

2. **CITY MANAGER** (presenter: Bill Cahill)
APPOINTMENTS TO THE CITIZENS' FINANCE ADVISORY COMMISSION, FIRE AND RESCUE ADVISORY COMMISSION, GOLF ADVISORY BOARD, LIBRARY BOARD, OPEN LANDS ADVISORY COMMISSION, PARKS AND RECREATION COMMISSION, PLANNING COMMISSION, AND TRANSPORTATION ADVISORY BOARD
1. A Motion to Reappoint Jason Napolitano to the Citizens' Finance Advisory Commission for a Term Effective until December 31, 2017
 2. A Motion to Appoint Leo Wotan as a City Commission Member on the Fire and Rescue Advisory Commission for a Partial Term Effective until June 30, 2017
 3. A Motion to Reappoint Hope Chrisman and Robert Walkowicz and to Appoint Charlie Dyer to the Golf Advisory Board, each for Term Effective until December 31, 2017
 4. A Motion to Appoint Chuck Weirauch as an Alternate Member on the Golf Advisory Board for a Term Effective until December 31, 2015
 5. A Motion to Appoint Eric Harting and Treva Edwards-Heiser to the Library Board, each for a Term Effective until December 31, 2019
 6. A Motion to Appoint Sue Mullins and Shawn Waaler as Alternate Members on the Library Board, each for a Term Effective until December 31, 2015
 7. A Motion to Reappoint Lori Bell and Andy Hawbaker and to Appoint Nathan Thompson to the Open Lands Advisory Commission, each for a Term Effective until December 31, 2018
 8. A Motion to Appoint Jean Whittaker as an Alternate Member on the Open Land Advisory Commission for a One-Year Term Effective until December 31, 2015
 9. A Motion to Reappoint Twyla Dennis and Brian Steckelberg to the Parks and Recreation Commission, each for a Term Effective until December 31, 2017
 10. A Motion to Appoint Nicole Gruet as an Alternate Member of the Parks and Recreation Commission for a Term Effective until December 31, 2015
 11. A Motion to Reappoint Buddy Meyers, Rob Molloy and Michele Forrest to the Planning Commission, each for a Term Effective until December 31, 2017
 12. A Motion to Appoint Lou Price to the Transportation Advisory Board for a Partial Term Effective until December 31, 2015
 13. A Motion to Appoint Christian Matthews as an Alternate Member on the Transportation Advisory Board for a Term Effective until December 31, 2015
- These are administrative actions recommending the appointment of members to the Citizens' Finance Advisory Commission, Fire and Rescue Advisory Commission, Golf Advisory Board, Library Board, Open Lands Advisory Commission, Parks and Recreation Commission and Planning Commission.

3. **ECONOMIC DEVELOPMENT** (presenter: Marcie Erion)
EDISON WELDING INSTITUTE SUPPLEMENTAL APPROPRIATION INCENTIVE
A Motion to Approve and Order Published on Second Reading an Ordinance Enacting a Supplemental Appropriation to the 2015 City of Loveland Budget for a Services Contract with Edison Welding Institute, Inc.

This is an administrative action. The City of Loveland proposes to enter into a Services Contract with Edison Welding Institute, Inc., dba "EWI" to perform a regional manufacturing and technology needs assessment and the EWI Colorado business plan. This item was brought before Council at the October 7, 2014 regular meeting as an informational item. At that time, City Council provided direction to staff to bring a funding ordinance for the EWI contract to Council for formal consideration. The first reading of this ordinance was approved unanimously at the December 16, 2014 regular meeting and City Council also directed staff to add language to the Services Contract to address confidentiality of the assessment. This language has been added to the contract under the Special Provisions section. The ordinance funding reduces the flexibility to fund other projects. The \$300,000 would come out of the Economic Development Incentive Fund in 2015. The current balance in the incentive fund for 2015 is \$450,000 with an additional

rollover of \$762,790, making the current available balance \$1,212,790.

4. **CITY CLERK** (presenter: Terry Andrews)
POSTING LOCATION FOR MEETING NOTICES
A Motion to Approve Resolution #R-1-2015, Establishing the Location for the Posting of City of Loveland Meeting Notices for 2015
This is an administrative action. Approval of the Resolution will designate the bulletin board immediately adjacent to the Loveland City Council Chambers located at 500 East 3rd Street, City of Loveland, Colorado, as the location for the posting for all of the City of Loveland's written notices in the year 2015. The Resolution also designates the City's Fire Administration Building as an Emergency Posting location if the primary designated location becomes inaccessible or is no longer in existence due to natural disaster or other similar cause.

5. **ECONOMIC DEVELOPMENT** (presenter: Betsey Hale)
PUBLIC HEARING
A Motion to Approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2015 City of Loveland Budget for the 2015 Pro Challenge Cycling Race and for Completion of the Regional Tourism Authority (RTA) Application
This is an administrative action. The ordinance on first reading appropriates Lodging Tax Funds: \$75,000 for consultants to develop the application for the Regional Tourism Act to the State Economic Development Commission, and \$100,000 in funding associated with hosting the US Pro Cycling Challenge event. The funding is from reserves in the Lodging Tax Fund and reduces the flexibility for funding other future events or programs. No specific adverse impacts to projects are projected. The current balance of the Lodging Tax reserves is \$1,004,604.

6. **AIRPORT** (presenter: Jason Licon)
IGA FOR AIRPORT GOVERNANCE
A Motion to Adopt Resolution #R-2-2015 Approving an Amended and Restated Intergovernmental Agreement for the Joint Operation of the Fort Collins-Loveland Municipal Airport
This action carries out one part of the Airport Strategy adopted by the City Council in December 2014. Adoption of the amended and restated IGA modifies the governance structure of the Airport by changing the Airport Steering Committee to an Airport Commission, with changes in membership but still appointed by the City Councils of Loveland and Fort Collins. The new Airport Commission will have expanded powers but selected powers continue to be reserved to the two City Councils. The benefits of the change are streamlined decision-making and greater involvement of Airport stakeholders. Approval of the Fort Collins City Council is also required to implement the change. This action has been reviewed previously in two joint City Council study sessions with Fort Collins (April and November 2014), and is recommended by the Airport Steering Committee. The budgetary impact would initially be neutral, however it is expected that this change would create an enhanced confidence level for potential investors that would positively impact future airport finances.

7. **WATER & POWER** (presenter: Bob Miller)
AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT WITH PLATTE RIVER POWER AUTHORITY FOR SCADA SERVICES
A Motion to Adopt Resolution #R-3-2015 Approving an Amended and Restated Intergovernmental Agreement Between the City of Loveland, Colorado and Platte River Power Authority for SCADA Services
This is an administrative action. On January 7, 2014 City Council approved an Intergovernmental Agreement (IGA) that allowed Platte River Power Authority (PRPA) to

provide SCADA Services to Loveland in its 7 substations. A few months ago Estes Park approached PRPA requesting SCADA services for their two substations. PRPA proposed to amend the existing agreement with Loveland and develop a new agreement with Estes Park. An amended and restated IGA for SCADA services with PRPA and Loveland was adopted by the PRPA Board of Directors on December 11, 2014. The cost distribution for this service was amended to read that Loveland is responsible for 7/9's of the cost and Estes Park will be responsible for the other 2/9's. This agreement will result in a reduced cost to Loveland for this service with the inclusion of Estes Park.

8. **FIRE & RESCUE** (presenter: Mark Miller)
COLORADO FIREFIGHTER HEART & CIRCULATORY BENEFITS TRUST AGREEMENT

A Motion to Adopt Resolution #R-4-2015 Approving the Execution of the Trust Agreement for the Colorado Firefighter Heart and Circulatory Benefits Trust

New state law (Senate Bill 14-172) requires heart and circulatory benefit coverage by January 1, 2015 for all full time firefighters that have been with the organization 5 years. A Trust has been established to provide the benefit and administer claims. The Loveland Fire Rescue Authority (LFRA) Board voted to support the City Risk Manager's recommendation to join the trust to comply with the requirement. Due to the need for coverage starting January 1, the City Manager has used his administrative authority to execute the Intergovernmental Agreements (IGA) to join the Trust. Council is asked to affirm the administrative action at this time. The cost of coverage for LFRA's 51 firefighters @ \$175 each or \$8,925. However, the amount is expected to be fully reimbursed by the State's Division of Local Affairs (DOLA), so the net cost should be zero. The expenditure will be recorded in the Loveland Fire Rescue Authority Fund, where an existing appropriation can be allocated to this purchase and it would be subject to the cost sharing provisions of the intergovernmental agreement between the City of Loveland and the Loveland Rural Fire Protection District.

9. **PARKS & RECREATION** (presenter: Keven Aggers)
PARK IMPROVEMENTS IGA BETWEEN THE CITY OF LOVELAND, THE LAKES AT CENTERRA METRO DIST #1 AND THOMPSON R2J SCHOOL DISTRICT

A Motion to Adopt Resolution #R-5-2015 of the Loveland City Council to Approve an Amended Intergovernmental Agreement Between the Lakes at Centerra Metropolitan District No.1, the Thompson R2J School District and the City of Loveland Concerning Public Park Improvements

This is an administrative action extending the Lakes Metro District and School District construction completion dates to June 30, 2015 for the Lakes Metro District park improvements and to September 30, 2016 for the School District park improvements, which extensions are needed due to project and weather delays and to ensure realistic deadlines are in place. The proposed First Amendment is consistent with informal discussions among Parks & Rec, the School District and The Lakes at Centerra Metropolitan District No.1 (McWhinney) that took place in November. This amendment only changes completion dates and will not affect the original budget impact where no supplemental funding is required under the agreement, as it will be funded up to \$1 million from the future collection of Park CEF's from residential development within the Lakes at Centerra Development.

ADJOURN AS CITY COUNCIL AND CONVENE AS THE WATER ENTERPRISE BOARD OF DIRECTORS

10. **CITY MANAGER** (presenter: Alan Krcmarik)
PUBLIC HEARING
WATER ENTERPRISE BOND SALE AND ISSUANCE
A Motion to Approve and Order Published on First Reading an Ordinance

Authorizing the Issuance and Sale of the City of Loveland, Colorado, Water Enterprise Revenue Bond, Series 2015, Payable Solely Out of the Net Revenues to be Derived from the Operation of the City's Water Enterprise; and Providing Other Details Concerning the Bond, Including, Without Limitation, Covenants and Agreements in Connection Therewith

This is an administrative action authorizing the Water Enterprise to complete a financial transaction to obtain up to \$3.2 million of bond proceeds to be used by the Water Enterprise to improve the Water Treatment Plant. The need for the additional funding was caused by the bids coming in higher than expected. Council provided direction to obtain the financing by an ordinance in July 2014. The Water Enterprise will benefit from the receipt of proceeds from the proposed bank financing for construction of the capital project, the expansion of the Water Treatment Facility.

ADJOURN AS THE WATER ENTERPRISE BOARD OF DIRECTORS AND RECONVENE AS CITY COUNCIL

**11. CITY MANAGER (presenter: Alan Krcmarik)
PUBLIC HEARING**

WATER ENTERPRISE BOND TERMS AND PROVISIONS

A Motion to Approve and Order Published on First Reading an Ordinance of the City of Loveland, Authorizing the Terms and Provisions Relating to the Water Enterprise Revenue Bonds, Series 2015, to be Issued by the City of Loveland, Colorado, Water Enterprise, the Finance Improvements to the City's Water System, Including, Without Limitation, Covenants and Agreement of the City in Connection Therewith

This is an administrative action by the City Council. Pursuant to Ordinance 4454 adopted by the Council in 1999, the Council ratified the establishment of the City of Loveland Water Enterprise. In separate action, the City Council, acting as the Board of the Water Enterprise, considered on first reading the terms of the Water Enterprise Revenue Bonds, Series 2015. This proposed ordinance indicates the City Council's agreement to and authorization of the bond ordinance. The \$3.2 million to be provided from the 2015 series is the final piece of the financing for the Water Treatment Plant Expansion.

**12. ECONOMIC DEVELOPMENT (presenter: Mike Scholl)
PUBLIC HEARING**

SUPPLEMENTAL APPROPRIATION FOR DOWNTOWN LAND PURCHASES- SOUTH CATALYST PROJECT

A Motion to Approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2015 City of Loveland Budget to Reappropriate Funding Approved in 2014 for the Purchase of Property and Other Costs Associated with Downtown Land Purchases for the South Catalyst Project

This is an administrative action. The ordinance reappropriates funding of \$3,218,877.30 approved in 2014 for the acquisition of Downtown property in support of the South Catalyst redevelopment project. The proposed project, a partnership with the Michaels Development Company and Larimer County, is expected to result in a vertically dense mixed-use project that would include office, residential and retail. The total investment is expected to generate between \$50 to \$70 million. Ten properties were purchased in 2014 with an additional property under contract scheduled to close in February, 2015. This action does not increase the Council's original appropriations of funds; it only continues funding into early Fiscal year 2015 to allow purchases of properties. The funding for the appropriation of \$3,218,877.30 is from Unreserved Fund Balance in the General Fund. The appropriation of this fund balance reduces the flexibility to fund other projects.

**13. ECONOMIC DEVELOPMENT (presenter: Mike Scholl)
PUBLIC HEARING
ARCADIA HOTEL FINANCIAL ASSISTANCE**

1. **A Motion to Adopt Resolution #R-6-2015 Approving the Terms and Conditions of an Incentive to 351 Linden Street LLC for Redevelopment of the Arcadia Hotel and Directing the City Manager to Enter into an Agreement for Such Incentive**

2. **A Motion to Approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2015 City of Loveland Budget for an Incentive Agreement with 351 Linden Street LLC for Development of the Arcadia Hotel Property**

These are administrative actions. The resolution would authorize the City Manager to sign an incentive agreement with 351 Linden Street LLC (aka Howard Perko), the developer of 140 E. 4th Street for \$125,000. The agreement would reimburse the developer for cost associated with the public improvements including the public safety elements, as well as infrastructure and environmental issues. The ordinance appropriates \$125,000 from Council Reserves. This agreement is for \$125,000. The total request, including this agreement, the Urban Renewal Agreement and the commitment from the Loveland Downtown Partnership will be \$298,000. It also includes a Materials Use Tax Waiver not to exceed \$35,000. There is \$1 million available in Council Reserves, if this project is approved, the balance for 2015 will be \$875,000.

14. **FINANCE** (presenter: Brent Worthington)
FINANCIAL REPORT FOR NOVEMBER 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 November 30, 2014.

15. **CITY MANAGER** (presenter: Alan Krcmarik)
INVESTMENT REPORT FOR NOVEMBER 2014

This is an information only item. The 2014 budget projection for investment earnings for 2014 is \$2,025,920 which equates to an annual interest rate of 0.94%. For November, the amount posted to the investment account is \$191,018. For the year-to-date, the amount posted is \$1,776,571. Actual earnings are below the year-to-date budget projection by \$90,522. Based on the monthly statement, the estimated annualized yield in November on the securities held by US Bank was 1.01%. Due to the demands for draws from the fund balances to pay for the cost of flood response and project repair, the portfolio is about \$8 million lower than November 2013.

16. **CITY CLERK** (presenter: Terry Andrews)
SPECIAL MEETING DATES FOR POSSIBLE EXECUTIVE SESSIONS REGARDING REGIONAL TOURISM ACT AND COUNCIL GOAL SETTING SESSION

1. **A Motion Calling for Special Meetings to be Held at 6:30 p.m., in the Council Chambers, Following the Regularly Scheduled Study Sessions on January 13 and January 27, 2015. The Purpose of the Special Meetings is to Discuss an RTA (Regional Tourism Act) Application. These Meetings may include an Executive Session.**

2. **A Motion Calling for a Special Meeting of City Council on January 24, 2015 to be held at 7:30 am at Group Publishing, 1515 Cascade, to discuss Council Goal Setting**

This is an administrative action to call for Special meetings, which may include an Executive Session per 24-6-402 C.R.S. The purpose of the meetings of January 13 and January 27 is to discuss an application submittal to the State of Colorado under the Regional Tourism Act (RTA). The purpose of the January 24 meeting is to discuss City Council goal-setting.

17. **DEVELOPMENT SERVICES** (presenter: Bob Paulsen)
AMENDMENT TO 2015 SCHEDULE OF RATES, CHARGES AND FEES

A Motion to Approve Resolution #R-7-2015 Amending Resolution #R-68-2014 and the 2015 Schedule of Rates, Charges and Fees for City Services, Other Than Services Provided by the Water and Power Department and the Stormwater Enterprise

This is an administrative action to adopt a resolution amending the 2015 Schedule of Rates, Charges and Fees for City Services, other than Services provided by the Water and Power Department and the Stormwater Enterprise. The amendment would correct two errors. The base fee set for applications proposing to annex and zoning property, other than PUD zoning, was inadvertently set at \$2,282.00. The resolution would set the base fee at the correct amount of \$1,217.00. The City use tax and Larimer County tax rates were inadvertently set at 3.80%. The resolution would set the tax rate at the correct percentage of 3.65%.

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

**18. PUBLIC WORKS (presenters: Leah Browder and Dave Klockeman)
BOISE AVENUE EXTENSION AND TRANSPORTATION PROJECT PLANNING AND FUNDING**

A Motion to Direct Staff to Complete Project Design in Fiscal Year 2015 Using Currently Available Project Funding (approximately \$590,000) and Place Project Construction in Fiscal Year 2016 Budget

During the Public Comment portion of the October 7, 2014 City Council Meeting, Dr. David Campbell made a presentation on behalf of Seven Lakes' residents requesting that the Boise Avenue Extension Project be constructed as soon as possible. This road construction project is currently reflected in the 10-year Transportation Capital Plan (2015-2024) with an estimated construction date between 2020 and 2024 depending on funding availability. City Council directed that a study session be held to discuss the Boise Avenue Project in the larger context of transportation project planning. Due to the travel schedules of neighborhood representatives, the item was placed on the regular City Council Agenda of January 6, 2015. City staff have developed a proposal which provides for project design in 2015 and project construction of an initial phase in 2016. In addition to the approximately \$300,000 available in the 2014 Boise Avenue project budget, \$290,000 is appropriated in the Fiscal Year 2015 Budget and an additional \$300,000 is planned for the Fiscal Year 2016 Budget. CEF revenue is estimated to have come in at about \$400,000 over budget projections in Fiscal Year 2014. If applied to the Boise Avenue project, total identified funding would be \$1.29 million leaving a funding gap of approximately \$410,000 for the \$1.7 million interim project. As part of the Fiscal Year 2014 close-out and rollover analysis, the Annual Ongoing Projects category of the 10-Year Capital Program will be reviewed for

project fund balances that can be applied to the Boise Avenue Interim Project to close the \$410,000 project funding gap. This would allow project construction to proceed in Fiscal Year 2016. In any case, staff will also undertake outreach to State parks; Larimer County; Banner Medical; and/or DOLA to seek additional voluntary funding from these potential partners.

19. ECONOMIC DEVELOPMENT (presenter: Mike Scholl)

SUPPLEMENTAL APPROPRIATION FOR EVERGREEN INCENTIVE AGREEMENT

A Motion to Approve and Order Published on Second Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2015 City of Loveland Budget for an Incentive Agreement with Evergreen Development Company

This is an administrative action to approve the second reading supplemental appropriation ordinance for the Evergreen Incentive to redevelop the north east corner of 34 and 287 for a Sprouts Grocery Store. On November 4, 2014 City Council approved Resolution #R-80-2014, with a vote of 7-1 which approved the term sheet with Evergreen and authorized the City Manager to execute an agreement based on the approved term sheet. The Supplemental Appropriation ordinance was also approved by Council with a vote of 7-1 on first reading at the November 4, 2014 regular meeting. The second reading of the appropriation ordinance is scheduled to occur only after the agreement has been finalized, signed and shared with Council. The development grant would be from existing capital funds and repaid through the collection of sales tax at three percent interest. The City will also forgo \$97,000 in revenue from the materials use tax.

20. WATER & POWER (presenters: Gretchen Stanford, Briana Reed-Harmel and Julie Rosen)

FEMA ALTERNATE PROJECT

A Motion to Authorize the Director of Water and Power to compile and submit the scope of work for construction of a substation and installation of a small (1 to 2 MW) solar facility on the Boedecker property to the Colorado Office of Emergency Management (COEM) and Federal Emergency Management Agency (FEMA) for approval as the "Alternate Project"

This is an administrative action. On May 30, 2014, Loveland received confirmation that FEMA had determined the City was eligible to receive a subgrant of approximately \$9.1 million for an alternate FEMA project to replace the Idylwilde Dam and Penstock facilities lost in the September 2013 Flood. This agenda item recommends that construction of a substation and installation of a small (1 to 2 MW) solar facility on property owned by the City southeast of Boedecker Lake be designated as the "Alternate Project" to be completed with those FEMA funds. On December 17, 2014, the Loveland Utilities Commission recommended using the FEMA Alternate Project funds for construction of a substation and 1-2 MW solar project on the Boedecker site. The FEMA Project Worksheet for the alternate project totals \$9,068,018. The City can expect to receive 87.5% or \$7,934,516 in project reimbursements. The City plans to adjust the project scope to match the expected FEMA reimbursement amount.

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