

**AGENDA**  
**LOVELAND CITY COUNCIL STUDY SESSION**  
**TUESDAY, MAY 12, 2015**  
**CITY COUNCIL CHAMBERS**  
**500 EAST THIRD STREET**  
**LOVELAND, COLORADO**

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**STUDY SESSION 6:30 P.M. - STUDY SESSION AGENDA**

1. **ECONOMIC DEVELOPMENT** (presenter: Loveland Downtown Partnership, 60 min)  
**LOVELAND DOWNTOWN PROJECT UPDATE**  
This is an informational presentation. In November of 2014, the City Council approved the 2015 budget with an appropriation of \$500,000 for the operations and programs of the LDP. This investment emphasizes the Council's commitment to the redevelopment of downtown Loveland. The LDP will present to Council an update on the status of hiring an interim director, a progress report on the Arcadia Hotel project and other activities of the LDP. The main focus of the LDP's effort in 2015 is to assist in the formation of a Downtown Development Authority. The 1<sup>st</sup> quarter report is included as an attachment.
  
2. **WATER AND POWER/IT** (presenters: Steve Adams & Bill Westbrook; 60 min)  
**BROADBAND DISCUSSION**  
This is an informational presentation. The project team of Loveland Water and Power, Information Technology (IT) and the City Attorney's Office is presenting information on broadband to the City Council to provide information and solicit feedback from Council on how to proceed with the broadband initiative for Loveland.
  
3. **INFORMATION TECHNOLOGY** (presenters: Bill Westbrook; 60 min)  
**MASTER INFORMATION TECHNOLOGY PLAN**  
This is an informational presentation summarizing the City's IT Department's current organizational and operational status and providing an overview of the recently developed IT Strategic Plan.

**ADJOURN**



**CITY OF LOVELAND**  
ECONOMIC DEVELOPMENT OFFICE  
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**AGENDA ITEM:** 1  
**MEETING DATE:** 5/12/2015  
**TO:** City Council  
**FROM:** Betsy Hale, Economic Development Director  
**PRESENTER:** Dan Johnson, LDP Board Member  
Heather Lelchook, LDP Board Member

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**TITLE: An Update from the Loveland Downtown Partnership (LDP)**

**RECOMMENDED CITY COUNCIL ACTION: Information Only**

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**SUMMARY:** Representatives of the Loveland Downtown Partnership will present to City Council a report on the activity of the organization. This report is a requirement of the scope of work included in the contract for services between the City and the LDP.

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**BACKGROUND:**

In November of 2014, the City Council approved the 2015 budget with an appropriation of \$500,000 for the operations and programs of the LDP. This investment emphasizes the Council's commitment to the redevelopment of downtown Loveland. The LDP will present to Council an update on the status of hiring an interim director, a progress report on the Arcadia Hotel project and other activities of the LDP. The main focus of the LDP's effort in 2015 is to assist in the formation of a Downtown Development Authority. The 1<sup>st</sup> quarter report is included as an attachment.

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**REVIEWED BY CITY MANAGER:**

**LIST OF ATTACHMENTS:**

1. LDP PowerPoint Slides
  2. April 15<sup>th</sup>, 2015 Report of the LDP
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# Loveland Downtown Partnership: Quarterly Report to City Council

May 12, 2015

# Goals

- To create a sustainable Downtown Development Authority (DDA) within 12 months and determine the feasibility of a Business Improvement District within Two (2) years.
- To create an event and marketing plan in cooperation with the Community Marketing Commission, Loveland Chamber of Commerce and other entities that promotes a unique Downtown brand.
- To implement key elements of the approved (City of Loveland) infrastructure plan over the next twenty-four (24) months in ways that complement and preserve the Downtown's historic and cultural heritage.
- To increase residential density and employment as catalysts for enriching life for residents and visitors alike.
- To assist emerging and existing businesses in navigating various local, county, and state regulation and taxing policies.

# Accomplishments

- Successful DDA election in February 2015
- Retaining legal counsel and appropriate consultants
- Selection of DDA Board
- Participation with City in support of Arcadia Project
- Contracted part-time administrative support
- Draft of Plan of Development

# In Progress

- Final selection of Interim Executive Director
- Policies and Procedures for project development and approval: considering projects brought to our attention
- Locate office space for LDP / DDA staff
- Exploring several proposed events to market the Downtown and promote community participation

# Next Steps

- Joint workshop with DDA Board to revisit the vision and mission for Downtown development and to create an effective integration of LDP and DDA
- Work with Chamber of Commerce, Legal Counsel, and County Clerk for DDA Tabor election
- Finalizing near-time marketing and beautification projects for Downtown

**LDP Quarterly Report & Action Plan: City of Loveland Contract 2015 / Scope of Work Objectives**

**GOAL: Implement & Execute Strategic Plan for Downtown Loveland / Create DDA / Expand Businesses and Economic Tax Base**

**LDP Board Meeting Time: The 1<sup>st</sup> & 3<sup>rd</sup> Mondays of each month 8 – 10am / Additional Monday AM's as necessary at 421 E 4<sup>th</sup> St, Loveland.**

DESCRIPTION – Items are listed as identified on EXHIBIT “C” of the City of Loveland Services Contract.	START DATE	PROJECT	COMMENTS	Lead LDP Partner	CITY STAFF CONTACT	FINISH DATE
<p><b>1. Lead the effort to establish a Downtown Development Authority (DDA) for the purpose of correcting and preventing downtown blight through development and redevelopment efforts. An election is set for February 10, 2015, the Contractor shall lead the effort to hold an election on November 3, 2015 which will provide the DDA the authority to assess a mill levy for the purpose of operations and the authorization of the financing of sales and property tax increment for issuance of debt to complete projects. If the DDA formation election is unsuccessful, the Contractor will work with the City staff to develop a timetable for placing the DDA's formation election and financing approvals on the ballot and will provide leadership in connection with such election efforts.</b></p>	1/1/15	DDA Formation Election	The LDP engaged assistance from the Loveland Chamber of Commerce as well as many local residents and business owners to lead the effort through marketing and educating the public, posting signs, leading Town Hall Meetings in regard to heading up the DDA Formation election. The Election was SUCCESSFUL 60% voted in Favor of the DDA and 40% opposed.	Entire Board		2/10/15
	2/11/15	DDA 'FUNDING – Mill Levy' Election	Once the election for DDA Formation was completed successfully, we have engaged in developing strategy for the upcoming Mill Levy Election to provide for DDA Funding. We have again, engaged the Loveland Chamber to assist in this effort. The Chamber's admin staff will assist in identifying and engaging eligible voters for this election. Meetings have been held with the City Clerk as well as the County Clerk in regard to understanding the eligible voting parties, as well as ensuring the ballots will be mailed accurately to those parties.	Mindy Entire Board		
<p><b>2. Retain staff as the Contractor's board determines necessary to establish a Contractor/DDA office. This should be completed as soon as possible.</b></p>	3/2015	Admin Staff	In March the LDP contracted with the Loveland Chamber of Commerce to provide a 20 hr/wk Admin Staff member to assist with the administrative needs for the LDP.	Mindy		
	2/2015	Executive Director	The LDP board hosted a study planning session with the ED's from Longmont & Ft Collins DDA's to determine the skills etc necessary to lead DDA. It was determined RFP will be for an Interim ED. Ads for applications closed on 4/6/15. We are in the process of selecting candidates for interviews for the Interim ED and hope to have in place by May 1 <sup>st</sup> if possible.	Entire Board Dan - Ads		



DESCRIPTION – Items are listed as identified on EXHIBIT “C” of the City of Loveland Services Contract.	START DATE	PROJECT	COMMENTS	Lead LDP Partner	CITY STAFF CONTACT	FINISH DATE
3. Retain Legal counsel and other necessary consultants to assist the Contractor with election, organizational and operational issues.	1/2015	Legal Counsel	The LDP chose our Legal Counsel to be Lucia Liley on an on-going basis, until further notice.	Harry/Dan		
4. Upon a successful DDA election, Contractor staff/legal counsel and the Contractor’s Board should work with City Staff to develop operating and services agreements consistent with state and local law.	1/2015	Operating and Service Agmts	Lucia and her staff along with the City Staff and the LDP have been in the process of creating the legal and operational documents for facilitating LDP and DDA operations. DDA Board formation was discussed and determined to be a 7 member board. One Council rep, One LDP rep, One County rep, and Four additional eligible citizens at Large. Ex-officio would be City staff and School board member. City Council approved on 3/17/15.	Entire Board Debbie-501C4 LDP docs		
5. Upon a successful DDA election, Contractor shall provide assistance to the City in DDA Board selection through participation of the Contractor’s Board Chairperson in a City interview committee to interview DDA Board applicants and make recommendations to City Council for Board appointments.	3/2015	DDA Board Formation and Selection	In March 2015 the LDP recommended Loveland City Councilman John Fogle as council representative on the new DDA Board of Directors. Additionally voted Doug Rutledge as the LDP representative to the new DDA board. The City Council communication the application process for those eligible and interested in the DDA board positions to apply by March 27 2015. LDP Chair Harry Devereaux will assist in interviewing candidates with the City’s staff. Final candidates will be reviewed by LDP board and then recommendations made to City council for final board member selection.	Entire Board / Harry		
6. Work on establishing a brand for the organization(s) and Downtown that is consistent with other Loveland marketing efforts yet unique in character for the Downtown. Provide timely communications of activities and events distributed through multiple media sources (ie: newsletter, website, Facebook, etc) and devise structured interactions with downtown businesses and residents	3/2015	Marketing, Branding & Communications.	Doug engaged Perfect Square to design and create a banner representing the LDP in March 2015, and is on display at 4 <sup>th</sup> & Cleveland on the Arcadia project. Dan has been appointed to be the media ‘spokesperson’ as well as the communicator of ‘written’ material. Debbie is facilitating Facebook posts and other social media on behalf of downtown. More work to be done.	Doug / Dan Debbie		

DESCRIPTION – Items are listed as identified on EXHIBIT “C” of the City of Loveland Services Contract.	START DATE	PROJECT	COMMENTS	Lead LDP Partner	CITY STAFF CONTACT	FINISH DATE
<p><b>7. In collaboration with the City’s Economic Development staff, the Loveland Chamber of Commerce, and the Loveland Center for Business Development , assist businesses with locating in Downtown, and developing financial assistance packages for private development of downtown properties. In collaboration with the City Destination Loveland staff, assist in development of tourism marketing and new downtown events.</b></p>	2/2015	Arcadia Façade	<p>Timing presented an opportunity for the LDP to engage in an agreement to finance a portion of the Façade Improvement costs for the Arcadia Project. This led to contracts and legal agreements to be made with Lucia’s assistance. A commitment was made to fund \$125,000 in reimbursed expenses toward the cost of the overall façade improvements on this project.</p>	Doug / Jim		
	2/2015	Walking Tours	<p>Doug and Jim are working on developing a walking tour for downtown for all of our board members and others that may be interested to learn more about the district properties we are serving. It was also discussed that we could video record some of the tour for historic purposes.</p>	Doug/Jim		
	3/2015	Beautification	<p>Mindy is working on gathering information on flower pots in beautification efforts – more info to come.</p>	Mindy		
	4/2015	Public Safety /Homelessness	<p>It was discovered that there have been break-ins at the Arcadia site and was determined to be transient. Investigation is being made on the situation of the downtown transient population and efforts to provide a more secure / safe environment for local residents, business owners and visitors.</p>	Debbie		
		40’s on 4 <sup>th</sup>	<p>Meetings have attended by several LDP members in the efforts to plan a new downtown event – 40’s on 4<sup>th</sup> with the Morgan family. This could be a potential event for LDP assistance in funding to promote tourism and marketing for downtown.</p>	Harry, Jim, Debbie, Mindy Kim		
<p><b>8. On behalf of the City, administer the City façade grant program through program marketing, processing of applications for façade grants, and recommendation to the City of applications for funding. This is in addition to façade funding which may be provided by the Contractor.</b></p>	2/2015	Façade Program	<p>As mentioned above, the opportunity to fund the Arcadia brought about the need to engage legal counsel on development of the agreements and contracts for the Façade program, which has been in the process of creation for the past two months. This will be completed and LDP will also have a policy and procedure program for facilitating the program soon.</p>	Doug/Jim Entire Board		

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9. Provide written quarterly reports to the City Council on the activities of the Contractor, These are due April 15, 2015, July 15, 2015, October 15, 2015 and January 15, 2016. These reports will include quarterly financial statements. Delivery of the reports shall be to the City Manager or his designee.	4/2015	First Qtrly Report	This is the first quarterly report of the LDP due 4/15/15. Primary focus in on the DDA Funding Election as well as hiring an Interim ED, and developing the new DDA Board, as well as creation of legal documents, and focus on the residents, downtown business owners and future redevelopment projects.  Financial Report attached.	Debbie		
10. Present an organizational report at a City Council Study Session to be held on May 12 <sup>th</sup> , 2015.	4/2015	Org Report	LDP will be discussing this item at the next board meeting 4/20/15.			
11. Work with the City Staff to develop the 2016 Scope of Work for the Contractor/DDA to be completed by November 15, 2015.	TBD	TBD				
12. Additional requirements/agreements may be necessary pending DDA formation, These will be negotiated with the Economic Development Director. Changes will be made as an amendment to this Contract.	TBD	TBD				

DESCRIPTION – Items are listed as identified on EXHIBIT “C” of the City of Loveland Services Contract.	START DATE	PROJECT	COMMENTS	Lead LDP Partner	CITY STAFF CONTACT	FINISH DATE

**OUTCOMES, IMPACTS, RESULTS:**

Financial Proforma for Loveland Downtown Partnership Revised 2/20/2015		ACTUAL INCOME & EXP as of 4/15/2015			
		Jan - Dec 15		Jan - Dec 16	Jan - Dec 17
<b>Income</b>					
	<b>City Contract</b>	500,000.00	<b>100,000.00</b>	500,000.00	500,000.00
	<b>Misc Income</b>	0.00	<b>0.00</b>	0.00	0.00
	<b>Total Income</b>	<b>500,000.00</b>	<b>100,000.00</b>	<b>500,000.00</b>	<b>500,000.00</b>
		<i>Paid 1/15, 4/30, 7/30, 10/30, 12/30/2015 Reports due qtrly 4/15, 7/15, 10/15, 12/15/15 w/invoice</i>			
<b>Expense</b>					
	<b>Redevelopment Support</b>	<b>245,000.00</b>	<b>0.00</b>	<b>200,000.00</b>	<b>200,000.00</b>
	Projects TBD Upon Board Approval	<i>*Arcadia / Howard Perko \$125,000 allocation Budget Remaining - \$120,000</i>			
	<b>Façade Improvement Grants</b>	<b>25,000.00</b>	<b>0.00</b>	<b>25,000.00</b>	<b>25,000.00</b>
	Projects TBD Upon Board Approval				
	<b>Marketing/Promotion/Sponsorship</b>	<b>15,000.00</b>	<b>0.00</b>	<b>15,000.00</b>	<b>15,000.00</b>
	Advert /Banners / PR / Downtown Event/Liability Insurance New and Existing Events Art / History / Innovation Event Promotional Other Expense				
	<b>Beautification Enhancements</b>	<b>15,000.00</b>	<b>0.00</b>	<b>15,000.00</b>	<b>15,000.00</b>
	Holiday Lighting- Throughout DT Map Misc TBD Cap Imp Safety/Lighting Misc TBD Capital Imp Art/Sculpture Stands Misc TBD Capital Imp Water Features Misc TBD Capital Imp Enhance Riverwalk				
	<b>Subtotal Programs and Projects</b>	<b>300,000.00</b>	<b>0.00</b>	<b>255,000.00</b>	<b>255,000.00</b>
		<i>2015 - Downtown Reinvestment 60%</i>			
<b>Personnel Cost allocated to Projects</b>					
	Salaries / Contracted	75,000.00	0.00	96,000.00	96,000.00
	Health Insurance			16,000.00	16,000.00
	Dental Insurance			1,600.00	1,600.00
	Retirement Contributions			4,800.00	4,800.00
	Medicare	2,000.00	0.00	2,000.00	2,000.00
	Employee Group Life Ins			320.00	320.00
	Long-term Disability			400.00	400.00
	Unemployment Comp Work Comp Ins	500.00	0.00	480.00	480.00
	<b>Subtotal Personnel</b>	<b>77,500.00</b>	<b>0.00</b>	<b>121,600.00</b>	<b>121,600.00</b>
		<i>2015 - Salary Exp 15.5%</i>			
<b>Personnel Cost allocated to Administrative</b>					
	Salaries / Contracted	0.00		24,000.00	24,000.00
	Health Insurance	0.00		4,000.00	4,000.00
	Dental Insurance	0.00		400.00	400.00
	Retirement Contributions	0.00		1,200.00	1,200.00
	Medicare	0.00		500.00	500.00
	Employee Group Life Ins	0.00		80.00	80.00
	Long-term Disability	0.00		100.00	100.00
	Unemployment Compensation	0.00		120.00	120.00
	<b>Subtotal Personnel</b>	<b>0.00</b>	<b>0.00</b>	<b>30,400.00</b>	<b>30,400.00</b>
<b>Administrative</b>					
	Contracted Administrative Assistance	25,000.00	3,333.34		
	Branding/Comm- Design, Web, Soc Media	5,000.00	492.00		
	Office Rent	6,000.00	0.00	18,000.00	18,000.00
	Business/Liability insurance	1,000.00	356.00	1,000.00	1,000.00
	Utilities	3,000.00	0.00	6,000.00	6,000.00
	Office Supplies	2,000.00	0.00	1,000.00	1,000.00
	Computer/Hardware	2,000.00	0.00	1,000.00	1,000.00
	Internet/Phone	3,000.00	0.00	3,000.00	3,000.00
	Legal Corporate Services	30,000.00	10,758.78	25,000.00	25,000.00
	CPA / Audit / IRS 501C4 Exp	5,000.00	850.00	3,000.00	3,000.00
	D & O Insurance	1,500.00	1,293.00	3,000.00	3,000.00
	Bank Chgs / Merchant Fees	1,000.00	28.75	1,000.00	1,000.00
	November Tabor Election Expense	30,000.00	0.00	0.00	0.00
	Board Conference/Subscriptions/Fees	5,000.00	952.00	1,000.00	1,000.00
	Misc / Ads	3,000.00	<b>1,263.52</b>	30,000.00	30,000.00
	<b>Subtotal Administrative</b>	<b>122,500.00</b>	<b>19,327.39</b>	<b>93,000.00</b>	<b>93,000.00</b>
		<i>2015 - Admin/Start Up Exp 24.5%</i>			
	<b>Total Expense</b>	<b>500,000.00</b>	<b>19,327.39</b>	<b>500,000.00</b>	<b>500,000.00</b>

Legal - Billed hr projections  
CPA - Review vs Audit / ML /City Support  
Election Expenses TBD  
Treasurer/ Segregation of Duties /Bank Accts

Assumptions:  
Salaries - 2 positions - Executive Director and an office support admin  
Redevelopment support - to be approved by board as projects are presented  
Façade Grants - to be approved by board as projects are presented  
Beautification Enhancements - to be approved by board as projects are presented

Note: Personnel Cost may have some savings in 2015 due to Employee hire date. If savings occur the funds will be used in other areas of budget such as Beautification, Marketing, Promotions, etc.

4/15/2015 YTD	LDP Balance Sheet
<b>Assets:</b>	
Cash	80,672.61
Accts Receivable Per Contract City of Loveland	400,000.00
<b>Total Assets</b>	<b>480,672.61</b>
<b>Liabilities:</b>	
Façade allocation (Pledged to Arcadia)	125,000
<b>Total Liabilities</b>	<b>125,000</b>
<b>Equity</b>	
Total Liabilities and Equity	355,672.61
	480,672.61



**CITY OF LOVELAND**  
**WATER & POWER DEPARTMENT**  
 200 North Wilson • Loveland, Colorado 80537  
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**AGENDA ITEM:** 2  
**MEETING DATE:** 5/12/2015  
**TO:** City Council  
**FROM:** Steve Adams, Water and Power  
 Bill Westbrook, Information Technology  
**PRESENTER:** Steve Adams, Water and Power Director  
 Bill Westbrook, Information Technology Director  
 Sharon Citino, Assistant City Attorney

**TITLE:** City Council Study Session Broadband Presentation

**RECOMMENDED CITY COUNCIL ACTION:**

Considering the options for the broadband initiative for the City of Loveland, provide staff direction on how to proceed. Should staff bring back an Ordinance with ballot language for City Council to consider and approve in order to move forward with a November 2015 ballot question requesting voters to exempt the City of Loveland from the restrictions of SB 152?

**SUMMARY:**

The project team of Loveland Water and Power, Information Technology (IT) and the City Attorney's Office is presenting information on broadband to the City Council to provide information and solicit feedback from Council on how to proceed with the broadband initiative for Loveland.

**BUDGET IMPACT:**

- Positive
- Negative
- Neutral or negligible

This is an information meeting only. Budget impacts will be determined later.

**BACKGROUND:**

Broadband in the City of Loveland has become a topic of interest to the Loveland City Council and was presented and discussed at the January 24, 2015 City Council Workshop as well as at the March 19, 2015 City Council and Thompson School District Board of Education Joint Meeting. Please refer to the attached Staff Report for further background information on broadband as well as the attached Projected Broadband Project Timeline for identified key dates through 2015.

**REVIEWED BY CITY MANAGER:**

*William D. Cabell*

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**LIST OF ATTACHMENTS:**

1. Staff Report on Broadband for Loveland City Council Study Session (**Attachment A**)
2. Projected Broadband Project Timeline (**Attachment B**)
3. City Council Study Session Broadband Presentation (**Attachment C**)



**Department of Water and Power**  
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[www.cityofloveland.org](http://www.cityofloveland.org)

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**TO:** Loveland City Council

**DATE:** May 12, 2015

**THROUGH:** Bill Cahill, City Manager

**FROM:** Steve Adams, Water and Power Director  
Bill Westbrook, Information Technology Director  
Bob Miller, Power Operations Manager  
Sharon Citino, Assistant City Attorney

**RE:** Loveland City Council Study Session Broadband Discussion

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The project team of Loveland Water and Power, Information Technology (IT) and the City Attorney's Office is presenting information on broadband to the City Council in order to provide an update on the topic and to solicit feedback from Council on how to proceed with the broadband initiative for Loveland. This presentation information is intended to build upon what was previously presented to Council at the January 24, 2015 Council Workshop as well as the March 19, 2015 Joint Meeting between City Council and the Thompson School District Board of Education.

### **Why Broadband?**

Offering a high speed, reliable broadband connection is an important component of a municipality's ability to compete for employers. In today's world the high speed exchange of information is just as essential for globally competitive businesses and education as other infrastructure such as roads, water and electricity. Along with the economic development advantages of broadband, the education system's use of technology is expanding. Efficient, reliable broadband service is essential for customers to take advantage of telecommuting and in-home business opportunities as well as distance learning opportunities such as online college courses and continuing education programs. Broadband provides efficient access for work productivity, research, learning and teaching, which in turn helps to attract and maintain a competitive education system and workforce.

In addition to the direct benefits to businesses and customers through economic development and education, broadband installation provides a technological skill-based sector of employment. It promotes regional growth through the creation of jobs for the installation, operation and maintenance of the broadband infrastructure. Economic research performed by the Colorado Department of Local Affairs (DOLA) identified broadband access as a key driver of economic growth in Colorado. According to DOLA, counties that offer broadband services are associated with approximately 1.8% increase in employment rates.

### **State Legislative Update**

Broadband activity for municipalities in Colorado has been governed by Senate Bill 152 (SB 152) which was enacted in 2005 and prohibits any local government from engaging, either directly or indirectly, in providing cable television service, telecommunication service, or advanced service. There were no bills presented during the 2015 Colorado Legislative Session to overturn SB 152. Although taking an incremental approach to promoting broadband in Colorado has been discussed this is not currently a



focus for the 2015 Legislative Session. In the future these incremental approaches may include allowing connectivity to the public on government property or flexibility for municipalities to lease excess capacity. An effort to repeal or amend SB 152 may be difficult due to opposition from the telecommunication industry at the state level.

Without an amendment or repeal to SB 152 the only way for communities to move forward with broadband initiatives is by a majority vote of the citizens exempting them from the bill's provisions. Several Colorado municipalities have successfully taken back their rights to provide broadband services that had been restricted.

- April, 2015 citizens in Grand Junction approved a ballot measure by 75%
- February, 2015 citizens in Estes Park approved a ballot measure by 92%
- November, 2014 citizens in Boulder approved a ballot measure by 83.6%
- April, 2014 citizens in Montrose approved a ballot measure by 74%
- November, 2013 citizens in Centennial approved a ballot measure by 76%
- November, 2011 citizens in Longmont approved a ballot measure by 61%

#### **Broadband Initiative Options for Loveland**

The project team sees three options for Loveland, depending on Council's desire to pursue broadband further:

- Option 1:** Do nothing and comply with the restrictiveness of SB 152.
- Option 2:** Comply now with the restrictions imposed by SB 152 but work to repeal or amend the bill at the state or federal level in the future.
- Option 3:** Hold an election asking citizens to exempt Loveland from SB 152.

#### **Election Information and Public Outreach**

A projected broadband project timeline has been included as Attachment B. This timeline identifies key dates and project milestones in order to have a ballot referendum for the November 2015 election.

A key piece of the election process is public outreach. To date the public outreach has occurred through the presentations given at public meetings to City Council as well as the School District Board of Education. Future public outreach efforts will be initiated once direction has been received on how City Council would like to proceed with the broadband initiative. These future outreach efforts would include presentations to stakeholder groups who will take over the outreach process once the ballot language has been certified.

The City is conducting an election for Mayor and Council positions already in November 2015. Currently the County bills us the same per voter, regardless of the amount of items on the ballot. Therefore we anticipate no additional incremental cost to the City to place this broadband item on the ballot.

#### **Proposed Ballot Language**

Certain statutory requirements must be followed during an election to seek exemption from SB 152. Based on examination of these requirements and research of ballot language in communities who have had successful elections, we are proposing the following language:

Without increasing taxes, shall local authority be restored and the City of Loveland be authorized to provide advanced service (high speed internet), cable television service, and/or telecommunications service, directly or indirectly with public or private sector partners, to residents, businesses, schools, libraries, nonprofit entities, and other users of such services located within the boundaries of the City of Loveland and the service territory of the City of Loveland's power enterprise as expressly permitted by Title 29, Article 27 of the Colorado revised statutes?

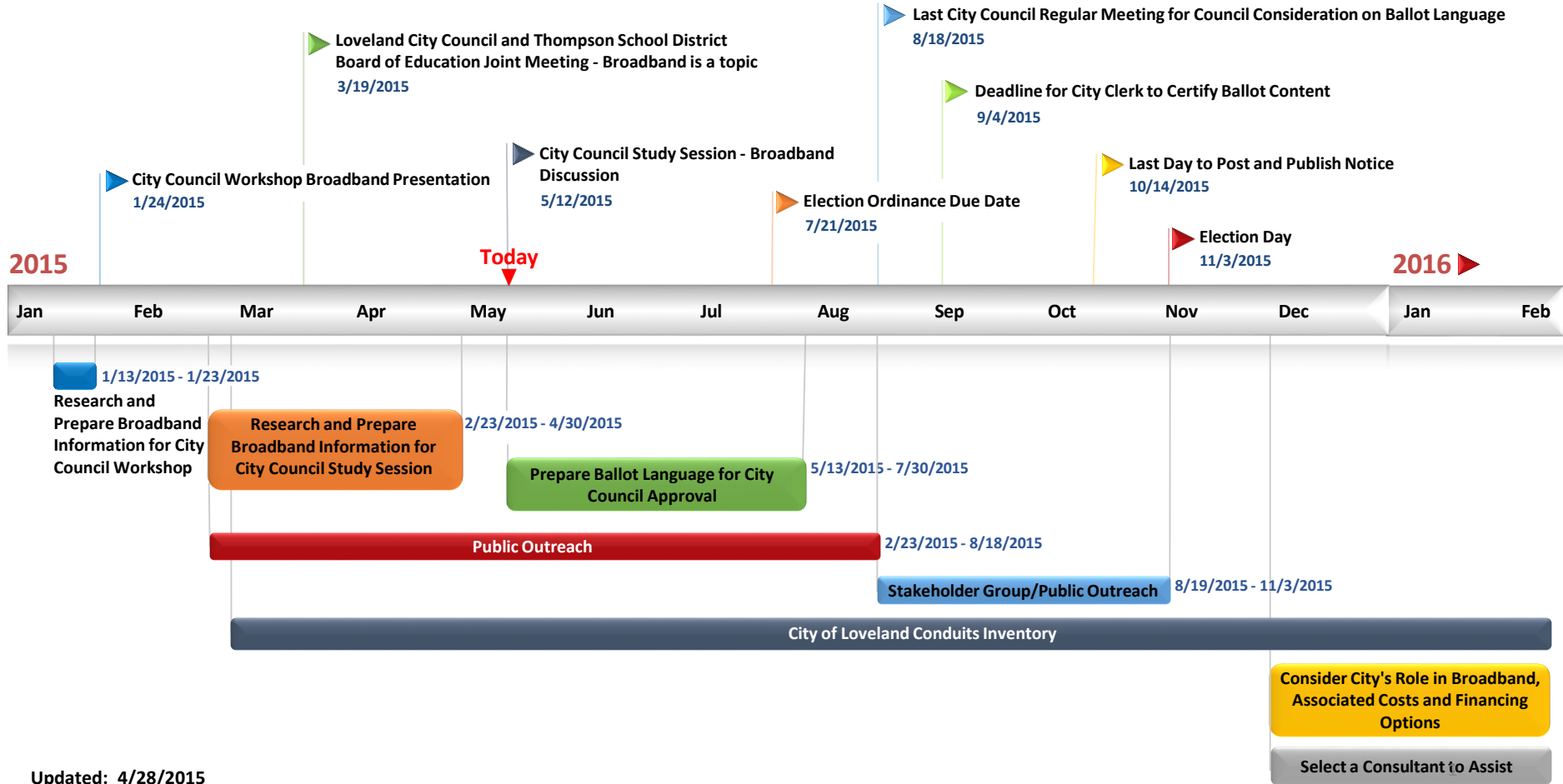
**Summary**

A reasonable first step in the process is to make a determination to move forward with a public vote and follow the process to meet the required deadlines for the election. Obtaining a vote from the public, exempting the City from the requirements of SB 152 will allow us to further explore our options with implementing broadband in Loveland.

If the ballot measure is approved, further steps in the process would include continuing to study the various business models for broadband implementation and consider how each model fits in with the long term goals of broadband implementation in Loveland. Also evaluating the associated costs and necessary funding for each voluntary participation model, as well as hiring a consultant to perform a feasibility study for Loveland.

City staff seeks input from the City Council in order to further the broadband initiative for Loveland, should staff bring back an Ordinance with the proposed ballot language for City Council to consider and approve to move forward with a November 2015 ballot question requesting voters to exempt the City of Loveland from the restrictions of SB 152?

# Broadband Election Steps and Project Timeline





# City Council Study Session Broadband



**Steve Adams, Water and Power Director**  
**Bill Westbrook, IT Director**  
**Sharon Citino, Assistant City Attorney**

**May 12, 2015**

# Agenda

1. **Why Broadband**
2. **Broadband Initiative Options**
3. **Broadband Election Steps and Timeline**
4. **Public Outreach Process**
5. **Business Plan Approach**
6. **Ballot Information**
7. **Questions for City Council**
8. **Questions from City Council**

# Why Broadband

## Economic Development

- Large & Small Business Connectivity
- Employer Competition
- Job Creation

## Community Connectivity

- Government
- Libraries
- Healthcare
- Education

## Residential Customers

- Telecommuting
- Online Learning
- Entertainment

# Other Cities Election Outcomes

Organization	Election Date	Election Outcome
Grand Junction	April 7, 2015	Passed <b>75%</b>
Estes Park	February 3, 2015	Passed <b>92%</b>
Boulder	November 3, 2014	Passed <b>84%</b>
Montrose	April 1, 2014	Passed <b>74%</b>
Centennial	November 5, 2013	Passed <b>76%</b>
Longmont	November 1, 2011	Passed <b>61%</b>

# Broadband Initiative Options

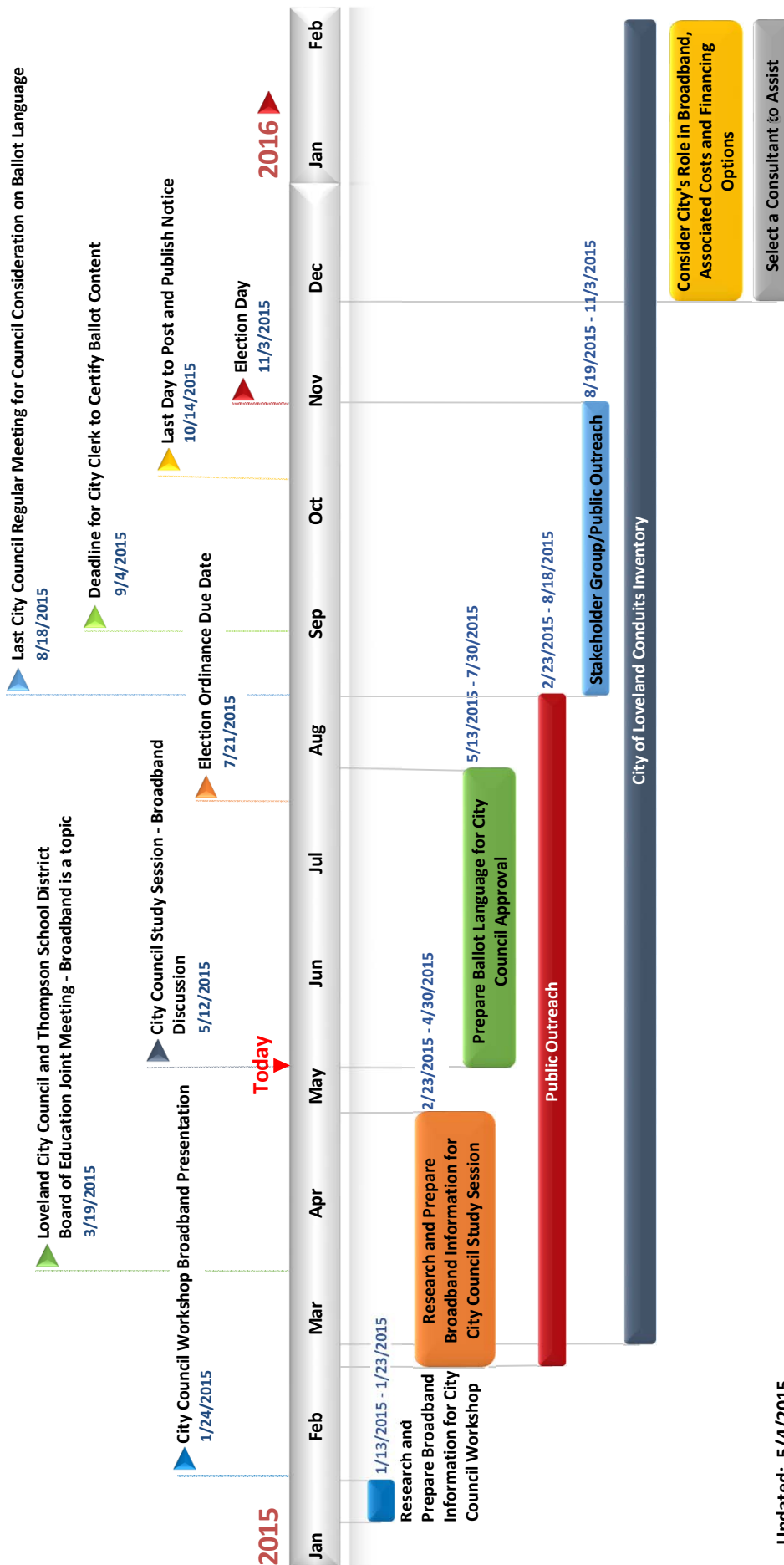
**Do nothing and  
comply with  
SB 152  
restrictions**

**Comply with SB  
152 restrictions  
now, work to  
repeal SB 152 at  
the state or  
federal level in  
the future**

**Hold an election  
to seek  
exemption for  
Loveland from  
SB 152**



# Broadband Election Steps and Project Timeline



Updated: 5/4/2015

# Public Outreach Process

## Public Outreach Performed To Date

- January 24, 2015 – City Council Workshop
- March 19, 2015 – Loveland City Council and Thompson School District Board of Education Joint Meeting

## Future Public Outreach Efforts

- After May City Council Study Session – Outreach to identify other stakeholders
- June – Presentation to the Chamber of Commerce Board
- Develop a communication plan for public education

# Business Plan Approach

- Multiple Business Model options for a voluntary service
- None can be implemented without exemption from SB 152
- First step before exploring options further:

**Seek Exemption from Voters**

- If ballot measure is passed by voters then next steps would be:

- **Consider Business Model options**
- **Consider associated costs and financing options**
- **Hire a consultant and perform a feasibility study**

# Statutory Requirements

## C.R.S. 29-27-201. Vote – referendum.

- (1) Before a local government may engage or offer to engage in providing cable television service, telecommunications service, or advanced service, ***an election shall be called on whether or not the local government shall provide*** the proposed cable television service, telecommunications service, or advanced service.
- (2) The ballot at an election conducted pursuant to this section shall pose the question as a single subject and shall include a ***description of the nature of the proposed service***, the ***role that the local government will have in provision of the service***, and the ***intended subscribers of such service***. The ballot proposition shall not take effect until submitted to the electors and approved by the majority of those voting on the ballot.

# Loveland's Proposed Ballot Language

Without increasing taxes, shall local authority be restored and the City of Loveland be authorized to provide advanced service (high speed internet), cable television service, and/or telecommunications service, directly or indirectly with public or private sector partners, to residents, businesses, schools, libraries, nonprofit entities, and other users of such services located within the boundaries of the City of Loveland and the service territory of the City of Loveland's power enterprise as expressly permitted by Title 29, Article 27 of the Colorado revised statutes?

# Estimated Election Cost

- City is already holding an election in November 2015
- The County bills us the same per voter, regardless of the amount of items on the ballot
- No additional incremental cost to the City

Z E R O C O S T

# Questions for City Council

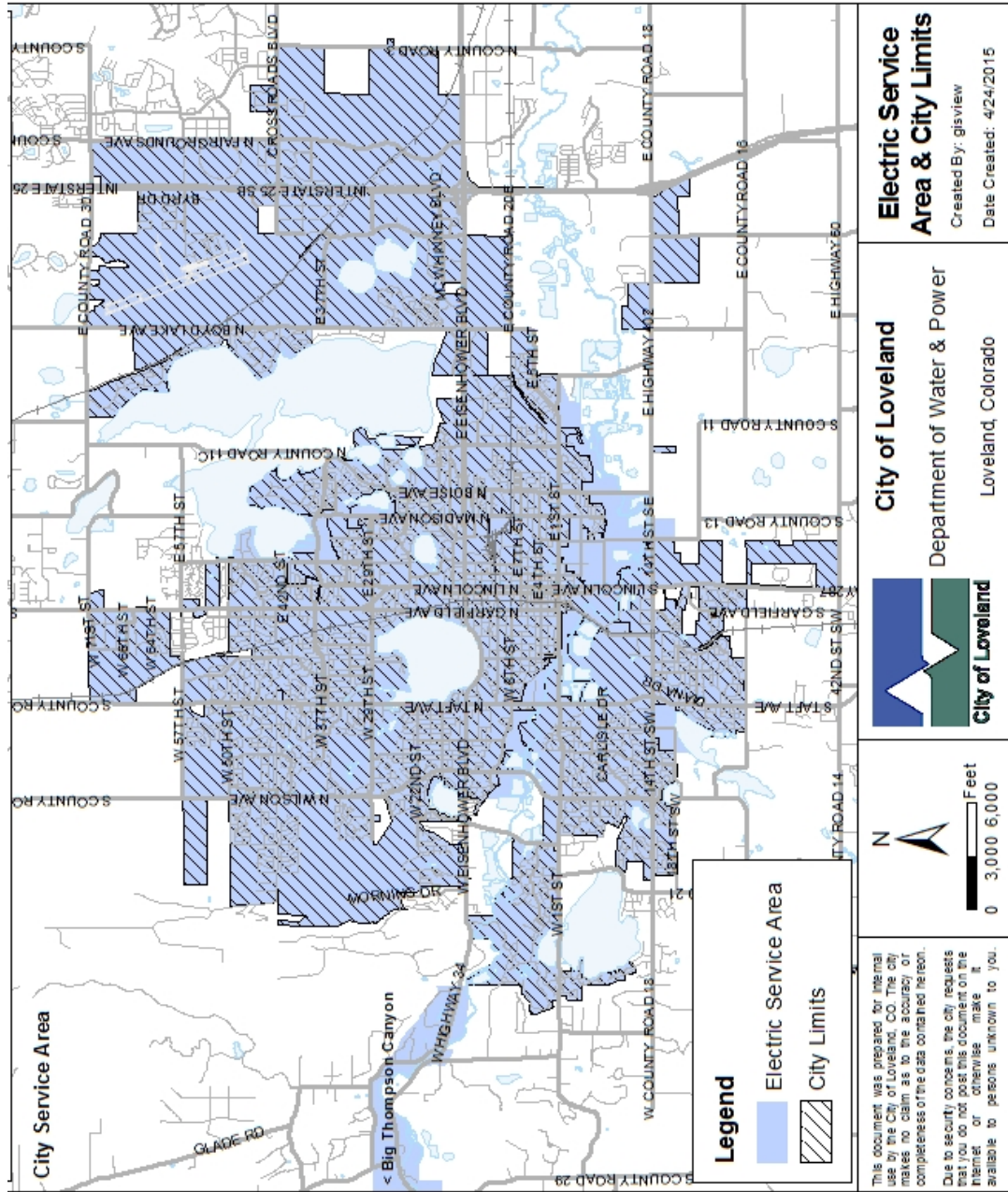
- Should staff bring back an Ordinance with ballot language for City Council to consider and approve in order to move forward with a November 2015 ballot question requesting voters to exempt the City of Loveland from the restrictions of SB 152?
- Would there be any other specific information staff could provide the City Council regarding this topic?

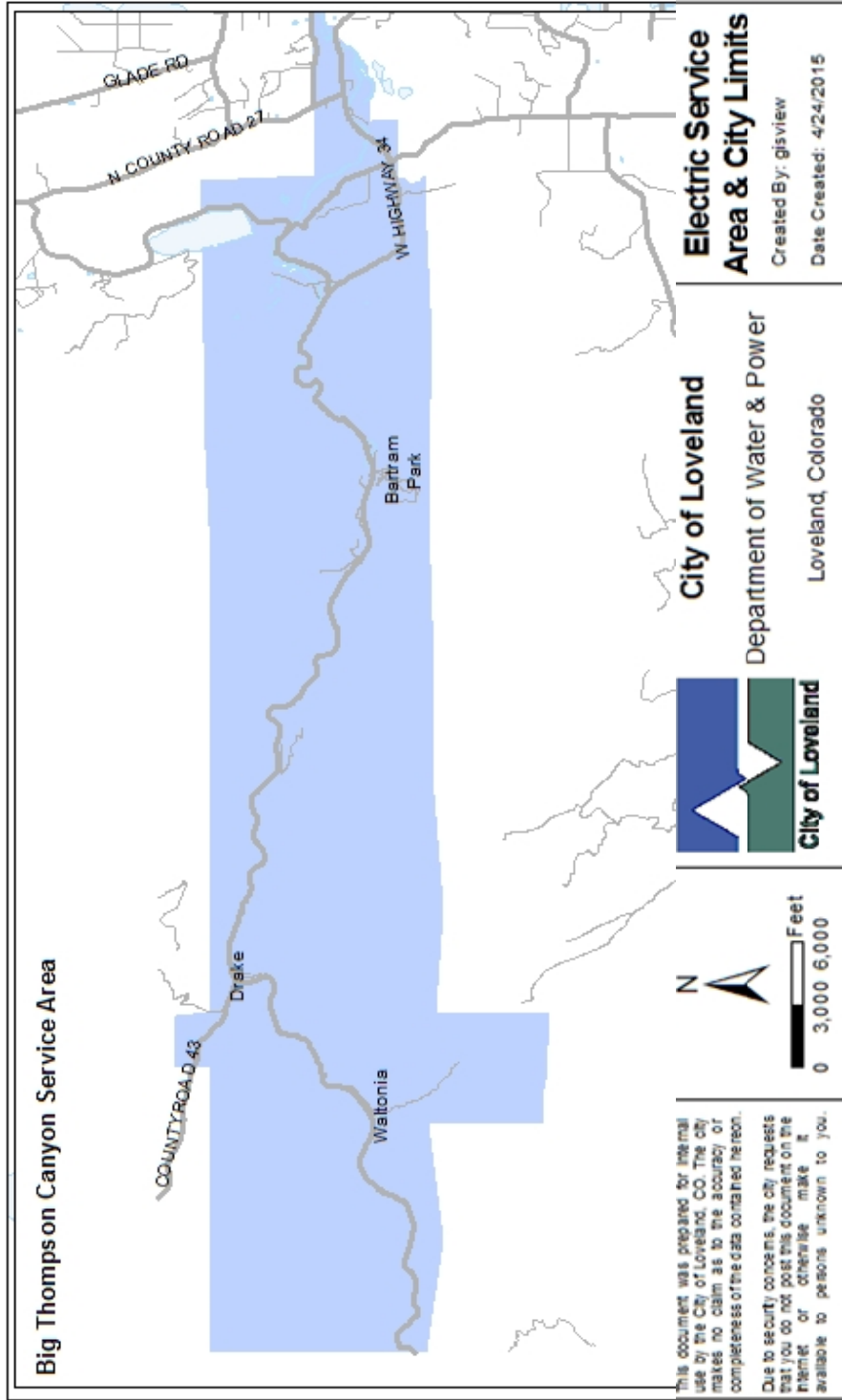


# Questions?











**CITY OF LOVELAND**  
 INFORMATION TECHNOLOGY DEPARTMENT  
 Civic Center • 500 East Third • Loveland, Colorado 80537  
 (970) 962-2335 • FAX (970) 962-2909 • TDD (970) 962-2620

**AGENDA ITEM:** 3  
**MEETING DATE:** 5/12/2015  
**TO:** City Council  
**FROM:** Bill Westbrook, Information Technology  
**PRESENTER:** Bill Westbrook, It Director  
 John Burns, Infrastructure Services Manager  
 Steve Holmes, Application Services Manager

**TITLE:**  
 Information Technology Strategic Plan

**SUMMARY:**

This an informational presentation summarizing the City's IT Department's current organizational and operational status and providing an overview of the recently developed IT Strategic Plan.

**BUDGET IMPACT:**

- Positive
- Negative
- Neutral or negligible

This is an informational meeting only. Budget impacts will be determined later.

**BACKGROUND:**

This discussion is a follow-up to last year's budget discussions, particularly as related to the Business Continuity and Disaster Recovery Plan. The presentation will include overviews of the IT Department and the IT Strategic plan, how it was developed and what it means going forward. The materials are meant to be a basis for questions and discussion.

**REVIEWED BY CITY MANAGER:**

*William D. Cavill*

**LIST OF ATTACHMENTS:**

1. Staff Report
2. Presentation



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**TO:** Loveland City Council

**DATE:** May 12, 2015

**THROUGH:** Bill Cahill, City Manager

**FROM:** Bill Westbrook, Information Technology Director  
John Burns, Infrastructure Services Division Manager  
Steve Holmes, Application Services Division Manager

**RE:** Information Technology Strategic Plan

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In 1980 the City had one Programmer/Analyst and one Data Entry position and all computing was done using time sharing services provided by Larimer County (Accounting and Utility Billing). Over the last thirty five years, the two positions have grown into a Data Processing Division, then a Management of Information Services Division, to the establishment of the Department of Information Technology in 2004.

The first personal computer was introduced in the City in 1986 – an IBM XT with an 8088 processor running at 4.77 mhz, 128 KB of memory, a 10 MB hard drive, and a 5 ¼” diskette drive. Today’s base personal computer has an i5 processor running at 3.5 ghz, 8 GB of memory, a 500 GB hard drive, and DVD reader. The point is that technology is rapidly changing and evolving.

IT has grown in direct relation to the increased use of information technology in City Departments. City IT now has 23 employees – one in Administration, nine in Application Services, twelve in Infrastructure Services, and one in Telecommunications. Information Technology now supports approximately 894 computing devices – 616 desktops, 105 laptops, 113 Public Safety Toughbook Laptops, and 60 tablets. Smartphones and printers are indirectly supported. Core business, multi-Department, Department specific, and Geographical Information System applications are supported.

Operationally IT responds to a five year average of 5,300 support calls per year. New devices increased by 1.7% in 2012, 5.6% in 2013, and 8.5% in 2014.

Increased demand for devices, applications, and mobility and resulting support calls have exceeded the capacity of the IT support system. New requests for service and technology continue to come in. Therefore a decision was made to contract with a partner to guide the development of a five year information technology strategic plan for the organization. The intent was to have a plan to guide us in focusing our available resources on prioritized opportunities to better support the City organization. A number of companies proposed their approach to developing a plan, but five were selected for on-site interviews. A Selection Committee consisting of Steve Adams, Keven Aggers, Luke Hecker, Keith Reester, Randy Mirowski, John Burns, Steve Holmes, and Bill Westbrook selected BerryDunn as our partner.

The first phase of this project began in early August of 2013 and focused on analysis of the current technology environment at the City. BerryDunn began by requesting background documentation from the City in order to gain a better understanding of the current IT environment. In addition, a Strengths, Weaknesses, Opportunities, and Threats (SWOT) web survey was administered to a wide variety of department users of technology.

Later in August 2013, BerryDunn conducted on-site fact-finding meetings with all City departments. The focus of the fact-finding meetings was to understand the technology tools currently in use and their related strengths and weaknesses. The discussions also included potential technologies that City staff were interested in to improve business processes. Fact-finding meetings were facilitated with department users (excluding IT staff) as well as with all members of the IT Department so that they may provide their own input.

During onsite meetings, BerryDunn toured the City's IT facilities and met with IT Department employees individually to gain an understanding of the roles and responsibilities of the IT staff and the current technology environment in the City.

The findings from the assessment phase resulted in a summarized list of strategic technology issues and opportunities identified by both BerryDunn and the City. A strategic issue or opportunity is a challenge or problem faced by the City that relates to the use and/or management of technology. This preliminary list of issues and opportunities was delivered to the City in September 2013.

The Preliminary List of Strategic Issues and Opportunities was discussed, confirmed, and prioritized as part of the "Strategic Issue and Opportunity Prioritization Work Session" facilitated by BerryDunn. This work session included representatives from all departments in a collaborative discussion designed to build consensus in the resulting priorities assigned to each Strategic Issue or Opportunity identified as part of the first project phase.

Immediately following the Strategic Issue and Opportunity Prioritization Work Session, department representatives were asked to review the prioritized list and complete initiative planning worksheets to document technology projects that would address the strategic issues and opportunities. Each department submitted two to three projects, which allowed a variety of perspectives to contribute to the combined list that would eventually form this IT Strategic Plan.

BerryDunn developed a second list that was combined with those initiatives submitted by City department representatives. The “Projects and Initiatives Work Session” facilitated by BerryDunn in October 2013 allowed departments to discuss, confirm, and score each initiative or project. Collaboration and involvement of all departments was a key ingredient to this successful effort, which became the basis for the Strategic Plan.

The information gathered from City stakeholders as well as the results of work sessions, research activities, and existing documentation was used to create this plan. Active involvement on the part of Department Directors and their Representatives will be necessary to continually update and refine the plan in the coming years.

With the September 2013 flood, most City employees were focused on their normal and flood related daily tasks. Consequently delivery of the plan was delayed until June of 2014. The remainder of 2014 and all of 2015 were combined into the year 1 presentation. Projects and suggested associated budget dollars were then identified for July 2014 through December 2015 (year 1), 2016, 2017, 2018, and 2019. Tools were documented that would assist IT in keeping the plan updated with a rolling five year view.

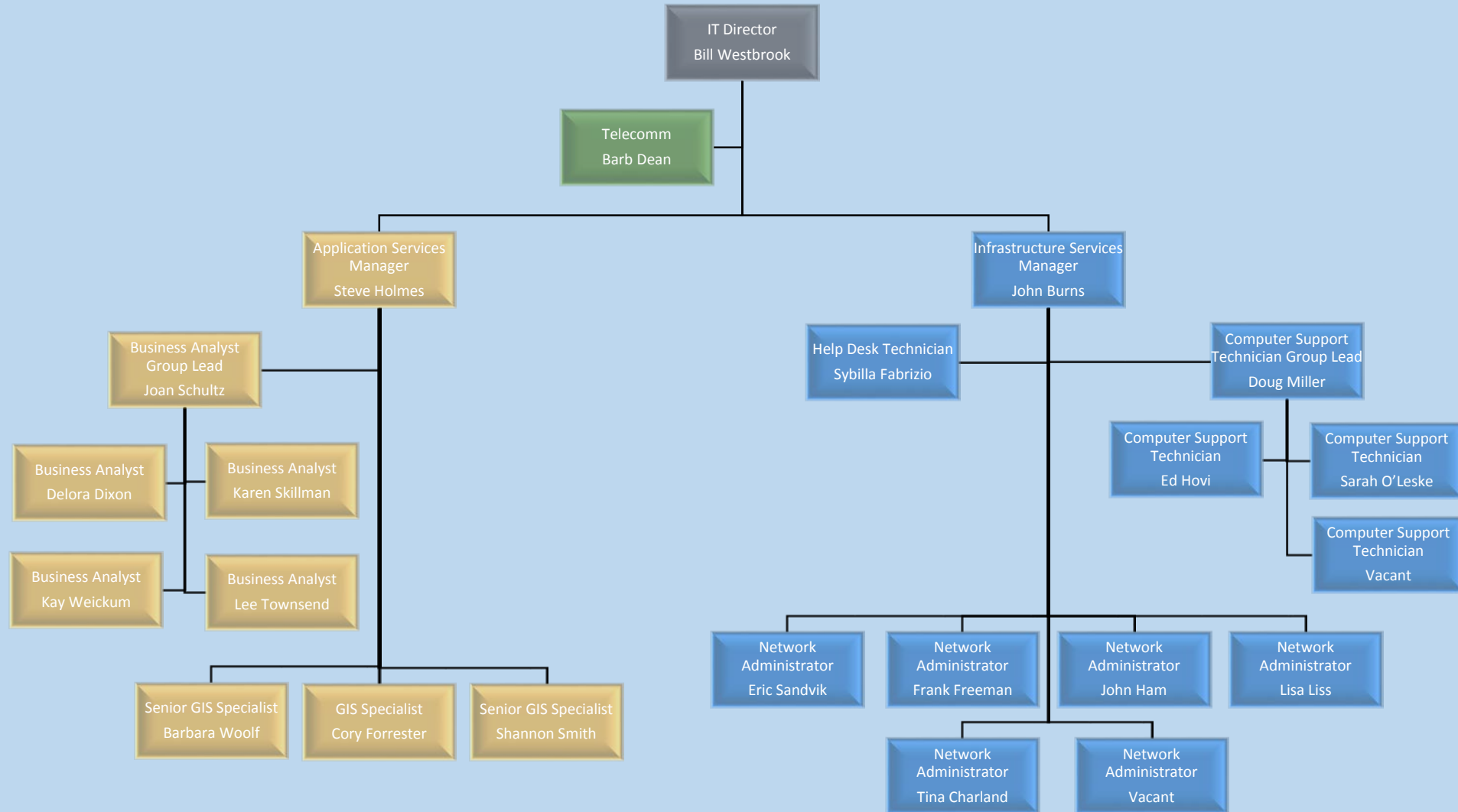
Information Technology respectfully asks for discussion on the IT Strategic Plan, particularly related to if the identified tasks in the plan can or cannot be implemented.

# Information Technology

Department and Strategic Plan Overview

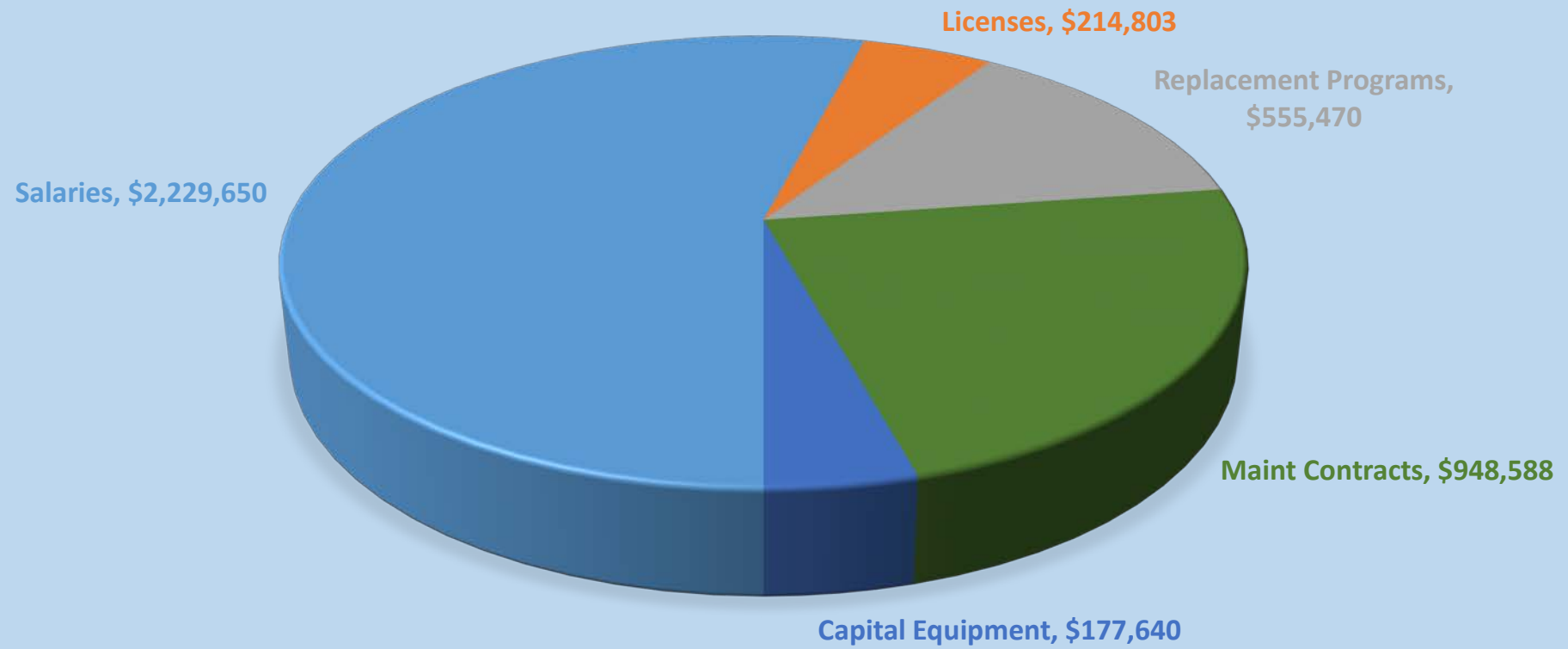


# Information Technology Organization Chart



# 2015 Budget

**\$4,126,151 DEPARTMENT TOTAL**

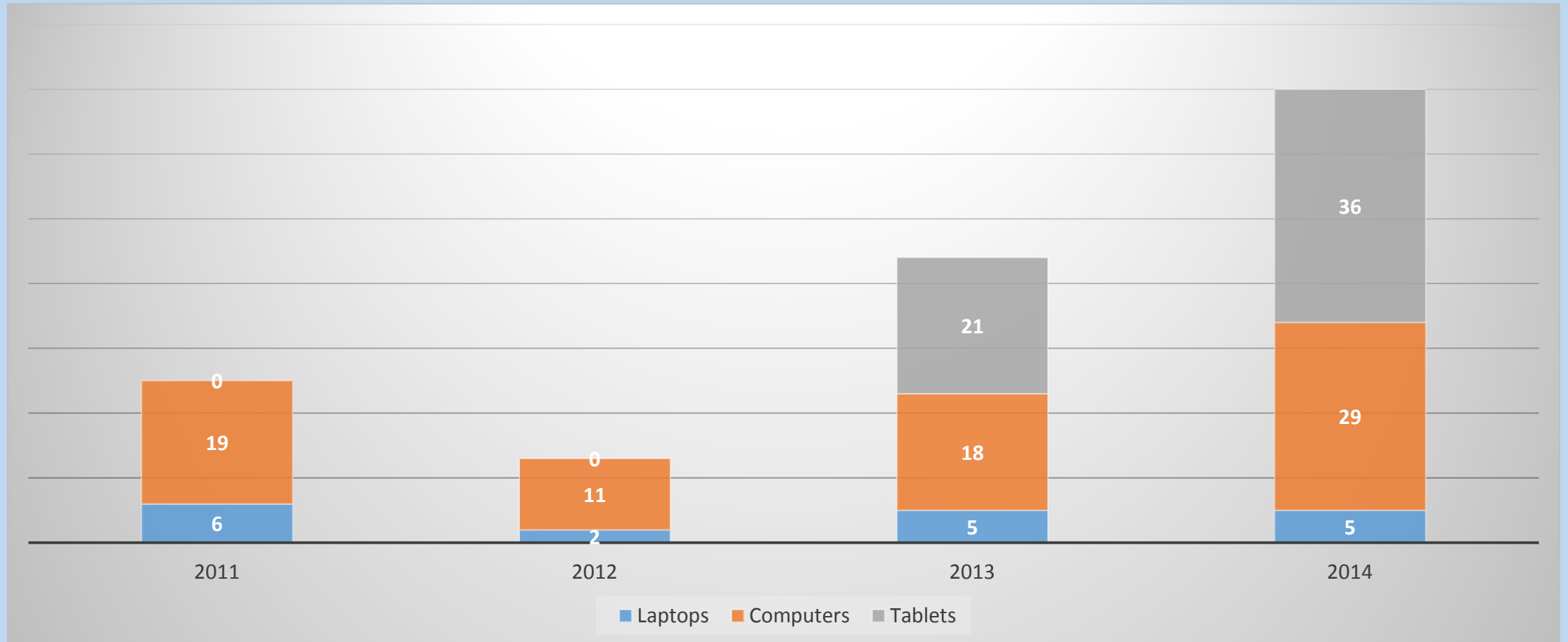


# Support Call Volume



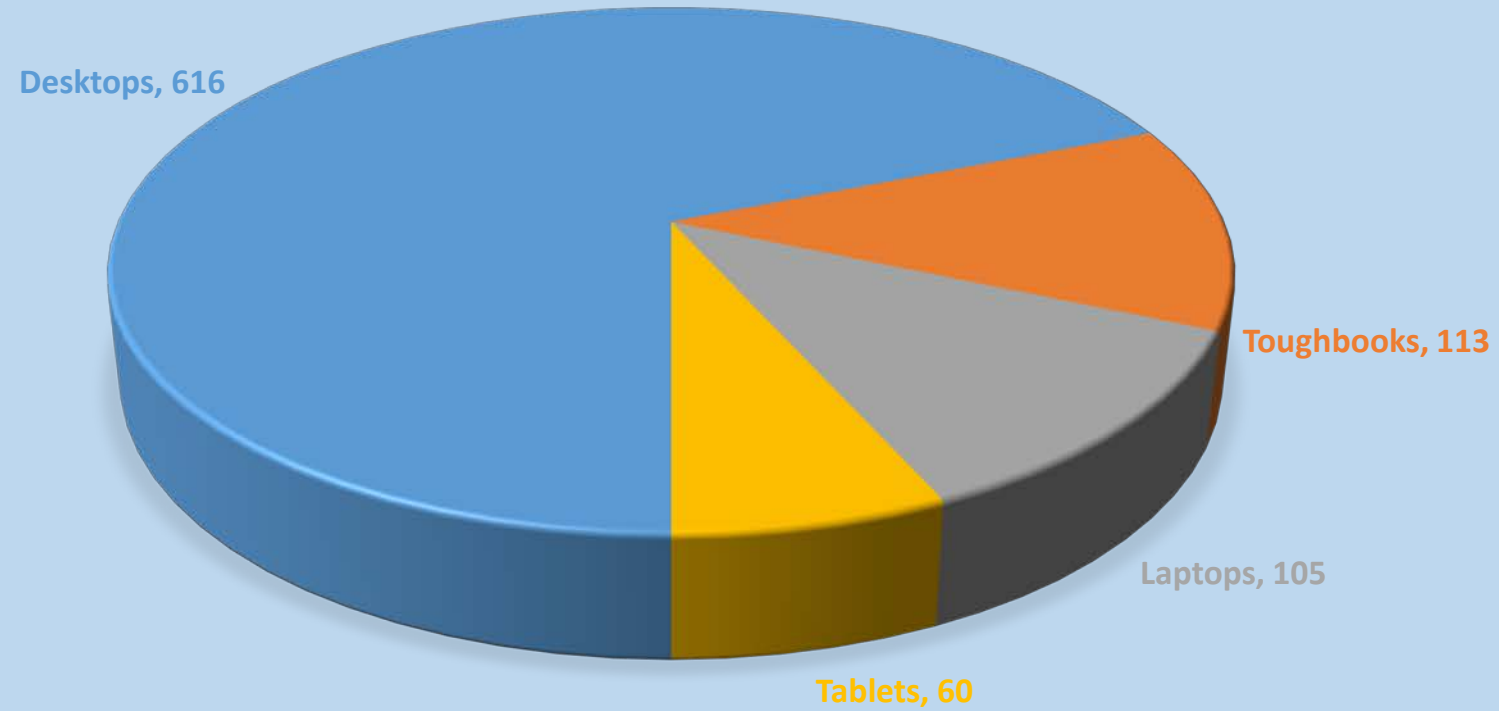
- Mobile Devices
- Reliance on Technology
- Reliance on Wi-Fi
- VOIP

# New Computer Count



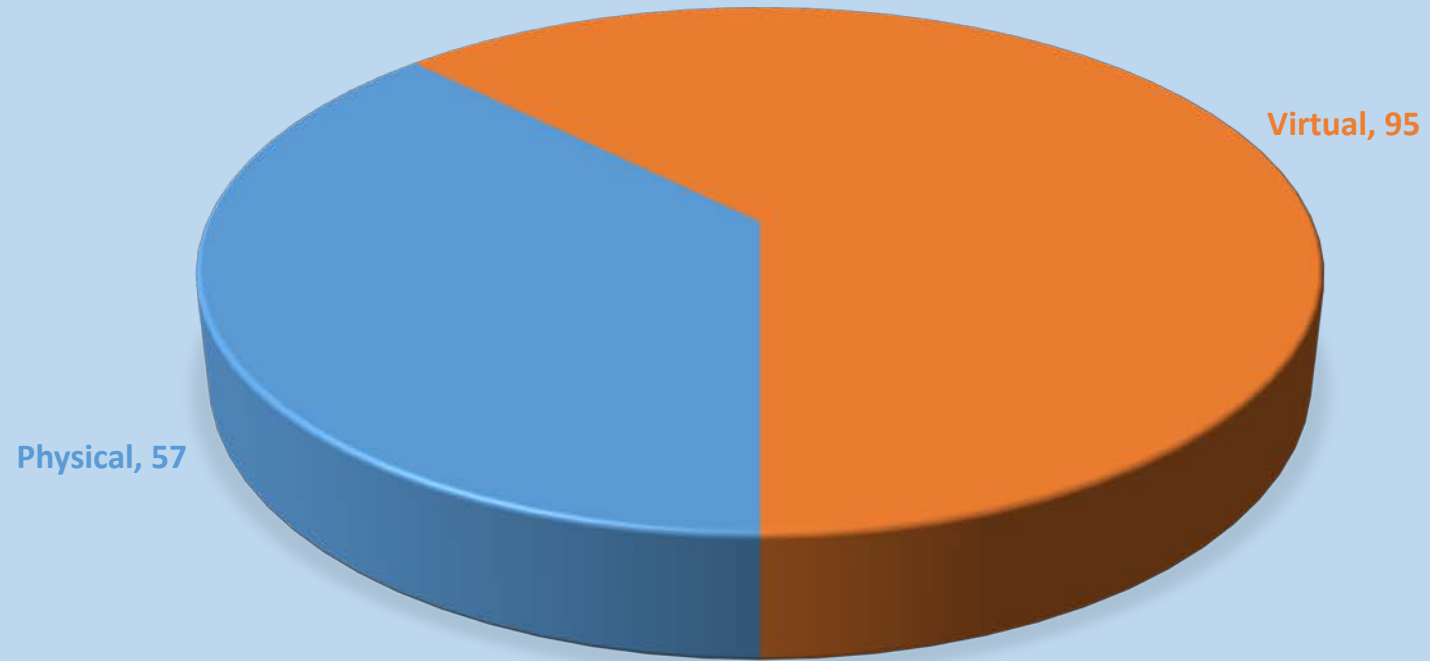
# Computers Supported

**894 COMPUTERS**



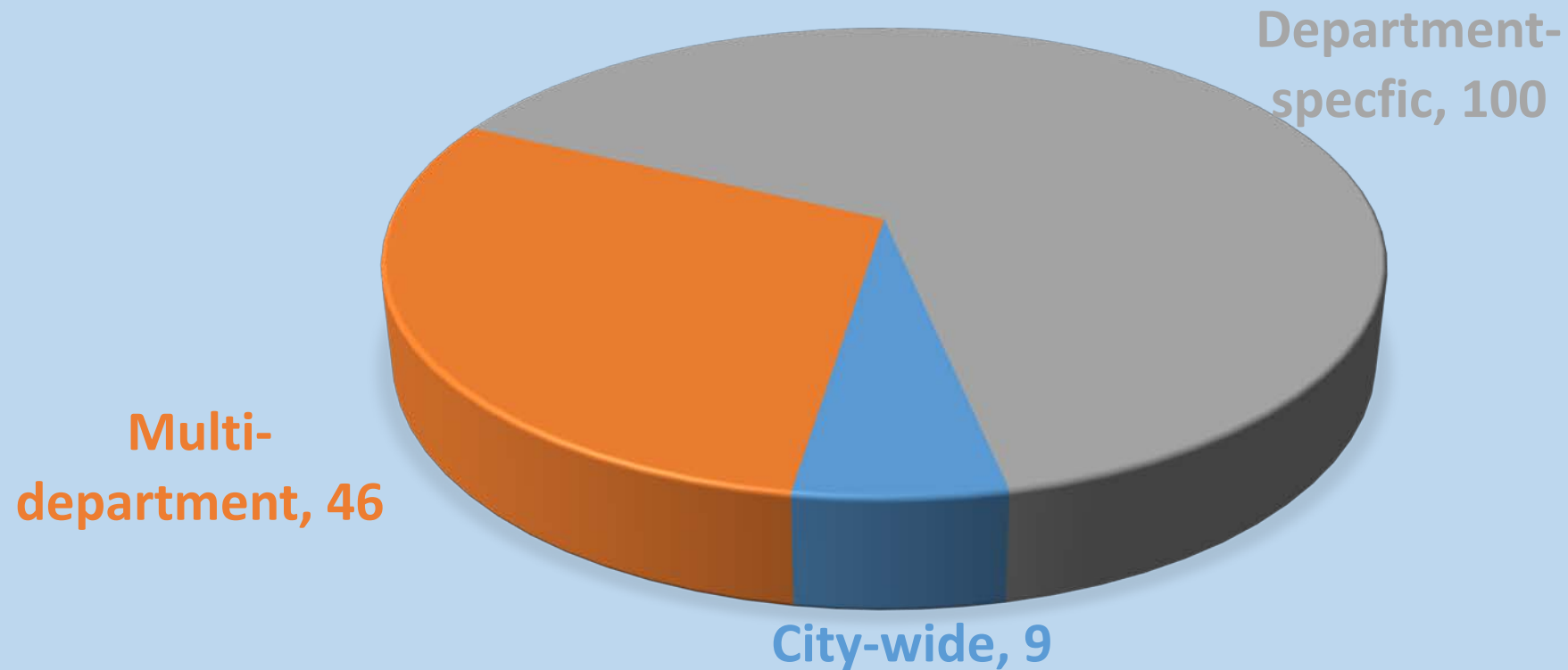
# Servers Supported

**152 SERVERS**



# Application Statistics

## 155 USER APPLICATIONS



Note: There are over 3,000 “system applications” installed to keep things running behind the scenes.

# Department Summary

- 23 Total Full Time Employees
  - 1 in Administration
  - 9 in Application Services
  - 12 In Infrastructure Services
  - 1 in Telecommunications
- 800 Phones and 900 voice mail boxes
- 894 computer devices
- 152 Servers
- 10 Gigabit Network Connections at 18 locations, soon 4 additional
- City-wide Applications: 9
- Multi-department Applications: 46
- Department Specific Applications: 100 (12 of them are custom)



# IT Strategic Plan

- Background – Progress has been made by the City in recent years to adopt new Technologies to support the mission of the City and its Departments.
- Goal – Maximize the value Information Technology brings to City business processes.
- Process – Analyze the current information technology environment of the City and develop a five-year Information Technology Strategic Plan.

# IT Strategic Plan - Assessment Phase

- Background documentation was gathered
- On-site fact-finding meetings were conducted with all Departments
- A strengths, weaknesses, opportunities, and threats (SWOT) web survey was administered to a wide variety of Department users of technology
- On-site fact finding meetings were conducted with all Department with no IT participation, and IT was done separately as a Department
- Resulted in a “preliminary list of issues and opportunities”

# IT Strategic Plan - First Work Session

- All Departments participated
- A collaborative discussion was done to build consensus on in the resulting issues and opportunities of the Assessment Phase listing
- Department Representatives were then asked to review the prioritized list and complete initiative planning worksheets the two to three projects of most importance
- This list was used as input to the next work session

# IT Strategic Plan – Second Work Session

- Two project lists were completed: one from City departments and one from observations made by BerryDunn.
- The “Projects and Initiatives Work Session” facilitated by BerryDunn in October 2013 allowed departments to discuss, confirm, and *score* each initiative or project.
- Collaboration and involvement of all departments was a key ingredient to this successful effort, which became the basis for the Strategic Plan.

# IT Strategic Plan – Outcome

- Five-Year Strategic Plan that included:
  - Identification of 32 prioritized issues and opportunities
  - Each Strategic Project and Initiative was described; which issues and opportunities were related was identified; and category rankings were provided for strategic issue rank, Department priority, cost benefit, ease of implementation, and maturity of technology
  - A five year Project and Initiative Budget and Time line Matrix

**Table 4.1: Project and Initiative Budget and Timeline Matrix (\$)**

Project and Initiative Budget and Timeline Matrix (\$)							
ID	Strategic Initiative	Year 0 & 1 (18 months)	Year 2	Year 3	Year 4	Year 5	Total
<b>Initiatives Starting in Year One</b>							
A	Implement a project management framework for use on enterprise technology projects that ensures collaborative and structured implementations.	25,000	-	-	-	-	25,000
B	Perform a City-wide IT Support Availability Assessment to determine current and future service delivery capacity, and identify opportunities to restructure or reallocate resources for improved service delivery.	0	-	-	-	-	0
C	Implement an IT Governance and Steering Committee tasked to identify, prioritize, track, and manage enterprise IT projects.	0	-	-	-	-	0
D	Develop and document an enterprise-wide IT Disaster Recovery and Business Continuity Plan	85,000	50,000	50,000	-	-	185,000
F	Develop and document expanded IT policies and procedures including data retention, acceptable use, service delivery, and cloud analysis expectations	0	-	-	-	-	0
N	Perform a Network Connectivity Assessment including a user survey to identify areas of low coverage, prioritization of locations to be covered, and an action plan to provide coverage.	0	25,000	25,000	-	-	50,000
O	Install a redundant connection to the Internet.	20,000	20,000	20,000	20,000	20,000	100,000
<b>Initiatives Starting in Year Two</b>							
K	Develop an action plan for the Hummingbird Document Management System that will address the need for index standardization, scanning resources, scanning equipment, and integration with City applications.	-	10,000	25,000	-	-	35,000
I	Implement an Enterprise Resource Planning (ERP) Committee to develop an action plan for the Innoprise ERP system to address the integration of Utility Billing Customer Information System (CIS) with	-	60,000	100,000	-	-	160,000

Project and Initiative Budget and Timeline Matrix (\$)							
ID	Strategic Initiative	Year 0 & 1 (18 months)	Year 2	Year 3	Year 4	Year 5	Total
	remote meter reading capability, core financials, sales tax, and work orders						
<b>Initiatives Starting in Year Three</b>							
G	Develop a City-wide technology training plan and professional development plans for IT support resources among departments.	-	-	0	30,000	30,000	60,000
H	Develop a mobile computing action plan to include connectivity, expansion, and hardware and software selection procedures.	-	-	0	-	-	0
J	Update the City's website to provide increased content management and e-government capabilities.	-	-	50,000	10,000	10,000	70,000
L	Conduct needs assessments for department-specific application upgrades or replacements.	-	-	75,000	75,000	0	150,000
<b>Initiatives Starting in Year Four</b>							
E	Conduct a Network Security Audit and Assessment.	-	-	-	70,000	20,000	90,000
P	Purchase and install expanded conference room equipment for remote meetings.	-	-	-	87,000	100,000	187,000
<b>Initiatives Starting in Year Five</b>							
-							
		<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total</b>
<b>Total Plan Project and Initiatives Budget</b>		<b>130,000</b>	<b>165,000</b>	<b>345,000</b>	<b>297,000</b>	<b>180,000</b>	<b>1,112,000</b>

# Staffing Plan

- 2015 Computer Support Technician – Position Approved  
Help Desk Technician – Request Deferred to 2016
- 2016 Help Desk Technician (Deferred)  
Project and Training Coordinator
- 2017 None
- 2018 Business or GIS Analyst
- 2020 Computer Support Technician (recommended even though out of five year scope of plan)



# IT Strategic Plan

# Questions?