

MINUTES
LOVELAND CITY COUNCIL MEETING
TUESDAY, AUGUST 4, 2015
CITY COUNCIL CHAMBERS
500 EAST THIRD STREET
LOVELAND, COLORADO

CALL TO ORDER: Mayor Gutierrez called the meeting to order at 6:32 p.m.

PLEDGE OF ALLEGIANCE

ROLL CALL: Roll was called and the following responded: Gutierrez, Clark, McKean, Farley, Trenary, Krenning, Fogle, and Taylor. Councilor Shaffer arrived at 6:40 p.m.

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

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

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

Mayor Gutierrez asked if anyone would like to remove anything from the Consent Agenda. Councilor McKean asked for item #11 to be removed and Loveland Resident, Jackie Marsh asked for item #6 to be removed from the Consent Agenda. Councilor Clark moved to approve the consent agenda with the exception of items #11 and #6. The motion seconded by Councilor Trenary, carried with eight councilors present voting in favor thereof.

CONSENT AGENDA

1. **CITY MANAGER** (presenter: Bill Cahill)
APPOINTMENTS TO THE AFFORDABLE HOUSING COMMISSION, COMMUNITY MARKETING COMMISSION, DISABILITIES ADVISORY COMMISSION AND HUMAN SERVICES COMMISSION.
 1. A motion to reappoint **Marcy Kasner** to the **Affordable Housing Commission** for a term effective until June 30, 2018 was approved.
 2. A motion to appoint **Janeen Sepulveda** to the **Affordable Housing Commission** for a term effective until June 30, 2018 was approved.
 3. A motion to reappoint **Kurt Albers** to the **Community Marketing Commission** for a term effective until June 30, 2018 was approved.
 4. A motion to reappoint **Tom Dwyer** to the **Community Marketing Commission** for a term effective until June 30, 2018 was approved.
 5. A motion to appoint **Laura Coale** as an alternate member on the **Community Marketing Commission** for a term effective until June 30, 2016 was approved.
 6. A motion to reappoint **Chris Kanowitz** to the **Disabilities Advisory Commission** for

a term effective until June 30, 2018 was approved.

7. A motion to reappoint **B. M. Michels** to the **Disabilities Advisory Commission** for a term effective until June 30, 2018 was approved.
8. A motion to reappoint **John Suess** to the **Disabilities Advisory Commission** for a term effective until June 30, 2018 was approved.
9. A motion to reappoint **Melody Glinsman** to the **Human Services Commission** for a term effective until June 30, 2018 was approved.

These are administrative actions recommending the appointment of members to the Affordable Housing Commission, the Community Marketing Commission, the Human Services Commission and the Disabilities Advisory Commission.

2. **POLICE** (presenter: Rick Arnold)

ANIMAL TRAPPING AND RETURN TO OWNERS

A Motion To Approve And Order Published On Second Reading Ordinance #5947 Amending Chapter 6.16 Of The City Of Loveland Municipal Code Regarding The Humane Trapping And Return Of Animals To Their Owners Or Keepers was approved.

This is a legislative action. Larimer Humane Society requests a revision to Loveland City Code Section 6.16.040 to allow humanely trapped domestic animals to be returned to their owners or keepers. There is no budgetary impact. On July 21, 2015, City Council unanimously approved this ordinance on first reading.

3. **LOVELAND FIRE RESCUE AUTHORITY** (presenter: Pat Mialy)

SUPPLEMENTAL APPROPRIATION FOR CHILSON EMERGENCY GENERATOR

A Motion To Approve And Order Published On Second Reading Ordinance #5948 Enacting A Supplemental Budget And Appropriation To The 2015 City Of Loveland Budget For An Emergency Generator At The Chilson Recreation Center was approved.

This is an administrative action to consider acceptance of an ordinance to appropriate the total cost of the project, including the grant proceeds. FEMA (Federal Emergency Management Agency) through the Colorado Division of Homeland Security and Emergency Management awarded the City of Loveland \$365,150 of a \$486,867 project to install a generator at the Chilson Center, a designated emergency evacuation center. This grant is awarded through the Hazard Mitigation Grant Program (HMGP). The State will contribute 12.5% or \$60,828.50 and the City of Loveland match would be 12.5% or \$60,828.50. This action would authorize the City Manager to sign a contract accepting the grant. A public hearing and first reading of the supplemental ordinance is the first step for appropriating the funds for the project. On July 21, 2015, City Council unanimously approved this ordinance on first reading.

4. **DEVELOPMENT SERVICES** (presenter: Alan Krcmarik)

SUPPLEMENTAL BUDGET AND APPROPRIATION FOR CAPITAL EXPANSION FEE PLAN BASED STUDY

A Motion To Approve And Order Published On Second Reading Ordinance #5949 Enacting a Supplemental Budget and Appropriation to the 2015 City of Loveland Budget for the Capital Expansion Fee Plan Based Study was approved.

This is an administrative action. The proposed ordinance appropriates a total of \$35,800, \$27,932 from Capital Expansion Fee fund balances and \$7,868 from General Fund balance, the proceeds of which would be used to pay for additional professional and consulting services necessary to complete the Capital Expansion Fee Plan Based Study. The costs of plans may be charged to Capital Expansion Fee fund balances. The appropriations also provide for allocations of cost to the specific Capital Expansion Fees

to make them more equitable. The work completed so far on the study has required more research than originally anticipated and a higher level of interaction and participation with the Boards and Commissions that have a stakeholder interest in the level of the Capital Expansion Fees. The requested supplemental appropriation is necessary to complete the study in time for the September 22, 2015, Council study session. On July 21, 2015, City Council unanimously approved this ordinance on first reading.

5. **CITY CLERK'S OFFICE** (presenter: Terry Andrews)
NOVEMBER 3, 2015 ELECTION COORDINATION WITH LARIMER COUNTY

A Motion to Approve And Order Published On Second Reading Ordinance #5950 Providing That The City Of Loveland's Regular Election To Be Held November 3, 2015 Shall Be Conducted As A Coordinated Election With The Larimer County Clerk and Recorder And, To The Extent Necessary To So Conduct That Election As A Coordinated Election, The Colorado Uniform Election Code Of 1992 Shall Govern was approved.

The proposed Ordinance is a legislative action needed to allow the City's regular election on November 3, 2015, to be so conducted on November 3, 2015 as a coordinated election with the Larimer County Clerk and Recorder. On July 21, 2015, City Council unanimously approved this ordinance on first reading.

6. **ECONOMIC DEVELOPMENT** (presenter: Betsey Hale)
DDA ELECTION AND BALLOT QUESTION

This item was moved from the Consent Agenda to the Regular Agenda.

7. **WATER & POWER AND INFORMATION TECHNOLOGY** (presenters: Steve Adams and Bill Westbrook)

BALLOT QUESTION REGARDING SB152 – BROADBAND

A Motion To Approve And Order Published On Second Reading Ordinance #5952 Submitting To The Registered Electors Of The City Of Loveland At The City's Regular Election To Be Held On November 3, 2015, The Ballot Issue Of Whether, Without Increasing Taxes, And To Restore Local Authority, Shall The City Of Loveland Be Authorized To Provide Advanced Service (High Speed Internet), Cable Television Service, Or Telecommunications Service, Directly Or Indirectly With Public And/Or Private Sector Partners, To Residents, Businesses, Schools, Health Care Facilities, 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 was approved.

This is a legislative action. At a May 12, 2015 City Council Study Session the project team of Loveland Water and Power, Information Technology (IT) and the City Attorney's Office received general guidance to draft a ballot question for the November 3, 2015 election. The ballot question proposes to voters that without increasing taxes, and to restore local authority that the City be authorized to provide high speed internet, cable television and telecommunication services either directly or indirectly with public or private sectors to residents, businesses and other users of such services 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. On July 21, 2015, City Council unanimously approved this ordinance on first reading.

8. **WATER AND POWER** (presenter: Jim Lees)
PUBLIC HEARING

SUPPLEMENTAL BUDGET AND APPROPRIATION FOR WATER ENTERPRISE

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 Water And Wastewater Funds was approved.

This is an administrative item. This item describes the reasons and amounts of a Supplemental Appropriation for the Water and Wastewater Utilities due to insufficient funds in the capital budget or the operations and maintenance budget for certain needs outlined below for the current budget year. This Supplemental Appropriation request was presented to the Loveland Utilities Commission (LUC) on June 17, 2015 and the LUC made the recommendation for City Council to approve this Supplemental Budget and Appropriation item in the amount of \$1,314,400.

9. LOVELAND FIRE RESCUE AUTHORITY (presenter: Pat Mialy)

PUBLIC HEARING

SUPPLEMENTAL BUDGET AND APPROPRIATION FOR THE MITIGATION STRATEGY AND MASTER PLAN

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 Mitigation Strategy and Master Plan was approved.

This is an administrative action to conduct a public hearing and first reading of an ordinance to appropriate the grant proceeds for a Mitigation Strategy and Master Plan. The project is anticipated to cost up to \$167,500, \$165,000 of this total will be reimbursed by a Community Development Block Grant – Disaster Recovery (CDBG-DR) federal planning grant recently awarded to the City of Loveland by the State of Colorado. The City's matching share is \$2,500 maximum. The City will contract with a consulting firm for the project, which is expected to be completed in approximately 12 months.

10. DEVELOPMENT SERVICES (presenter: Alan Krcmarik)

PUBLIC HEARING

SUPPLEMENTAL BUDGET AND APPROPRIATION FOR THE FAÇADE GRANT PROGRAM

A Motion to Approve and Order Published An Ordinance On First Reading Enacting A Supplemental Budget And Appropriation To The 2015 Loveland Urban Renewal Authority Budget For The Façade Grant Program In The Downtown Project Area was approved.

This is a public hearing to consider an administrative action to adopt an ordinance on first reading to appropriate \$76,130 received through the Downtown URA property tax increment to continue the Façade Grant Program. This appropriation commits TIF money to the façade program for 2015 to assist in improving the condition and appearance of downtown buildings by incentivizing façade improvements.

11. DEVELOPMENT SERVICES (presenter: Alison Hade)

HUD CONSOLIDATED PLAN

This item was moved from the Consent Agenda to the Regular Agenda.

12. DEVELOPMENT SERVICES (presenter: Alison Hade)

DEVELOPMENT FEE WAIVER FOR CONSTRUCTION OF SAFEHOUSE

A Motion to Adopt Resolution #R-44-2015 Waiving Certain Development Fees Related To The Rehabilitation Of Two Homes In The City Of Loveland To Be Used As A Domestic Violence Safe House And Counseling Center was approved.

This is an administrative action. Alternatives to Violence purchased two homes in

Loveland in 2014. One of the homes will be used to provide a safe shelter for eight families for up to six weeks. The other will be used as a counseling center for shelter clients and Loveland residents not yet ready to leave an abusive partner. The cost to purchase and rehabilitate the two homes is just under \$745,000. The cost of the permit and other fees is \$10,423. Alternatives to Violence does not intend to ask City Council for additional funding for the safe house or the counseling center.

13. **WATER & POWER** (presenter: Briana Reed-Harmel)
ELECTRIC SUBSTATION EASEMENT
A Motion to Adopt Resolution #R-45-2015 Granting an Easement for the Electric Substation to Tri-State Generation and Transmission Association, Inc. was approved.
This is an administrative action to grant an easement to Tri-State Generation and Transmission Association, Inc. to permit the use of a city owned property for access to its facilities within the Airport Substation property.
14. **FINANCE** (presenter: Brent Worthington)
JUNE 2015 FINANCIAL REPORT
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 June 30, 2015.
15. **MUNICIPAL COURT** (presenter: Geri Joneson)
MUNICIPAL COURT 2015 2ND QUARTER REPORT
This is an information only item. 2015 Second Quarter Reports for Municipal Court activity.
16. **DEVELOPMENT SERVICES** (presenter: Alan Krcmarik)
WINDSOR MEADOWS PHASE II PROJECT TEFRA APPROVAL
A Motion to Adopt Resolution #R-46-2015 Approving The Issuance Of Multifamily Housing Revenue Bonds By The Housing Authority Of The City Of Loveland On Behalf Of The Housing Authority Of The Town Of Windsor For The Sole Purpose Of Qualifying The Interest Payable On The Bonds For Exclusion From The Gross Income Of The Owner Or Owners Of The Bonds For Federal Income Tax Purposes Under The Applicable Provisions Of The Internal Revenue Code Of 1986; And Related Matters was approved.
This is an administrative action approving a tax-exempt financing of not more than \$7,000,000 of Multi-family Revenue Bonds by the Housing Authority of the City of Loveland on behalf of the Housing Authority of the Town of Windsor pursuant to an approved delegation agreement. The proceeds of the bond issue will be used to finance a portion of the cost of constructing and equipping a 36-unit affordable housing project to be known as Windsor Meadows Phase II Project. In no event shall the City of Loveland or any other political subdivision of the State of Colorado (other than the Housing Authority) be liable for the Bonds nor shall the Bonds constitute a debt of the State of Colorado, the City of Loveland or any other such political subdivision (other than the Authority).
17. **DEVELOPMENT SERVICES** (presenter: Alan Krcmarik)
EDGE PROJECT TEFRA APPROVAL
A Motion to Adopt Resolution #R-47-2015 Approving The Issuance Of Multifamily Housing Revenue Bonds By The Housing Authority Of The City Of Loveland For The Sole Purpose Of Qualifying The Interest Payable On The Bonds For Exclusion

From The Gross Income Of The Owner Or Owners Of The Bonds For Federal Income Tax Purposes Under The Applicable Provisions Of The Internal Revenue Code Of 1986; And Related Matters was approved.

This is an administrative action approving a tax-exempt financing of not more than \$12,500,000 of Multi-family Revenue Bonds by the Housing Authority of the City of Loveland. The proceeds of the bond issue will be used to finance a portion of the cost of constructing and equipping a 70-unit affordable housing project to be known as the EDGE Project. In no event shall the City of Loveland or any other political subdivision of the State of Colorado (other than the Housing Authority) be liable for the Bonds nor shall the Bonds constitute a debt of the State of Colorado, the City of Loveland or any other such political subdivision (other than the Authority).

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.

Roger Ison, Loveland resident, spoke in support of the Broadband ballot question.

Loveland residents; Pam Koch, Kathryn, Julie Petrosky, Chris Belmar, Laura Stroud, and Rachel Murph spoke regarding concern over traffic and safety at the Highway 34 and Boyd Lake Road intersection and the need for an underpass under Highway 34 and Boyd Lake Road.

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

6. ECONOMIC DEVELOPMENT

(presenter: Betsey Hale)

DDA ELECTION AND BALLOT QUESTION

Economic Development Director, Betsey Hale, introduced this item to Council. This administrative action item recommends the approval of the ordinance to direct the City Clerk and other staff to conduct an election on November 3, 2015 for the Downtown Development Authority (DDA) and submit ballot questions regarding an ad valorem tax increase and authorization of debt to the qualified electors within the DDA boundaries. The ballot language can be found in Section 1 of the attached City of Loveland ordinance. On July 21, 2015, City Council unanimously approved this ordinance on first reading. Mayor Gutierrez opened the public hearing at 7:15 p.m.

Jackie Marsh, Loveland resident, spoke in opposition of this item. Hearing no other comments, Mayor Gutierrez closed public comment at 7:18 p.m. Discussion ensued

regarding the State Statutes and requirements of who is allowed to vote in the DDA boundaries.

Councilor Shaffer moved To Approve And Order Published On Second Reading Ordinance #5951 Approving A Downtown Development Authority Election To Be Held November 3, 2015, To Authorize Debt, Taxes And Revenue Retention. The motion, seconded by Councilor Farley, carried with all councilors present voting in favor thereof.

**11. DEVELOPMENT SERVICES
HUD CONSOLIDATED PLAN**

Community Partnership Office Administrator, Alison Hade, introduced this administrative item to Council. The City of Loveland Community Partnership Office is responsible to submit a Consolidated Plan to HUD every 5 years in order to receive Community Development Block Grant funds for bricks and mortar and human service projects. Discussion ensued over the Final Rule from the Federal Register.

Councilor Shaffer moved to Adopt Resolution #R-43-2015 Authorizing Submittal Of The City Of Loveland's 2015-2020 Consolidated Plan To The U.S. Department Of Housing And Urban Development. The motion, seconded by Councilor Farley, carried with six councilors in favor and Councilors Clark, McKean and Krenning voting against.

**18. CITY MANAGER
INVESTMENT REPORT FOR JUNE 2015**

Executive Fiscal Advisor, Alan Krcmarik introduced this information only item to Council. The budget projection for investment earnings for 2015 is \$1,759,080. On the portfolio's 2015 beginning balance this equates to an annual interest rate of 0.84%. Based on the monthly statement, the estimated annualized yield on the securities held by USBank was steady at 1.09%. For June, earnings of \$259,940 were posted to City funds and the year to date total is \$912,426. Interest rates rose again slightly in June; the unrealized loss rose to an estimated \$110,896 compared to \$73,816 in May. The end of June portfolio market value is estimated to be \$212.7 million. The total amount of the portfolio is growing, but is still not back to the peak amount reached before the 2013 flood, when the portfolio carried an estimated market value of \$226.3 million. Council thanked staff for the report.

**19. PUBLIC WORKS
CONSTRUCTION CONTRACT FOR FAB AND MOC REMODEL**

Ken Cooper, introduced this item to Council. This is an administrative matter approving a contract with BVB General Contractors to remodel the FAB, located at 410 E. 5th Street, and to remodel the MOC, located at 105 W. 5th Street. Construction at both buildings will begin in 2015 and will be completed in the first quarter of 2016. The MOC construction estimate was \$448,480, and the MOC construction bid (without construction contingency) was \$388,280. The FAB construction estimate was \$849,950, and the FAB construction bid (without construction contingency) was \$305,408. These are construction bid costs only and do not represent total project costs.

Councilor Shaffer moved to award a construction contract award to BVB General Contractors, LLC, to remodel the Fire & Administration Building (FAB) and to remodel the Maintenance Operations Center (MOC). The motion was, seconded by Councilor Farley.

Discussion ensued regarding the cost of \$225,000 of four additional items that are enhancements.

Councilor McKean moved to amend the original motion capping the amount to \$175,000. The motion amending the contract award, seconded by Councilor Fogle,

failed with two councilors voting in favor and Councilors Clark, Gutierrez, Taylor, Farley, Krenning, Shaffer and Trenary voting against.

Councilor Krenning moved to amend the original motion with a cap in the amount at \$250,000. The motion amending the contract award, seconded by Councilor McKean carried with eight councilors voting in favor and Councilor Clark voting against.

Mayor Gutierrez opened the public comment at 10:20 p.m. There were no public comments.

Roll was called on the original motion as amended. The motion carried with eight councilors in favor and Councilor Clark voting against.

20. **PUBLIC WORKS**

NORTH BOISE AVENUE INTERIM EXTENSION (EN1501)

Dave Klockeman, introduced this administrative item to Council. The North Boise Avenue Extension Project is an interim roadway extension of North Boise from Mount Columbia Avenue to a proposed T-intersection at East 37th Street. This project will extend North Boise Avenue approximately 1,000 linear feet to the north. East 37th Street will also be modified at the T-intersection location to safely accommodate the new access point which includes a left turn lane on the east approach. Bike lane and a pedestrian walkway will be constructed along E 37th Street within the limits of the project from Pikes Peak Drive on the west to the existing recreation trail on the east. The low bid for the construction was \$ 782,764.50, compared to the Engineer's Estimate of \$1,100,000. Project construction is planned to begin in late August 2015 and to be substantially complete by the end of October 2015. This schedule is weather dependent and may require adjustment should weather delays occur. Mayor Gutierrez opened the public comment at 10:30 p.m. There were no public comments.

Councilor Shaffer moved to award the North Boise Avenue Extension Project Contract (Project No. EN1501) to Coulson Excavating Company of Loveland, Colorado in the amount of \$782,764.50 and authorize the City Manager to execute the contract. The motion, seconded by Councilor Clark, carried with all councilors present voting in favor thereof.

BUSINESS FROM CITY COUNCIL

- Farley: Informed that both ArtSpace and the Elks Club Received Grant Funds for Historic Preservation.
- McKean: Thanked Russ Morgan for the 40's on 4th Street event.
- Fogle: Shared that Art in the Park is this weekend.
- Shaffer: Retracted comments to Ms. Lynne on July 21st. North I-25 meeting on Wednesday, MPO meeting on Thursday.
- Taylor: Commended Library for having a great staff.
- Trenary: Appreciated the 40's on 4th Street event; Mahaffey Park grand opening successful.
- Gutierrez: Shared analysis on the Clean Power Plant and addressed most of the PRPA concerns; August 19th annual PRPA retreat, September 16th presentation to LUC, October 27th Study Session.
Annual reappointment of Councilor Shaffer to represent CML's

Policy Committee; Colorado Cares Day, groups will be serving all over Loveland.

CITY MANAGER REPORT

Cahill

Shared that Loveland is 12th best place to start a business according to NerdWallet and among the 30 best places to retire according to Money Magazine.

CITY ATTORNEY REPORT

None

ADJOURNMENT

Having no further business to come before Council, the August 4, 2015, Regular Meeting was adjourned at 10:46 p.m.

Respectfully Submitted,



Teresa G. Andrews, City Clerk



Cecil A. Gutierrez, Mayor



