

MINUTES
LOVELAND CITY COUNCIL STUDY SESSION & SPECIAL MEETING
TUESDAY, JUNE 9, 2015
CITY COUNCIL CHAMBERS
500 EAST THIRD STREET
LOVELAND, COLORADO

STUDY SESSION - 6:30 P.M.

COUNCILORS PRESENT: Councilors Farley, Shaffer, Trenary, McKean, Fogle, Clark and Gutierrez responded. Councilor Krenning and Taylor were absent. City Manager Bill Cahill was also present.

1. FINANCE
CAPITAL BUDGET PLAN

Finance Director, Brent Worthington, introduced this item to Council. Budget Manager, Marc Kahn, led the presentation of the Capital Program which is part of the 2016 Budget development process. The program includes the funding sources available for capital projects and the recommended projects for each year of the ten-year program. Public Works Director, Leah Browder and City Engineer, Dave Klockeman presented information on the 37th Street Connector, Madison Avenue, and Eisenhower Boulevard. Water & Power Director, Steve Adams, presented information regarding the Wastewater Treatment Plant, the 29th Street Storage Tank #2, and the System Improvements/Power. Discussion ensued regarding TABOR reserves and the need for road projects to be prioritized. In regards to rebuilding the Viestenz-Smith Park, staff will look into other places to borrow funds from, instead of using TABOR reserves, until the FEMA reimbursement.

2. FINANCE
CAFR AND CITY AUDIT

Finance Director, Brent Worthington, introduced this item to Council. Rubin Brown Representatives, Cheryl Wallace and Matthew Marino, presented the Comprehensive Annual Financial Report for the year ending December 31, 2014, which received an unmodified opinion from the external auditors. This indicates that, in all material respects, the report fairly presents the financial position of the City and is in conformity with generally accepted accounting principles. The audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. They noted that staff was very responsive and prepared. Councilors expressed their appreciation to staff and the auditors for the presentation.

ADJOURNMENT

Mayor Gutierrez adjourned the Study Session at 8:55 p.m.

SPECIAL MEETING - AGENDA

CALL TO ORDER

ROLL CALL: Councilors Farley, Shaffer, Trenary, McKean, Fogle, Clark and Gutierrez responded. Councilor Krenning and Taylor were absent. City Manager, Bill Cahill was also present.

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.

3. ECONOMIC DEVELOPMENT DOWNTOWN CATALYST PROJECT

Business Development Manager, Mike Scholl, introduced this item to Council. The Michaels Development Company Representatives, Michael Carnes and Joe Weatherly discussed their progress on the South Catalyst project including the tenant commitment, timing of the project and next steps. The City's Exclusive Right to Negotiate (ERN) with the Michaels Development Company will have expired and staff will be seeking some direction on moving forward with the partnership. Until the final foot print of the project is determined there are terms that still require further attention. Staff indicated that the deadline for the office space tenant is February 2017 with completion of the project by June 2017. Discussion ensued regarding timing of the project and potential number of jobs.

Councilor Shaffer moved that the City Council go into executive session to discuss (1) the City's acquisition of real property in Downtown Loveland for the South Catalyst Project; (2) related negotiations with the potential developer, The Michaels Corporation; and (3) negotiations with Larimer County concerning a potential agreement for the disposal and redevelopment of a portion of said real property, both as authorized by the following sections of the Colorado Open Meetings Law and the City Charter:

- **The acquisition or disposal of real property as authorized by CRS Section 24-6-402(4)(a) and by Charter Section 4-4(c)(2) since, in the judgment of Council, premature disclosure of information might give any person an unfair competitive or bargaining advantage; and**
- **Since the acquisition, disposal, and development of such real property is a matter that is subject to negotiations, to receive reports concerning negotiations, to develop the City's negotiation positions and strategies, and to instruct the City's negotiators concerning those positions and strategies as authorized by CRS Section 24-6-402(4)(e) and Charter Section 4-4(c)(1); and**
- **As needed, to receive legal advice from the City Attorney's Office as authorized in CRS Section 24-6-402(4)(b) and Charter Section 4-4(c)(3) at 10:03 p.m.**

The motion was seconded by Councilor Farley which carried with six councilors in favor and Councilor McKean voting against.

Council reconvened at 11:37

Councilor Shaffer moved to approve the purchase of 201 N. Lincoln Avenue and direct the City Manager to sign the agreement. The motion was seconded by Councilor Clark which carried unanimously with all councilors present voting in favor.

Councilor Fogle expressed concern regarding the exclusive right to negotiate with the Michaels Development issue.

Councilor Fogle moved to offer Michaels Development Company a new 90 day exclusive right to negotiate on the project, seconded by Councilor Farley.

Discussion ensued.

Councilor McKean called the question, seconded by Councilor Clark which carried with six councilors in favor and Councilor Shaffer voting against.

Roll was called on the original motion, which passed with five councilors in favor and Councilors Clark and McKean voting against.

ADJOURNMENT

Hearing no further business before this Council, Mayor Gutierrez adjourned the meeting at 11:47 p.m.

Respectfully Submitted,



Teresa G. Andrews, City Clerk



Cecil A. Gutierrez, Mayor

