

3. **ECONOMIC DEVELOPMENT** (presenter: Betsey Hale)
SUPPLEMENTAL APPROPRIATION FOR 2015 PRO CHALLENGE CYCLING RACE AND RTA APPLICATION

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 the 2015 Pro Challenge Cycling Race and for Completion of the Regional Tourism Authority (RTA) Application

This is an administrative action. The ordinance on second 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 \$976,794.36. City Council unanimously approved the first reading of the appropriation ordinance on January 6, 2015.

4. **ECONOMIC DEVELOPMENT** (presenter: Mike Scholl)
SUPPLEMENTAL APPROPRIATION FOR THE ARCADIA HOTEL 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 351 Linden Street LLC for Development of the Arcadia Hotel Property

This is an administrative action to approve the second reading of a supplemental appropriation ordinance for \$125,000 from Council Reserves. On January 6, 2015 City Council unanimously approved the first reading of the supplemental appropriation ordinance and Resolution #R-6-2015 authorizing the City Manager to sign an incentive agreement with 351 Linden Street LLC (aka Howard Perko), the developer of 140 E. 4th Street. 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.

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

5. **CITY MANAGER** (presenter: Alan Krmarik)
WATER ENTERPRISE BOND SALE AND ISSUANCE

A Motion to Approve and Order Published on Second 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. This ordinance was approved

unanimously on first reading by Council at the January 6, 2015 regular meeting.

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

6. **CITY MANAGER** (presenter: Alan Krcmarik)
WATER ENTERPRISE BOND TERMS AND PROVISIONS
A Motion to Approve and Order Published on Second 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. This Ordinance was adopted unanimously on first reading by Council at the January 6, 2015 regular meeting.

7. **DEVELOPMENT SERVICES** (presenter: Alison Hade)
HABITAT FOR HUMANITY FEE WAIVER
A Motion to Approve Resolution #R-8-2015 Waiving Certain Development Fees for the Construction of Nine Residences by Loveland Habitat for Humanity
Loveland Habitat for Humanity is requesting a waiver of development fees, consisting of building permit fees, capital expansion fees and enterprise fees, for the construction of four single family detached dwellings, four attached single family dwellings within a four-plex building and one attached single family dwelling within a duplex building, for a total of nine dwelling units to be constructed in 2015. One of these homes will be occupied by a flood survivor. The total fee estimate for all nine dwellings is \$229,885.72. The requested fee waiver will not exceed \$210,000. Habitat for Humanity will pay the balance of any fees. \$65,000 was appropriated in the 2015 Budget to backfill enterprise fees waived by the proposed resolution. An additional amount, not to exceed \$145,000, in development and capital expansion fees would be waived by the resolution and not backfilled.

8. **DEVELOPMENT SERVICES** (presenter: Alison Hade)
AMENDMENT TO FEE WAIVER FOR LOT CHANGE FOR HABITAT FOR HUMANITY
A Motion to Approve Resolution #R-9-2015 Amending Resolution #R-24-2014 Pertaining to Fee Waivers for Construction of Nine Residences by Loveland Habitat for Humanity
This is an administrative action. On March 18, 2014, City Council adopted a resolution granting Loveland Habitat for Humanity fee waivers for the construction of a total of nine homes in the Koldeway Industrial 3rd Subdivision and the Sierra Valley First Subdivision. One of the lots identified in the resolution for construction of a home receiving a fee waiver is currently unsuitable for construction pending the correction of some drainage issues. The dollar amount of the fee waiver will remain the same.

9. **CITY CLERK** (presenter: Terry Andrews)
APPOINTMENT OF ELECTION JUDGES FOR SPECIAL ELECTION
A Motion to Approve Resolution #R-10-2015 of the Loveland City Council Authorizing the City Clerk to Appoint Election Judges for the Special Election to be Held on February 10, 2015 Concerning the Establishment of a Downtown

Development Authority

This is an administrative action. Council approved an ordinance calling for a special election on February 10, 2015, regarding the establishment of a Downtown Development Authority (DDA). This resolution confirms authority to the City Clerk, acting as the Designated Election Official, to appoint election judges pursuant to Section 31-101-401 C.R.S.

10. PUBLIC WORKS (presenter: Steve Kibler)

AWARD OF 2015 FLEET FUEL CONTRACT

A Motion to Award a Contract to Rex Oil in the Amount of \$2,000,000; Authorize the City Manager to Sign the Contract; and Authorize the Public Works Director to Lock Prices if it is in the Best Interest of the City

This is an administrative action to approve a Contract with Rex Oil Company for \$2,000,000 (two million dollars) for diesel and unleaded fuel purchases for various City locations including the fleet management fueling center, golf courses, the water and wastewater treatment plants, and the airport for a period covering February 1, 2015 to January 31, 2016. This also authorizes the City Manager to sign the Contract and authorizes the Public Works Director to lock prices if determined to be in the best interest of the City. Budget dollars are available in various departments with the bulk (\$1,500,000) budgeted in the Public Works Vehicle Maintenance Fleet Operations Fund (501-23-261-1902-42030). Should City Council approve this recommended award of contract and fuel prices remain favorable, City staff intends to pursue the price lock in option. Assuming January 13, 2015 per gallon prices compared to per gallon pricing assumed at the time of budget development, estimated 2015 budgetary savings could exceed \$500,000. (Please note, however, that final budgetary saving estimates are also dependent on gallons actually purchased compared to original projections.)

11. HUMAN RESOURCES (presenter: Julia Holland)

CITY EMPLOYEE CLINIC (HEALTHSTAT) CONTRACT RENEWAL

A Motion to Ratify and Approve the Contract Dated May 2, 2014 Between the City and Healthstat, Inc. for Operation of the City Employee Clinic

This is an administrative action to ratify and approve the contract with Healthstat for operation of the Employee Clinic and related services. The agreement may cover operations and services for up to five years, and the cost for the term of the contract in 2015, will be an amount not to exceed \$526,000. Healthstat will provide clinic services to eligible participants during 2015 as outlined in the contract. The amount of \$526,000 is within the projected and approved 2015 Budget.

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**

12. **CITY MANAGER** (presenter: Bill Cahill)
CONSIDERATION OF REQUIRED ENDING TIME FOR CITY COUNCIL MEETINGS
A Motion Directing Staff to Return with a Resolution Amending Existing Rules of Council

This is an administrative action responding to the request of five Councilors to establish a required ending time of 11 PM for City Council meetings. Current Council rules, embodied in Resolutions #R13-98 and #R17-2000, specifically prohibit a required ending time, so the requested action requires a new Resolution to supersede the previous Resolution. If Council wants to prescribe an ending time, staff will need direction on specifics in order to draft the resolution.

13. **WATER & POWER** (presenter: Larry Howard)
AMENDMENT TO THE AGREEMENT FOR HOME SUPPLY BIG DAM FLOOD REPAIR
A Motion to Approve Resolution #R-11-2015 Approving the Second Amendment to Agreement for Home Supply Big Dam Flood Repair

This is an administrative action. On October 7, 2014 Council authorized a First Amendment to the Agreement for Home Supply Big Dam Flood Repair, which modified the January 15, 2014 Agreement. The First Amendment added work during construction and mitigation measures to protect against future flood damages to the original scope and increased the City's maximum 50% contribution to \$800,000. Home Supply's application to FEMA for the mitigation measures restarted the approval process for the entire project, causing delay in the expected FEMA and State Office of Emergency Management repayment schedule. All Project Worksheets submitted by Home Supply for the Project have been approved by FEMA and are currently being processed by the State, and payment is expected. This action, if approved by Council, will not change the Project scope of work. It will increase the City's not-to-exceed amount from \$800,000 to \$1M to fund continuation and completion of the FEMA eligible work of repair and mitigation (referred to as Phase I and Phase IA in the First Amendment) on a 50:50 basis, pending receipt of FEMA reimbursement by Home Supply. Proceeds from FEMA funds on all shared portions of the repairs and mitigation will also benefit Home Supply and the City on a 50:50 basis. Funds are available in the 2014 budget to cover this cost.

14. **ECONOMIC DEVELOPMENT** (presenter: Mike Scholl)
SUPPLEMENTAL APPROPRIATION FOR ASSOCIATED COSTS RELATED TO THE SOUTH CATALYST PROJECT
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 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. On January 6, 2015 City Council approved the first reading of the supplemental appropriation by a vote of six to three.

15. **CITY ATTORNEY** (presenter: Bill Cahill)

RECONSIDERATION OF EVERGREEN INCENTIVE- SPROUTS

1. **A Motion to Reconsider Ordinance No. 5905 - An Ordinance on Second Reading Enacting a Supplemental Budget and Appropriation to the 2015 City of Loveland Budget for the Evergreen Incentive**
2. **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 the Evergreen Incentive**

This is an administrative action. On January 6, 2014, Ordinance No. 5905 enacting a supplemental appropriation to fund the “Evergreen Incentive” was adopted on second reading by City Council. Subsequent to that date, a citizen letter addressed to the Mayor and City Council and alleging discrepancies in the adoption process (including a lack of public comment at the meeting on second reading) was delivered to the City Clerk. If City Council desires to reconsider Ordinance No. 5905 on second reading, a motion to reconsider must be adopted in accordance with City Council’s rules. If the motion to reconsider is adopted, City Council could take public comment on this item and conduct a vote on the re-adoption on Ordinance No. 5905 on second reading.

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

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