013 and included waived fees, a waived cash-in-lieu payment for Lincoln sidewalk, a cash incentive for site improvements and a challenge grant. The challenge grant payment request was verified and payment issued in November, 2013. The requested appropriation of \$93,500 is for the site improvements.

On October 15, 2013 City Council unanimously approved an incentive agreement with the House of Neighborly Services (HNS) for the construction of the Community Life Center at 1511 E. 11th Street. The agreement provided an incentive package which included reimbursements for site improvements (\$250,000), a matching grant (\$250,000) and fee waivers. In accordance with the terms of the agreement, HNS has submitted a request for payment of \$133,000 for site improvements. A field verification for the site improvements was completed in February by an independent service. A request for payment of the matching grant of \$250,000 was received along with supporting documentation.

These projects and expenses were already approved; this item is brought to the Council now only because all appropriations lapse at December 31 of each year.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

1. Ordinance

FIRST READING March 4, 2014

SECOND READING _____

ORDINANCE NO. _____

AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2014 CITY OF LOVELAND BUDGET TO REAPPROPRIATE FUNDING APPROVED IN 2013 FOR INCENTIVES UNDER THE HOUSE OF NEIGHBORLY SERVICE INCENTIVE AND FEE WAIVER AGREEMENT AND THE LOVELAND COMMUNITY HEALTH CENTER INCENTIVE AND FEE WAIVER AGREEMENT

WHEREAS, the City has reserved funds not anticipated or appropriated at the time of the adoption of the City budget for 2014; and

WHEREAS, the City Council desires to authorize the expenditure of these funds by enacting a supplemental budget and appropriation to the City budget for 2014, as authorized by Section 11-6(a) of the Loveland City Charter.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That reserves in the amount of \$593,500 from fund balance in the General Fund 100 are available for appropriation. Revenues in the total amount of \$593,500 are hereby appropriated for incentives under the House of Neighborly Services (\$500,000) and Loveland Community Health Center (Sunrise) (\$93,500) Incentive and Fee Waiver Agreements. The spending agencies and funds that shall be spending the monies supplementally budgeted and appropriated are as follows:

**Supplemental Budget
General Fund 100**

Revenues

Fund Balance 593,500

Total Revenue 593,500

Appropriations

100-18-180-0000-43714 Payment to Outside Agencies 500,000

100-18-180-0000-43715-EDHEALTH Payment to Outside Agencies 93,500

Total Appropriations 593,500

Section 2. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full.

Section 3. That this Ordinance shall be in full force and effect upon final adoption, as provided in City Charter Section 11-5(d).

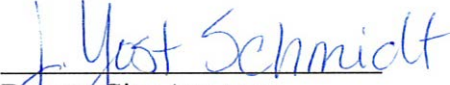
ADOPTED this ____ day of March, 2014.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Deputy City Attorney


CITY OF LOVELAND

BUDGET OFFICE

 Civic Center • 500 East Third • Loveland, Colorado 80537
 (970) 962-2329 • FAX (970) 962-2901 • TDD (970) 962-2620

AGENDA ITEM: 12
MEETING DATE: 3/4/2014
TO: City Council
FROM: Brent Worthington, Finance Department
PRESENTER: John Hartman, Budget Officer

TITLE:

An Ordinance on First Reading Enacting a Supplemental Budget and Appropriation to the 2013 City of Loveland Budget for 2013 Police Overtime Expenses for Special Investigations

RECOMMENDED CITY COUNCIL ACTION:

Conduct a public hearing and approve the ordinance on first reading.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

SUMMARY:

This is an administrative action. The ordinance, on first reading, appropriates \$36,620 in police seizure revenues received in 2013 that were not appropriated at the time of adoption of the 2013 Budget and ratifies the expenditure of such funds for police overtime costs incurred and paid in 2013. The appropriation is necessary so that 2013 expenses do not exceed the appropriated amount in the Police Seizure and Forfeiture Fund.

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

The revenue in the ordinance has been received to cover the expenses.

BACKGROUND:

The City received funds from police seizure revenue as part of the Joint Task Force late in December of 2013. These funds are available to fund the overtime costs incurred in these investigations. Federal reporting requirements require these revenues and costs be segregated in a special fund.

The appropriation is needed to ensure that expenses do not exceed the appropriated amount in the funds at the close of the 2013 fiscal year as required by State Law.

REVIEWED BY CITY MANAGER:



LIST OF ATTACHMENTS:

1. Ordinance

FIRST READING March 4, 2013

SECOND READING _____

ORDINANCE NO. _____

AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2013 CITY OF LOVELAND BUDGET FOR 2013 POLICE OVERTIME EXPENSES FOR SPECIAL INVESTIGATIONS

WHEREAS, the City has received revenue from seized property as the result of joint investigations with other Police agencies (“Police Seizure revenue”), which revenue is intended to be appropriated to fund overtime costs incurred in the joint investigations; and

WHEREAS, the City has Police Seizure revenues in the Police Seizure and Forfeiture Fund 207 that were not appropriated to fund such police overtime costs at the time of the adoption of the City budget for 2013; and

WHEREAS, Section 11-6(b) of the City of Loveland Charter prohibits expenditures in excess of amounts appropriated and permits the City Council to ratify a commitment or contract, verbal or written, to expend funds in excess of appropriated amounts if it first adopts an ordinance making the necessary appropriation and determines that ratification of the commitment or contract would be in the best interest of the City; and

WHEREAS, the City Council desires to authorize the expenditure of the Police Seizure revenues *nunc pro tunc* by enacting a supplemental budget and appropriation to the City budget for 2013 and to ratify the commitment of such funds to fund 2013 police overtime costs, as authorized by Section 11-6(b) of the Loveland City Charter.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That revenues in the amount of \$36,620 in the Police Seizure and Forfeiture Fund 207 are available for appropriation. These revenues are hereby appropriated *nunc pro tunc* for 2013 police overtime. The spending agencies and funds that shall be spending the monies supplementally budgeted and appropriated are as follows:

**Fiscal 2013 Supplemental Budget
Police Seizure and Forfeiture Funds 207**

Revenues		
207-00-000-0000-32300	Other Government Agency	36,620
Total Revenue		36,620
Appropriations		
207-21-204-2112-41021	Overtime	36,620
Total Appropriations		36,620

Section 2. That the City Council hereby determines that ratification of the expenditure of the revenues set forth above to fund 2013 police overtime is in the best interest of the City and, ratifies such expenditure as of the date that this Ordinance becomes effective pursuant to Section 4 below.

Section 3. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full.

Section 4. That this Ordinance shall be in full force and effect upon final adoption, as provided in City Charter Section 11-5(d).

ADOPTED this ___ day of March, 2014.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

J. Yost Schmidt
Deputy City Attorney



CITY OF LOVELAND
CITY COUNCIL

Civic Center • 500 East Third • Loveland, Colorado 80537
(970) 962-2329 • FAX (970) 962-2901 • TDD (970) 962-2620

AGENDA ITEM: 13
MEETING DATE: 2/18/2014
TO: City Council
FROM: Eric Lessard, Public Works – Stormwater Engineering
PRESENTER: Eric Lessard, Civil Engineer I

TITLE:

A Motion to Renew a Construction Contract with Mountain Constructors, Inc., in the Amount of \$516,000 to Complete Stormwater Maintenance Projects Under Project No. SW1201 for 2014 Stormwater Maintenance Projects and to Authorize the City Manager to Execute the Contract

RECOMMENDED CITY COUNCIL ACTION:

Approve the motion.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

SUMMARY:

This is an administrative action to approve a construction contract renewal with Mountain Constructors, Inc., in the amount of \$516,000 for Stormwater Maintenance Projects under Project No. SW1201 in 2014 and authorize the City Manager to execute the contract renewal.

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

This is a planned maintenance contract funded by the Stormwater Utility's Capital Improvement Project Fund appropriated in 2014.

BACKGROUND:

This project is a blanket purchase order contract initiated on October 25, 2012 and was approved by Council on November 20, 2012. The first term of the contract ended on December

31, 2013. Stormwater is seeking renewal for the contract through 2014. The contract has one more year eligible for renewal after this year (2015).

The \$516,000 will fund a number of much needed routine maintenance projects. The work generally consists of the removal and replacement of aging, undersized, or failing stormwater infrastructure and the installation of various retrofit stormwater quality improvements. The project will be funded through the Stormwater Utility's Capital Improvement Project Fund.

Stormwater Utility staff recommends renewing the Stormwater Maintenance Project No. SW1201 contract with Mountain Constructors, Inc. and providing authorization for the City Manager to execute the contract.

REVIEWED BY CITY MANAGER:



LIST OF ATTACHMENTS:

- 1. Contract
- 2. 2014 Adjusted Bid Schedule

CONSTRUCTION CONTRACT

THIS CONTRACT is made and entered into this ____ day of _____, 20__, by and between the CITY OF LOVELAND, COLORADO, a home rule municipality ("City"), and MOUNTAIN CONSTRUCTORS, INC. ("Contractor").

The Contractor, in consideration of the sum to be paid to the Contractor by the City and of the covenants and agreements contained herein and in the contract documents, identified in the general conditions at section 1.0 and incorporated herein by reference, hereby agrees at the Contractor's own proper cost and expense to do all the work and furnish all the materials, tools, labor, and all appliances, machinery, and appurtenances for the construction of the project described as **Stormwater Maintenance Projects, Project No. SW1201**, to the extent of the Contractor's bid dated **October 25, 2012** in full compliance with the contract documents. This Contract (2014) is the second year of a 3-year Renewable Contract.

In consideration of the performance of the work as set forth in the contract documents, the City agrees to pay to the Contractor a sum not to exceed Five Hundred Sixteen Thousand Dollars (\$516,000), as adjusted in accordance with the contract documents or as otherwise herein provided, and to make such payments in the manner and at the times provided in the contract documents.

Contractor agrees to accept as full payment hereunder the quantities computed as determined by the contract documents and based on the unit prices set forth in the bid. For 2014, the Bid costs for materials were adjusted 0.36% for inflation according to the CCI (Construction Cost Index). The term of this contract shall end on December 31, 2014, unless extended by written mutual agreement of the parties.

Time is the essence of this contract. The Contractor shall complete 80% of the Contract value before September 1st of 2014. In the event that the Contractor fails to complete the work within the time limit set forth in the contract documents, liquidated damages shall be paid at the rate of Five Hundred Dollars (\$500) per day until substantial completion of that Work Order.

IN WITNESS WHEREOF, the parties have executed this contract as of the date first above written.

CITY OF LOVELAND, COLORADO

By: _____

Title: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

Assistant City Attorney

MOUNTAIN CONSTRUCTORS, INC.:

By: Joseph Kuntz

Title: President

ATTEST: (if corporation)

Sandy Arends
Corporate Secretary

STATE OF COLORADO)
) ss.
COUNTY OF Weld)

The foregoing contract was acknowledged before me this 4th day of February, 2014 by Joseph Kuntz.
(Contractor's name)

Witness my hand and official seal.

My commission expires May 1, 2015.

Sandy P. Arends
Notary Public

Bond No. 54-194170

PERFORMANCE BOND

MOUNTAIN CONSTRUCTORS, INC., as Principal ("Contractor"), and United Fire & Casualty Company, as Surety ("Surety"), with general offices in CEDAR RAPIDS, IA, a corporation organized under the laws of the State of IA and authorized to transact business in the State of Colorado, are hereby bound unto the City of Loveland, Colorado, as Obligee ("City"), in the penal sum of Five Hundred Sixteen Thousand Dollars (\$516,000) in United States currency for the payment of which sum the Contractor and the Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally.

WHEREAS, the Contractor has entered into a written construction contract with the City dated November 28, 2012, for Stormwater Maintenance Projects, Project No. SW1201* ("Contract"), attached hereto and incorporated herein by reference.

NOW, THEREFORE, the conditions of this performance bond are such that, if the Contractor shall satisfactorily perform the Contract, then this performance bond shall be null and void; otherwise it shall remain in full force and effect.

In addition to the other conditions hereof, this performance bond shall satisfy all provisions and conditions set forth in C.R.S. §§ 38-26-105 and 106, as amended.

THE UNDERSIGNED SURETY, for value received, hereby agrees that no extension of time, change in, addition to, or other modification of the terms of the Contract or work to be performed thereunder or of the specifications of the contract documents shall in any way affect its obligation on this performance bond, and the Surety does hereby waive notice of any such extension of time, change, addition, or modification.

Any action against the Surety on this performance bond shall be brought no later than two (2) years from the date fixed for final settlement of the Contract.

IN WITNESS WHEREOF, the parties have executed this performance bond as of the date first above written.

Signed and sealed this 30th day of January 2014.

MOUNTAIN CONSTRUCTORS, INC.:

By: Joseph King

Title: President

ATTEST: (if corporation)

Sandy Arends
Corporate Secretary

SURETY: United Fire & Casualty Company

By: Lindsey Knickerbocker
Attorney-in-Fact Lindsey Knickerbocker

ATTEST:

J. Rini
Corporate Secretary J. Rini, Witness

*1 year Extension through 12/31/14 per Addendum No. 1 dated 1/30/14

Bond No. 54-194170

PAYMENT BOND

MOUNTAIN CONSTRUCTORS, INC., as Principal ("Contractor"), and United Fire & Casualty Company, as Surety ("Surety"), with general offices in CEDAR RAPIDS, IA, a corporation organized under the laws of the State of IA and authorized to transact business in the State of Colorado, are hereby bound unto the City of Loveland, Colorado, as Obligee ("City"), in the penal sum of Five Hundred Sixteen Thousand Dollars (\$516,000) in United States currency for the payment of which sum the Contractor and the Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally.

WHEREAS, the Contractor has entered into a written construction contract with the City dated November 28, 2012, for Stormwater Maintenance Projects, Project No. SW1201* ("Contract"), attached hereto and incorporated herein by reference.

NOW, THEREFORE, the conditions of this payment bond are such that, if the Contractor shall at all times promptly make payments of all amounts lawfully due to all persons supplying or furnishing it or its subcontractors with labor, material, rental machinery, tools, or equipment used or performed in the prosecution of the work provided for in the Contract and shall indemnify and save harmless the City to the extent of any payments in connection with the performance of such subcontracts that the City may be required to make under law, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

In addition to the other conditions hereof, this payment bond shall satisfy all provisions and conditions set forth in C.R.S. §§ 38-26-105 and 106, as amended.

THE UNDERSIGNED SURETY, for value received, hereby agrees that no extension of time, change in, addition to, or other modification of the terms of the Contract or work to be performed thereunder or of the specifications of the contract documents shall in any way affect its obligation on this performance bond, and the Surety does hereby waive notice of any such extension of time, change, addition, or modification.

Any action against the Surety on this payment bond shall be brought no later than two (2) years from the date fixed for final settlement of the Contract.

IN WITNESS WHEREOF, the parties have executed this payment bond as of the date first above written.

Signed and sealed this 30th day of January 2014.

MOUNTAIN CONSTRUCTORS, INC.:

By: Joseph K...

Title: President

ATTEST: (if corporation)

Sandy A...
Corporate Secretary

SURETY: United Fire & Casualty Company

By: Lindsey Knickerbocker
Attorney-in-Fact Lindsey Knickerbocker

ATTEST:

J. Rini
Corporate Secretary J. Rini, Witness

*1 year Extension through 12/31/14 per Addendum No. 1 dated 1/30/14

UNITED FIRE & CASUALTY COMPANY
HOME OFFICE - CEDAR RAPIDS, IOWA
CERTIFIED COPY OF POWER OF ATTORNEY
(Original on file at Home Office of Company - See Certification)

KNOW ALL MEN BY THESE PRESENTS, That the UNITED FIRE & CASUALTY COMPANY, a corporation duly organized and existing under the laws of the State of Iowa, and having its principal office in Cedar Rapids, State of Iowa, does make, constitute and appoint FLORIETTA ACOSTA, OR DONALD E. APPLEBY, OR DILYNN GUERN, OR KEVIN W. MCMAHON, OR J. R. TROJAN, OR SARAH C. BROWN, OR SUSAN J. LATTARULO, OR MARK SWEIGART, OR LINDSEY KNICKERBOCKER, OR TODD BENGFORD, ALL INDIVIDUALLY of DENVER CO

its true and lawful attorney-in-Fact with power and authority hereby conferred to sign, seal and execute in its behalf all lawful bonds, undertakings and other obligatory instruments of similar nature as follows: All bonds not to exceed \$15,000,000.00 and to bind UNITED FIRE & CASUALTY COMPANY thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of UNITED FIRE & CASUALTY COMPANY and all the acts of said Attorney, pursuant to the authority hereby given are hereby ratified and confirmed.

The Authority hereby granted shall expire 11th day of July, 2015 unless sooner revoked.

This power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by Board of Directors of the Company on May 16, 2012.

"Article VI - Surety Bonds and Undertakings"

Section 2, Appointment of Attorney-in-Fact. "The President or any Vice President, or any other officer of the Company may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Company in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. The signature of any officer authorized hereby, and the Corporate seal, may be affixed by facsimile to any power of attorney or special power of attorney or certification of either authorized hereby; such signature and seal, when so used, being adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed. Such attorneys-in fact, subject to the limitations set forth in their respective certificates of authority shall have full power to bind the Company by their signature and execution of any such instruments and to attach the seal of the Company thereto. The President or any Vice President, the Board of Directors or any other officer of the Company may at any time revoke all power and authority previously given to any attorney-in-fact.

IN WITNESS WHEREOF, the UNITED FIRE & CASUALTY COMPANY has caused these presents to be signed by its vice president and its corporate seal to be hereto affixed this 11th day of July, 2013

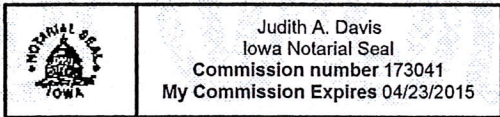


UNITED FIRE & CASUALTY COMPANY

By *Dennis J. Richmann* Vice President

State of Iowa, County of Linn, ss:

On 11th day of July, 2013, before me personally came Dennis J. Richmann to me known, who being by me duly sworn, did depose and say; that he resides in Cedar Rapids, State of Iowa; that he is a Vice President of the UNITED FIRE & CASUALTY COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.



Judith A. Davis
Notary Public
My commission expires: 04-23-2015

I, the undersigned officer of the UNITED FIRE & CASUALTY COMPANY, do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the by-laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON FILE IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

In testimony whereof I have hereunto subscribed my name and affixed the corporate seal of the said Company this 30th day of January 2014



David A. Gage
Secretary

2014 CCI ADJUSTED UNIT PRICE BID SCHEDULE
2014 Construction Cost Index - 0.36%
BID SCHEDULE

Bid Item	Description	Estimated Quantity	Unit	Unit Price	Cost	2012 Contract Bid Schedule	
						Unit Price	Cost
1	Remove Existing Pipe (6" - 24" dia.)	50	LF	\$ 20.07	\$ 1,003.60	\$20.00	\$1,000.00
2	Remove Existing Manhole (4' dia.)	1	EA	\$ 812.92	\$ 812.92	\$810.00	\$810.00
3	Remove Existing Type R Inlet (5'-10')	1	EA	\$ 812.92	\$ 812.92	\$810.00	\$810.00
4	Remove Existing Combination Type 13 Inlet (1 - 3 unit)	1	EA	\$ 812.92	\$ 812.92	\$810.00	\$810.00
5	Remove Existing Area Inlet	1	EA	\$ 677.43	\$ 677.43	\$675.00	\$675.00
6	Remove Curb and Gutter	50	LF	\$ 7.03	\$ 351.26	\$7.00	\$350.00
7	Remove Sidewalk (4' - 6' width)	50	LF	\$ 7.03	\$ 351.26	\$7.00	\$350.00
8	Asphalt Removal	75	SY	\$ 10.04	\$ 752.70	\$10.00	\$750.00
9	Concrete Removal (4" - 8" thick)	10	SY	\$ 22.58	\$ 225.81	\$22.50	\$225.00
10	Remove Existing Riprap	10	CY	\$ 46.17	\$ 461.66	\$46.00	\$460.00
11	Plug Existing Storm Sewer w/ Concrete (6" - 24" dia.)	1	EA	\$ 501.80	\$ 501.80	\$500.00	\$500.00
12	12-inch HDPE	50	LF	\$ 46.17	\$ 2,308.28	\$46.00	\$2,300.00
13	15-inch HDPE	100	LF	\$ 47.17	\$ 4,716.92	\$47.00	\$4,700.00
14	18-inch HDPE	100	LF	\$ 55.20	\$ 5,519.80	\$55.00	\$5,500.00
15	24-inch HDPE	100	LF	\$ 72.26	\$ 7,225.92	\$72.00	\$7,200.00
16	27-inch HDPE	50	LF	\$ 84.30	\$ 4,215.12	\$84.00	\$4,200.00
17	30-inch HDPE	50	LF	\$ 105.38	\$ 5,268.90	\$105.00	\$5,250.00
18	36-inch HDPE	50	LF	\$ 115.41	\$ 5,770.70	\$115.00	\$5,750.00
19	12-inch RCP Class 3	50	LF	\$ 50.18	\$ 2,509.00	\$50.00	\$2,500.00
20	15-inch RCP Class 3	100	LF	\$ 51.18	\$ 5,118.36	\$51.00	\$5,100.00
21	18-inch RCP Class 3	100	LF	\$ 56.20	\$ 5,620.16	\$56.00	\$5,600.00
22	24-inch RCP Class 3	100	LF	\$ 74.27	\$ 7,426.64	\$74.00	\$7,400.00
23	30-inch RCP Class 3	50	LF	\$ 100.36	\$ 5,018.00	\$100.00	\$5,000.00
24	36-inch RCP Class 3	50	LF	\$ 125.45	\$ 6,272.50	\$125.00	\$6,250.00

25	42-inch RCP Class 3	50	LF	\$ 160.58	\$ 8,028.80	\$160.00	\$8,000.00
26	48-inch RCP Class 3	50	LF	\$ 205.74	\$ 10,286.90	\$205.00	\$10,250.00
27	8-inch PVC SDR 35	50	LF	\$ 40.14	\$ 2,007.20	\$40.00	\$2,000.00
28	10-inch PVC SDR 35	50	LF	\$ 47.17	\$ 2,358.46	\$47.00	\$2,350.00
29	12-inch PVC SDR 35	50	LF	\$ 54.19	\$ 2,709.72	\$54.00	\$2,700.00
30	15-inch PVC SDR 35	50	LF	\$ 65.23	\$ 3,261.70	\$65.00	\$3,250.00
31	18-inch PVC SDR 35	50	LF	\$ 85.31	\$ 4,265.30	\$85.00	\$4,250.00
32	24-inch PVC SDR 35	50	LF	\$ 115.41	\$ 5,770.70	\$115.00	\$5,750.00
33	Concrete Pipe Joint Repair - Grouting	1	EA	\$ 1,204.32	\$ 1,204.32	\$1,200.00	\$1,200.00
34	Concrete Pipe Joint Repair - Alternative CIPP	1	EA	\$ 1,505.40	\$ 1,505.40	\$1,500.00	\$1,500.00
35	48-inch Dia. Manhole - Shallow (<10' deep)	1	EA	\$ 3,010.80	\$ 3,010.80	\$3,000.00	\$3,000.00
36	48-inch Dia. Manhole - Deep (>10' deep)	1	EA	\$ 3,612.96	\$ 3,612.96	\$3,600.00	\$3,600.00
37	60-inch Dia. Manhole - Shallow (<10' deep)	1	EA	\$ 4,114.76	\$ 4,114.76	\$4,100.00	\$4,100.00
38	60-inch Dia. Manhole - Deep (>10' deep)	1	EA	\$ 4,767.10	\$ 4,767.10	\$4,750.00	\$4,750.00
39	72-inch Dia. Manhole - Shallow (<10' deep)	1	EA	\$ 5,419.44	\$ 5,419.44	\$5,400.00	\$5,400.00
40	72-inch Dia. Manhole - Deep (>10' deep)	1	EA	\$ 6,021.60	\$ 6,021.60	\$6,000.00	\$6,000.00
41	Core Drill Into Existing Manhole (18-inch or less dia.)	1	EA	\$ 953.42	\$ 953.42	\$950.00	\$950.00
42	Adjust Manhole Frame and Cover	1	EA	\$ 501.80	\$ 501.80	\$500.00	\$500.00
43	Type 13 Inlet - 1 Unit, Shallow (5' deep)	1	EA	\$ 3,914.04	\$ 3,914.04	\$3,900.00	\$3,900.00
44	Type 13 Inlet - 1 Unit, Deep (10' deep)	1	EA	\$ 5,419.44	\$ 5,419.44	\$5,400.00	\$5,400.00
45	Combination Type 13 Inlet - 1 Unit, Shallow (<10' deep)	1	EA	\$ 4,516.20	\$ 4,516.20	\$4,500.00	\$4,500.00
46	Combination Type 13 Inlet - 1 Unit, Deep (>10' deep)	1	EA	\$ 5,519.80	\$ 5,519.80	\$5,500.00	\$5,500.00
47	Combination Type 13 Inlet - 2 Unit, Shallow (<10' deep)	1	EA	\$ 7,225.92	\$ 7,225.92	\$7,200.00	\$7,200.00
48	Combination Type 13 Inlet - 2 Unit, Deep (>10' deep)	1	EA	\$ 8,530.60	\$ 8,530.60	\$8,500.00	\$8,500.00
49	Combination Type 13 Inlet - 2 Unit w/ Sweeper Section, Shallow (<10' deep)	1	EA	\$ 7,276.10	\$ 7,276.10	\$7,250.00	\$7,250.00
50	Combination Type 13 Inlet - 2 Unit w/ Sweeper Section, Deep (>10' deep)	1	EA	\$ 7,828.08	\$ 7,828.08	\$7,800.00	\$7,800.00
51	Combination Type 13 Inlet - 3 Unit w/ Sweeper Section, Shallow (<10' deep)	1	EA	\$ 8,530.60	\$ 8,530.60	\$8,500.00	\$8,500.00
52	Combination Type 13 Inlet - 3 Unit w/ Sweeper Section, Deep (>10' deep)	1	EA	\$ 9,935.64	\$ 9,935.64	\$9,900.00	\$9,900.00

53	Combination Type 13 Inlet - 4 Unit w/ Sweeper Section, Shallow (<10' deep)	1	EA	\$ 10,537.80	\$ 10,537.80	\$10,500.00	\$10,500.00
54	Combination Type 13 Inlet - 4 Unit w/ Sweeper Section, Deep (>10' deep)	1	EA	\$ 13,046.80	\$ 13,046.80	\$13,000.00	\$13,000.00
55	Remove and Replace Combination Type 13 Inlet Frame	1	EA	\$ 2,107.56	\$ 2,107.56	\$2,100.00	\$2,100.00
56	Adjust Inlet Grate	1	EA	\$ 1,405.04	\$ 1,405.04	\$1,400.00	\$1,400.00
57	5-foot Type R Inlet - Shallow (<10' deep)	1	EA	\$ 5,519.80	\$ 5,519.80	\$5,500.00	\$5,500.00
58	5-foot Type R Inlet - Deep (>10' deep)	1	EA	\$ 7,527.00	\$ 7,527.00	\$7,500.00	\$7,500.00
59	10-foot Type R Inlet - Shallow (<10' deep)	1	EA	\$ 8,279.70	\$ 8,279.70	\$8,250.00	\$8,250.00
60	10-foot Type R Inlet - Deep (>10' deep)	1	EA	\$ 10,537.80	\$ 10,537.80	\$10,500.00	\$10,500.00
61	15-foot Type R Inlet - Shallow (<10' deep)	1	EA	\$ 10,286.90	\$ 10,286.90	\$10,250.00	\$10,250.00
62	15-foot Type R Inlet - Deep (>10' deep)	1	EA	\$ 13,046.80	\$ 13,046.80	\$13,000.00	\$13,000.00
63	CDOT Type C Inlet	1	EA	\$ 4,265.30	\$ 4,265.30	\$4,250.00	\$4,250.00
64	CDOT Type D Inlet	1	EA	\$ 7,025.20	\$ 7,025.20	\$7,000.00	\$7,000.00
65	2-foot Opening Sidewalk Chase	1	LF	\$ 2,408.64	\$ 2,408.64	\$2,400.00	\$2,400.00
66	4-foot Opening Sidewalk Chase	1	LF	\$ 4,014.40	\$ 4,014.40	\$4,000.00	\$4,000.00
67	6-foot Opening Sidewalk Chase	1	LF	\$ 5,018.00	\$ 5,018.00	\$5,000.00	\$5,000.00
68	Type L Riprap (d50=6", w/ bedding, 12" thick layer)	15	SY	\$ 62.22	\$ 933.35	\$62.00	\$930.00
69	Type M Riprap (d50=12", w/ bedding, 24" thick layer)	15	SY	\$ 110.40	\$ 1,655.94	\$110.00	\$1,650.00
70	Type H Riprap (d50=18" w/ bedding, 36" thick layer)	15	SY	\$ 150.54	\$ 2,258.10	\$150.00	\$2,250.00
71	Grouted 12-inch Riprap	15	SY	\$ 185.67	\$ 2,784.99	\$185.00	\$2,775.00
72	CDOT No. 67 Aggregate	25	CY	\$ 67.24	\$ 1,681.03	\$67.00	\$1,675.00
73	CDOT No. 357 Stabilization Material	25	CY	\$ 67.24	\$ 1,681.03	\$67.00	\$1,675.00
74	Flowable Fill (Flo-Fill)	25	CY	\$ 115.41	\$ 2,885.35	\$115.00	\$2,875.00
75	Lower 8-inch Waterline (12" - 36") for Storm Sewer Crossing	1	EA	\$ 4,616.56	\$ 4,616.56	\$4,600.00	\$4,600.00
76	Lower 8-inch Waterline (37" - 54") for Storm Sewer Crossing	1	EA	\$ 6,021.60	\$ 6,021.60	\$6,000.00	\$6,000.00
77	Install Waterline Insulation Board (2" thick)	32	SF	\$ 3.51	\$ 112.40	\$3.50	\$112.00
78	6-foot Wide Crossspan (34' wide street)	1	EA	\$ 3,010.80	\$ 3,010.80	\$3,000.00	\$3,000.00
79	8-foot Wide Crossspan (34' wide street)	1	EA	\$ 4,265.30	\$ 4,265.30	\$4,250.00	\$4,250.00
80	2-foot Wide Concrete V-Pan	20	LF	\$ 30.11	\$ 602.16	\$30.00	\$600.00

81	3-foot Wide Concrete V-Pan	20	LF	\$ 38.14	\$ 762.74	\$38.00	\$760.00
82	4-foot Wide Concrete V-Pan	20	LF	\$ 48.17	\$ 963.46	\$48.00	\$960.00
83	Concrete Sidewalk (4' - 6' width)	20	SY	\$ 70.25	\$ 1,405.04	\$70.00	\$1,400.00
84	Vertical Curb and Gutter	25	LF	\$ 50.18	\$ 1,254.50	\$50.00	\$1,250.00
85	Roll Over Curb and Gutter	25	LF	\$ 50.18	\$ 1,254.50	\$50.00	\$1,250.00
86	Topsoil Grading	100	SY	\$ 13.05	\$ 1,304.68	\$13.00	\$1,300.00
87	Seeding - Native Dryland Mix	1000	SF	\$ 0.45	\$ 451.62	\$0.45	\$450.00
88	Seeding - Mowed/Turf Lawn Mix	1000	SF	\$ 0.65	\$ 652.34	\$0.65	\$650.00
89	Sod Installation (includes sod)	1000	SF	\$ 1.25	\$ 1,254.50	\$1.25	\$1,250.00
90	Erosion Control Blanket (Bionet S75BN by North American Green or equivalent)	100	SY	\$ 6.02	\$ 602.16	\$6.00	\$600.00
91	CDOT Class 5 Aggregate Base Course	25	CY	\$ 50.18	\$ 1,254.50	\$50.00	\$1,250.00
92	Recycled Asphalt	150	SY/IN	\$ 2.01	\$ 301.08	\$2.00	\$300.00
93	Asphalt Pavement Replacement	40	TON	\$ 140.50	\$ 5,620.16	\$140.00	\$5,600.00
94	Cold Mix Temporary Asphalt Patching	5	TON	\$ 150.54	\$ 752.70	\$150.00	\$750.00
95	Air Knife Potholing	5	HOLE	\$ 602.16	\$ 3,010.80	\$600.00	\$3,000.00
96	Skid Steer	8	HR	\$ 75.27	\$ 602.16	\$75.00	\$600.00
97	Backhoe/Loader	8	HR	\$ 90.32	\$ 722.59	\$90.00	\$720.00
98	Single Direction Plate Compactor (3.5)	8	HR	\$ 60.22	\$ 481.73	\$60.00	\$480.00
99	Small Sheep's Foot Roller	8	HR	\$ 95.34	\$ 762.74	\$95.00	\$760.00
100	Tandem - Axle, End Dump Truck	8	HR	\$ 75.27	\$ 602.16	\$75.00	\$600.00
101	Compressor (185 CFM) & Jack Hammer	8	HR	\$ 70.25	\$ 562.02	\$70.00	\$560.00
102	Truck - Tandem, Water Truck	8	HR	\$ 75.27	\$ 602.16	\$75.00	\$600.00
103	Truck - Semi	8	HR	\$ 90.32	\$ 722.59	\$90.00	\$720.00
104	Dozer - D7	8	HR	\$ 165.59	\$ 1,324.75	\$165.00	\$1,320.00
105	Motor Grader	8	HR	\$ 115.41	\$ 923.31	\$115.00	\$920.00
106	Motor Scraper	8	HR	\$ 175.63	\$ 1,405.04	\$175.00	\$1,400.00
107	Excavator - Track	8	HR	\$ 145.52	\$ 1,164.18	\$145.00	\$1,160.00
108	Excavator - Rubber Tire	8	HR	\$ 90.32	\$ 722.59	\$90.00	\$720.00

109	Loader 6 cyd	8	HR	\$ 130.47	\$ 1,043.74	\$130.00	\$1,040.00
110	Loader 3 cyd	8	HR	\$ 100.36	\$ 802.88	\$100.00	\$800.00
111	Laborer	8	HR	\$ 42.15	\$ 337.21	\$42.00	\$336.00
112	Foreman w/ Pickup	8	HR	\$ 62.22	\$ 497.79	\$62.00	\$496.00
113	Superintendent w/ Pickup	8	HR	\$ 70.25	\$ 562.02	\$70.00	\$560.00
114	Flagging	8	HR	\$ 25.09	\$ 200.72	\$25.00	\$200.00
115	MHT Submittal	1	EA	\$ 50.18	\$ 50.18	\$50.00	\$50.00
116	Traffic Control Supervisor	8	HR	\$ 55.20	\$ 441.58	\$55.00	\$440.00
117	Traffic Control Inspection	1	DAY	\$ 100.36	\$ 100.36	\$100.00	\$100.00
118	Barricade 3M-A (temp)	1	EAD AY	\$ 5.52	\$ 5.52	\$5.50	\$5.50
119	Barricade 3M-B (temp)	1	EAD AY	\$ 11.04	\$ 11.04	\$11.00	\$11.00
120	Barricade 3M-C (temp)	1	EAD AY	\$ 15.05	\$ 15.05	\$15.00	\$15.00
121	Construction Sign A	1	EAD AY	\$ 4.01	\$ 4.01	\$4.00	\$4.00
122	Construction Sign B	1	EAD AY	\$ 5.02	\$ 5.02	\$5.00	\$5.00
123	Construction Sign C	1	EAD AY	\$ 6.02	\$ 6.02	\$6.00	\$6.00
124	Variable Message Sign	1	DAY	\$ 150.54	\$ 150.54	\$150.00	\$150.00
125	Arrow Panel (C)	1	DAY	\$ 75.27	\$ 75.27	\$75.00	\$75.00
126	Drum Channelizing Device w/ Lt Flash	20	EAD AY	\$ 2.01	\$ 40.14	\$2.00	\$40.00
127	Drum Channelizing Device	20	EAD AY	\$ 1.51	\$ 30.11	\$1.50	\$30.00
128	Traffic Cones	100	EAD AY	\$ 1.00	\$ 100.36	\$1.00	\$100.00
129	Erosion Control BMP Inspection	8	HR	\$ 72.26	\$ 578.07	\$72.00	\$576.00
130	BMP Maintenance	8	HR	\$ 105.38	\$ 843.02	\$105.00	\$840.00
131	Curb Inlet Protection (CIP-1, CIP-2)	1	EA	\$ 200.72	\$ 200.72	\$200.00	\$200.00
132	Drop Inlet Protection (DIP-1, DIP-2, DIP-3)	1	EA	\$ 200.72	\$ 200.72	\$200.00	\$200.00
133	Wattle Installation (W1, W2, W3, W4, CIP-3)	1	EA	\$ 200.72	\$ 200.72	\$200.00	\$200.00
134	Silt, Rock or Wattle Dike (SD, RD, WD)	1	EA	\$ 200.72	\$ 200.72	\$200.00	\$200.00
135	Silt Fence (SF)	100	LF	\$ 2.51	\$ 250.90	\$2.50	\$250.00
136	Vehicle Tracking Control Pad (VTC)	1	EA	\$ 1,655.94	\$ 1,655.94	\$1,650.00	\$1,650.00

137	Sediment Trap & Sediment Basin (ST, SB)	1	EA	\$ 978.51	\$ 978.51	\$975.00	\$975.00
138	Concrete Washout Area (CWA)	1	EA	\$ 652.34	\$ 652.34	\$650.00	\$650.00
139	Construction Fence (CF)	100	LF	\$ 3.51	\$ 351.26	\$3.50	\$350.00
140	Dewatering Pumping (2"-4" pump, DW)	8	HR	\$ 40.14	\$ 321.15	\$40.00	\$320.00
141	Erosion Control Blanket (Biodegradable, ECB)	100	SY	\$ 6.27	\$ 627.25	\$6.25	\$625.00
142	Riprap Slope Drain (6' wide w/ bedding, SD)	25	LF	\$ 38.14	\$ 953.42	\$38.00	\$950.00
143	Seeding and Mulching (Native dryland seed mix, SM)	2	AC	\$ 2,509.00	\$ 5,018.00	\$2,500.00	\$5,000.00
144	Slope Protection (SP)	0.5	AC	\$ 2,509.00	\$ 1,254.50	\$2,500.00	\$1,250.00
145	Surface Roughening (SR)	2	AC	\$ 752.70	\$ 1,505.40	\$750.00	\$1,500.00



CITY OF LOVELAND
WATER & POWER DEPARTMENT
 200 North Wilson • Loveland, Colorado 80537
 (970) 962-3000 • FAX (970) 962-3400 • TDD (970) 962-2620

AGENDA ITEM: 14
MEETING DATE: 3/4/2014
TO: City Council
FROM: Steve Adams, Director – Water & Power
PRESENTER: Larry Howard, Senior Civil Engineer

TITLE:

An Ordinance on First Reading Amending the Loveland Municipal Code at Section 19.04.080 Concerning the City's Acceptance of Barnes Ditch and Chubbuck Ditch Water Rights

RECOMMENDED CITY COUNCIL ACTION:

Conduct a public hearing and approve the ordinance on first reading.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

SUMMARY:

This is a legislative action. This ordinance on first reading amends the Loveland Municipal Code at Section 19.04.080 to remove references to the Barnes and Chubbuck ditches in conformance with the terms of a settlement agreement between the City of Loveland and the Greeley Loveland Irrigation Company.

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

There is no budget impact to the City.

BACKGROUND:

In 2010, as part of the settlements in the 2002CW392 Water Court Decree, the City signed an agreement with the Greeley-Loveland Irrigation Company (GLIC) that prohibits the City from changing Barnes and Chubbuck ditch water in Water Court to municipal use (other than those

already in the 2002CW392 case). Because the City can no longer change Barnes and Chubbuck water to municipal use, the City stopped accepting dedications from these two ditches to satisfy the City's raw water requirements for development. This amendment cleans up Section 19.04.080 by removing the references to the Barnes and Chubbuck ditches from the definition of "ditch water rights" In subsection C.

The Loveland Utilities Commission considered this item at its February 19, 2014 meeting and unanimously recommended that City Council adopt the ordinance.

REVIEWED BY CITY MANAGER:



LIST OF ATTACHMENTS:

1. Ordinance

FIRST READING March 4, 2014

SECOND READING _____

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE LOVELAND MUNICIPAL CODE AT SECTION 19.04.080 CONCERNING THE CITY’S ACCEPTANCE OF BARNES DITCH AND CHUBBUCK DITCH WATER RIGHTS

WHEREAS, on January 25, 2010, the City entered into an agreement (“Settlement Agreement”) with the Greeley Loveland Irrigation Company to settle certain disputes between them arising out of the City’s water court application in Case Number 02CW392, and the Title Agreement and Operating Agreement between them dated June 22, 1977; and

WHEREAS, the Greeley Loveland Irrigation Company owns the Barnes Ditch and the Chubbuck Ditch through which it delivers contractual water entitlements known as Barnes contract inches and Chubbuck contract inches to the owners of said entitlements; and

WHEREAS, the Settlement Agreement prohibits the City from including Barnes contract inches or Chubbuck contract inches in any future water court application or using said contract inches for any purpose, except that the City’s Parks and Recreation Department may use said contract inches for irrigation of open space or parks in accordance with the terms and conditions of the Settlement Agreement; and

WHEREAS, the City desires to amend the Loveland Municipal Code at Section 19.04.080 to remove the reference to the Barnes Ditch and the Chubbuck Ditch consistent with the terms and conditions of the Settlement Agreement and to make clear that the City does not intend to accept Barnes contract inches or Chubbuck contract inches into the City’s water bank.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That Section 19.04.080 of the Loveland Municipal Code is hereby amended to read as follows:

19.04.080 Requirements for acceptance of ditch water.

- A. Applications to transfer ditch water rights to the city shall be filed with the Department of Water and Power. No ditch water rights shall be accepted by the city unless first approved by the Loveland utilities commission. Said approval shall not be given without satisfaction of each of the following requirements:
 - 1. Evidence of the applicant’s ownership of the ditch water rights in a form satisfactory to the city attorney;

- 2. A water bank agreement executed by the applicant and, if applicable, other documentation, such as a statement of historical use and dry-up covenant, in a form approved by the city attorney; and
 - 3. A finding by the Loveland utilities commission that it is in the city’s best interests to accept the ditch water rights.
- B. The Loveland utilities commission may place conditions or restrictions on the city’s acceptance of the ditch water rights or the applicant’s use of the corresponding water bank credit as necessary to protect the city’s interests. Applicants who do not wish to transfer their ditch water rights to the city subject to such conditions or restrictions may withdraw their application prior to execution of the water bank agreement by the city.
- C. As used herein, “ditch water rights” shall refer to and mean water rights from the following ditches or ditch companies, commonly referred to as: Big Thompson Ditch & Manufacturing Company; Buckingham Irrigation Company (George Rist Ditch); Loudon Irrigating Canal and Reservoir Company; and South Side Ditch Company.

Section 2. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect ten days after its final publication, as provided in City Charter Section 4-8(b).

ADOPTED this _____ day of March, 2014.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Assistant City Attorney



CITY OF LOVELAND
FINANCE DEPARTMENT

Civic Center • 500 East Third • Loveland, Colorado 80537
(970) 962-2695 • FAX (970) 962-2900 • TDD (970) 962-2620

AGENDA ITEM: 15
MEETING DATE: 3/4/2014
TO: City Council
FROM: Brent Worthington, Finance
PRESENTER: Brent Worthington, Finance Director

TITLE:

January 2014 Financial Report

RECOMMENDED CITY COUNCIL ACTION:

This is an information only item. No action is required.

SUMMARY:

The Snapshot Report includes the City's preliminary revenue and expenditures including detailed reports on tax revenue and health claims year to date, ending January 31, 2014.

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

BACKGROUND:

The Snapshot Report is submitted for Council review and includes the reporting of the City's revenue and expenditures, including detailed reports on tax revenue and health claims as of January 31, 2014. Citywide Revenue (excluding internal transfers) of \$19,391,190 is 89.3% of year to date (YTD) budget or \$2,325,488 under the budget. Sales Tax collections are 108.1% of the YTD budget or \$339,490 over budget. Building Material Use Tax is 48% of YTD budget, or \$62,688 under budget. Sales and Use Tax collections combined were 107.7% of YTD budget or \$342,073 over budget. When the combined sales and use tax for the current year are compared to 2012 for the same period last year, they are higher by 7.4% or \$1,152,007.

Citywide total expenditures of \$10,662,849 (excluding internal transfers) are 56.2% of the YTD budget or \$8,319,654 under the budget.

REVIEWED BY CITY MANAGER:

William D. Cavill

LIST OF ATTACHMENTS:

1. January Snapshot Presentation
2. Snapshot Report for January 2014



Snapshot

January 2014

Brent Worthington
Finance Director

Presented
March 4, 2014

January 2014 Snapshot

- Citywide Revenue
 - \$19.4 million, excluding transfers
 - 10.7% below budget projections

- Citywide Expenditures
 - \$10.7 million, excluding transfers
 - 56.2% below budget projections

- Citywide revenues exceed expenditures by \$8.7 million.

January 2014 Snapshot

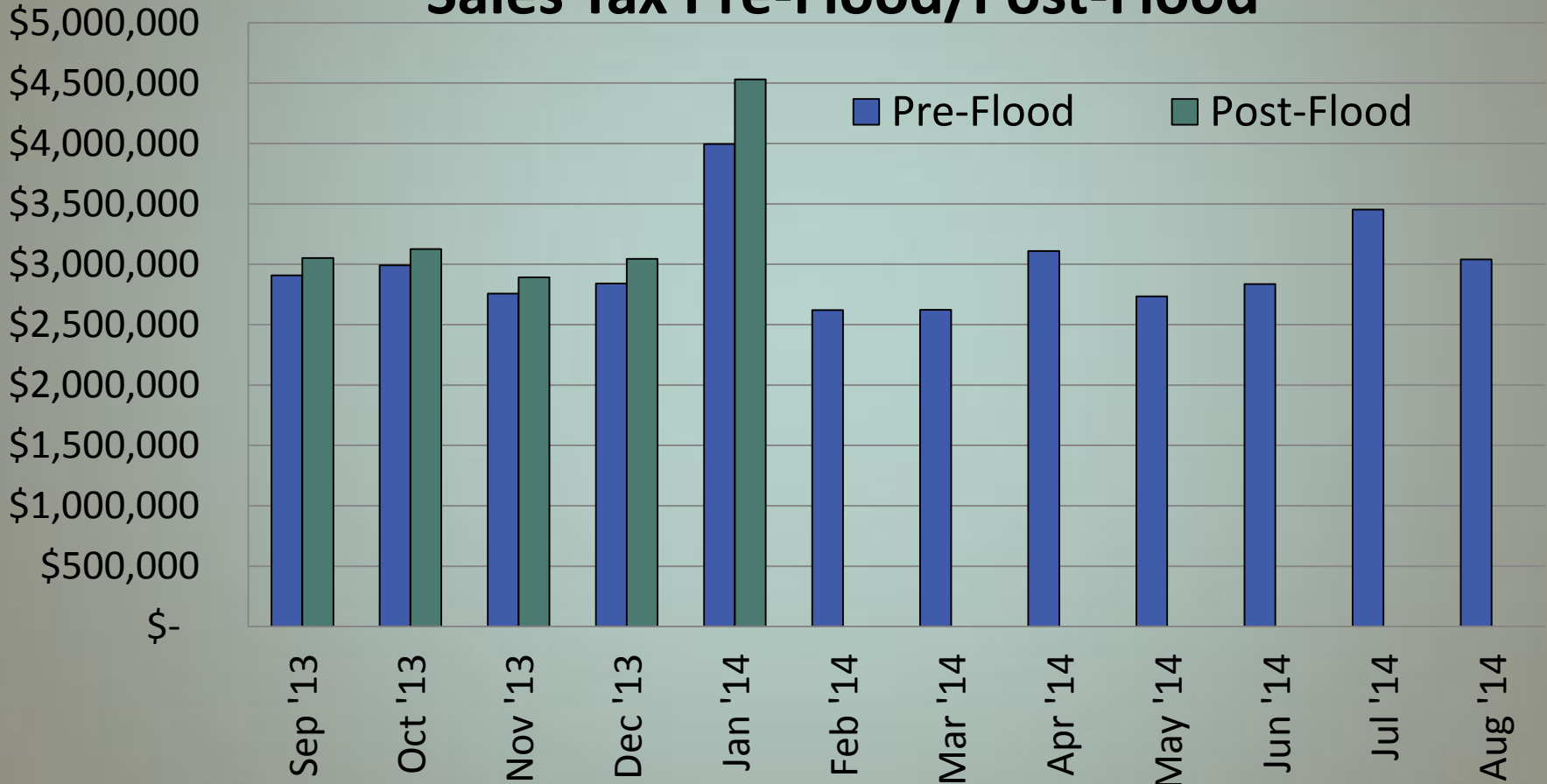
- General Fund Revenue
 - \$7.1 million YTD, excluding transfers
 - 0.4% above YTD Budget
 - 9.5% above same period last year

- Sales and Use Tax Revenue
 - \$4.8 million YTD
 - 7.7% above budget projections
 - 10.5% above same period as last year

- Sales Tax only
 - \$4.5 million YTD
 - 8.1% above budget projections
 - 13.4% above same period last year

January 2014 Snapshot

Sales Tax Pre-Flood/Post-Flood



January 2014 Snapshot

- General Fund Expenditures
 - \$3.7 million YTD, excluding transfers
 - 7.7% below budget projections

- General Fund Revenues Exceed Expenditures by \$3.4 million

- Health Claims
 - January Claims \$1.0 mil
 - 2014 YTD increased from \$912k to \$1.0 mil from same time as last year (12.9%)

January 2014 Snapshot

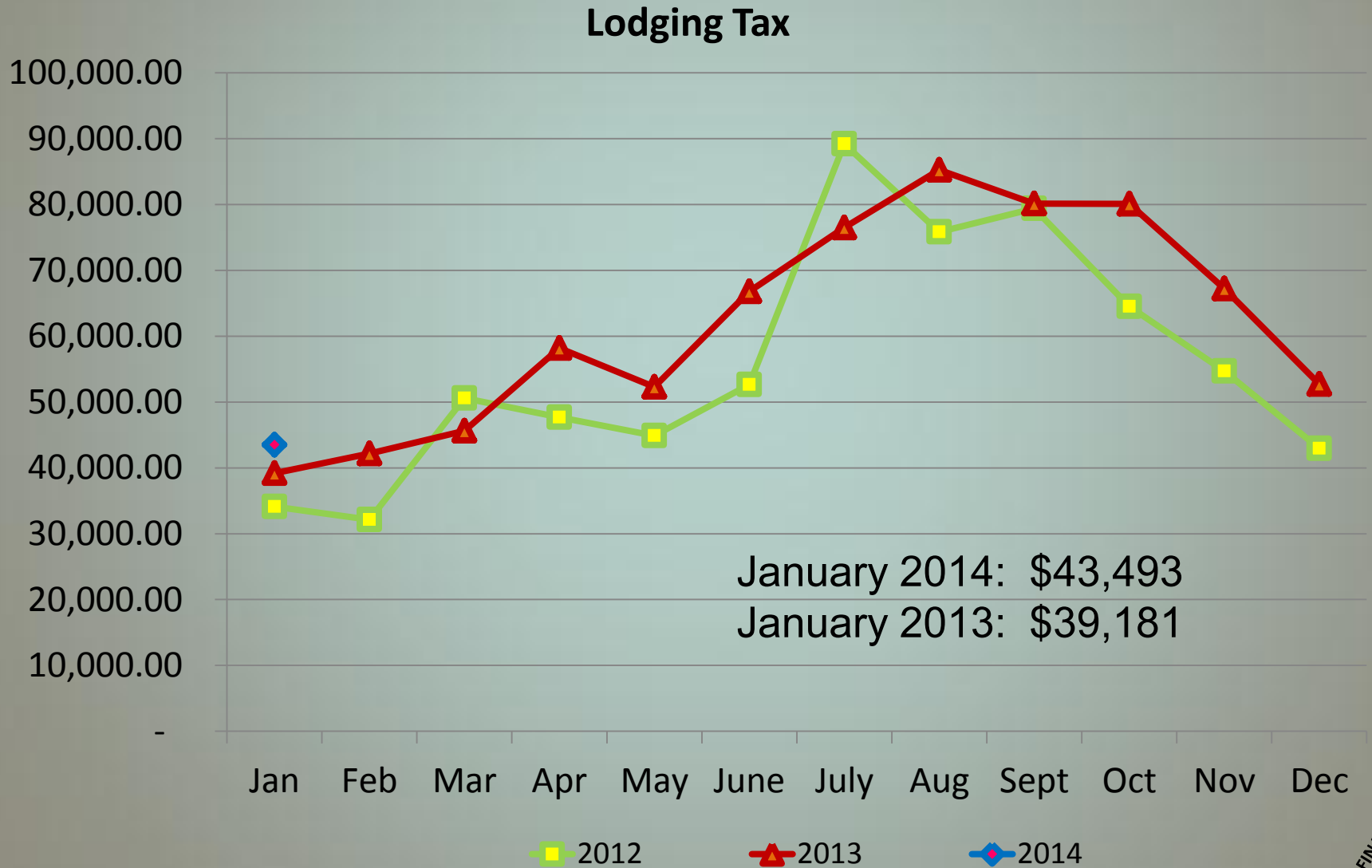
➤ January “All Other Areas” on Geo Map

OCO Total	\$ 495,188.97	Out of Colorado
CNL Total	288,791.09	Colorado Not Loveland
OCL Total	8,792.37	Out of City limits
INT Total	17,864.56	Internet
INN Total	655.96	Innoprise Conversion
PEN Total	2,322.90	Pending (Application filed on-line for new account)
Grand Total	\$ 813,615.85	

➤ Other highlights

- Lodging tax YTD is \$43,493 (11% higher than 2013 YTD).

Lodging Tax Comparison



Flood Report

Cost Estimates		
Operational	\$2,780,000	
Business Assistance	1,200,000	
Capital	26,530,000	
Total	\$30,510,000	

Actual Expenditures		
	<u>January</u>	<u>To Date</u>
Total	164,929	6,968,692

Reimbursements Applied For		
	<u>January</u>	<u>To Date</u>
FEMA	503,620	9,960,621
CIRSA	703,134	3,317,878
Other		
Total	\$ 1,206,755	\$ 13,278,499

Reimbursements Received		
	<u>January</u>	<u>To Date</u>
FEMA	\$ -	\$ -
CIRSA	500,000	750,000
Other	207,471	207,471 ¹
Total	\$ 707,471	\$ 957,471

¹ Reimbursement From County for debris removal



January 2014 Snapshot



Questions?

Brent Worthington
Finance Director

Presented
March 4, 2014

January

SnapShot

Monthly Financial Report

2014

Citywide Revenues & Expenditures 2-3

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A Snapshot In Time

- ◇ Citywide Revenue, excluding transfers between funds, \$19.4 million (10.7% below budget projections)
- ◇ Sales & Use Tax Collection, \$4.8 million (7.7% above budget projections)
- ◇ Citywide Expenditures, excluding transfers between funds, \$10.7 million (56.2% below budget projections)
- ◇ Citywide Year-To-Date Revenues exceed Year-To-Date Expenditures by \$8.7 million
- ◇ General Fund Revenue, excluding transfers between funds, \$7.1 million (0.4% above budget projections)
- ◇ General Fund Expenditures, excluding transfers between funds, \$3.7 million, (7.7% below budget projections)
- ◇ General Fund Revenues exceed Expenditures by \$3.4 million

The Sales / Use Tax Basics



January 2014	Sales Tax	Motor Vehicle Use Tax	Building Materials Use Tax	Combined
Budget 2014	\$ 4,192,160	\$ 146,590	\$ 120,610	\$ 4,459,360
Actual 2014	4,531,650	211,841	57,942	4,801,433
% of Budget	108.1%	144.5%	48.0%	107.7%
Actual 2013	\$ 3,995,194	\$ 168,734	\$ 181,907	\$ 4,345,835
Change from prior year	13.4%	25.5%	-68.1%	10.5%

2013 Flood:

The 2013 Flood resulted in some businesses being closed during the clean-up/restoration process. In addition, reduced traffic on U.S. 34 due to the closure at the canyon may have reduced sales in businesses along the 34 Corridor. Tracking the impact of the flood on retail sales will provide important information related to the sustainability of City finances due to the flood event. Pre-flood to post flood tracking on a monthly basis began in the September 2013 Snapshot. Sales tax revenue for the five months included is above the previous year by \$1,152,007 or 7.4%.

Citywide Revenues & Expenditures

Combined Statement of Revenues and Expenditures January 2014				
REVENUE	Current Month	YTD Actual	YTD Revised Budget	% of Budget
General Governmental				
1 General Fund	\$ 7,075,601	\$ 7,075,601	\$ 7,047,961	100.4%
2 Special Revenue	592,991	592,991	451,747	131.3% ¹
3 Other Entities	1,976,965	1,976,965	1,112,501	177.7% ²
4 Internal Service	1,398,285	1,398,285	1,360,214	1.03%
5 <i>Subtotal General Govt Operations</i>	<i>11,043,842</i>	<i>11,043,842</i>	<i>9,972,423</i>	<i>1.11%</i>
6 Capital Projects	530,753	530,753	690,735	76.8% ³
Enterprise Fund				
7 Water & Power	6,775,738	6,775,738	6,540,480	103.5%
8 Stormwater	386,901	386,901	403,745	95.8%
9 Golf	193,143	193,143	207,340	93.2%
10 Solid Waste	460,813	460,813	490,925	93.9%
11 <i>Subtotal Enterprise</i>	<i>7,816,595</i>	<i>7,816,595</i>	<i>7,642,490</i>	<i>86.8%</i>
12 Total Revenue	\$ 19,391,190	\$ 19,391,190	\$ 20,352,718	95%
<i>Prior Year External Revenue</i>		<i>18,534,244</i>		
<i>Increase From Prior Year</i>		<i>4.6%</i>		
13 Internal Transfers	104,284	104,284	2,284,910	4.6%
14 Grand Total Revenues	\$ 19,495,474	\$ 19,495,474	\$ 20,590,558	94.7%
EXPENDITURES				
General Governmental				
15 General Fund	3,624,844	3,624,844	3,946,345	91.9%
16 Special Revenue	421,131	421,131	645,968	65.2%
17 Other Entities	487,909	487,909	2,124,519	23.0% ⁴
18 Internal Services	570,341	570,341	1,697,146	33.6% ⁵
19 <i>Subtotal General Gov't Operations</i>	<i>5,104,225</i>	<i>5,104,225</i>	<i>9,426,812</i>	<i>54.1%</i>
20 Capital	745,818	745,818	4,300,882	17.3% ⁶
Enterprise Fund				
21 Water & Power	4,406,635	4,406,635	4,595,310	95.9%
22 Stormwater	91,160	91,160	178,853	50.9% ⁶
23 Golf	113,725	113,725	140,594	80.9%
24 Solid Waste	201,286	201,286	340,052	59.2% ⁷
25 <i>Subtotal Enterprise</i>	<i>4,812,806</i>	<i>4,812,806</i>	<i>5,254,809</i>	<i>91.6%</i>
26 Total Expenditures	\$ 10,662,849	\$ 10,662,849	\$ 18,982,503	56.2%
<i>Prior Year External Expenditures</i>		<i>9,938,912</i>		
<i>Increase (-Decrease) From Prior Year</i>		<i>7.3%</i>		
27 Internal Transfers	104,284	104,284	2,284,910	4.6%
28 Grand Total Expenditures	\$ 10,767,133	\$ 10,767,133	\$ 21,267,413	50.6%

¹ Higher than anticipated revenues from lodging tax and one time payment for right-of-way permits for major capital project.

² Higher than projected revenue due to City of Loveland's contribution to the Fire & Rescue Authority for annual cash advance.

³ Lower than projected revenue due to timing of capital projects.

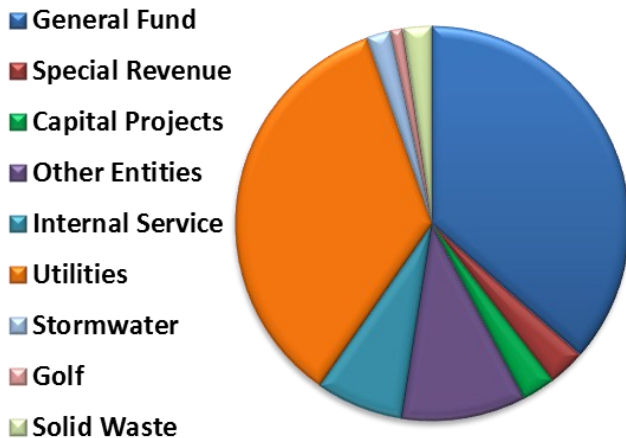
⁴ Lower expenditures than budgeted for Other Entities due to Fire & Rescue's timing of services.

⁵ Lower expenditures than budgeted for Internal Services due to timing of Health Claim payments.

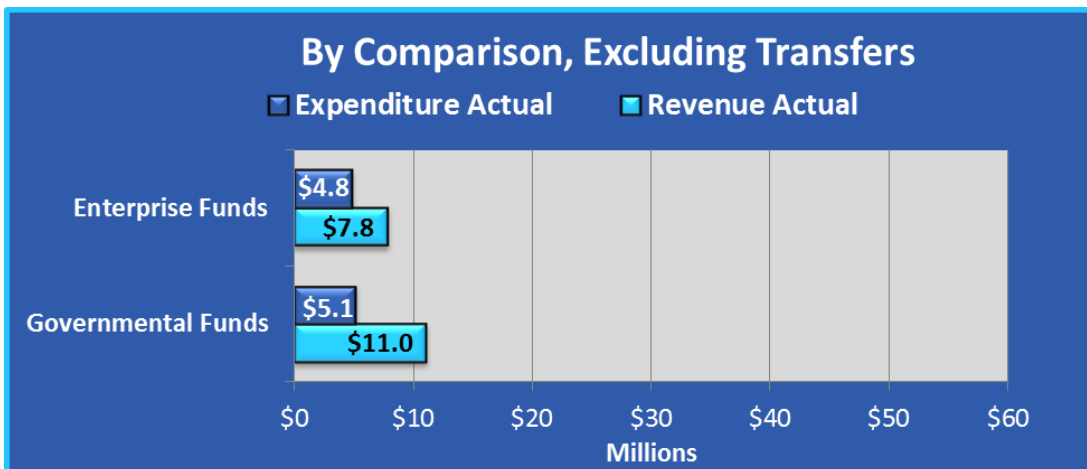
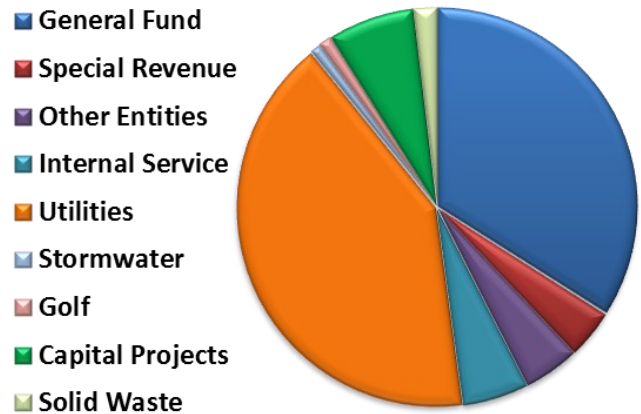
⁶ Lower expenditures than budgeted due to timing of Capital Projects.

⁷ Lower expenditures than budgeted due to timing of equipment purchase and operating payments.

YTD Operating Revenues of \$19.4 Million



YTD Operating Expenditures of \$10.7 Million



- ◆ General Fund Revenue, excluding transfers between funds, \$7.1 million (0.4% above budget projections)
* 9.5% above 2013 YTD
- ◆ General Fund Expenditures, excluding capital and transfers between funds, \$3.6 million (8.1% below budget projections)
* 16.0% above 2013 YTD
- ◆ Water & Power Revenue, excluding transfers between funds, \$6.8 million (14.3% below budget projections)
* 7.6% above 2013 YTD
- ◆ Water & Power Expenditures, excluding transfers between funds, \$4.4 million (4.1% below budget projections)
* 63.7% above 2013 YTD
- ◆ Other Entities Fund Revenue, excluding transfers between funds, \$1.9 million (77.7% above budget projections)
* 2.2% above 2013 YTD
- ◆ Other Entities Expenditures, excluding capital and transfers between funds, \$0.5 million (77% below budget projections)
* 15.3% above 2013 YTD

General Fund Revenues & Expenditures

General Fund Revenue & Expenditures January 2014				
REVENUES	Current Month	YTD Actual	YTD Revised Budget	% of Budget
1 Taxes				
2 Property tax	\$ 672	\$ 672	\$ -	
3 Sales tax	4,531,650	4,531,650	4,192,160	108.1%
4 Building use tax	57,942	57,942	120,610	48.0% ¹
5 Auto use tax	211,841	211,841	146,590	144.5%
6 Other taxes	106,743	106,743	159,890	66.8% ²
7 Intergovernmental	5,125	5,125	57,315	8.9% ²
8 License & Permits	-	-	-	0.0%
9 Building Permits	84,024	84,024	151,000	55.6% ¹
10 Other Permits	31,465	31,465	16,520	190.5% ³
11 Charges for Services	1,354,405	1,354,405	1,377,302	98.3%
12 Fines & Forfeitures	75,026	75,026	80,070	93.7%
13 Interest Income	49,154	49,154	27,750	177.1% ⁴
14 Miscellaneous	567,553	567,553	718,754	78.9% ⁵
15 <i>Subtotal</i>	<i>7,075,601</i>	<i>7,075,601</i>	<i>7,047,961</i>	<i>100.4%</i>
16 Interfund Transfers	31,570	31,570	31,800	99.3%
17 Total Revenue	\$ 7,107,171	\$ 7,107,171	\$ 7,079,761	100.4%
EXPENDITURES				
Operating Expenditures				
18 Legislative	10,502	10,502	15,138	69.4%
19 Executive & Legal	80,072	80,072	106,904	74.9%
City Clerk & Court Admin	29,684	29,684	56,441	52.6%
20 Economic Development	93,199	93,199	74,002	125.9% ⁶
21 Cultural Services	86,798	86,798	130,239	66.6%
22 Development Services	117,824	117,824	206,735	57.0%
23 Finance	191,284	191,284	291,795	65.6%
24 Fire & Rescue	-	-	-	0.0%
25 Human Resources	64,655	64,655	69,042	93.6%
26 Information Technology	374,967	374,967	630,541	59.5%
27 Library	104,801	104,801	233,872	44.8%
28 Parks & Recreation	357,549	357,549	462,708	77.3%
29 Police	938,225	938,225	1,040,659	90.2%
30 Public Works	172,216	172,216	347,670	49.5%
31 Non-Departmental	1,039,035	1,039,035	302,370	343.6%
32 <i>Subtotal Operating</i>	<i>3,660,811</i>	<i>3,660,811</i>	<i>3,968,115</i>	<i>92.3%</i>
33 Internal Transfers	67,495	67,495	1,443,110	4.7%
34 Total Expenditures	\$ 3,728,306	\$ 3,728,306	\$ 5,411,225	68.8%**

¹ Lower than projected revenue due to less building activity than anticipated.

² Lower than projected revenue due to timing of payments from State sharing and Franchisees.

³ Higher than projected revenue due to timing of revenue generated from R2J in Lieu of Land and the disbursement back to the school district.

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⁴ Increase due to higher than anticipated ending balance in 2013.

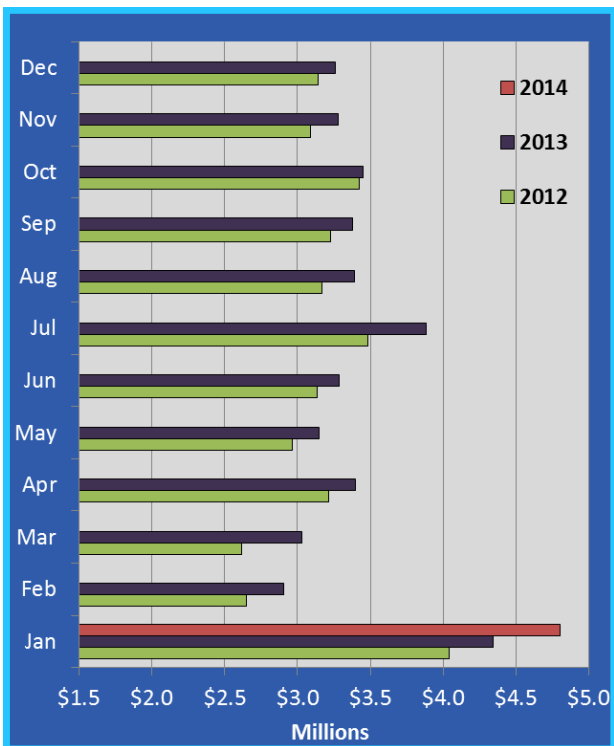
⁵ Lower than projected revenue from Rialto Theater events due to timing of events.

⁶ Higher than budgeted expenditures in Economic Development due to timing of payments to outside agencies for small business development contract & services agreement for job attraction.

** Lower expenditures than budgeted across all departments due to salary accruals to 2013.

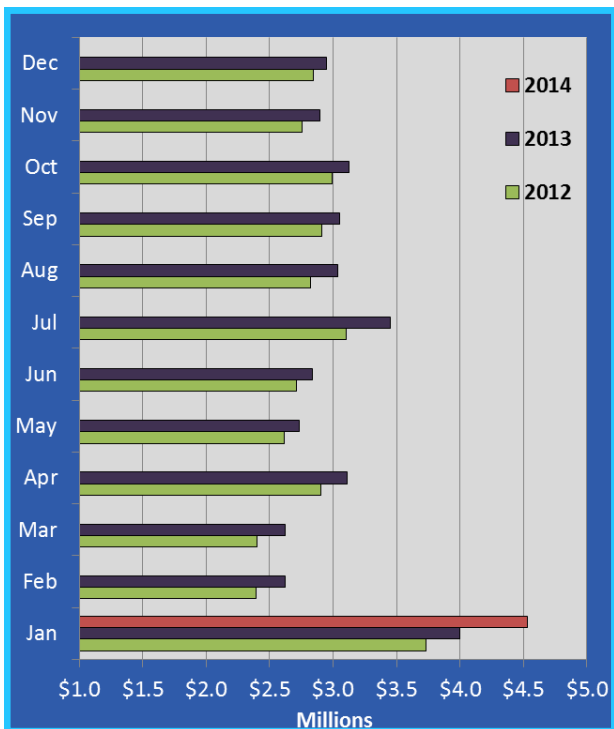
Capital Projects \$500,000+

Project Title	2014 Budget	2014 Expenditures	Remaining 2014 Budget	% of 2014 Budget (Exp/Bud)
Water Capital				
Water Treatment Plant Phase II Expansion (38 MGD)	\$ 9,587,500	\$ -	\$ 9,587,500	0.00%
2014 Water Line Replacements- Phase 1	1,341,990	1,381	1,340,609	0.10%
2014 Water Line Replacements- Phase 2	800,130		800,130	0.00%
Raw Water Capital				
Windy Gap Firming Project	750,000	-	750,000	0.00%
Wastewater Utility Capital				
Gas Conditioning at WWTP	1,010,000	-	1,010,000	0.00%
Digester Building Code Compliance	555,000	-	555,000	0.00%
Fairgrounds/Namaqu Intcp Rehab-Phase 2 St. Louis to Lincoln	656,500	-	656,500	0.00%
Power Capital				
Idylwilde Dam	2,875,000	-	2,875,000	0.00%
Horseshoe Substation Replace H1 Transformer	750,000	397,716	352,284	53.03%
Colorado Renewable Energy Standard Compliance	500,000	-	500,000	0.00%
Callisto (vault 2716) East along 5th, North on Boyd Lake to railroad xing	570,000	-	570,000	0.00%
OH to UG Conversion (Circuit 314) from 42nd along Garfield to 57th	890,000	-	890,000	0.00%
Crossroads Substation - purchase new transformer C2	650,000	-	650,000	0.00%
Crossroads Substation - new switgear & transformer install C2	500,000	-	500,000	0.00%
Extend new feeders from Horseshoe H3 into system	1,000,000	-	1,000,000	0.00%
Stormwater Capital				
Airport Regional Detention Pond	1,300,000	200	1,299,800	0.02%
Streets Transportation Program				
2014 Street Rehabilitation	5,320,000	24,809	5,295,191	0.47%
All Other				
Facilities Maintenance Capital Projects	517,500	88	517,412	0.02%
Open Lands Acquisition	2,371,000	-	2,371,000	0.00%
Fire Station 2 Relocation	3,797,290	-	3,797,290	0.00%
Police RMS (Communications)	3,000,000	-	3,000,000	0.00%
Barnes Park Field Lighting	610,000	40,283	569,717	6.60%
Telephone Switch Replacement	750,000	-	750,000	0.00%
Transportation Program	\$ 2,347,880	\$ 360,322	\$ 1,987,558	15.35%



Sales & Use Tax

	2012	2013	2014	2014 Budget	+ / - Budget
Jan	\$ 4,039,678	\$ 4,345,835	\$ 4,801,433	\$ 4,459,360	7.7%
Feb	2,649,229	2,906,780		2,973,250	
Mar	2,618,052	3,033,347		3,074,180	
Apr	3,215,437	3,397,074		3,633,800	
May	2,966,032	3,150,201		3,298,790	
Jun	3,136,015	3,284,808		3,435,130	
Jul	3,480,123	3,882,561		3,832,510	
Aug	3,171,055	3,392,757		3,550,120	
Sep	3,225,155	3,379,303		3,576,270	
Oct	3,421,098	3,452,052		3,757,520	
Nov	3,092,095	3,280,666		3,436,030	
Dec	3,142,793	3,259,189		3,728,460	
	\$38,156,762	\$ 40,764,573	\$ 4,801,433	\$42,755,420	
YTD	\$ 4,039,678	\$ 4,345,835	\$ 4,801,433	\$ 4,459,360	7.7%

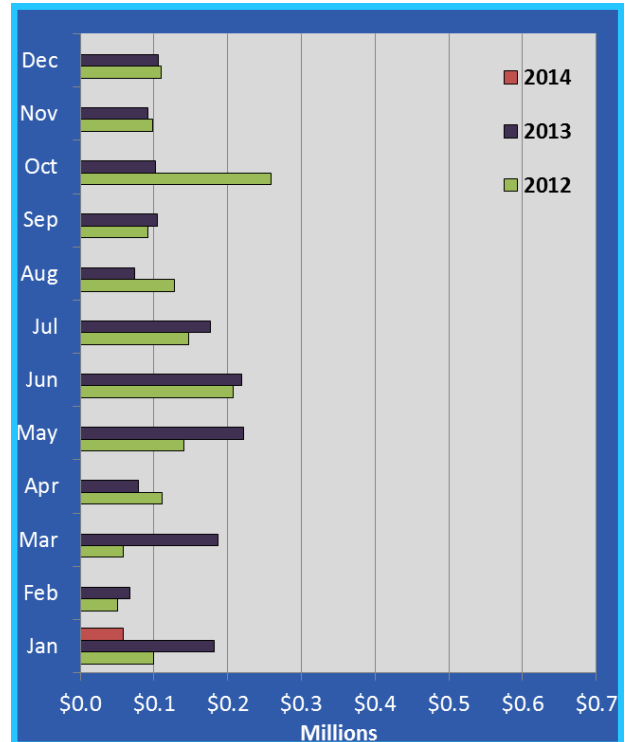


Retail Sales Tax

	2012	2013	2014	2014 Budget	+ / - Budget
Jan	\$ 3,733,309	\$ 3,995,194	\$ 4,531,650	\$ 4,192,160	8.1%
Feb	2,390,409	2,619,453		2,698,090	
Mar	2,403,380	2,622,808		2,737,490	
Apr	2,905,558	3,109,701		3,309,560	
May	2,614,500	2,733,983		2,966,740	
Jun	2,711,906	2,835,171		3,119,270	
Jul	3,105,564	3,453,149		3,492,520	
Aug	2,823,319	3,039,219		3,214,360	
Sep	2,909,008	3,051,797		3,236,980	
Oct	2,991,033	3,125,566		3,402,460	
Nov	2,757,932	2,892,98		3,123,880	
Dec	2,841,959	2,946,709		3,413,130	
	\$34,187,877	\$ 36,425,736	\$ 4,531,650	\$38,906,640	
YTD	\$ 3,733,309	\$ 3,995,194	\$ 4,531,650	\$ 4,192,160	8.1%

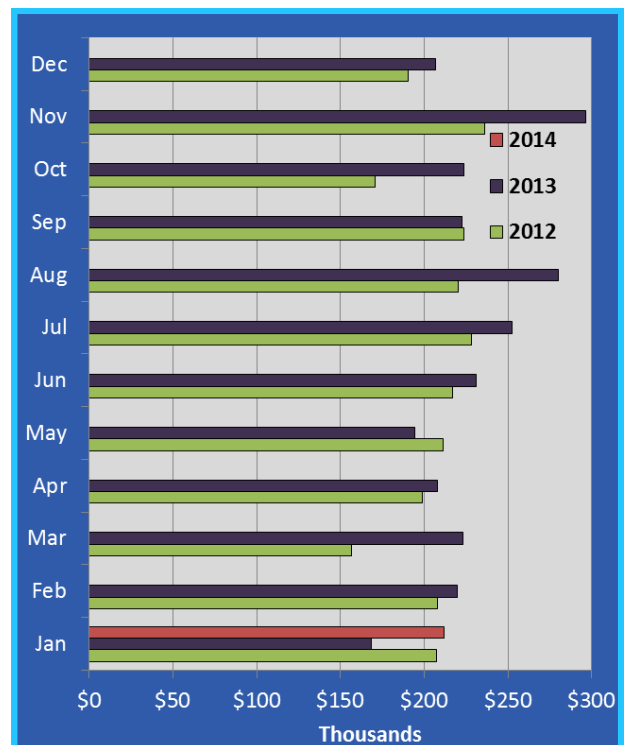
Building Materials Use Tax

	2012	2013	2014	2014 Budget	+ / - Budget
Jan	\$ 99,108	\$ 181,907	\$ 57,942	\$ 120,610	-52.0%
Feb	50,703	67,440		114,230	
Mar	57,845	187,222		192,970	
Apr	111,197	79,229		158,210	
May	140,470	221,834		156,550	
Jun	207,024	218,722		162,080	
Jul	146,570	176,829		161,510	
Aug	127,261	73,524		153,690	
Sep	92,415	105,174		155,700	
Oct	259,279	102,584		170,910	
Nov	97,778	91,453		140,530	
Dec	110,414	105,740		161,790	
	\$1,500,063	\$1,611,658	\$ 57,942	\$1,848,780	
YTD	\$ 99,108	\$ 181,907	\$ 57,942	\$ 120,610	-52.0%

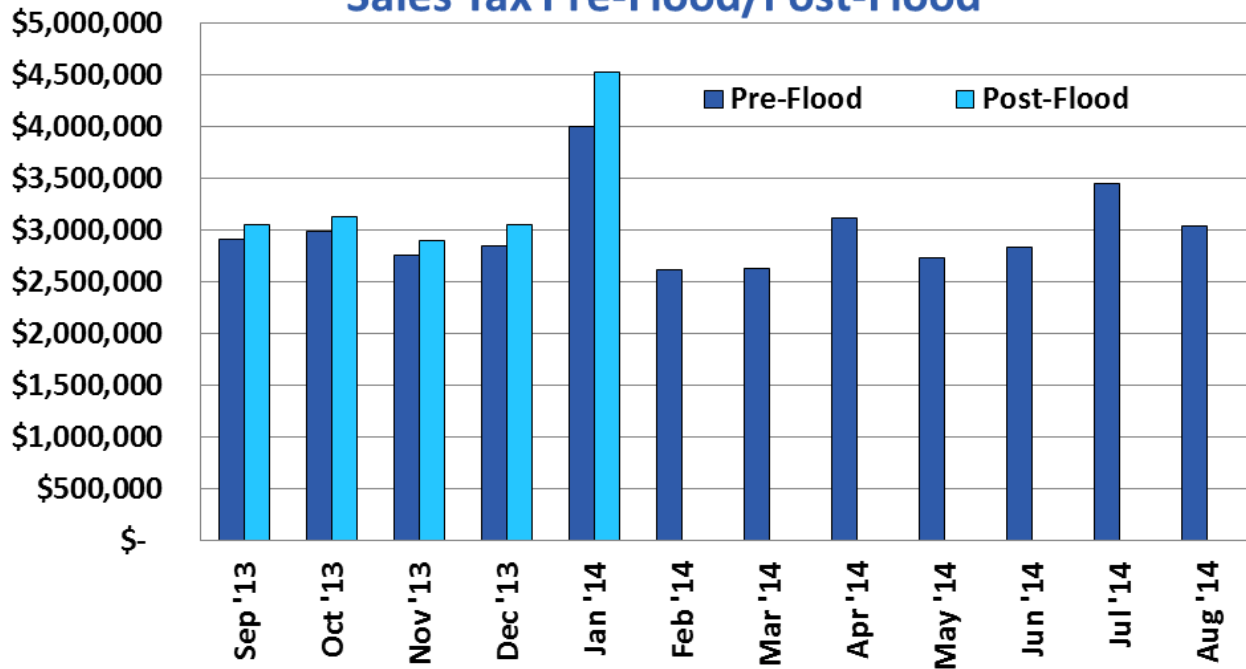


Motor Vehicle Use Tax

	2012	2013	2014	2014 Budget	+ / - Budget
Jan	\$ 207,261	\$ 168,734	\$ 211,841	\$ 146,590	44.5%
Feb	208,117	219,886		160,930	
Mar	156,828	223,317		143,720	
Apr	198,682	208,144		166,030	
May	211,062	194,384		175,500	
Jun	217,084	230,915		153,780	
Jul	227,989	252,583		178,480	
Aug	220,475	280,014		182,070	
Sep	223,732	222,332		183,590	
Oct	170,786	223,902		184,150	
Nov	236,385	296,227		171,620	
Dec	190,420	206,740		153,540	
	\$2,468,822	\$2,727,178	\$ 211,841	\$2,000,000	
YTD	\$ 207,261	\$ 168,734	\$ 211,841	\$ 146,590	44.5%



Sales Tax Pre-Flood/Post-Flood



	Pre-Flood	Post-Flood
Sep '13	\$ 2,909,008	\$ 3,051,797
Oct '13	2,991,034	3,125,566
Nov '13	2,757,932	2,892,986
Dec '13	2,841,959	3,045,135
Jan '14	3,995,194	4,531,650
Feb '14	2,619,453	
Mar '14	2,622,808	
Apr '14	3,109,701	
May '14	2,733,983	
Jun '14	2,835,171	
Jul '14	3,452,149	
Aug '14	3,040,219	
YTD	\$ 35,908,611	\$ 16,647,134

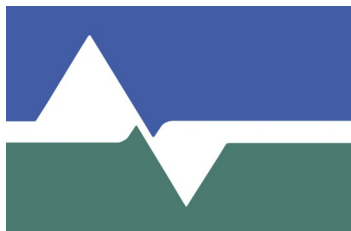
Cost Estimates	
Operational	\$ 2,780,000
Business Assistance	1,200,000
Capital	26,530,000
Total	\$ 30,510,000

Actual Expenditures		
	January	To Date
Total	164,929	6,968,692

Reimbursements Applied For		
	January	To Date
FEMA	503,620	9,960,621
CIRSA	703,134	3,317,878
Other		
Total	\$ 1,206,755	\$ 13,278,499

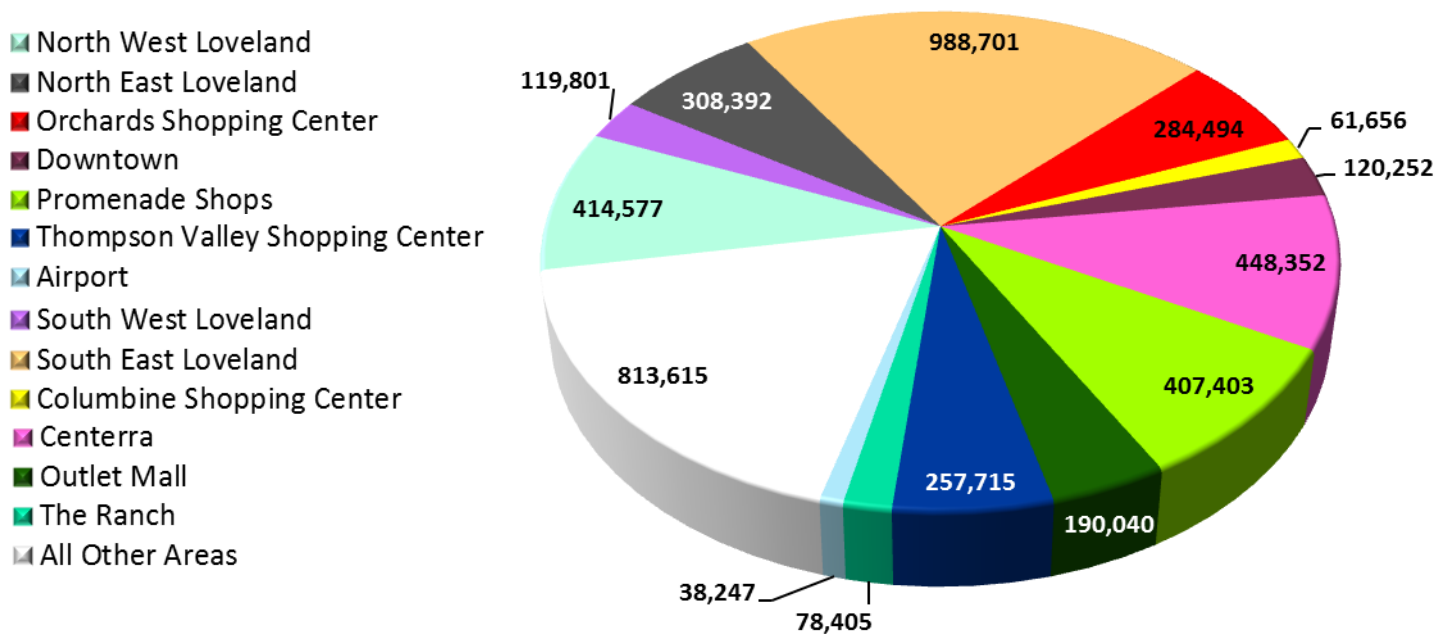
Reimbursements Received		
	January	To Date
FEMA	\$ -	\$ -
CIRSA	500,000	750,000
Other	207,471	207,471 ¹
Total	\$ 707,471	\$ 957,471

¹ Reimb. From County for debris removal

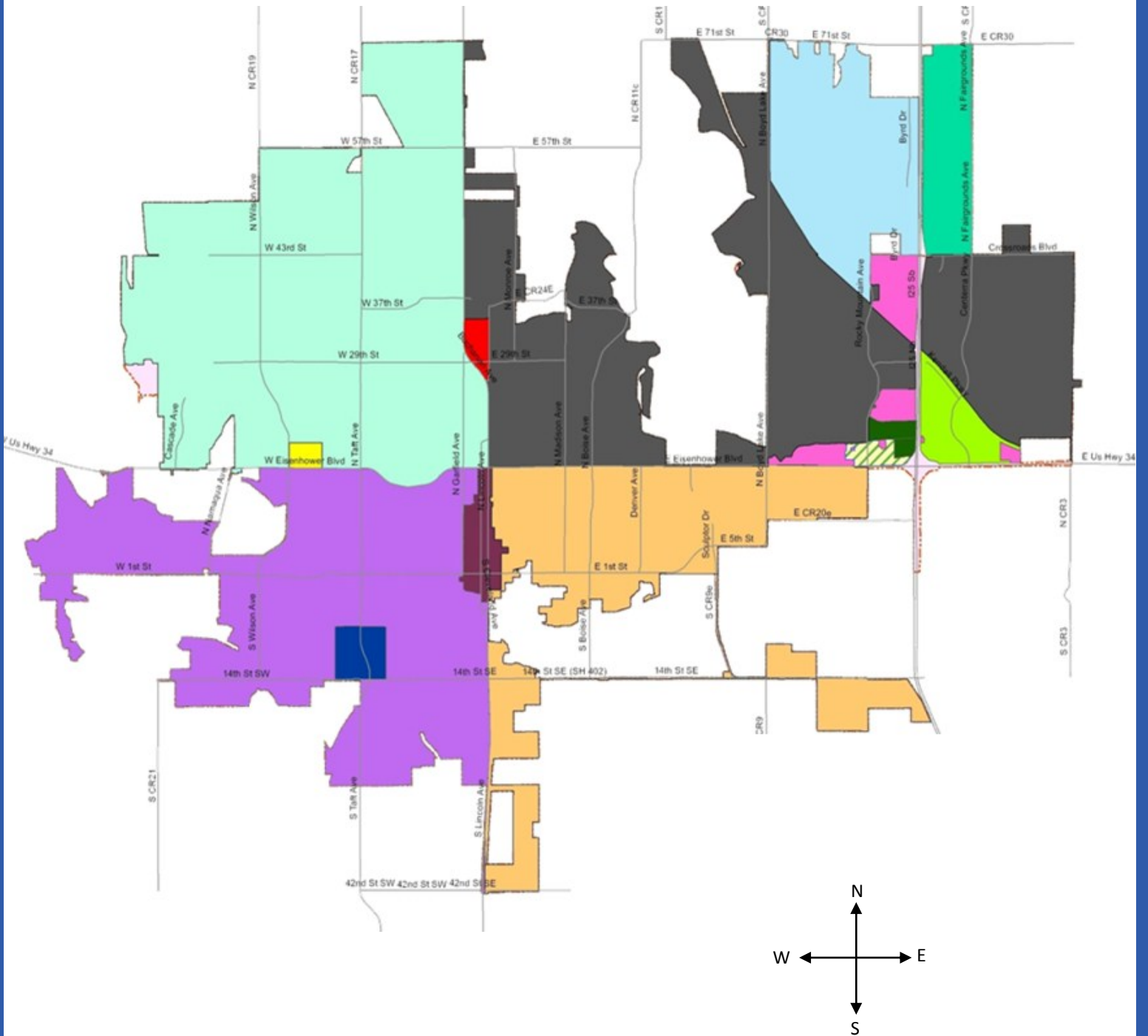


Geographical Area	YTD 2014	YTD 2013	Change
South East Loveland	988,701	883,465	11.9%
Centerra	448,352	458,731	-2.3%
North West Loveland	414,577	417,664	-0.7%
Promenade Shops	407,403	330,088	23.4%
North East Loveland	308,392	255,639	20.6%
Orchards Shopping Center	284,494	283,182	0.5%
Thompson Valley Shopping Center	257,715	241,808	6.6%
Outlet Mall	190,040	151,596	25.4%
Downtown	120,252	103,345	16.4%
South West Loveland	119,801	102,288	17.1%
The Ranch	78,405	67,665	15.9%
Columbine Shopping Center	61,656	59,542	3.6%
Airport	38,247	39,902	-4.1%
All Other Areas (1)	813,615	600,279	35.5%
Total	\$4,531,50	\$3,995,194	13.4%

(1) Refers to sales tax remitted by vendors who are located outside of the City but make sales to customers within Loveland.

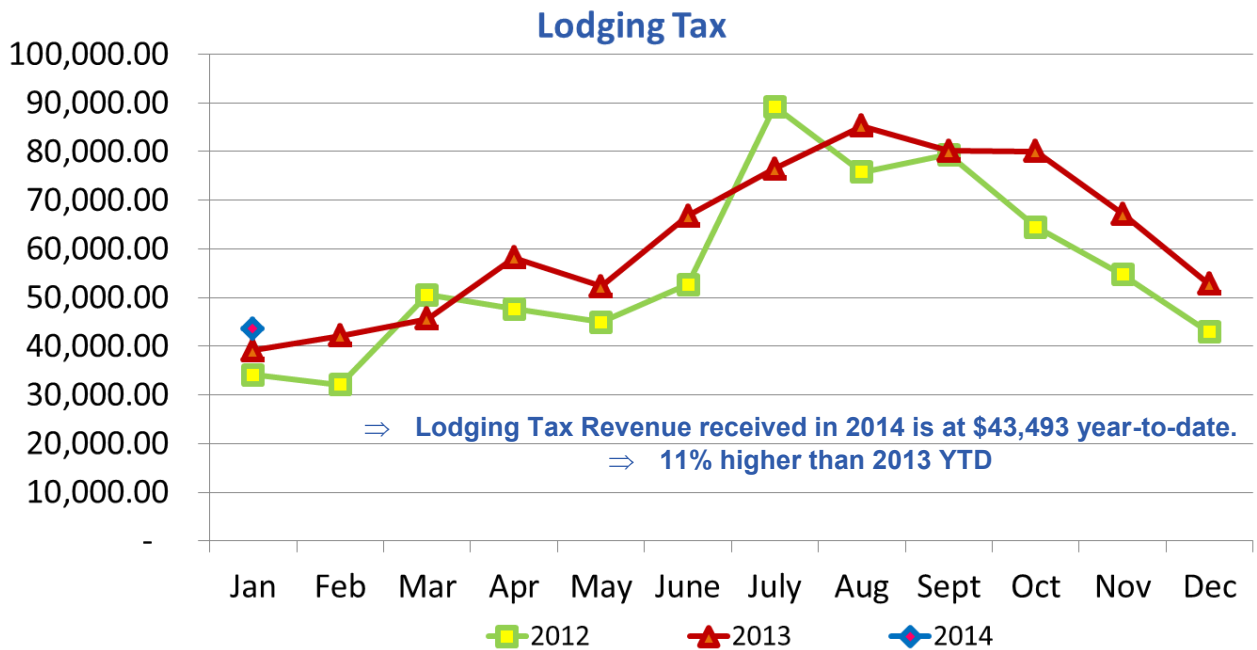


Map →

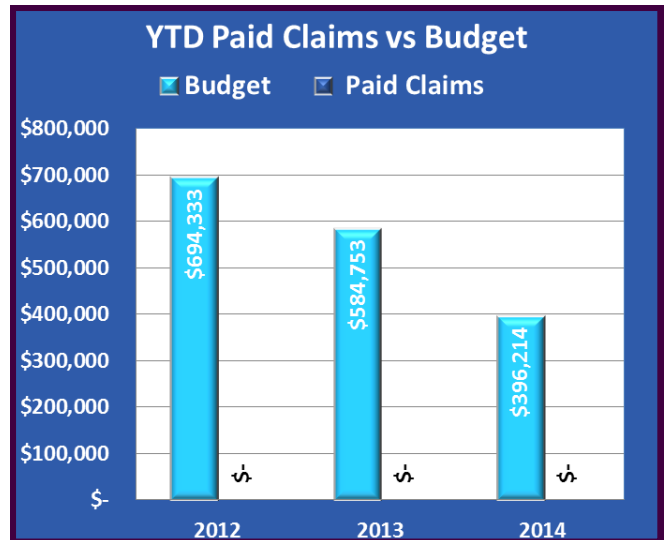


Sales Tax Collections

Description	YTD 2014	YTD 2013	\$ Change	% Change	% of Total	Total %
Department Stores & General Merchandise	\$ 929,866	\$ 947,878	\$ (18,012)	-1.9%	20.5%	20.5%
Restaurants & Bars	511,040	473,402	37,638	8.0%	11.3%	31.8%
Grocery Stores & Specialty Foods	431,129	396,980	34,149	8.6%	9.5%	41.3%
Clothing & Clothing Accessories Stores	376,718	318,686	58,032	18.2%	8.3%	49.6%
Motor Vehicle Dealers, Auto Parts & Leasing	281,577	186,243	95,334	51.2%	6.2%	55.8%
Building Material & Lawn & Garden Supplies	254,579	277,064	(22,485)	-8.1%	5.6%	61.5%
Sporting Goods, Hobby, Book & Music Stores	249,473	230,014	19,459	8.5%	5.5%	67.0%
Utilities	196,967	165,910	31,057	18.7%	4.3%	71.3%
Broadcasting & Telecommunications	193,175	152,628	40,547	26.6%	4.3%	75.6%
Used Merchandise Stores	158,457	123,760	34,697	28.0%	3.5%	79.1%
Beer, Wine & Liquor Stores	123,718	65,131	58,587	90.0%	2.7%	81.8%
Hotels, Motels & Other Accommodations	88,064	90,904	(2,840)	-3.1%	1.9%	83.7%
Consumer Goods & Commercial Equipment Rental	85,989	75,446	10,543	14.0%	1.9%	85.6%
Health & Personal Care Stores	85,194	69,288	15,906	23.0%	1.9%	87.5%
Electronics & Appliance Stores	80,485	76,127	4,358	5.7%	1.8%	89.3%
Furniture & Home Furnishing Stores	68,581	62,157	6,424	10.3%	1.5%	90.8%
Electronic Shopping & Mail-Order Houses	61,361	53,211	8,150	15.3%	1.4%	92.2%
Office Supplies, Stationery & Gift Stores	44,654	37,278	7,376	19.8%	1.0%	93.1%
Gasoline Stations with Convenience Stores	28,338	20,836	7,502	36.0%	0.6%	93.8%
All Other Categories	282,285	172,251	110,034	63.9%	6.2%	100.0%
Total	\$ 4,531,650	\$ 3,995,194	\$ 536,456	13.4%	100.0%	

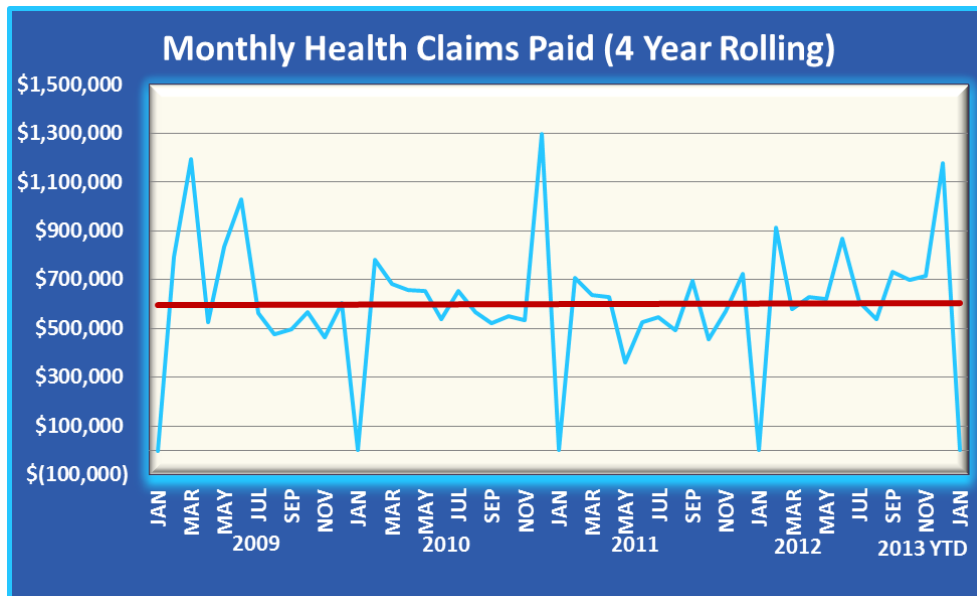


Change		OAP	HRA	Total
		2014	Jan	543,606
	YTD	543,606	485,708	1,029,314
2013	Jan	714,218	197,680	911,898
	YTD	714,218	197,680	911,898
2012	Jan	(170,612)	288,028	117,416
	% Jan	-23.9%	145.7%	12.9%
	YTD	(170,612)	288,028	117,416
	% YTD	-23.9%	145.7%	12.9%



⇒ HRA—Health Reimbursement Arrangement
 ⇒ OAP—Open Access Plan

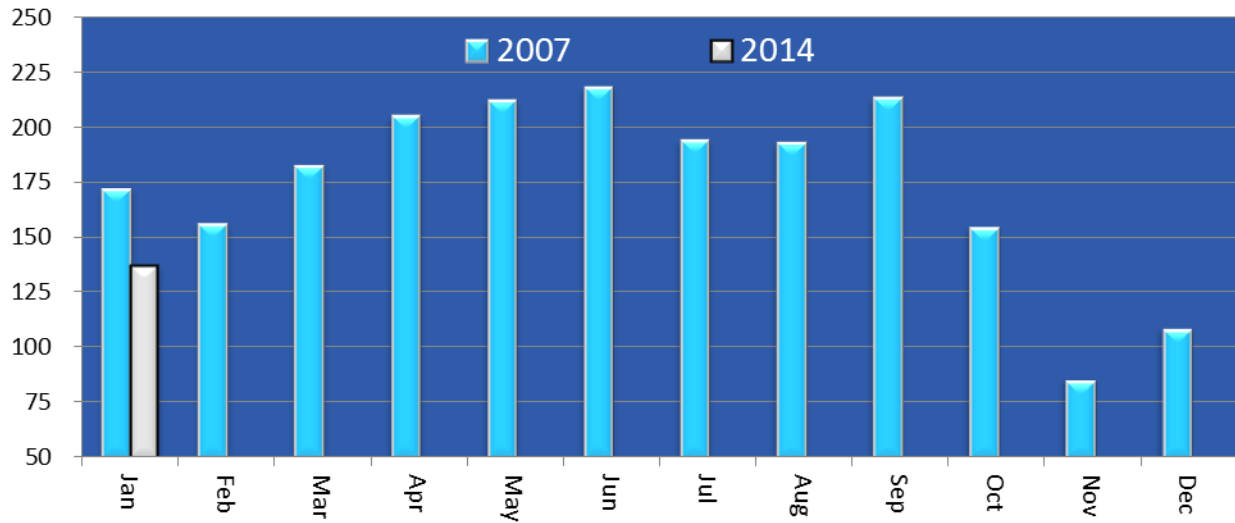
Incurred claims are total expenses the City is obligated to pay for claims, including claims paid and unpaid. Paid claims are those claims that have been paid and reconciled through the bank to-date, which may not reflect Stop Loss reimbursements or other refunds.



January	2011	2012	2013	2014
# of claims	6	5	4	6
YTD Cost of high claims	\$230,053	\$233,341	\$158,231	\$525,954

⇒ 2014 # of StopLoss claims: 1
 (claims over \$150k paid by StopLoss Carrier)

Building Permit Comparison History



Measures	Jan 2012	Jan 2013	Jan 2014	2012 YTD	2013 YTD	2014 YTD
# of Building Permits	153	167	137	153	167	137
Building Permit Valuations	\$ 7,634,814	\$11,544,017	\$ 5,860,158	\$ 7,634,814	\$ 11,544,017	\$ 5,860,158
# of Certified Occupancies	16	16	11	16	16	11
Net # of Sales Tax Licenses	(72)	(164)	19	(72)	(164)	19
New Residential Electric Meter Sets	5	12	82	5	12	82
# of Utility Bills Sent	35,981	36,413	36,690	35,981	36,413	36,690
Rounds of Golf	1,749	1,511	340	1,749	1,511	340
\$ Average Health Claim Costs/Emp.	\$ 1,105	\$ 1,425	\$ 1,571	\$ 1,105	\$ 1,425	\$ 1,571
KWH Demand (kH)	97,112	98,412	99,852	97,112	98,412	99,852
KWH Purchased (kwh)	61,259,661	62,563,704	63,250,615	61,259,661	62,563,704	63,250,615
Gallons of Water Sold	147,790,418	150,745,377	168,099,995	147,790,418	150,745,377	168,099,995
# of Workers' Comp Claims 2014	11	5	5	11	5	5
\$ of Workers' Comp Claims Paid 2014	\$ 87,948	\$ 35,290	\$ 38,842	\$ 87,948	\$ 35,290	\$ 38,842
# of Total Open Claims	13	12	21	<i>Not Cumulative</i>		
\$ of Total Open Claims	168,332	201,377	474,269	<i>Not Cumulative</i>		
\$ of Lodging Tax Collected	\$ 34,126	\$ 39,181	\$ 43,493	\$ 34,126	\$ 39,181	\$ 43,493

For more information regarding this report contact:

Brent Worthington, Finance Director

970.962.2300 or

brent.worthington@cityofloveland.org

**Financial Sustainability
Strategies Can Be**

Found At:

CityofLoveland.org

⇒ **Departments**

⇒ **Finance**

⇒ **Administration**

⇒ **Financial Reports**

⇒ **Financial
Sustainability**

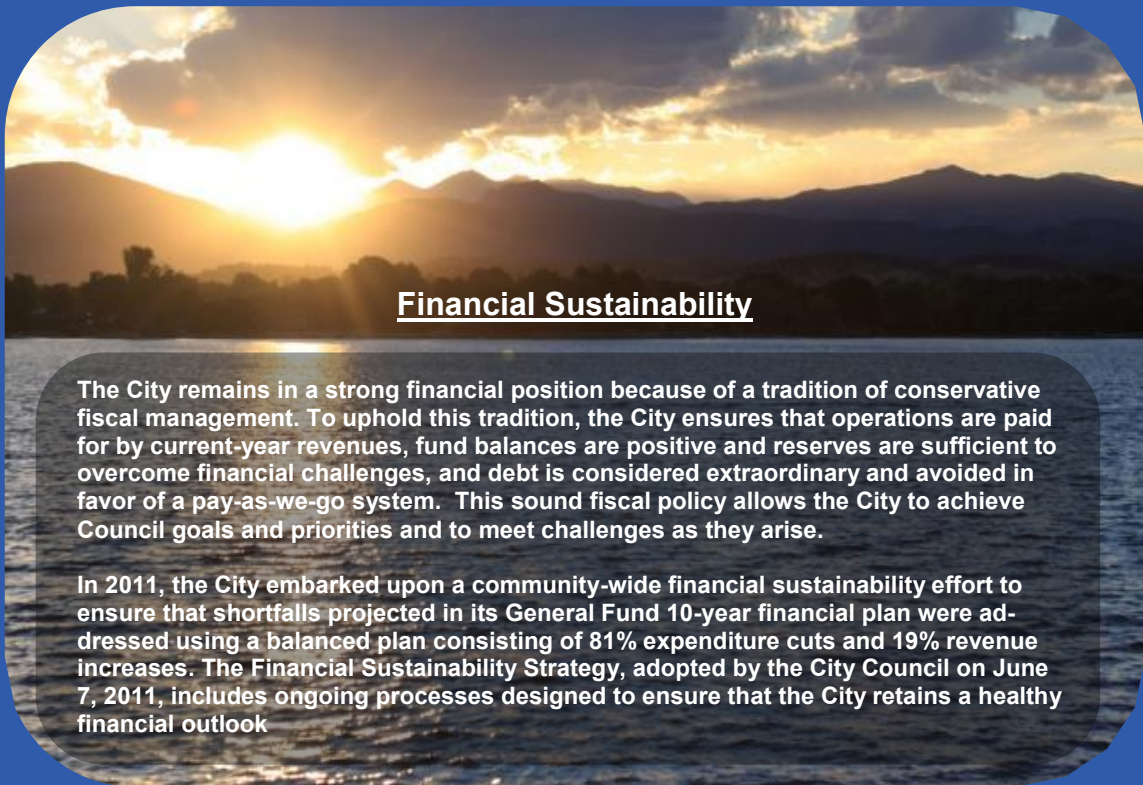
The City of Loveland is committed to providing an equal opportunity for citizens and does not discriminate on the basis of disability, race, color, national origin, religion, sexual orientation or gender. The City will make reasonable accommodations for citizens in accordance with the Americans with Disabilities Act. For more information, please contact the City's ADA Coordinator at bettie.greenberg@cityofloveland.org or 970-962-3319

January

Snapshot

Monthly Financial Report

2014



Financial Sustainability

The City remains in a strong financial position because of a tradition of conservative fiscal management. To uphold this tradition, the City ensures that operations are paid for by current-year revenues, fund balances are positive and reserves are sufficient to overcome financial challenges, and debt is considered extraordinary and avoided in favor of a pay-as-we-go system. This sound fiscal policy allows the City to achieve Council goals and priorities and to meet challenges as they arise.

In 2011, the City embarked upon a community-wide financial sustainability effort to ensure that shortfalls projected in its General Fund 10-year financial plan were addressed using a balanced plan consisting of 81% expenditure cuts and 19% revenue increases. The Financial Sustainability Strategy, adopted by the City Council on June 7, 2011, includes ongoing processes designed to ensure that the City retains a healthy financial outlook





CITY OF LOVELAND
CITY MANAGER'S OFFICE

Civic Center • 500 East Third • Loveland, Colorado 80537
(970) 962-2303 • FAX (970) 962-2900 • TDD (970) 962-2620

AGENDA ITEM: 16
MEETING DATE: 3/4/2014
TO: City Council
FROM: Alan Krcmarik, Executive Fiscal Advisor
PRESENTER: Alan Krcmarik, Executive Fiscal Advisor

TITLE:

Investment Report for January 2014

RECOMMENDED CITY COUNCIL ACTION:

This is an information only item. No Council action is required.

SUMMARY:

According to the 2014 budget projections, the budget estimate for investment earnings for 2014 is \$2,025,920. For January, the amount posted to the investment account is \$249,128. Actual earnings are above the year-to-date budget projection by \$68,506. Based on the monthly statement, the estimated annualized 1.02% yield on the securities held by US Bank was down from last month's reading of 1.07%. The annual target earnings rate (determined by the revenue projection for 2014, divided by the 2013 ending market value of \$215.1 million), is 0.94% for 2014. Due to the demands for draws from the fund balances to pay for the cost of flood response and project repair, the portfolio currently has a significantly lower fund balance than it would otherwise.

BACKGROUND:

At the end of January, the City's portfolio had an estimated market value of \$214.3 million, about \$789,000 less than a month ago. Of this amount, US Bank held (including accrued interest) \$186.5 million in trust accounts; other funds are held in local government investment pools, in operating accounts at First National Bank, and a few miscellaneous accounts. Interest rates trended to record lows in 2012 – 2013 before rising in the second half of last year. Short-term rates are projected to remain low through 2014 and into 2015. Investments are in US Treasury Notes, high-rated US Agency Bonds, high-rated corporate bonds, money market accounts, and local government investment pools. The City's investment strategy emphasizes safety of principal, then sufficient liquidity to meet cash needs, and finally, return on investment. Each percent of earnings on the portfolio equates to about \$2.1 million annually.

REVIEWED BY CITY MANAGER:

William D. Cabell

LIST OF ATTACHMENTS:

1. Investment Focus January 2014



Investment Focus

Monthly Investment Report

January 2014

What's in here?

Focal Points	1
Gain / Loss	
Rate Trends	2
Cash Statement	3
Portfolio size	4
Investment types	
Transactions /	5
Maturity	
Future Scan	6

Focal Points

- * 2014 targets for the City's portfolio: 1) the interest rate target is **0.94%**; 2) the earnings goal = **\$2,025,920**.
- * City investments are in high quality, low risk securities, in compliance with state law and the adopted investment policy.
- * Interest earnings for the month totaled \$249,128. Revenue posted to accounts = **\$249,128: 138% of the target**.
- * Each 1% of the market value amounts to nearly \$2.1 million.
- * The month end market value shows the unrealized loss was lower, estimated to be **\$1,723,659** at the end of January.

Fannie Passes Bailout Benchmark, Paying More in Dividends Than It Got in Aid

The Federal National Mortgage Association (also known as FNMA, Fannie Mae, or just Fannie) "will pay \$7.2 billion to the U.S. Treasury next month, reaching a post-bail-out milestone that many considered impossible just two years ago: paying more in dividends than put in by taxpayers.

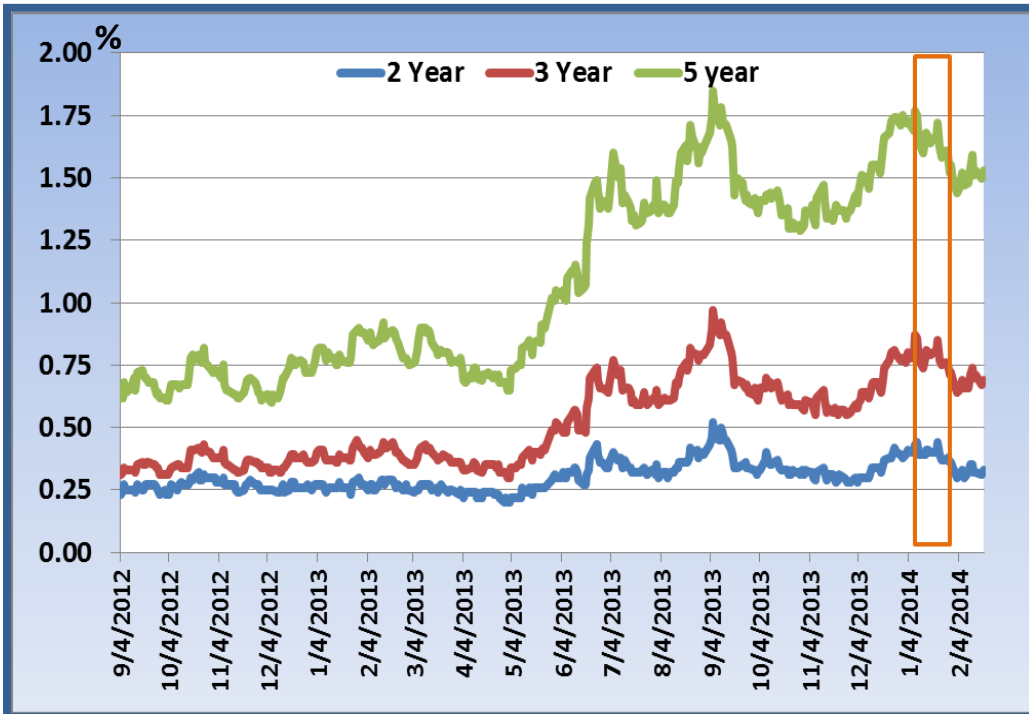
That payment will bring the total dividends that FNMA and FHLMC have paid the government to about \$192.5 billion.

Type of Investment	Purchase Price	Market Value	Unrealized Gain or Loss
Checking Accounts	\$ 8,373,742	\$ 8,373,742	--
Investment Pools	19,507,908	19,507,908	--
Money Markets	<u>14,629,313</u>	<u>14,629,313</u>	--
Subtotal	\$ 42,510,962	\$ 42,510,962	--
Notes and Bonds	<u>173,554,067</u>	<u>171,830,408</u>	\$ (1,723,659)
Total Portfolio	\$ 216,065,029	\$ 214,341,371	\$ (1,723,659)
Data Sources	(Morgan Stanley)	(US Bank)	

continued on page 2

Due to rounding, column and row totals may not add exactly.

Treasury rate trends / FNMA back in the Black



Interest rates on U.S. Treasuries fell sharply during January. The 2-, 3- and 5-year treasury notes dropped by 4, 9, and 26 basis points respectively.

The value of securities held in the portfolio improved by over \$1.4 million and decreased the unrealized loss.

The total dividends will Exceed the 187.5 billion in bailout money that they received from the U.S.

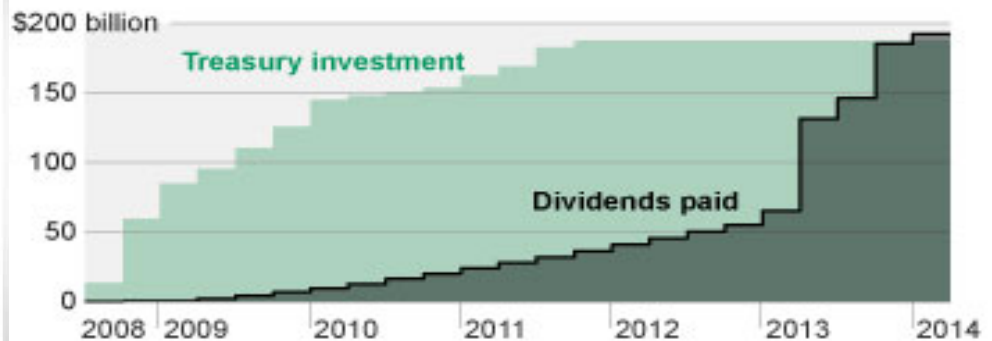
“The two companies, which were taken over by the government in 2008, became one of the most expensive legacies of the financial crisis.

‘The bottom line is that Fannie Mae is making a profit,’ Timothy Mayopoulos, the company's chief executive, said Friday

in a call with reporters. ‘I'm very, very happy for the taxpayers.’ Fannie's record haul for 2013 isn't likely to be repeated, the company said Friday, because it reflected a series of one-time tax benefits and legal settlements. The company's pre-tax income stood at \$38.6 billion, compared with year-earlier income of \$17.2 billion.”

Back in the Black

After a payment next month, Fannie Mae together with Freddie Mac will have paid more in dividends to the Treasury than they received from their 2008 bailout.



Note: Doesn't include 4Q results for Freddie Mac, which hasn't reported yet.

Sources: the companies

The Wall Street Journal

(Source: Nick Timiraos in THE WALLSTREETJOURNALOnline, February 22, 2014.)

Expected Revisions to Colorado Nonfarm Payroll Jobs



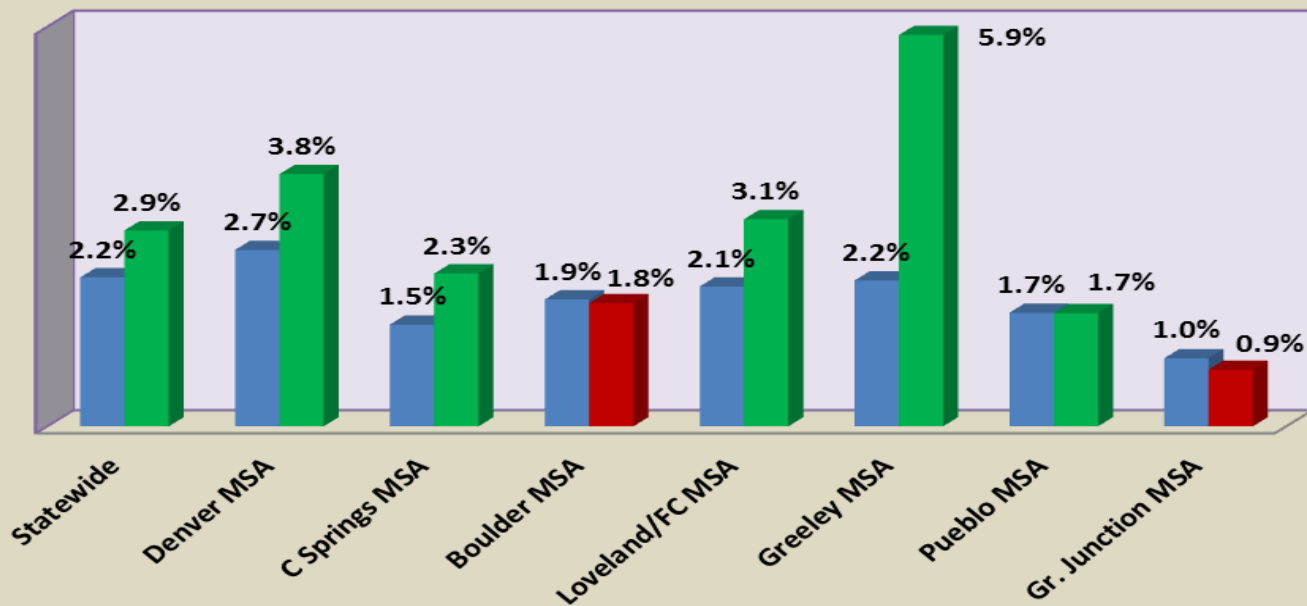
COLORADO
DEPARTMENT OF
LABOR AND EMPLOYMENT

Third quarter 2013 Quarterly Census of Employment and Wages (QCEW) results indicate Colorado total nonfarm payroll jobs estimates will likely be revised up for this period with the release of benchmarked estimates in March 2014. September 2013 estimates are expected to be revised up by about 17,100 or seven tenths of a percentage point and July and August 2013 estimates are expected to be revised up by about two tenths of a percentage point and six tenths of a percentage point, respectively.

The chart below illustrates the change in growth rates from the original estimate to the revisions that are expected for the state and for each of the seven metropolitan statistical areas. The growth rate for Loveland is expected to be adjusted to 3.1%, a little better than the State. Boulder and Grand Junction rates are expected to be lower.

Expected Revisions to Job Growth Rates by Metropolitan Area in Colorado

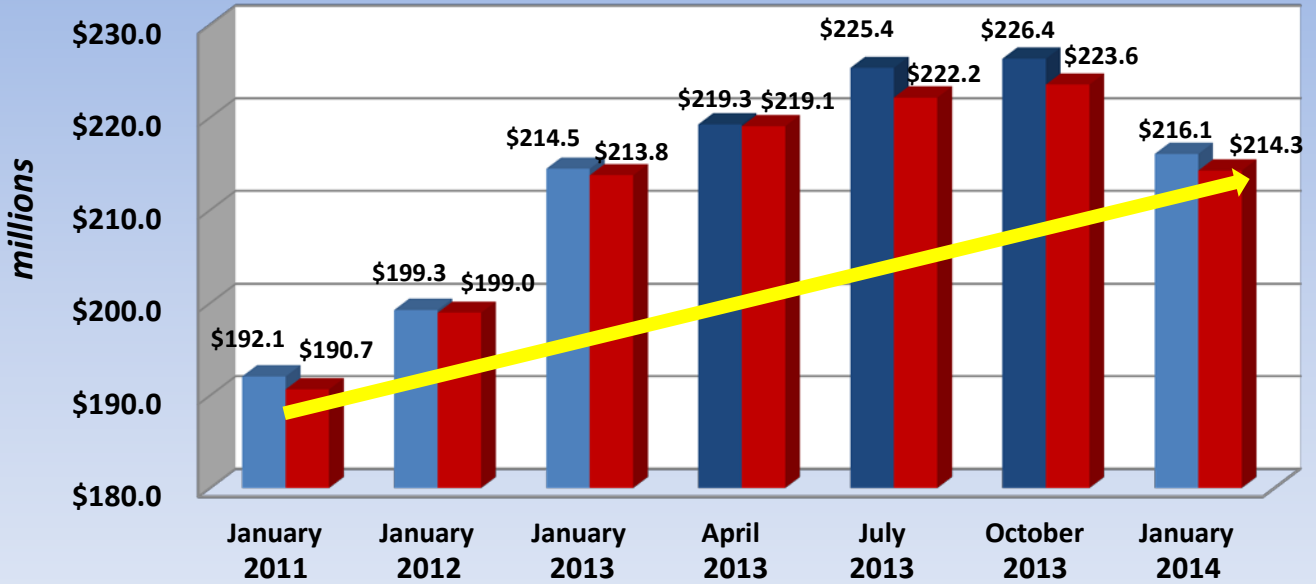
■ Original ■ Updated up ■ down



Monthly Investment Report

Portfolio Growth Trend / Types of Investments

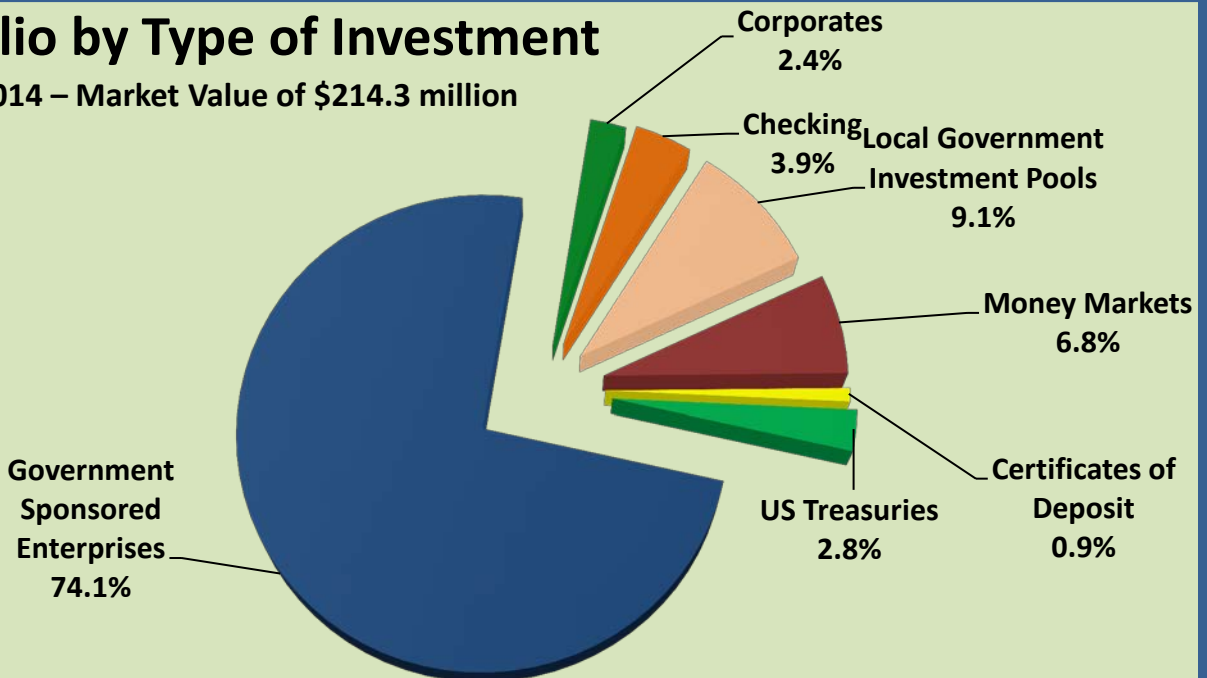
Portfolio Size since January 2011



Blue bars show Purchase value; red and green bars show Market value (red = loss and green = gain).

Portfolio by Type of Investment

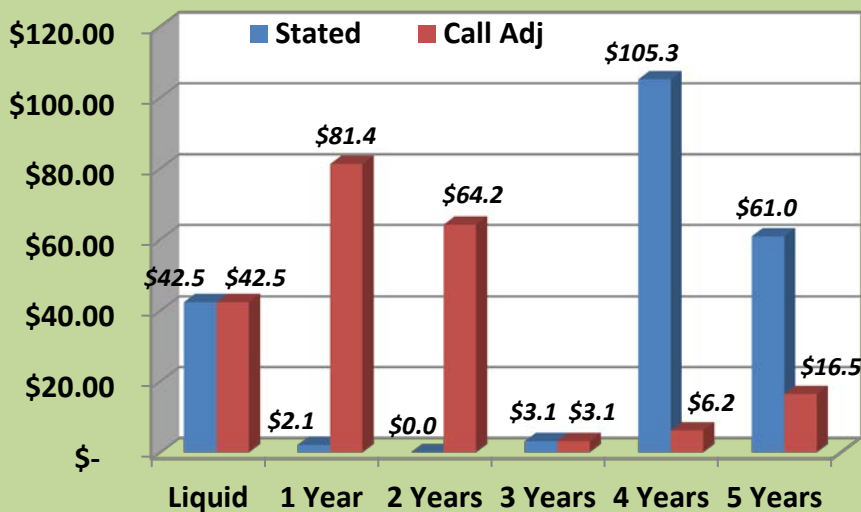
January 2014 – Market Value of \$214.3 million



Transactions / Portfolio by Maturity

	Maturity Date	Face Value	Purchase \$	Stated Rate
<u>Purchases</u>				
none this month				
<u>Matured</u>				
Barclays Bank Plc	01/13/2014	\$1,500,000	\$ 1,518,075	1.345%
<u>Called</u>				
Fed Nat'l Mortgage Assn	07/17/2017	\$5,000,000	<u>Call Value \$</u> \$ 5,000,000	1.000%
<u>Sales</u>				
none this month				
			<u>Gain \$</u>	

Portfolio by Estimated Maturity Term
(in millions - Total = \$214.3 at the end of January)



The target interest earnings rate for 2014 is 0.94%. Rates are now up from the near record lows. For the year-to-date (one month), the portfolio proceeds are above the earnings target level for 2014.

To support earnings, or to reposition the portfolio, bonds may be sold. No sales have been completed so far.

The blue bars show the stated term; red bars show the calls. Due to the recent drop in interest rates, many of the five year bonds may be called early.



Future Scan: Fed Minutes show discussion of possible rate increase

- ❖ On February 19, the **Federal Open Market Committee** released the minutes from its last meeting.
 - “Conversation at the Federal Reserve’s most recent policy meeting turned to something that hasn’t been a serious topic for years: the possibility of interest-rate increases in the near future.”
 - “The Fed has held short-term interest rates near zero since December 2008, near the height of the financial crisis, and Chairwoman Janet Yellen shows no appetite for raising them soon. Investors, seeing that, generally don’t see Fed rate increases until well into 2015, a view also held by many officials. The fact that the subject came up at all in January shows how the central bank’s policy debate is slowly and subtly evolving and might offer the first glimmers on a distant horizon of a Fed move.”
 - “They face several puzzles. The first is whether to read the decline as a sign the economy is getting back to full health. Because the rate’s is being driven in part by individuals leaving the labor force and thus leaving official counts of the unemployed, some officials believe it is a sign of economic weakness and not health. But they are reluctant to make too much of this because many of the labor force dropouts are simply older workers retiring. With the rate near the Fed’s 6.5% threshold, officials also are discussing to how to alter their guidance about the future path of interest rates. In the past that guidance was tied to the jobless rate. Now they are thinking about dropping it.”
(Source: *Fed Puts Rate Increase on the Radar*, Jon Hilsenrath and Victoria McGrane, in **THE WALL STREET JOURNAL** online, February 19, 2014)
- ❖ **Morgan Stanley Fixed Income Commentary** – “Waiting for the Sun”
 - “Early on 2014 is shaping up to be the opposite of the prior two years’ experience, at least on the jobs front, as data have been mixed to more softer than expected. We feel inclement winter weather could be playing a restraining role on activity and look for a reversal in fortunes come Q2.
 - “While EuroMarket-related concerns have introduced another layer of volatility for the fixed income arena, absent a meltdown, we feel future rate trends will be driven more by domestic economic considerations.”
 - “Our base case looks for additional \$10 billion tapers occurring at upcoming FOMC meetings. With the jobless rate hovering right above the FOMC’s 6.5% unemployment rate threshold, policymakers will need to make some adjustments to their qualitative ‘enhanced rate guidance’, perhaps placing more focus on the inflation aspect to their dual mandate, which is well below their target.”
(Source: Morgan Stanley **Basis Points** Fixed Income Strategy, Kevin Flanagan & Jon Mackay, February 7, 2014.)
- ❖ **The January Colorado Employment Situation** will not be released until later in March. The latest available data for Loveland’s unemployment shows 5.2% in December. (Source: Colorado Department of Labor and Employment **Colorado Employment Situation December 2013**, dated January 28, 2014.)
- ❖ **Recession Outlook:** Four indicators, Industrial Production, Nonfarm Employment, Real Personal Income, and Real Retail Sales are the basis for determining a recession. Based on January data, Industrial Production and Real Retail Sales were negative; Real Income (December) was also negative. Only the employment eked out a month-to-month gain. The average of the four indicators was flat for December and -0.6% for January. “The overall picture of the US economy remains one of a ploddingly slow recovery from the Great Recession.”
(Source: **Advisor Perspectives**, Doug Short, February 21, 2014.)

For more information regarding this report, please contact:

Alan Krcmarik, Executive Fiscal Advisor 970.962.2625 or Alan.Krcmarik@cityofloveland.org

Monthly Investment Report

January 2014

2. **CITY MANAGER** (presenter: Bill Cahill)
BOARDS & COMMISSIONS APPOINTMENTS

1. A Motion to Reappoint Bradley Pierson to the Citizens' Finance Advisory Commission for a Term Effective until December 31, 2016 was approved.
2. A Motion to Appoint Ryan Lundquist to the Citizens' Finance Advisory Commission for a Term Effective until December 31, 2016 was approved. The Motion regarding David Hallet was removed from the Consent Agenda and placed on the Regular Agenda.
3. A Motion to appoint Elton Bingham as a City Commission Member on the Fire and Rescue Advisory Commission for a Term Effective until June 30, 2016 was approved.
4. A Motion to Reappoint Rick Brent to the Open Lands Advisory Commission for a Term Effective until December 31, 2017 was approved.
5. A Motion to Appoint Jim Roode to the Open Lands Advisory Commission for a Term Effective until December 31, 2017 was approved.
6. A Motion to Reappoint Roger Clark and Charlie Jackson to the Visual Arts Commission, Each for a Term Effective until December 31, 2016 was approved.
7. A Motion to Appoint Abbie Powers and Sara Turner as Alternate Members on the Visual Arts Commission, Each for a Term Effective until December 31, 2014 was approved.
8. A Motion to Appoint Jill Angelovic as an Alternate Member on the Affordable Housing Commission for a Term Effective until June 30, 2014 was approved.

These are administrative actions recommending the appointments and reappointments of members to the Citizens' Finance Advisory Commission, the Fire and Rescue Advisory Commission, the Open Land Advisory Commission and the Visual Arts Commission.

3. **PUBLIC WORKS** (presenter: Keith Reester)
IGA WITH THE STATE OF COLORADO REGARDING FLOOD REPAIR OF FEDERAL AID SYSTEM ROADWAYS

A Motion to Adopt Resolution #R-8-2014 Approving a Master Intergovernmental Agreement Between the City of Loveland, Colorado and the State of Colorado, Acting By and Through the Colorado Department of Transportation, for Repair of Federal Aid System Roadways Located within the City of Loveland that were Damaged by the September 2013 Flood was approved.

This is an administrative action. The resolution approves an Intergovernmental Agreement (IGA) between the City of Loveland and the Colorado Department of Transportation (CDOT). This agreement is necessary to facilitate the distribution of Federal Highway Administration (FHWA) funds appropriated for the repair of Federal Aid System (FAS) Roadways damaged by the September 2013 Flood. The positive impact of this action is that it will facilitate the distribution of Federal Emergency Funds to cover a large portion (80 to 87.5%) of the costs for repair of our flood-damaged roadway infrastructure. On the negative side, the City will be responsible for the remaining 12.5 to 20% repair costs (dependent on the federal classification of the repair), which was unforeseen at the time of 2013 budgeting.

4. **ECONOMIC DEVELOPMENT** (presenter: Mike Scholl)
MICHAELS DEVELOPMENT COMPANY EXCLUSIVE RIGHT TO NEGOTIATE

A Motion to Authorize the City Manager to Sign an Exclusive Right to Negotiate With the Michaels Development Company, in the Form Attached to this Cover Sheet, Pertaining to the 3rd Street Redevelopment Project was approved.

This is an administrative action. The motion authorizes the City Manager to sign an exclusive right to negotiate with the Michaels Development Company (MDC) on the 3rd Street Redevelopment Project. The exclusive right would allow six months to define a scope of work for the project and define the financials. The City and MDC may extend the period to negotiate a development agreement if preliminary work is successfully completed. The motion authorizes negotiations only.

**5. DEVELOPMENT SERVICES (presenter: Karl Barton)
AMENDING SECTION 4.7 FUTURE LAND USE PLAN MAP TO MODIFY THE GROWTH MANAGEMENT AREA**

A public hearing was held and a Motion to Adopt Resolution #R-9-2014 Approving Amendment of the City of Loveland 2005 Comprehensive Plan, 2011 Implementation Plan by the Amendment of Section 4.7 Future Land Use Plan Map to Modify the City of Loveland Growth Management Area was approved.

This is legislative action. The resolution amends the City of Loveland Future Land Use Plan by changing the boundaries of Loveland's Growth Management Area, removing certain properties located on the west and east sides of I-25, north of SH 402 and primarily south of the Big Thompson River. This is the final step in reaching the agreement with Johnstown that will allow Loveland to work with Larimer County to get the Loveland GMA Overlay Zoning District expanded.

END OF CONSENT AGENDA

CITY CLERK READS TITLES OF ORDINANCES ON THE CONSENT AGENDA

PUBLIC COMMENT *Anyone who wishes to speak to an item NOT on the Agenda may address the Council at this time.*

PROCEDURAL INFORMATION

Anyone in the audience will be given time to speak to any item on the Regular Agenda before the Council acts upon it. The Mayor will call for public comment following the staff report. 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

2.2 BOARDS & COMMISSIONS (presenter: Bill Cahill)

This is an administrative action recommending the appointment and reappointment of a member to the Citizens' Finance Advisory Commission regarding David Hallett for a term effective until December 2016.

Councilor Krenning indicated Council had received emails regarding this appointment. Councilor Krenning requested a delay of the appointment until Staff had an opportunity to look into citizen concerns. Budget Officer, John Hartman serves as staff liaison to the CFAC. Mr. Hartman told Council there are currently five openings and only three candidates applied for the Commission. Staff will look into the

concerns and bring something back to Council in the future.

6. **CITY CLERK** (presenter: Terry Andrews)
APPROVAL OF JANUARY 14, 2014 STUDY SESSION MINUTES
 This is an administrative action to approve the City Council Study Session Minutes from the January 14, 2014 Study Session. Councilors Clark and Trenary were absent.
Councilor Shaffer moved to approve the City Council Study Session Meeting Minutes for the January 14, 2014 Study Session. Councilor Farley seconded the motion which carried with all councilors present voting in favor and Councilor Clark abstaining.
7. **PUBLIC WORKS** (presenter: Ken Cooper)
SUPPLEMENTAL APPROPRIATION FOR THE SERVICE CENTER EXPANSION PROJECT
 Facilities Operations Manager, Ken Cooper and Budget Office, John Hartman introduced this item to Council. This is an administrative action. The ordinance on first reading appropriates funds for construction contingency on the Service Center Expansion project in the amount of \$636,150. The ordinance appropriates undesignated fund balance reducing the flexibility to fund other projects. The fund balance is the result of actual revenues being higher than projected in the 2013 Budget and from projected 2014 revenue that was not appropriated in the 2014 Budget. Mayor Gutierrez opened the public hearing at 7:41 p.m. and with no further public comment, closed the public hearing at 7:41 p.m.
Councilor Shaffer moved to Approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for the Service Center Expansion Project. Councilor Farley seconded the motion which carried with all councilors present voting in favor thereof.
8. **CITY ATTORNEY** (presenter: John Duval)
6TH AMENDMENT TO THE CENTERRA MFA & IGA AND DISBURSEMENT OF FUNDS FROM THE CENTERRA METROPOLITAN DISTRICT #1
 1. City Attorney, John Duval introduced these items to Council. These two resolutions are both administrative actions. The first resolution approves a Sixth Amendment to the Centerra Master Financing and Intergovernmental Agreement to designate the proposed "Parcel 505 Parking Improvements" in the Centerra development as "Local Improvements" under the Centerra MFA and to also permit Centerra Metro District No. 1 ("District") to reimburse the City for its previous construction of the "Boyd Lake Waterline" on the basis that the Fifth Amendment to the MFA recently designated Boyd Lake Avenue as a "Regional Improvement" under the MFA. Centerra representatives, Alan Pogue, Jay Hardy, and Peggy Townsend were present. The Mayor asked for Public Comment on items 8 and 9.
Councilor Shaffer moved to Adopt Resolution #R-10-2014 of the Loveland City Council Approving the Sixth Amendment to the Centerra Master Financing and Intergovernmental Agreement. Councilor Farley seconded the motion. Council discussion ensued. The motion carried with all councilors present voting in favor and Councilor Krenning abstaining.
Consensus of Council was to have a Study Session regarding MFA & Amendments and the overall Sales Tax Impact.
 2. The second resolution authorizes the District to use the approximately \$840,000 of funds remaining in the "2008 Regional Improvements Subaccount" to be used for the construction of a wastewater lift station to serve Parcel 505 and other adjacent

properties. The Sixth Amendment does not change in any way the current or future amount of revenues collected and disbursed under the Centerra MFA. It only expands the type of public improvements for which these revenues can be spent. The same is true with respect to the Council consenting to the requested disbursement from the 2008 Regional Improvements Subaccount.

Councilor Shaffer moved to Adopt Resolution #R-11-2014 of the Loveland City Council Consenting to the Disbursement of Funds from the Centerra Metropolitan District No. 1 2008 Regional Improvements Subaccount. Councilor Farley seconded the motion which carried with all councilors present voting in favor and Councilor Krenning abstaining.

CITY COUNCIL ADJOURNED AND CONVENED AS THE LOVELAND URBAN RENEWAL AUTHORITY (LURA) AT 8:57 P.M.

**9. CITY ATTORNEY (presenter: John Duval)
LURA 6TH AMENDMENT TO THE CENTERRA MFA & IGA**

This is an administrative action. The Resolution approves a Sixth Amendment to the Centerra Master Financing and Intergovernmental Agreement to designate the proposed "Parcel 505 Parking Improvements" in the Centerra development as "Local Improvements" under the Centerra MFA and to also permit Centerra Metro District No. 1 ("District") to reimburse the City for its previous construction of the "Boyd Lake Waterline" on the basis that the Fifth Amendment to the MFA recently designated Boyd Lake Avenue as a "Regional Improvement" under the MFA. The Sixth Amendment does not change in any way the current or future amount of revenues collected and disbursed under the Centerra MFA. It only expands the type of public improvements for which these revenues can be spent.

Councilor Shaffer moved to Adopt Resolution #R-12-2014 of the Loveland Urban Renewal Authority Approving the Sixth Amendment to the Centerra Master Financing and Intergovernmental Agreement. Councilor Farley seconded the motion which carried with all councilors present voting in favor and Councilor Krenning abstained.

THE LOVELAND URBAN RENEWAL AUTHORITY (LURA) ADJOURNED AND RECONVENED AS CITY COUNCIL AT 8:58 P.M.

**10. FINANCE (presenter: John Hartman)
ABOLISHING THE REQUEST FOR DISMISSAL OF NO PROOF OF INSURANCE (NPOI) FEE AND AMENDING THE 2014 SCHEDULE OF FEES**

Budget Officer, John Hartman introduced this item to Council. This is an administrative action. The Resolution amends the Schedule of Rates, Charges and Fees for Services provided by the City of Loveland by eliminating the "Request for dismissal of no proof of insurance fee". The fee generated revenue within the General Fund to fund the provision of City services. The 2013 actual collections from this fee totaled \$2,835. The 2014 Budget projected revenue from this fee of \$3,000 will not be realized if the Resolution is adopted. The Mayor asked for Public Comment. **Councilor Shaffer moved to Approve Resolution #R-13-2014 Abolishing the "Request For Dismissal Of No Proof Of Insurance Fee" and Amending the 2014 Schedule of Rates, Charges, and Fees for Services Provided by the City of Loveland, Other than Services Provided by the Water and Power Department and the Stormwater Enterprise, and Superseding all Prior Resolutions Establishing Such Rates, Charges, and Fees. Councilor Krenning seconded the motion which carried with five councilors voting in favor and Councilors Taylor and Farley and Gutierrez voting against.**

BUSINESS FROM CITY 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.*

McKean: Announced that Facilities Operation Manager, Ken Cooper received the Cornerstone Award from the Loveland Police Department (LPD); Announced "Goodbye" to Captain Ray Miller, who is retiring from the LPD.

Shaffer: Expressed "Best Wishes" to Captain Miller; Attended CIRSA Errors and Omissions webinar; Attended North I-25 Elected Coalition; The next North I-25 Meeting is scheduled for February 5, 2014 at the Weld County Building near Hwy 119 at 6:30 p.m.; Announced the Colorado Municipal League will have a Legislative Policy workshop next Thursday, February 13, 2014;

Krenning: Asked about the new Bus service from Ft Collins to Union Station, with a stop in Loveland;

Farley: Attended the Grand Opening of the Loveland Community Health Center which relocated to 302 SE 3rd Street, expressed appreciation for the Center and encouraged council members to visit.

Gutierrez: Announced Loveland Citizen Annie Hall turns 100 years old on February 9, 2014.

CITY MANAGER REPORT:

Announced the February 25, 2014 Study Session has been cancelled.

CITY ATTORNEY REPORT:

None.

ADJOURNMENT

Having no further business to come before Council, the February 4, 2014 Regular Meeting was adjourned at 9:23 p.m.

Respectfully Submitted,

Teresa G. Andrews, City Clerk

Cecil A. Gutierrez, Mayor

MINUTES
LOVELAND CITY COUNCIL MEETING
TUESDAY, FEBRUARY 18, 2014
CITY COUNCIL CHAMBERS
500 EAST THIRD STREET
LOVELAND, COLORADO

6:30 P.M. REGULAR MEETING - City Council Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

Roll was taken and the following responded: Gutierrez, McKean, Farley, Shaffer, Trenary, Taylor and Fogle. Councilors Krenning and Clark were absent.

Mayor Gutierrez indicated that Council members who placed Item 24 on the Agenda, have requested that it be postponed, until all councilors could be present.

Anyone in the audience will be given time to speak to any item on the Consent Agenda. Please ask for that item to be removed from the Consent Agenda. Items pulled will be heard at the beginning of the Regular Agenda. Members of the public will be given an opportunity to speak to the item before the Council acts upon it.

Public hearings remaining on the Consent Agenda are considered to have been opened and closed, with the information furnished in connection with these items considered as the only evidence presented. Adoption of the items remaining on the Consent Agenda is considered as adoption of the staff recommendation for those items.

Anyone making a comment during any portion of tonight's meeting should come forward to a microphone and identify yourself before being recognized by the Mayor. Please do not interrupt other speakers. Side conversations should be moved outside the Council Chambers. Please limit comments to no more than three minutes.

Mayor Gutierrez asked if anyone in the audience, Council or Staff wished to remove any of the items or public hearings listed on the consent Agenda. Councilor Shaffer moved to approve the Consent Agenda. Councilor Farley seconded the motion which carried with all councilors present voting in favor thereof.

CONSENT AGENDA

1. **CITY CLERK** **(presenter: Terry Andrews)**
APPROVAL OF JANUARY 21, 2014 CITY COUNCIL MINUTES
A Motion to Approve the City Council Meeting Minutes for the January 21, 2014 Regular Meeting was approved.
This is an administrative action to approve the City Council Meeting Minutes from the January 21, 2014 regular meeting. All councilors were present.

2. **PUBLIC WORKS** **(presenter: Ken Cooper)**
SUPPLEMENTAL APPROPRIATION FOR THE SERVICE CENTER EXPANSION PROJECT

A Motion to Approve and Order Published on Second Reading Ordinance #5843 Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for the Service Center Expansion Project was approved.

This is an administrative action. The ordinance on second reading appropriates funds for construction contingency on the Service Center Expansion project in the amount of \$636,150. This ordinance was approved unanimously on first reading by Council at the February 4, 2014 regular meeting. The ordinance appropriates undesignated fund balance reducing the flexibility to fund other projects. The fund balance is the result of actual revenues being higher than projected in the 2013 Budget and from projected 2014 revenue that was not appropriated in the 2014 Budget.

**3. PUBLIC WORKS (presenter: Dave Klockeman)
CONTRACT EXTENSION OF THE 2014 STREET RESURFACING PROGRAM**

A Motion to Approve the Extension of the 2014 Street Resurfacing Program - Concrete Rehabilitation Project Schedule Target Area to JAG's Enterprises, Inc. of Greeley, Colorado in the Amount of \$800,000 and to Authorize the City Manager to Execute the Contract was approved.

This is an administrative action. The motion approves the extension of the existing 2011 Street Resurfacing Program-Concrete Rehabilitation Project to JAG's Enterprises, Inc. of Greeley. Funding is available in the adopted 2014 Budget within the annual Street Rehabilitation Program.

**4. PUBLIC WORKS (presenter: Keith Reester)
IGA FOR THE 2014 FLEX BUS SERVICE**

A Motion to Adopt Resolution #R-14-2014 Approving an Intergovernmental Agreement (IGA) Between the City of Loveland, Colorado and the City of Fort Collins, Colorado for Bus Service Between Fort Collins and Longmont for the Calendar Year 2014 was approved.

This is an administrative action to consider a resolution to approve an Intergovernmental Agreement (IGA) with Fort Collins to provide regional bus service between Fort Collins and Longmont along the U.S. Highway 287 corridor. This service is referred to as the Fort Collins-Longmont Express or FLEX route. This is an IGA for the 2014 calendar year. Funds for the local match portion of the contract (\$100,000) are budgeted into the annual core transit budget.

**5. LIBRARY (presenter: Marcia Lewis)
SUPPLEMENTAL APPROPRIATION FOR LIBRARY DATABASE**

A Public hearing was held and a Motion to Approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Joining the Prospector Database for Regional Library Resource Sharing was approved.

This is an administrative action. The ordinance on first reading appropriates \$37,080 from funds donated by the Kroh Charitable Trust Funds for the Loveland Public Library to join Prospector, a resource sharing database that provides access to over 2 million items through an online catalog of 40 public and academic libraries in Colorado and Wyoming. The ordinance is funded by outside resources donated to the City.

**6. DEVELOPMENT SERVICES (presenter: Bob Paulsen)
MINOR CODE AMENDMENTS FOR TITLE 18**

A Public Hearing was held and a Motion to Approve and Order Published on First Reading an Ordinance Amending Various Sections in Title 18 of the Loveland Municipal Code was approved.

This is a legislative action. The ordinance on first reading amends Title 18 of the Loveland Municipal Code. This collection of minor amendments is designed to correct errors, provide consistency, and clarify use allowances within the zoning code.

7. **DEVELOPMENT SERVICES** (presenter: Bob Paulsen)
MINOR CODE AMENDMENTS FOR LIMITED SIGNAGE NORTH CLEVELAND SUB-AREA

A Public Hearing was held and a Motion to Approve and Order Published on First Reading an Ordinance Amending Sections 18.16.110, 18.48.020, and 18.50.090 of the Loveland Municipal Code to Permit Limited Signage for Home Occupations in the North Cleveland Sub-Area of the R3e Zone District was approved.

This is a legislative action. The ordinance on first reading amends Title 18 of the Loveland Municipal Code. The proposed revisions include text adjustments that allow limited signage for home occupations located in the North Cleveland sub-area of the R3E zone district.

8. **DEVELOPMENT SERVICES** (presenter: Bob Paulsen)
MINOR CODE AMENDMENT FOR VARIANCES BY THE ZONING BOARD OF ADJUSTMENT

A Public Hearing was held and a Motion to Approve and Order Published on First Reading an Ordinance Amending Section 18.60.020 of the Loveland Municipal Code Pertaining to Variances Granted by the Zoning Board of Adjustment was approved.

This is a legislative action. The ordinance on first reading amends the Zoning Board of Adjustment provisions of Title 18 of the Loveland Municipal Code. The proposed revisions clarify the authority of the Zoning Board of Adjustment to grant variances, specifying that the Board has the power to grant variances to properties in all zoning districts and those variances are authorized for dimensional and numerical standards.

9. **DEVELOPMENT SERVICES** (presenter: Troy Bliss)
JAYHAWKER ADDITION ANNEXATION INTENT

A Public Hearing was held and a Motion to Approve Resolution #R-15-2014 Stating the Intent of the City of Loveland to Annex Certain Property and Initiating Annexation Proceedings for Such Property to be Known as the Jayhawker Addition to the City of Loveland was approved with the revised "Exhibit A" to the Resolution.

This is a legislative action to consider a resolution setting a public hearing date of April 1, 2014 for City Council to review annexation of approximately 33 acres known as the Jayhawker Addition. The applicant is the City of Loveland. The property is generally located on the south side of West 1st Street and east of South Taft Avenue. It is comprised to two parcels; one being the City Jayhawker Ponds (approximately 30.77 acres) and the other being a parcel of land owned by Lee and Patricia Swisher (approximately 1.82 acres). Collectively, these two parcels represent an enclave as defined in C.R.S. 31-12-103 (4) within the City's Growth Management Area (GMA). Section 4.0 of the Intergovernmental Agreement for Growth Management (IGA) between the City of Loveland and Larimer County requires the City to pursue annexation of enclaves, whether voluntarily or involuntarily, as expeditiously as possible.

10. **DEVELOPMENT SERVICES** (presenter: Brian Burson)
VACATION OF EASEMENT FOR MARIANA COVE

A Public Hearing was held and a Motion to Approve and Order Published on First Reading an Ordinance Vacating a Portion of a Utility and Drainage Easement on

Lot 7, Block 7, Mariana Cove PUD Subdivision was approved.

This is a legislative action. The ordinance on first reading approves the vacation of a 15-foot wide portion of a utility and drainage easement along the south side of Lot 7, Block 7, Mariana Cove PUD Subdivision. The owner of the property is Dan Wester.

11. **FIRE & RESCUE AUTHORITY** (presenter: Randy Mirowski)
IGA MUTUAL AID AGREEMENT WITH RIST CANYON FIRE DEPARTMENT
A Motion to Adopt Resolution #R-16-2014 Approving an Intergovernmental Automatic Mutual Aid Agreement between the Loveland Fire Rescue Authority and the Rist Canyon Volunteer Fire Department was approved.
 This is an administrative action to consider a resolution approving an Intergovernmental Automatic Mutual Aid Agreement between the Loveland Fire Rescue Authority (LFRA) and the Rist Canyon Volunteer Fire Department. The IGA will be considered by the LFRA Board on February 13, 2014.
12. **FIRE & RESCUE AUTHORITY** (presenter: Randy Mirowski)
PURCHASE ORDER FOR 100' PLATFORM TRUCK
A Motion to Approve the Purchase of a 100' Platform Truck from Pierce Manufacturing, Inc. for an Amount Not to Exceed \$1,111,280 and Authorize the City Manager to Sign the Purchase Order on Behalf of the City of Loveland was approved.
 This is an administrative action. The truck purchase was included in the 2014 Capital Program Fund Budget (see page 22-9 and 22-33 of the 2014 Adopted Budget) for \$1,458,610. The difference between the budget and the contract price will be used to purchase some additional equipment needed to make the truck service ready, but all within the appropriated budget. Pursuant to Chapter 3.12 of the City Code, purchases exceeding \$500,000 must be approved by City Council.
13. **WATER & POWER** (presenter: John McGee)
IGA REGARDING RIVER GAGES
A Motion to Adopt Resolution #R-17-2014 Approving an Intergovernmental Agreement Between the City of Loveland, Colorado and the U.S. Geological Survey, United States Department of the Interior for Operation and Maintenance of a Streamflow Gaging Station and a Precipitation Gage was approved.
 This is an administrative action to approve an intergovernmental agreement (IGA) with the US Geological Survey (USGS) for operation and maintenance of two gages. The City and USGS have partnered on this project for many years, and each annual IGA was signed by the City administratively. However, now that the City's costs under the IGA exceed \$10,000, City Council approval is required according to City Code Section 2.08.030. There is a negligible impact to the budget because of the low dollar amount experienced so far. The Water Resources Fund will be used to pay for the annual operation and maintenance of the flow gaging station and the precipitation gaging station.
14. **WATER & POWER** (presenter: Greg Dewey)
CONVERSION OF COLORADO BIG THOMPSON (CBT) UNITS
A Motion to Approve Resolution #R-18-2014 of the Loveland City Council Authorizing an Application to, and Contract with, the Northern Colorado Water Conservancy District for Beneficial use of 50 Acre-Foot Of Colorado Big Thompson Project Water was approved.
 This is an administrative action to adopt a resolution approving the conversion of 50 Colorado Big Thompson (CBT) units acquired during 2013 from a Temporary Use Permit

to a Permanent Section 131 Contract. The units were purchased in 2013. No additional costs are associated with the conversion.

15. **WATER & POWER** (presenter: Melissa Morin)
AMENDMENTS CONCERNING WATER AND WASTEWATER REIMBURSEMENTS AND OVERSIZING

1. **A Public Hearing was held and a Motion to Approve and Order Published on First Reading an Ordinance Amending the Loveland Municipal Code at Chapters 13.04 and 13.08 Concerning Water and Wastewater Reimbursements and Oversizing was approved.**

This is a legislative action to amend the Municipal Code concerning reimbursements for water and wastewater line extensions, major structures and oversizing of lines.

2. **A Motion to Approve Resolution #R-19-2014 Amending Section 1.10 of the City of Loveland Water and Wastewater Development Standards Concerning Reimbursements for Water and Wastewater Main Extensions, Major Structures, and Oversizing was approved.**

This is a legislative action to update Section 1.10 of the City's Water and Wastewater Development Standards to reflect the changes to the Municipal Code concerning reimbursements for water and wastewater line extensions, major structures and oversizing of lines. The Loveland Utilities Commission unanimously recommended adoption of both the Ordinance and the Resolution at its September 18, 2013 meeting. The Construction Advisory Board unanimously recommended adoption of both the Ordinance and the Resolution at its January 22, 2014 meeting.

16. **WATER & POWER** (presenter: Brieana Reed-Harmel)
CODE AMENDMENT FOR ELECTRIC LINE EXTENSION

A Public Hearing was held and a Motion to Approve and Order Published on First Reading an Ordinance Amending the Loveland Municipal Code at Chapter 13.12 Regarding Electricity to Adopt an Electric Line Extension Policy and to Clarify Existing Electric Service Requirements was approved.

This is a legislative action to amend the Municipal Code concerning electric line extensions and oversizing of lines. The Loveland Utilities Commission unanimously recommended adoption of the ordinance at the September 18, 2013 meeting. The Construction Advisory Board unanimously recommended adoption of the ordinance at the January 22, 2014 meeting.

17. **PARKS & RECREATION** (presenter: Brian Hayes)
SALE OF A PORTION OF LONG VIEW FARM OPEN SPACE

A Public Hearing was held and a Motion to Approve and Order Published on First Reading an Ordinance Authorizing the Conveyance of the City of Loveland's one Sixth Fee Title Interest in a Portion of Long View Farm Open Space to the State of Colorado, Approving an Amendment to the Related Declaration of Covenants, Conditions and Restrictions, and Granting an Adjacent Temporary Easement to Permit Access and Work by the Colorado Department of Transportation was approved.

This is an administrative action. The ordinance on first reading authorizes the City to convey its 1/6 interest and grant a temporary easement to the State for road and drainage improvements at the intersection of U.S. Highway 287 and S.H. 392 (Carpenter Road), and to modify the associated covenants to allow for the improvements. The Colorado Department of Transportation (CDOT) is in the process of planning and designing a project at the intersection of U.S. Highway 287 and S.H. 392 (Carpenter Road) in order to provide a more efficient turning radius and as part of that project will be

improving drainage. The State is seeking to purchase land that is jointly owned by the City, Larimer County and Fort Collins for these improvements and seeks a temporary easement for access and construction of the improvements. Open Lands Sales Tax Fund 202 will receive approximately \$177.67 in net proceeds from the sale of the small corner of the Long View Farm Open Space.

**18. HUMAN RESOURCES (presenter: Julia Holland and Karen Rees)
EMPLOYEE RECOGNITION FOR FLOOD RESPONSE**

A Motion to Adopt Resolution #R-20-2014 Approving Time Off for City Employees In Recognition of City Employees' Flood Response Efforts was approved.

This is an administrative action for Council to consider recognition for City employee efforts resulting from the 2013 Flood. On January 21, 2014, City Council requested staff bring a recommendation providing employees with an additional day of paid time off to recognize their efforts and dedication to the community during the 2013 Flood. Staff recommends providing all regular benefit-eligible employees the equivalent to one day paid time off and providing four hours paid time off for non-benefit eligible employees based on involvement in flood recovery efforts. The City's 2014 adopted Budget does not include funding for the costs of the recommended action or alternative options reviewed. However, the costs will result in City Departments absorbing the soft or hard costs of the time off through their personnel/salary budgets.

**19. FINANCE (presenter: Brent Worthington)
FINANCIAL REPORT-DECEMBER 2013**

This is an information only item. The Snapshot Report includes the City's preliminary revenue and expenditures including detailed reports on tax revenue and health claims year to date, ending December 31, 2013.

**20. CITY MANAGER (presenter: Alan Krcmarik)
INVESTMENT REPORT- DECEMBER 2013**

This is an information only item. The budget estimate for investment earnings for 2013 was \$2,760,420. Reports from institutions at which the City holds investments indicate the gross interest earnings and realized gains in 2013 exceeded \$2.2 million. After accounting adjustments, the net amount posted to the investment account was \$1,447,360. During the year, several high interest rate corporate bonds matured, so future yields will be lower. The estimated annualized yield on market value for securities held by US Bank at the end of December was 1.07%. The yield is below the annual target rate of 1.20% for 2013. Reinvestment rates have risen recently after being at near record low levels.

END OF CONSENT AGENDA

CITY CLERK READS TITLES OF ORDINANCES ON THE CONSENT AGENDA

PUBLIC COMMENT *Anyone who wishes to speak to an item NOT on the Agenda may address the Council at this time.*

Eric Sutherland, Ft. Collins resident, expressed concern with the Urban Renewal Authority (URA) model. Mr. Sutherland also expressed concern regarding the County's intent to use funds previously collected by Larimer County for building improvements in the City of Loveland, toward the construction of a new building for those services, in downtown Loveland. This issue was decided by the voters in the November 2013 election.

PROCEDURAL INFORMATION

Anyone in the audience will be given time to speak to any item on the Regular Agenda before

the Council acts upon it. The Mayor will call for public comment following the staff report. 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

21. **CITY CLERK** (presenter: Terry Andrews)
APPROVAL OF JANUARY 28, 2014 STUDY SESSION MINUTES
 This is an administrative action to approve the City Council Study Session Minutes from the January 28, 2014 Study Session. Councilors McKean, Fogle, Taylor and Krenning were absent.
Councilor Shaffer moved to approve the City Council Study Session Meeting Minutes for the January 28, 2014 Study Session. Councilor Farley seconded the motion which carried with all councilors present voting in favor. Councilors McKean, Fogle, and Taylor abstained.
22. **FINANCE** (presenter: John Hartman)
SUPPLEMENTAL APPROPRIATION FOR 2014 FLOOD RELATED PROJECTS
 Budget Officer, John Hartman introduced this item to Council. Finance Director, Brent Worthington and Water & Power Director, Steve Adams were present. This is an administrative action. The ordinance on first reading appropriates funding for engineering costs to determine the scope of several projects and the cost to repair several facilities from damage that occurred as a result of the 2013 Flood. The total appropriation net of transfers is \$10,494,930. Depending on the final determinations from FEMA on eligible costs, and other grant opportunities that may arise, the City's share of these costs will be between \$1,000,000 and \$1,800,000. The appropriation uses existing balance within several funds as the funding source. This reduces the ability to fund future projects in the short term. Over the long term, most of these costs will be reimbursed through insurance payments or FEMA and State distributions. When these reimbursements are received, the fund balances will increase allowing for use on other projects. Mayor Gutierrez opened the public hearing at 7:00 p.m. and hearing no comment, closed the public hearing at 7:00 p.m.
Councilor Shaffer moved to approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Flood Related Projects. Councilor Farley seconded the motion which carried with all councilors present voting in favor thereof.
23. **CITY ATTORNEY** (presenter: John Duval)
Update on Status of Sarner v. City of Loveland Lawsuit Pending in Larimer County District Court
 This is an information item only concerning the Order issued in the Larimer County District Court deciding the *Sarner v. City of Loveland* lawsuit. Council directed Staff to determine a timeline for holding an election.
24. **CITY COUNCIL**
APPOINTMENT OF PLANNING COMMISSIONER
 This item was postponed.

BUSINESS FROM CITY 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.*

Fogle: The Historic Preservation Commission (HPC) expressed appreciation for being able to attend the "Saving Places" conference.

Shaffer: Attended the North I-25 Coalition with Congressman Gardner; Announced the next North I-25 Coalition meeting scheduled in the Weld County Building on March 5, 2014 at 6:30 p.m; Attended Colorado Municipal League Legislative Policy Community Meeting; requested Staff forward future agendas to Council when received.

Farley: Expressed appreciation for the Snow Sculpture in the Dark event, as local businesses experienced great success; Attended the Artspace Groundbreaking; Announced the local "Dancing with the Stars Event Fundraiser" to be held Saturday, February 22, 2014 in the Embassy Suites Hotel at 6:00 p.m.

Gutierrez: Announced that he will be a judge in the local "Dancing with the Stars Event Fundraiser; Attended the Artspace Groundbreaking.

CITY MANAGER REPORT

Cahill: Will be attending a City Manager Conference with Assistant City Manager, Rod Wensing the end of this week. Randy Mirowski will be Acting City Manager during this time.

CITY ATTORNEY REPORT

None

ADJOURN

Having no further business to come before Council, the February 18, 2014 Regular Meeting was adjourned at 7:24 p.m.

Respectfully Submitted,

Teresa G. Andrews, City Clerk

Cecil A. Gutierrez, Mayor



CITY OF LOVELAND
PARKS & RECREATION DEPARTMENT
 Civic Center • 500 East Third • Loveland, Colorado 80537
 (970) 962-2303 • FAX (970) 962-2903 • TDD (970) 962-2620

AGENDA ITEM: 18
MEETING DATE: 3/4/2014
TO: City Council
FROM: Gary Havener, Parks and Recreation Department
PRESENTER: Janet Meisel-Burns, Project Manager

TITLE:

1. An Ordinance on First Reading Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for the Full Build Out and Construction of Mehaffey Park
2. A Motion to Authorize the City Manager to Amend the Contract with ECI, Site Construction Management, Inc., as the Construction Manager/General Contractor (CM/GC) for the Guaranteed Maximum Price (GMP #5) of not to Exceed \$10,385,000 for Full Construction of Mehaffey Park

RECOMMENDED CITY COUNCIL ACTION:

1. Conduct a public hearing and approve the ordinance on first reading.
2. Approve the motion amending the ECI Inc. contract for constructing Mehaffey Park.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

SUMMARY:

1. This is an administrative action. Approval of an appropriation ordinance on first reading for Phase 2 construction of Mehaffey Park per master plan design. A total appropriation of \$3.1 million from the following funds: \$1.6 million from Parks CEF fund, \$ 1.0 million from the Conservation Trust Fund (Lottery) and \$500,000 from the Recreation CEF Fund. These are dedicated funding sources for parks and recreation purposes and have current balances exceeding requested appropriations.
2. This is an administrative action. ECI, Site Construction Management, Inc. and staff have reviewed and evaluated the additional costs for construction caused by the delay of Phase 2 and determined that the additional costs of approx. \$300,000 is reasonable and recommends approval of the contract amendment. The additional cost in part, is caused by the 4 months of additional general conditions (\$120,000) to extend construction of the project to February of 2015. There is also an increase due to material costs for both steel

and concrete for the construction of the major facilities in phase 2, the skate park, tennis/pickle ball courts, basketball courts and restroom.

BUDGET IMPACT:

- Positive
- Negative
- Neutral or negligible

The Mehaffey Park Project Phase 1 has a current budget of \$7,669,500. An additional \$3.1 million appropriation will take the total construction cost to \$10,769,500, including the City held contingency of \$384,500. Funding is currently available in the fund balances to provide funding for this request. It is anticipated that the only short term project impacted would be the extension of 1 year to fund the Phase 2, Loveland Sports Park development, reflected in the 10 year capital plans. Current projected cash flow and funding needed for flood relief does not anticipate a need for designation or use of the requested fund sources to meet flood related repairs and restoration work.

BACKGROUND:

Previously, Council funded Phase 1 of the park development budget of \$7,669,500 which included acquisition of an additional 9.36 acres to expand the park to 69.36 acres, full site over lot grading, site work, utility installation, as well as roadways and parking lots in the southern half of the park. The project is progressing well, despite weather delays associated with the September rains and cold winter weather, and is on schedule and within budget. Phase 2 development would include finalizing parking lots in the Northern portion of the park, a second multi-purpose athletic field, restrooms, dog park area, 7 tennis and 4 pickle ball courts, basketball court and a major skate park venue, as well as finalizing irrigation and landscaping for the north portion of the park.

Phase 2 development at this time not only would add to the overall function of the park, add many of the community requested amenities, but also add to the constructability and efficient use of construction funds with the general contractor currently on-site.

ECl, the general contractor has verified the quotes from sub-contractors and has requested only modest material increases, while holding prior labor costs levels to previously bid submittals. This is a "not to exceed" construction amount.

This item appeared before Council in September, 2013, a week following the flooding of the Big Thompson River. We are still uncovering and understanding the massive destruction and need for recovery funding action. Council wisely asked that we hold on Phase 2 requests until the community had a chance to rebound and understand the financial impacts of the Flood.

Although the idea of Phase 2 of the park was generally well received, the timing of additional appropriations request could have not been worse. Today, we have a much clearer idea of

where the flood needs are, some that have already been met and others identified for future actions. At this time, there does not seem to be a need to borrow funds from the dedicated Park and Recreation CEF's nor the Lottery Fund to meet cash flow needs for flood recovery.

The Parks and Recreation Commission, as well as the community input process have expressed overwhelming support for total park construction with the addition of Phase 2.

REVIEWED BY CITY MANAGER:



LIST OF ATTACHMENTS:

1. Ordinance
2. Exhibit B – Phase 2 and Master Plan Development of Mehaffey Park
3. Exhibit A – Phase 1 of Mehaffey Park

FIRST READING March 4, 2014

SECOND READING _____

ORDINANCE NO. _____

AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2014 CITY OF LOVELAND BUDGET FOR THE FULL BUILD OUT AND CONSTRUCTION OF MEHAFFEY PARK

WHEREAS, the City has reserved funds not anticipated or appropriated at the time of the adoption of the City budget for 2014; and

WHEREAS, the City Council desires to authorize the expenditure of these funds by enacting a supplemental budget and appropriation to the City budget for 2014, as authorized by Section 11-6(a) of the Loveland City Charter.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That reserves in the amount of \$1,600,000 from the Park Capital Expansion Fee Fund, \$500,000 from the Recreation Capital Expansion Fee Fund, and \$1,000,000 from the Conservation Trust Fund are available for appropriation. Revenues in the total amount of \$3,100,000 are hereby appropriated for full build out and construction of Mehaffey Park. The spending agencies and funds that shall be spending the monies supplementally budgeted and appropriated are as follows:

**Supplemental Budget
Capital Projects Fund 120**

Revenues		
120-00-000-0000-37260-PK0802	Transfer from Park Capital Expansion Fee Fund	1,600,000
120-00-000-0000-37261-PK0802	Transfer from Recreation CEF Fund	500,000
Total Revenue		2,100,000
Appropriations		
120-51-562-0000-49360-PK0802	Construction	1,800,000
Total Appropriations		1,800,000

**Supplemental Budget
Conservation Trust Fund 201**

Revenues		
Fund Balance		1,000,000
Total Revenue		1,000,000
Appropriations		
201-51-562-0000-49399-PK0802	Other Capital	1,000,000
Total Appropriations		1,000,000

**Supplemental Budget
Parks Capital Expansion Fee Fund 260**

Revenues		
Fund Balance		1,600,000
Total Revenue		1,600,000
Appropriations		
260-51-562-0000-47120-PK0802	Transfer to Capital Projects Fund	1,300,000
Total Appropriations		1,300,000

**Supplemental Budget
Recreation Capital Expansion Fee Fund 26**

Revenues	
Fund Balance	500,000
Total Revenue	500,000
 Appropriations	
261-51-536-0000-47120-PK0802 Transfer to Capital Projects Fund	500,000
Total Appropriations	500,000

Section 2. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full.

Section 3. That this Ordinance shall be in full force and effect upon final adoption, as provided in City Charter Section 11-5(d).

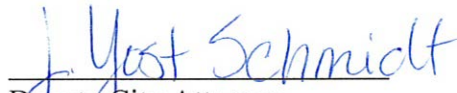
ADOPTED this ____ day of March, 2014.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Deputy City Attorney

MEHAFFEY PARK

Full Build Out

Phase 2

Includes:

- 7 – Tennis & 1 Pickleball Courts + Shelter
- 3 - Multi-purpose Fields
- 1 Basketball Court
- 15K SF Skate Park + Shelter
- Dog Park + Shelter
- Picnic Knoll
- 2 - Group Picnic Shelters
- 2 – Restrooms & Maintenance Bldg.
- Adventure Playground + Shelter
- Bridge and Overlook
- Arboretum
- Irrigation/Detention Pond
- 29th & 22nd Street Access
- Parking



EXHIBIT B

Mehaffey Park Master Plan
09/05/2012

MEHAFFEY PARK

Phase 1

Includes:

- 2 - Multi-purpose Fields
- Dog Park + Shelter
- Picnic Knoll
- 1 - Group Picnic Shelter
- 1- Restroom & Maintenance Bldg.
- Adventure Playground + Shelter
- Arboretum – reduced landscape and irrigation
- Irrigation/Detention Pond
- 29th & 22nd Street Access
- Parking – reduced in North Lot



EXHIBIT A

Mehaffey Park Master Plan
09/05/2012


CITY OF LOVELAND

BUDGET OFFICE

 Civic Center • 500 East Third • Loveland, Colorado 80537
 (970) 962-2329 • FAX (970) 962-2901 • TDD (970) 962-2620

AGENDA ITEM: 19
MEETING DATE: 3/4/2014
TO: City Council
FROM: Brent Worthington, Department
PRESENTER: John Hartman, Budget Officer/Staff Liaison to CFAC

TITLE:

Appointment of David Hallet to the Citizens' Finance Advisory Commission (CFAC)

RECOMMENDED CITY COUNCIL ACTION:

Take appropriate action.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

SUMMARY:

This is an administrative action recommending the appointment of David Hallet to the Citizens' Finance Advisory Commission. At the February 4, 2013 Council meeting, the appointment of Mr. Hallet was deferred pending staff returning with additional information to allegations made in two emails to a City Councilor. This item supplies that information.

BACKGROUND:

Mr. Hallet was interviewed by the CFAC interview committee and recommended for appointment. In two emails to a City Councilor, the ability of Mr. Hallet to serve was brought to question as a result of issues from his service on the Allendale HOA Board. Staff was directed to get a reply from Mr. Hallet and provide additional information. Council has this information which includes both sides of the issue.

Staff undertook the following to meet the Council request;

- Identify the relevant issues;
- Request a response on the issues from Mr. Hallet;
- Review and summarize Allendale HOA cash flow reports and meeting minutes for actions relevant to the issue.

These materials are attached. Overall, the materials indicate disagreements about the way that the Allendale HOA should be managed.

The Council may consider these materials and any other factors in making an appointment.

REVIEWED BY CITY MANAGER:



LIST OF ATTACHMENTS:

1. Reply from Mr. Hallet and Attachments 1-7
2. Staff Report
3. Allendale HOA Cash Flow Report

Reply From Mr. Hallet on Issues

1. The need for the Special Assessment in 2012 when an insurance payment covered the cost.

The Special Assessment according to Article IV, Sec 4.4 of the Allendale Covenants, Conditions and Restrictions was levied after a special meeting of homeowners to replace and repair pump and related electrical equipment associated with the common area irrigation system. During the work it was discovered that we had electrical shorts in the line running from the control box, under Denver Ave into the pump house. It was determined by city personnel that the line was essentially an illegal, non-permitted, installation by the builder at some undetermined time in the past. By the time the entire repairs were completed, the HOA had depleted the reserve fund as well as the money from the Special Assessment. We were fortunate that our Treasurer was able to get reimbursement from our insurance as they are not responsible for repair and replacement but on the fact the problems were caused not by normal wear and tear, but by the inappropriate wiring. This insurance payment replenished our reserve fund which, best practices, requires us to have. Most importantly, the insurance money was received after the assessment and payments were made (Attachment 1 pump house) Attachment 2 special assessment meeting).

2. The adequacy of the requested audit and its findings and why it took so long.

Rose Melville, another CPA who lives in the neighborhood recommended CPA to us. He said he knew her from her work with, I believe, the Community Kitchen. I informed the Board and we contracted with her to perform a review, not an audit. Ms. Melville stated that a review was much less expensive and if anything suspicious popped up, she would then recommend an audit. After accepting the task, Ms. Melville discovered her son-in-law was a member of the Board and felt there would be a conflict of interest if she continued. Her son-in-law, Joel Smith, agreed to resign from the Board and Ms. Melville felt comfortable with that. Since this was to be a review of the 2012-year, she then commenced to contact each Board member from the previous year and review financials with our Manager. During the course of the review, Ms. Melville made several suggestions as to how to improve our system. Significantly, Ms. Melville pointed out that our reserve fund was barely adequate to meet the needs of a catastrophic need to replace all common area items such as sidewalks and irrigation equipment. Her report is attached. Review attached (attachment 3)

3. Internal management of the HOA rather than using a management company or licensed real estate broker

4. Why no action on bids to change to a Management company brought by another board member “ that would have saved \$300 per month”.

This was in issue for the two complainants from the moment they came on the Board. (attachment 4) It was the first motion presented, out of the blue. The motion was tabled out of respect for the Manager who was placed in the very awkward position of having to listen to her value being argued. At the next Board meeting we were informed that one of the complainants had unilaterally invited Axis Property Management in Greeley

to make a presentation to the Board (attachment 5). Since the Board was not, at that point, interested in replacing the current Manager, it was decided to wait a couple of months and then re-visit the issue. You will notice that the Covenants Manager, a separate position, was so upset with what she perceived as the relentless pressure coming from the two complainants on this single issue, resigned. I sent a letter to the Board (attachment 6) clarifying the process for seeking proposals. The Board, over many years, has determined that a local resident would give us far better control over management of contracts, financials and maintenance issues. In other words, the Board has felt better served by someone who has "skin in the game" so to speak. There is no requirement that we use a Real Estate Broker. Our current manager was employed at the time I came on to the Board in January 2011. At no time, before the arrival of the two complainants on the Board has there been any issue with our manager. Both came on the Board seemingly determined to remove her and give the contract to Axis Property Management. The majority of the Board did not agree that the current manager should be replaced for no other reason than she is "paid too much". However the Board did agree to interview not just the one company recommended by the two complainants, but several property management companies for no other reason than the recognition that our current manager would not have the job forever, and it would be wise to know what's available. I find it interesting that there is a figure of a \$300.00 monthly savings being bantered about when costs have never been discussed with anyone. The Board was scheduled to interview Axis Property Management when the September floods hit, one of the complainants couldn't attend the meeting as her parents were flooded out of Drake and Axis was involved with the flooding too and couldn't attend.

5. The perception of, or your actual style that suggest you do things without first consulting the Board.

The Allendale Board of Directors consists of an odd number of members. Usually five to seven. We are currently down to three as one of the complainants abruptly resigned last week and the other removed himself from the Board after missing three consecutive meetings. Each member has one vote, and the President has one vote. That is how business is conducted and I invite the interested parties to review the attached minutes and you will see how the voting on several issues was recorded. I have attached an e-mail (attachment 7) string over the Axis issue that should be very revealing as neither of the complainants seem to grasp the difference between a homeowner, a member of the HOA making a presentation and request to us, as opposed to a Board member soliciting a presentation for business

ALLENDALE HOA BOARD OF DIRECTORS MEETING
Brought to order at 7:30 PM, May 23, 2012 By Kevin Maul

Members Present: Kevin Maul, President; David Hallet, Secretary; Debby Hepler, Treasurer; John Thurlow; Jim Lenz; Joe Stricker

March minutes read and approved

FINANCIAL REPORT

Motion to accept Financial Report by Kevin Maul, seconded by David Hallet. Financial Report accepted and approved.

OLD BUSINESS

New pump purchased and installed as per previous action. Pump appears to work properly but electrical problems identified. See New Business

Brief discussion held about opening the landscape contract to bid. Further discussion tabled until further notice.

NEW BUSINESS

Hearing concerning covered automobile in driveway. Homeowners present. Board decided that homeowners are within their rights to keep covered vehicle in the driveway. The consensus is that while the board would like to not have any covered automobiles in driveways, the wording of Rule 9.14 does not support such a determination.

Installation of new pump revealed significant damage and deterioration of electrical lines from transformer to pump. Examination by electrician revealed a number of breaks in the line, line not protected by conduit and, was not installed by the developer with proper permits or inspection. Replacement of the line is absolutely necessary in order for the pump to function to maintain greenbelts. The cost of this work may be in excess of \$9500.00.

Motion made by David Hallet and seconded by Kevin Maul to authorize the replacement of the electrical line as soon as possible. Motion accepted.

Kevin Maul proposed that the Board call a special meeting of homeowners on or about June 11 to vote on a special one-time assessment of \$25.00 per home to pay for the electrical line replacement and restore the HOA emergency fund. Motion accepted.

Motion to adjourn by Kevin Maul, seconded by John Thurlow at 8:15 PM, May 23, 2012

Allendale Homeowners Association

Minutes of Special Member Meeting

June 19, 2012

Loveland Public Library

Meeting called to Order at 7:00 pm by Allendale Homeowner Association President, Kevin Maul.

Kevin Maul ensured that each Owner in attendance signed in on the attendance sheet by name and address lot. Each attending member was given a ballot for the proposed motion.

20 Members presented themselves in person.

55 turned in signed Proxy's for the meeting

Kevin Maul introduced the attending board members to the Members

Kevin Maul discussed the agenda and explained that purpose of the called Special Meeting of Owners and explained to all in attendance, per the bylaws and incorporating documents the meeting would be limited in scope to the issue presented by the board. That issue being a request for a special assessment for the express and limited purpose of funding the repairs to the Association irrigation System.

Kevin Maul gave a verbal presentation of the background of the current state of the irrigation system, how it works and its purpose. A verbal presentation was given, along with a handout, which outlined the current repairs done and what is still pending with the anticipated costs. The background presentation covered the same material presented to all owners in the mailing which was sent each owner, notifying them of the special meeting of the members and what the request of the Board would be.

Several owners asked questions related to alternatives, as well as to current available bank account balances. The beginning of the year "reserve" fund balance was given. The fund balance as of March, 31 (\$14, 242.96) and the anticipated costs were given to all Members. The anticipated amount the special request would raise would be around \$10,000 if all members paid. It was noted that this dollar amount was significantly lower than the anticipated total costs of the repairs but coupled with existing funds and adjustments of the 2012 budget all repairs could be funded and a residual amount would still be present in the existing reserve fund. After ample discussion of the issue, Kevin Maul presented to motion to the attending Members.

Presented Motion read as follows." Should the Allendale Homeowners Association assess \$25.00 to each owner to fund repairs to the Association's irrigation system. This assessment would be payable in 30 days.

All ballots were collected.

The meeting was adjourned at 7:45 pm.

The motion passed 73 in favor, 2 opposed.

ALLENDALE HOMEOWNER'S ASSOCIATION, INC.

Financial Statements

Twelve Months ended December 31, 2012

Allendale Homeowner's Association, Inc.
Annual Financial Report
For the year ended December 31, 2012

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Rose E Melville, CPA



PO Box 7312 Loveland CO 80537-0312
Phone (970) 669-6704 • E-mail remcpa@skybeam.com

Independent Accountant's Review Report

To the Board of Directors of Allendale Homeowner's Association, Inc.

I have reviewed the accompanying balance sheet of Allendale Homeowner's Association, Inc. as of December 31, 2012, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Association management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance that there is no material modification that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, I am not aware of any material modification that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

My review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The Supplementary Information on Future Major Repairs and Replacements and Schedule of Operating Fund Revenues and Expenses – Budget and Actual are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and I did not become aware of any material modifications that should be made to them.

Rose E Melville, CPA
Loveland CO
January 10, 2014

Allendale Homeowners Association**Balance Sheet
December 31, 2012****Assets**

Cash, including interest-bearing deposits	\$ 22,344
Assessments receivable	8,909
Property and equipment	
Pump house and improvements	29,700
Picnic area and improvements	8,400
	<u>38,100</u>
Total assets	<u><u>\$ 69,354</u></u>

Liabilities and fund balances

Accounts payable	<u>\$ 1,949</u>
Total liabilities	1,949
Fund balances	<u>67,405</u>
Total liabilities and fund balances	<u><u>\$ 69,354</u></u>

Allendale Homeowners Association**Statement of Revenues, Expenses, and Changes in Fund Balances
Year Ended December 31, 2012**

Revenues	
Assessments	\$ 69,833
Interest income	17
Other	23,142
	<u>92,992</u>
 Expenses	
Operating	53,845
Major repairs and maintenance	24,291
	<u>78,136</u>
 Excess of revenues over expenses	 14,856
 Beginning fund balance	 <u>52,549</u>
 Ending fund balance	 <u><u>\$ 67,405</u></u>

Allendale Homeowners Association**Statement of Cash Flows
Year Ended December 31, 2012****Cash flows from operating activities**

Excess of revenues over expenses	\$ 14,856
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:	
Depreciation	
(Increase) decrease in:	
Assessments receivable	(2,147)
Increase (decrease) in:	
Accounts payable	<u>(338)</u>
Net cash provided by operating activities	12,371
Net increase in cash	12,371
Cash at beginning of year	<u>9,973</u>
Cash at end of year	<u><u>\$ 22,344</u></u>

NOTES TO THE FINANCIAL STATEMENTS

Allendale Homeowner's Association, Inc**Notes to Financial Statement
December 31, 2012**

Note 1: Nature of Organization

Allendale Homeowners' Association, Inc. was incorporated on April 5, 1984, in the State of Colorado. The Association is responsible for the operation and maintenance of the common property within the development. The development consists of 401 residential units located on approximately XX acres in Loveland, Colorado.

Note 2: Date of Management's Review

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through January 10, 2014, the date that the financial statements were available to be issued.

Note 3: Summary of Significant Accounting Policies

Member assessments. Association members are subject to annual assessments to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and replacements. Assessments receivable at the balance sheet date represents fees due from unit owners. The Association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are thirty days or more delinquent. The Association considers all assessments receivable at December 31, 2012 to be fully collectible. Any excess assessments at year end are retained by the Association for use in the succeeding year.

Property and equipment. The Association capitalizes all property and equipment to which it has title and other evidence of ownership with the exception of real property directly associated with the units. At December 31, 2012, property not capitalized consists of approximately 80 acres of sidewalks, access roads, and greenbelts. According to the Association's governing documents, two-thirds of all unit owners must approve dispositions of any common real property. Property and equipment acquired by the Association are recorded at cost and property contributed to the Association by the developer is recorded at estimated fair value at the date of contribution.

Depreciation. Capitalized common property is depreciated over its estimated useful life using the straight-line method of depreciation.

Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Allendale Homeowner's Association, Inc**Notes to Financial Statement
December 31, 2012**

Note 4: Income Taxes

Homeowners' associations may be taxes either as homeowners' associations or as regular corporations. For the year ended December 31, 2012. The Association was taxed as a homeowners' association and filed form 1120H, as well as an amended 1120H. As a homeowners' association, membership income is exempt from taxation if the income is used to pay principal, interest, and real estate taxes on association property; maintain association property; and clear snow from public areas and remove trash. The Association is taxed only on its nonmembership income, such as interest earnings, at a flat rate.

As of December 31, 2012, the tax years that remain subject to examination by taxing authorities begin with 2009.

Note 5: Future Major Repairs and Replacements

The Association's governing documents require funds to be accumulated for future major repairs and replacements. As of December 31, 2012, the Association has approximately \$20,000 left of the current year special assessment.

SUPPLEMENTARY INFORMATION

Allendale Homeowners' Association

Schedule of Revenues and Expenses - Budget to Actual
Year Ended December 31,2012

	<u>Budget</u> (compiled)	<u>Actual</u>	Variance Favorable (Unfavorable) (compiled)
Revenues:			
Assessments	\$ 64,160	\$ 69,833	\$ 5,673
Interest income		17	17
Other		23,142	23,142
	<u>64,160</u>	<u>92,992</u>	<u>5,690</u>
Expenses:			
Landscape/maintenance	25,000	24,297	703
Seasonal snow removal	1,200	1,147	53
Capital expenses	10,000		10,000
Bookkeeping and management	16,800	16,800	-
Covenant mangement	2,400	3,150	(750)
Office supplies/cov phone	1,000	858	142
Capital improvements	5,000	24,291	(19,291)
Insurance	3,200	3,179	21
Postage/PO box	600	969	(369)
Printing		150	(150)
Board meeting conf room	300	175	125
Legal services	1,200	427	773
Taxes & licenses	75	145	(70)
Utilities (pump house)	1,200	1,215	(15)
Website fees	250	206	44
Miscellaneous bank debits	100	410	(310)
Miscellaneous expenses	500	717	(217)
	<u>68,825</u>	<u>78,136</u>	<u>(9,311)</u>
Excess(deficiency) revenues over expenses	<u>\$ (4,665)</u>	<u>\$ 14,856</u>	<u>\$ 19,521</u>

Allendale Homeowner's Association, Inc**Supplementary Information on Future Major Repairs
and Replacements(Compiled)
December 31, 2012**

The Association's board of directors conducted a study in August 2013 to estimate the remaining useful lives and the replacement costs of the components of common property. The estimates were based on replacement costs incurred in 2011 and 2012, as well as other quotes gathered during this time period. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of the study. Estimated current replacement costs have not been revised since that date and do not take into account the effects of inflation between the date of the study and the date that the components will require repair or replacement.

The following information is based on the study and presents significant information about the components of common property.

<u>Components</u>	<u>Estimated Remaining Useful Life (Years)</u>	<u>Estimated Current Replacement Cost</u>
Pump system/control panels/electric connection	5-7	\$ 24,000
Pump house fence/privacy slats	7-10	4,200
Pump house shed	15-20	1,500
Cement picnic tables(3)	10-12	3,000
Picnic table shelter	3-6	5,000
Open Area Sidewalk/Pavement	30+years	66,600
Poop bag receptacles(4)	Undetermined	400
TOTALS		\$ 104,700

ALLENDALE HOA BOARD OF DIRECTORS MEETING

Brought to order at 7:30 PM, February 18, 2013 By Kevin Maul, President

Members Present: Kevin Maul, President; David Hallet, Secretary; Debby Hepler, Treasurer; Jim Lenz, Vice-president; Terri Rady

January 2013 minutes read and approved

FINANCIAL REPORT:

Motion to accept Financial Report by Debby Hepler , seconded by Jim Lenz.
Financial Report accepted and approved.

OLD BUSINESS:

None

NEW BUSINESS:

Resignation of Kevin Maul accepted. David Hallet elected President.
Terri Rady elected Secretary.
Debby Hepler remains as Treasurer.
Bob Konzem and Joel Smith appointed to board by acclamation of the present board.

1. Discussion initiated by Bob Konzem as to value of Business Manager.
Discussion tabled until March meeting.
2. Discussion of removal of bushes on parkway at N. Denver and Westbourne Dr. Business Manager instructed to get bids for removal and / or trimming.

Motion to adjourn by David Hallet, seconded by Jim Lenz at 8:30 PM,
February 18, 2013

ALLENDALE HOA BOARD OF DIRECTORS MEETING

Brought to order at 7:30 PM, March 18, 2013 By David Hallet, President

Members Present: David Hallet, President; Debby Hepler, Treasurer; Jim Lenz, Vice President, Terri Rady, Secretary; Joel Smith; Bob Konzem

February 2013 minutes read and approved.

FINANCIAL REPORT:

Motion to accept Financial Report by Debby Hepler, seconded by Joel Smith. Financial Report accepted and approved.

OLD BUSINESS:

- Added a Board Member: Elaine Drake.
- Reviewed roles and responsibilities.
- Discussed the removal and / or the trimming of the bushes on the parkway at N. Denver and Westbourne Dr. / Oxford Ave. It was proposed by David to have Dillman Landscaping trim the bushes to 36" high as a short term solution. Jim seconded. Bob opposed. Further research will need to be done by sub-committees for a long term solution.
- Covenants Report: Provided by Kimberly Price. David approved and seconded by Debbie.
- Reviewed the Landscaping bids, discussed the clean-up of the cul-de-sac area, discussed whether the bids included trash pickup and dog poop bags in the greenbelt area.

NEW BUSINESS:

- Discussed options for replacing the pump house awning with other alternative materials.
- Terri presented a bid from Axis Management, LLC for review to compare what a professional HOA Management company could provide with possible cost savings as an item for discussion for future Board Meetings.
- Covenant Manager resigned.

Motion to adjourn by David Hallet, seconded by Joel Smith at 8:50 PM, March 18, 2013

March 26, 2013

Allendale Homeowners Association
Board of Directors

Ladies and Gentlemen:

Please recall Section 3 of Article V of the Bylaws which specifically provides, "A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board."

It is inappropriate for any member of the Board to be sharing association financial details with any business entity for the purpose of offering them association business without the express authorization of the Board.

If any member of the Board would like to propose that bids be sought for any activity associated with the Board, they are free to do so at any regular meeting so the matter may be voted on. Otherwise, please cease and desist from any activity that may have the appearance of Board authorization. Do not inquire, request or otherwise solicit information from any business that might lead the business to believe we are considering a contract. At this point, the Board is not seeking bids of any description except for those already voted on, such as landscaping.

Sincerely,



David F. Hallet
President, Allendale Homeowners Association
Board of Directors



David Hallet <dfhallet@gmail.com>

Inviting Axis Property Management to the next Board Meeting

6 messages

Terri Rady <terrirady@yahoo.com>

Thu, Aug 8, 2013 at 10:19 AM

Reply-To: Terri Rady <terrirady@yahoo.com>

To: "\"Konzem, Bob\"" <sondrabobk@comcast.net>, David Hallet <dfhallet@gmail.com>, "\"Hepler, Debby\"" <debrock49@comcast.net>, "\"Drake, Elaine\"" <elcdrake@hotmail.com>, "\"Lenz, Jim\"" <lenzjv@msn.com>

All,

I am going to contact Axis Property Management today and ask them to attend the next Board Meeting on August 19th. I will have Axis stop by the meeting at 8:00 pm so that the Board can cover the financials, old business, etc. at 7:30.

Thank you!
Terri Rady

David Hallet <dfhallet@gmail.com>

Thu, Aug 8, 2013 at 2:02 PM

To: Terri Rady <terrirady@yahoo.com>

Cc: "Konzem, Bob" <sondrabobk@comcast.net>, "Hepler, Debby" <debrock49@comcast.net>, "Drake, Elaine" <elcdrake@hotmail.com>, "Lenz, Jim" <lenzjv@msn.com>

Terri,

Whoa. Don't you think we should at least propose the idea at the next board meeting that we are going to entertain the idea of seeking someone else to do the HOA management? That's how the process works. Someone makes a motion, there's discussion, then a vote.

I promised you that we would revisit the idea, which I'm certain all will agree, but your cart is in front of your horse.

David

[Quoted text hidden]

--

David F. Hallet**970-292-8832 home****913-558-4784 cell**

"Everyone is entitled to his own opinion, but not his own facts."

- Daniel Patrick Moynihan

Terri Rady <terrirady@yahoo.com>

Thu, Aug 8, 2013 at 4:16 PM

Reply-To: Terri Rady <terrirady@yahoo.com>

To: David Hallet <dfhallet@gmail.com>

David,

I was just going to follow the same process as we followed when Swaney was invited to come present to the Board about the Neighborhood Night Out. There was no formal motion. If I recall, most of the Board had already said "no for this year" in emails prior to the Board Meeting.

Terri

From: David Hallet <dfhallet@gmail.com>
To: Terri Rady <terrirady@yahoo.com>
Cc: "Konzem, Bob" <sondrabobk@comcast.net>; "Hepler, Debby" <debrock49@comcast.net>; "Drake, Elaine" <elcdrake@hotmail.com>; "Lenz, Jim" <lenzjv@msn.com>
Sent: Thursday, August 8, 2013 2:02 PM
Subject: Re: Inviting Axis Property Management to the next Board Meeting
[Quoted text hidden]

David Hallet <dfhallet@gmail.com> Thu, Aug 8, 2013 at 4:43 PM
To: Terri Rady <terrirady@yahoo.com>, Elaine Drake <elcdrake@hotmail.com>, Debby Hepler <debrock49@comcast.net>, Jim Lenz <lenzjv@msn.com>, Bob Konzem <sondrabobk@comcast.net>

Yes, but you will recall at the previous meeting we did vote to look into it. That is part of the process, as I see it. First, let's vote on the concept before we have any presentations. And, since this is as big, or a bigger deal than the landscape bidding of which we had several companies submit bids. Propose first, then we will move forward if there is consensus. Also, when replying to these e-mails, please reply all so we all know what's up.

Thanks.

[Quoted text hidden]

sondrabobk@comcast.net <sondrabobk@comcast.net> Thu, Aug 8, 2013 at 5:17 PM
To: David Hallet <dfhallet@gmail.com>, Terri Rady <terrirady@yahoo.com>
Cc: "Hepler, Debby" <debrock49@comcast.net>, "Drake, Elaine" <elcdrake@hotmail.com>, "Lenz, Jim" <lenzjv@msn.com>

I would like to response to your e-mail regarding what Terri sent out. I don't remember that you asked the board about having someone speak regarding Loveland Night Out at our last meeting. I don't remember voting on having this lady come to speak. It appears that as I said before you take it upon yourself to make rules that fits you. Maybe this will offend you but I get a little tired on how you say that this is the way the process works but you don't seem to follow the same rules. I will be glad to discuss this with everyone at the next meeting. If this offends anyone then I think you should have a vote at the next meeting to remove me from the board. Bob Konzem

----- Original Message -----

From: David Hallet
To: Terri Rady
Cc: Konzem, Bob ; Hepler, Debby ; Drake, Elaine ; Lenz, Jim
Sent: Thursday, August 08, 2013 2:02 PM
Subject: Re: Inviting Axis Property Management to the next Board Meeting

[Quoted text hidden]

Terri Rady <terrirady@yahoo.com>

Thu, Aug 8, 2013 at 6:10 PM

Reply-To: Terri Rady <terrirady@yahoo.com>

To: "sondrabobk@comcast.net" <sondrabobk@comcast.net>, David Hallet <dfhallet@gmail.com>

Cc: "Hepler, Debby" <debrock49@comcast.net>, "Drake, Elaine" <elcdrake@hotmail.com>, "Lenz, Jim" <lenzjv@msn.com>

I was just going to invite Axis to present the benefits to a property management company. I understand the whole bidding process. This was NOT to sign off on a contract of hiring any company. It would have been informational just like the one provided about the Neighborhood Night Out.

I will wait until the August meeting to make a motion.

Terri

From: "sondrabobk@comcast.net" <sondrabobk@comcast.net>

To: David Hallet <dfhallet@gmail.com>; Terri Rady <terrirady@yahoo.com>

Cc: "Hepler, Debby" <debrock49@comcast.net>; "Drake, Elaine" <elcdrake@hotmail.com>; "Lenz, Jim" <lenzjv@msn.com>

Sent: Thursday, August 8, 2013 5:17 PM

Subject: Re: Inviting Axis Property Management to the next Board Meeting

I would like to response to your e-mail regarding what Terri sent out. I don't remember that you asked the board about having someone speak regarding Loveland Night Out at our last meeting. I don't remember voting on having this lady come to speak. It appears that as I said before you take it upon yourself to make rules that fits you. Maybe this will offend you but I get a little tired on how you say that this is the way the process works but you don't seem to follow the same rules. I will be glad to discuss this with everyone at the next meeting. If this offends anyone then I think you should have a vote at the next meeting to remove me from the board. Bob Konzem

----- Original Message -----

From: David Hallet

To: Terri Rady

Cc: Konzem, Bob ; Hepler, Debby ; Drake, Elaine ; Lenz, Jim

Sent: Thursday, August 08, 2013 2:02 PM

Subject: Re: Inviting Axis Property Management to the next Board Meeting

Terri,

Whoa. Don't you think we should at least propose the idea at the next board meeting that we are going to entertain the idea of seeking someone else to do the HOA management? That's how the process works. Someone makes a motion, there's discussion, then a vote.

I promised you that we would revisit the idea, which I'm certain all will agree, but your cart is in front of your horse.

David

On Thu, Aug 8, 2013 at 10:19 AM, Terri Rady <terrirady@yahoo.com> wrote:

All,

I am going to contact Axis Property Management today and ask them to attend the next Board Meeting on August 19th. I will have Axis stop by the meeting at 8:00 pm so that the Board can cover the financials, old business, etc. at 7:30.

Thank you!

Terri Rady

--

David F. Hallet

970-292-8832 home

913-558-4784 cell

“Everyone is entitled to his own opinion, but not his own facts.”

- Daniel Patrick Moynihan



CITY OF LOVELAND
BUDGET DIVISION

Civic Center • 500 East Third • Loveland, Colorado 80537
(970) 962-2329 • FAX (970) 962-2901 • TDD (970) 962-2620

TO: City Council
THROUGH: Bill Cahill, City Manager,
 Brent Worthington, Finance Director
FROM: John Hartman, Budget Officer
DATE: February 19, 2014
RE: Staff Report regarding the appointment of David Hallet to CFAC

Mr. Hallet was interviewed by the CFAC interview committee and recommended for appointment. In two emails to a City Councilor, the ability of Mr. Hallet to serve was brought to question as a result of issues from his service on the Allendale HOA Board. Staff was requested to get a reply from Mr. Hallet and provide additional information, so Council has information that included both sides on the issues.

In reviewing the emails there appear to be five issues:

1. The need for a Special Assessment that was levied in 2012, when an insurance payment covered the cost.
2. The adequacy of the requested audit and its findings and why it took so long.
3. Internal management of the HOA rather than using a management company or licensed real estate broker.
4. Why no action on bids to change to a management company brought by another board member "that would have saved \$300 per month".
5. The perception of (indicated by the emails), or the actual style of Mr. Hallet that suggest he does things without first consulting the Board.

The most significant issue appears to be around the Special Assessment. A basic timeline on this issue is:

- January 2012 – Board votes to move forward with replacement of the irrigation pump.
- March 2012 – Awarded bid for pump replacement. Financial report shows \$3,495 paid for capital expense.
- April 2012 - Financial report shows \$3,495 paid for capital expense.
- May 2012– Pump installed. Electric line problem identified. Estimated additional cost \$9,500.
- May 2012 – Financial report shows \$8,995 paid for capital expense. Reserves drop from previous month amount of \$14,244 to \$7,245.
- June 2012 - Faulty Pump controller identified. Board authorizes replacement pending passage of Special Assessment.
- June 2012 - Financial report shows \$95 paid for capital expense. Reserves remain at May level.
- June 2012 – Special meeting of entire Association on \$25.00 special assessment. Passes 73-2.
- July 2012 - Electric work billed higher than estimated repair.

- July 2012 - Financial report shows \$7,233 paid for capital expense. Reserve remains at same level.
- August 2012 – Association receives insurance payment of \$23,141 and it is deposited to reserves.
- August 2012 - Financial report shows \$475 paid for capital expense. Reserves increase to \$30,389.
- December 2012 – Financial report shows reserves drop to \$20,398, due to cash flow. Most homeowner dues are paid in first quarter. The early payment carries the end of the final quarter of the year operating expense.
- February 2013 – David Hallet elected President of the Board.

A summary by staff of the minutes for the 2012 and 2013 Allendale HOA Board meetings follows. Vote counts are shown where recorded in the minutes.

January 2012

- Motion to approve Financial Report approved.
- Motion to move forward with the replacement of the irrigation pump and inform association members at the annual meeting approved.
- 2011 final and actual budget reviewed and accepted to be presented to members at annual meeting.
- 2012 proposed budget approved and accepted to be presented to members at annual meeting

February 2012

- Motion to accept financial report approved
- Covenant manager pay increase approved 4-2.

March 2012

- Financial report accepted unanimously.
- Awarded bid for irrigation pump replacement by unanimous vote (amount of bid not included in minutes).

April –No Meeting

May 2012

- Motion to accept financial report approved.
- Report that irrigation pump purchased and installed. Installation revealed significant deterioration to electric lines form transformer. Replacement will be required at a cost that may exceed \$9,500. Motion to authorize replacement as soon as possible approved.
- Motion to hold a Special Meeting to consider a one-time special assessment passed.

June 2012

- Motion to accept Financial Report approved.
- Pump controller for irrigation system faulty. Board authorizes purchase of a new control if special assessment passes.

- Agenda for Special meeting to consider one-time assessment approved.

June Special Meeting (6-19-2012)

Motion titled "Should the Allendale Homeowners Association assess \$25.00 to each owner to fund repairs to the Association's irrigation system? This assessment would be payable in 30 days."

Motion passes 73-2.

July 2012

- Financial Report accepted unanimously.
- Report – Electric bill \$800 higher than estimate for repair work on electric lines to the pump. Motion to pay this bill in full passed unanimously.

August 2012

- Financial Report accepted and approved.
- Report on receipt from insurance company for damages to water control pump and electric system. Funds will be used to restore cash reserves.
- Three Board position express desire to retire at the end of the year. Vacancies to be filled at annual meeting in January 2013.

September and October – No Meeting

November 2012

- Financial Report accepted and approved.

December – No meeting

January 2013

- Financial Report accepted and approved.

February 2013

- Financial Report accepted and approved.
- David Hallet elected President.
- Discussion on value of Business Manager. Item tabled to March meeting.

March 2013

- Motion to accept and approve Financial Report passed.
- Covenant Manager resigns.

April 2013

- Quote for Financial Audit approximate \$1,000. Further quotes are being obtained. Discussion tabled to May meeting.
- Motion to resend special assessment follow-up letter to those who did not pay approved.
- Motion to accept the Financial Report approved.
- HOA Manager will assume Covenant Manger duties.
- Discussion of opening of HOA Management to bid. Motion to table discussion to July passed.

May 2013

- External Financial Audit Update – David Hallet contacted a stand-alone CPA who recommended the Association conduct a review (less in-depth and less expensive). Motion to approve the recommendation passed.
- Motion to accept Financial Report passed.

June 2013

- External Audit – Approved by the Allendale Board for Rose Melville to complete the audit.
- Motion to accept the Financial Report approved.
- July meeting cancelled due to many board members with prior commitments.

July – No Meeting

August 2013

- Report on number of homes submitted on those who have not paid; report listing HOA assets including useful life and estimated replacement costs.
- Motion to accept Financial Report approved.
- External Audit update- Report - The CPA has some questions and some recommendations such as implementation the (sic) Debby Hepler mail the bills after signing the checks. A Board Member requested the CPA present the final audit report in person.
- Discussed allowing on Property Management vendor come speak with the Board in September to present pros/cons. Motion to contact Axis Property Management approved.

September 2013

- Motion to accept the Finance Report passed.
- Audit Report – Near completion. Clarification on two issues needed to complete.

October 2013

- New format on Financial Report per audit recommendation will begin in November. Motion to accept the change approved.

November 2013 – Not available on web-site.

December – No meeting.

The Cash Flow Reports for 2012 and 2013 are attached. Both the minutes and cash flow reports are taken from the Allendale Home Owners Association website. The web address is www.allendalehoa.com

Attendale Home Owners Association
Cash Flow Report - 2012

Income	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Homeowner Dues	\$19,417.87	\$6,785.00	\$9,707.50	\$4,025.00	\$4,166.30	\$2,825.00	\$13,626.73	\$675.00	\$1,385.00	\$2,272.20	\$555.00	\$2,245.00	\$67,685.60
Misc Bank													
Credits/Transfers	-\$4,000.00				\$7,000.00						\$8,000.00	\$2,000.00	\$13,000.00
Savings Interest	\$0.44	\$1.13	\$1.17	\$1.21	\$1.15	\$0.58	\$0.64	\$1.31	\$2.33	\$2.75	\$2.04	\$1.84	\$16.59
Misc. Income or Reimbursement								\$23,141.98					\$23,141.98
Total Income:	\$19,418.31	\$6,786.13	\$9,708.67	\$4,026.21	\$4,167.45	\$2,825.58	\$13,627.37	\$23,818.29	\$1,387.33	\$2,274.95	\$557.04	\$2,246.84	\$90,844.17

Expenses	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Monthly Maint	\$1,949.17	\$1,949.17	\$1,949.17	\$1,949.17	\$1,949.17	\$1,949.17	\$1,949.17	\$1,949.17	\$1,949.17	\$1,949.17	\$1,947.17	\$1,949.17	\$23,388.04
Snow Removal	\$337.50	\$688.50	\$459.00										\$1,485.00
Misc Maint					\$99.45		\$124.45		\$486.72	\$198.18			\$908.80
Association Mgmt	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$16,800.00
Covenant Mgmt	\$200.00	\$200.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$3,150.00
Cov/HOA Mgmt													
Office Supplies													\$0.00
HOA/Cov Phones	\$35.32	\$69.90	\$94.32	\$77.42	\$76.54	\$71.54	\$71.54	\$71.22	\$76.22	\$71.22	\$71.48	\$71.48	\$858.20
Capital Expenses			\$3,495.00	\$3,495.00	\$8,995.00	\$95.00	\$7,232.98	\$475.00			\$502.83		\$24,290.81
Insurance													\$3,179.00
Postage/PO Box	\$220.00		\$74.00	\$225.00		\$225.00			\$225.00				\$969.00
Printing/News Ads					\$149.95								\$149.95
Meeting Room		\$25.00	\$25.00		\$25.00	\$25.00	\$25.00	\$25.00			\$25.00		\$175.00
Legal Services		\$290.75		\$135.80									\$426.55
Dues and Subscriptions			\$144.73										\$144.73
Utilities (Pumphouse)	\$13.45	\$14.92	\$14.83	\$29.92	\$15.08	\$13.07	\$13.05	\$13.05	\$13.05		\$1,045.01	\$29.95	\$1,215.38
Website Fees (Qrt)	\$96.00			\$50.00			\$150.00	\$30.00	\$150.00	\$30.00	\$30.00		\$206.00
Misc Bank Debits				\$366.41				\$40.00	\$150.00	\$40.00	\$30.00		\$410.00
Misc Expenses							\$175.00				\$175.00		\$716.41
Total Expenses:	\$4,251.44	\$4,638.24	\$7,931.05	\$8,003.72	\$13,160.19	\$4,053.78	\$11,241.19	\$4,278.44	\$4,575.16	\$3,963.57	\$5,471.49	\$6,904.60	\$78,472.87

HOA Banking (Checking Acct)	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Beginning Balance	-\$267.07	\$10,899.36	\$13,046.12	\$14,822.57	\$10,843.85	\$8,849.96	\$7,621.18	\$10,006.72	\$6,403.28	\$3,213.12	\$1,521.75	\$4,605.26	
Total Credits	\$19,417.87	\$6,785.00	\$9,707.50	\$4,025.00	\$11,166.30	\$2,825.00	\$13,626.73	\$675.00	\$1,385.00	\$2,272.20	\$8,555.00	\$4,245.00	\$84,685.60
Total Debits	\$8,251.44	\$4,638.24	\$7,931.05	\$8,003.72	\$13,160.19	\$4,053.78	\$11,241.19	\$4,278.44	\$4,575.16	\$3,963.57	\$5,471.49	\$6,904.60	\$82,472.87
End Balance:	\$10,899.36	\$13,046.12	\$14,822.57	\$10,843.85	\$8,849.96	\$7,621.18	\$10,006.72	\$6,403.28	\$3,213.12	\$1,521.75	\$4,605.26	\$1,945.66	\$1,945.66

HOA Banking (Savings Acct)	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Beginning Balance	\$10,240.22	\$14,240.66	\$14,241.79	\$14,242.96	\$14,244.17	\$7,245.32	\$7,245.90	\$7,246.54	\$30,389.83	\$30,392.16	\$30,394.91	\$22,396.95	
Total Credits	\$4,000.44	\$1.13	\$1.17	\$1.21	\$1.15	\$0.58	\$0.64	\$23,143.29	\$2.33	\$2.75	\$2.04	\$1.84	\$27,158.57
Total Debits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,000.00	\$2,000.00	\$17,000.00
End Balance:	\$14,240.66	\$14,241.79	\$14,242.96	\$14,244.17	\$7,245.32	\$7,245.90	\$7,246.54	\$30,389.83	\$30,392.16	\$30,394.91	\$22,396.95	\$20,398.79	\$20,398.79

Attendle Home Owners AssociationCash Flow Report - 2013

Income	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Homeowner Dues	\$4,055.00	\$19,465.00	\$6,670.00	\$9,352.00	\$2,150.00	\$3,430.00	\$4,716.60	\$1,840.00	\$1,210.00	\$2,590.00			\$57,478.60
Misc Bank Credits/Transfers		\$8,000.00											\$8,000.00
Violation Fines													\$0.00
Creditor's Svc Bureau													\$0.00
Total Income:	\$4,055.00	\$19,465.00	\$8,670.00	\$9,352.00	\$2,150.00	\$3,430.00	\$4,716.60	\$1,840.00	\$1,210.00	\$2,590.00	\$0.00	\$0.00	\$57,478.60

Expenses	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Monthly Maint	\$1,949.17	\$1,949.17	\$1,949.17	\$3,898.34	\$1,416.66	\$1,416.66	\$1,416.66	\$1,416.66	\$1,416.66	\$1,416.66			\$18,245.81
Snow Removal	\$410.62		\$325.00	\$855.15									\$1,590.77
Misc Maint		\$150.00		\$250.00	\$1,250.00	\$300.00		\$325.00	\$112.50				\$2,387.50
Association Mgmt	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00			\$14,000.00
Covenant Mgmt	\$275.00	\$275.00	\$275.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00					\$825.00
Cov/HOA Mgmt Office Supplies	\$132.04			\$181.00					\$339.73				\$652.77
HOA/Cov Phones	\$76.48	\$76.14	\$71.14	\$71.14	\$70.80	\$75.80	\$74.58	\$75.78	\$70.88	\$70.88			\$733.62
Cap Improve									\$955.00				\$955.00
Insurance													\$0.00
Postage/PO Box	\$180.00		\$76.00							\$230.00			\$486.00
Printing/News Ads													\$0.00
Meeting Room	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$0.00	\$25.00	\$25.00			\$225.00
Legal Services				\$80.00		\$100.00							\$180.00
Taxes & Licenses				\$27.13									\$27.13
Utilities (Pumphouse)	\$17.33	\$17.01	\$17.01	\$17.01	\$17.17	\$150.92	\$279.06	\$383.90	\$270.02	\$153.61			\$1,323.04
Website Fees (Qrt)	\$30.00			\$30.00			\$30.00			\$55.00			\$145.00
Bad Debts/ Writoffs (forecl)													\$0.00
Misc Bank Debts													\$0.00
Misc Expenses									\$350.00				\$350.00
Total Expenses:	\$4,495.64	\$3,892.32	\$4,138.32	\$6,834.77	\$4,179.63	\$3,468.38	\$3,225.30	\$3,601.34	\$4,939.79	\$3,351.15	\$0.00	\$0.00	\$42,126.64

HOA Banking (Checking Acct)	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Beginning Balance	\$1,945.66	\$1,560.02	\$9,102.70	\$13,634.38	\$18,805.44	\$14,209.95	\$12,683.60	\$15,569.90	\$14,192.46	\$10,078.77	\$0.00	\$0.00	\$0.00
Total Credits	\$4,055.00	\$19,465.00	\$8,670.00	\$9,352.00	\$2,150.00	\$3,430.00	\$4,716.60	\$1,840.00	\$1,210.00	\$2,590.00	\$0.00	\$0.00	\$57,478.60
Total Debits	\$4,440.64	\$11,922.32	\$4,138.32	\$4,180.94	\$6,745.49	\$4,956.35	\$1,830.30	\$3,217.44	\$5,323.69	\$3,351.15	\$0.00	\$0.00	\$50,106.64
Ending Balance:	\$1,560.02	\$9,102.70	\$13,634.38	\$18,805.44	\$14,209.95	\$12,683.60	\$15,569.90	\$14,192.46	\$10,078.77	\$9,317.62	\$0.00	\$0.00	\$0.00

HOA Banking (Savings Acct)	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Beginning Balance	\$20,398.79	\$20,400.52	\$28,402.82	\$28,405.08	\$28,407.05	\$28,409.46	\$28,411.64	\$28,414.21	\$28,416.55	\$28,418.96	\$0.00	\$0.00	\$0.00
Total Credits	\$1.73	\$8,002.30	\$2.26	\$1.97	\$2.41	\$2.18	\$2.57	\$2.34	\$2.41	\$2.41	\$0.00	\$0.00	\$8,022.58
Total Debits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Ending Balance:	\$20,400.52	\$28,402.82	\$28,405.08	\$28,407.05	\$28,409.46	\$28,411.64	\$28,414.21	\$28,416.55	\$28,418.96	\$28,421.37	\$0.00	\$0.00	\$0.00



CITY OF LOVELAND
HUMAN RESOURCES DEPARTMENT
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AGENDA ITEM: 21
MEETING DATE: 3/4/2014
TO: City Council
FROM: Karen Rees, Interim Human Resources Director
PRESENTER: Karen Rees, Interim Human Resources Director

TITLE:

Actions to Fill a Vacancy in the Office of City Attorney

RECOMMENDED CITY COUNCIL ACTION:

Motion 1: Approve a motion directing staff to solicit proposals from executive recruiters for the Council's consideration.

Motion 2: Approve Motion to convene an Executive Session to discuss the appointment of an Acting City Attorney.

OPTIONS (FOR RECRUITMENT PROCESS):

1. Direct staff to solicit proposals from executive recruiters for the Council's consideration.
2. Direct that the recruitment be carried out by City HR staff.
3. Adopt an action appointing an internal candidate without solicitation of other applicants.
4. Refer back to staff for further development and consideration.
5. Adopt a motion continuing the item to a future Council meeting.

SUMMARY:

City Attorney John Duval gave notice of his resignation on February 19, 2014, and has expressed the intent to stay on as City Attorney through April 1, 2014. Council will need to establish a hiring process and appoint an Acting City Attorney effective April 2, 2014. Staff recommends retaining an executive recruiter because an outside recruiter can streamline the hiring process for Council and provide high-quality, pre-screened candidates reducing a considerable amount of time spent by Council and staff. The Council will also need to appoint an Acting City Attorney effective April 2, 2014, until a new City Attorney is hired.

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

The City's 2014 adopted Budget does not include funding for the costs of the recommended action. However, salary savings from the unfilled position are expected to be sufficient to cover costs.

BACKGROUND MOTION 1:

The following recruitment options are offered for the Council's consideration:

1. Retain an executive recruiter to assist in the hiring process for the City Attorney. The process may take six (6) to eight (8) months. The cost of hiring an executive recruiter may run between \$30,000 to \$35,000, depending on the scope of work and individual firm proposals. An outside recruiter can streamline the hiring process for Council. If a recruiter is chosen, they will work with Council members and other stake holders to develop a profile for a successful candidate; advertise the position and accept applications; pre-screen applicants and present the most highly qualified candidates to Council members; perform backgrounding and reference checks; and assist in negotiations.

The scope of service can vary and Council may wish to direct that certain functions be performed internally by HR to reduce out-of-pocket cost. If the Council wishes to retain an executive recruiter, then Council should direct staff to solicit proposals from qualified firms and return the proposals to Council for selection of the firm that Council prefers.

2. Direct Human Resources staff to assist the City in a hiring process. If selected, this option may take five (5) to seven (7) months. Costs will be absorbed within operating budgets but resources will be diverted from other projects. This option is not recommended because it involves a considerable amount of time for both City Council members and Human Resources staff. Because the Human Resources staff is currently short-handed they may not have the appropriate resources to manage the process.
3. Appoint an internal candidate without any solicitation of other applicants. This option is the most limited but could result in immediate appointment. Council would need to direct selection of a candidate and commence contract negotiations.

BACKGROUND MOTION 2:

The City Council may wish to make an appointment of an Acting City Attorney effective April 2, 2014, in public session, or if necessary convene an Executive Session to discuss the appointment.

REVIEWED BY CITY MANAGER:



LIST OF ATTACHMENTS:

None