

MINUTES
LOVELAND CITY COUNCIL MEETING
TUESDAY, DECEMBER 1, 2015
CITY COUNCIL CHAMBERS
500 EAST THIRD STREET
LOVELAND, COLORADO

CALL TO ORDER: Mayor Gutierrez called the meeting to order at 6:30 p.m.

PLEDGE OF ALLEGIANCE

ROLL CALL: Mayor Gutierrez, Mayor Pro Tem Fogle and Councilors Krenning, Ball, Johnson, Clark, McKean, Overcash and Shaffer were present.

City Manager, Bill Cahill, presented the City of Loveland Employee Awards. The recipients were: Safety Excellence Award: Kim Colwell, Police; Integrity Award: Lana Scott, Legal; Most Innovative Award: Amber Holmes, Library; Kindness and Courtesy Award: Gary Dahlgren, Traffic-Public Works; Collaboration Award: Eric Klaas, Loveland Fire and Rescue Authority; Accountability Award: Janeen Stubbs, Parks and Rec; Exceptional Service Award: Beth Gudmestad, Library; Team of the Year: Sgts. Jim Mines and Phil Metzler, Police and Battalion Chief Michael Cerovski, Fire. The Employee of the year Award went to Sgt. Jamison Gartner, Police.

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.

Councilor Krenning asked for item 7 to be moved to the Regular Agenda. Loveland resident, David Schneider, asked for Item 9 to be moved to the Regular Agenda. Councilor Shaffer moved to approve the consent agenda with the exception of items 7 and 9. The motion seconded by Councilor Clark carried with all councilors present voting in favor thereof.

CONSENT AGENDA

1. **CITY CLERK** (presenter: Terry Andrews)
APPROVAL OF MEETING MINUTES
A Motion to Approve the City Council Meeting Minutes for the November 17, 2015 Regular Meeting was approved.
 1. This is an administrative action to approve the City Council meeting minutes for the November 17, 2015 Regular Meeting.

2. **CITY MANAGER** (presenter: Bill Cahill)
APPOINTMENTS TO THE CONSTRUCTION ADVISORY BOARD, THE LOVELAND UTILITIES COMMISSION, AND THE SENIOR ADVISORY BOARD
1. A Motion to reappoint Roger Lewis to the Construction Advisory Board for a term effective until June 30, 2018 was approved.
 2. A Motion to reappoint Andrew Ross to the Construction Advisory Board for a term effective until June 30, 2018 was approved.
 3. A Motion to appoint Jon Rudolph to the Construction Advisory Board for a term effective until June 30, 2018 was approved.
 4. A Motion to appoint Dave Kavanagh to the Loveland Utilities Commission for a partial term effective until June 30, 2018 was approved.
 5. A Motion to appoint Dixie Huff to the Senior Advisory Board for a partial term effective until December 31, 2017 was approved.
- This is an administrative action recommending the appointments of members the Construction Advisory Board, the Loveland Utilities Commission, and the Senior Advisory Board.
3. **DEVELOPMENT SERVICES** (presenter: Greg George)
PUBLIC COMMENT
SILVER SHORE DRIVE EASEMENT VACATION
A Motion To Approve On Second Reading Ordinance #5980 Vacating A Portion Of A Public Street Right-Of-Way Within Silver Glen 1st Subdivision, City Of Loveland, County Of Larimer, State Of Colorado was approved.
- This is a legislative action to consider adoption of an ordinance, on second reading, to vacate a short segment and unused public street right-of-way that was never constructed as a public street and provides access to only one residential lot. Pursuant to state statutes, ownership of the vacated right-of-way will be returned to the owner of the adjacent property to the south, and will be incorporated into a replat of several lots along the west edge of Silver Lake. The replacement access will be a private access, emergency access and utility easement making the current right-of-way no longer necessary. The Planning Commission recommended approval of the vacation as part of their Consent Agenda on October 26, 2015. On November 17, 2015, City Council unanimously approved this ordinance on first reading.
4. **FINANCE** (presenter: Brent Worthington)
PUBLIC COMMENT
2015 BUDGET FINALIZING AND YEAR-END
A Motion To Approve On Second Reading Ordinance #5981 Enacting A Supplemental Budget And Appropriation To The 2015 City Of Loveland Budget was approved.
- This is an administrative action. The ordinance appropriates funding for year-end issues and finalizing the 2015 budget. On November 17, 2015, City Council unanimously approved this ordinance on first reading.
5. **FINANCE** (presenter: Brent Worthington)
PUBLIC COMMENT
2015 BUDGET TRANSFERS AND ADMINISTRATIVE CORRECTIONS
A Motion To Approve On Second Reading Ordinance #5982 Enacting A Supplemental Budget And Appropriation To The 2015 City Of Loveland Budget For Transfer And Administrative Corrections was approved.
- This is an administrative action. The ordinance appropriates funding for transfer and administrative corrections. On November 17, 2015, City Council unanimously approved this ordinance on first reading.

6. **HUMAN RESOURCES** (presenter: Julia Holland)
PUBLIC COMMENT
ESTABLISHING THE HEALTH & WELFARE TRUST
A Motion To Approve On First Reading An Ordinance Enacting A Supplemental Budget And Appropriation To The 2016 City Of Loveland Budget For Establishing The Health & Welfare Trust was approved.
This is an administrative item which authorizes the establishment of the Health & Welfare Trust Fund using \$804,060 approved in the 2016 Budget. No new funding is requested.
7. **HUMAN RESOURCES** (presenter: Julia Holland)
PUBLIC COMMENT
LFRA INSURANCE PROVIDER CHANGE
This item was considered on Regular Agenda
8. **FINANCE** (presenters: Brent Worthington & Mark Miller)
PUBLIC COMMENT
LFRA RADIO COMMUNICATION TOWER
A Motion To Approve On First and Only Reading An Emergency Ordinance #5985 Enacting A Supplemental Budget And Appropriation To The 2015 City Of Loveland Budget For Replacement Of The Radio Communications Tower was approved.
This is an administrative action for a supplemental budget ordinance to appropriate a \$200,000 project to replace the radio communications tower on an emergency basis. Funds have been identified within existing budgeted resources. \$154,000 of the project total needs to be transferred from a variety of operating funds to a Capital Replacement Fund; and therefore, a supplemental budget ordinance is required. \$46,000 of the funding is already in the Capital Projects Fund. The impacted departments (Police, Public Works, and Water and Power), Loveland Fire Rescue Authority and the Thompson Valley Emergency Medical Service have all contributed budget savings in 2015 to ensure this emergency project can be completed by year end. These appropriations are transfers only and not a request for additional budget resources.
9. **DEVELOPMENT SERVICES** (presenter: Greg George)
PUBLIC HEARING
U.S. 287 STRATEGIC PLAN
This item was considered on Regular Agenda
10. **ECONOMIC DEVELOPMENT** (presenter: Mike Scholl)
2016 DDA BUDGET
A Motion To Adopt Resolution #R-84-2015 Approving The Loveland Downtown Development Authority's 2016 Budget was approved.
This is an administrative action to consider approval of the fiscal year 2016 budget for the Downtown Development Board (DDA). The 2016 budget recommended to Council by the DDA Board is a zero budget. On November 3, 2015 two ballot issues were submitted to the voters to authorize a mill levy within the DDA boundaries and a debt ceiling. The voters did not approve either ballot issue leaving no anticipated funding for the DDA in fiscal year 2016. State statute requires approval of a budget each fiscal year by the Board and City Council.
11. **FINANCE** (presenter: Brent Worthington)
LFRA EMPLOYEE CONVERSION
A Motion To Adopt Resolution #R-85-2015 Approving The Loveland Fire Rescue Authority's Supplemental Budget And Appropriation Resolution No. R-61 For Additional Funding For Expenditures Associated With The Employee Conversion was approved.

This is an administrative action to consider approval of an \$81,732 supplemental appropriation by the Loveland Fire Rescue Authority (LFRA), with a City share of \$50,620. The LFRA Board approved the supplemental budget on November 18, 2015 and the Loveland Rural Fire Protection District will consider it December 2, 2015. This is consistent with the procedures required in the intergovernmental agreement for budget appropriations.

12. **HUMAN RESOURCES** (presenter: Karen Rees)
EMPLOYEE MEDICAL STOP LOSS RENEWAL

A Motion To Award The Contract For City Employee Medical Stop Loss Coverage To Sun Life Of Canada In An Amount Not To Exceed \$1,103,000 For Stop Loss Insurance And To Authorize The City Manager To Execute The Contract On Behalf Of The City was approved.

This is an administrative action to authorize the City Manager to enter into a contract for up to \$1,103,000 for Stop Loss Insurance in 2016 with Sun Life of Canada for the City of Loveland employee healthcare stop loss insurance. The contract stipulates that Sun Life of Canada will provide stop loss insurance for health claims over \$175,000 while Cigna retains processing claims under \$175,000. This contract is within the benefits budget already approved for 2016.

13. **HUMAN RESOURCES** (presenter: Karen Rees)
EMPLOYEE LIFE AND DISABILITY COVERAGE RENEWAL

A Motion To Award The Contract For City Employee Life And Disability Plans With The Hartford In An Amount Not To Exceed \$541,000 And To Authorize The City Manager To Execute The Contract On Behalf Of The City was approved.

This is an administrative action to authorize the City Manager to enter into a contract for up to \$541,000 with The Hartford for the City of Loveland employee life and disability plans. The contract stipulates that life insurance will be provided for all benefit eligible employees at 1.5 times their annual salary (\$200,000 cap), short term disability & leave management, long term disability wage replacement and voluntary (employee paid) life insurance. This contract is within the benefits budget already approved for 2016.

14. **CITY MANAGER** (presenter: Bill Cahill)
LETA BOARD REPRESENTATIVE

A Motion To Appoint A Representative To The Larimer Emergency Telephone Authority (“LETA”) Board Pursuant To City Ordinance #5435 was approved.

This is an administrative action to designate a City representative to the LETA Board. Pursuant to City Ordinance #5435 the City Council may designate an elected City official or a City employee. The City Manager’s Office proposes to re-appoint Bill Westbrook, IT Director, as the City’s representative to the LETA Board.

15. **FINANCE** (presenter: Brent Worthington)
OCTOBER 2015 FINANCIAL REPORT

This is an information only item. The Snapshot Report is submitted for Council review and includes the reporting of the City’s revenue and expenditures, including detailed reports on tax revenue and health claims as of October 31, 2015. Citywide Revenue (excluding internal transfers) of \$226,171,398 is 94.5% of year to date (YTD) budget or \$13,071,908 below the budget. This is due to reimbursement grant revenues budgeted in total in 2015; actual revenue is received as the projects are submitted for reimbursement. Sales Tax collections are 98.0% of the YTD budget or \$706,256 under budget. This shows a slight but continuing rebound from the low point of this variance (2.5%). Building Material Use Tax is 135.9% of YTD budget, or \$743,754 over budget. Sales and Use Tax collections combined were 101.8% of YTD budget or \$691,720 over budget. When the combined sales and use tax for the current year are compared to 2014 for the same period last year, they are higher by 5.3% or \$2,013,813. Citywide total expenditures of \$217,526,140

(excluding internal transfers) are 72.9% of the YTD budget or \$80,800,096 under the budget.

16. CITY MANAGER (presenter: Alan Krcmarik)
INVESTMENT REPORT FOR OCTOBER 2015

This is an information only item. At the end of October, the City's portfolio had an estimated market value of \$219.7 million, about \$1.5 million more than a month ago. Of this amount, USBank held \$191.6 million (including accrued interest) in trust accounts; other funds are held in local government investment pools, in operating accounts at First National Bank, and a few other miscellaneous accounts. Interest rates trended to all-time record lows in 2012-2013 before rising in the second half of 2014. After a sharp drop in January, interest rates have cycled down, up, down, and back up through October. Short-term rates are projected to rise later in 2015 and are dependent upon the actions of the Federal Open Market Committee. City investments are in U.S. Treasury Notes, high-rated U.S. Agency Bonds, highly-rated corporate bonds, money market accounts, insured certificates of deposit and local government investment pools. The City's investment strategy emphasizes safety of principal, then sufficient liquidity to meet cash needs, and finally, return on investment. Each percent of earnings on the portfolio equates to about \$2.19 million annually.

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.

Bob Massaro, Loveland resident, expressed concern with a statement made at the November 19, 2015 meeting regarding Sales tax on food.

Irene Fortune, expressed support for City Manager, Bill Cahill.

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

7. HUMAN RESOURCES (presenter: Julia Holland)
PUBLIC COMMENT

LFRA INSURANCE PROVIDER CHANGE

This is an administrative action. Human Resources Director, Julia Holland introduced this item to Council. The appropriation reduces the City's Risk & Insurance Fund's revenue by \$189,941 and expenses by \$241,910. The City funds 82% of the Fire Authority's expenses, thus, \$50,620 is requested to fund services and coverage provided by CSD. There were no public comments. **Councilor Shaffer moved to Approve On First Reading An Ordinance Enacting A Supplemental Budget And Appropriation To The 2016 City Of Loveland Budget For Changing Loveland Fire Rescue Authority's (LFRA) Insurance Provider From Colorado Intergovernmental Risk Sharing Agency**

(CIRSA) To Colorado Special District (CSD). The motion seconded by Councilor McKean, carried with all councilors present voting in favor thereof.

**9. DEVELOPMENT SERVICES (presenter: Greg George)
PUBLIC HEARING**

U.S. 287 STRATEGIC PLAN

This item is a legislative action to consider a resolution adopting the Loveland 287 Strategic Plan (the "Plan"). Development Services Director, Greg George introduced this item to Council. The Plan is a policy document meant to serve as a guide for residents, property and business owners, developers, City staff, and elected and appointed officials in making future infrastructure, land use and development decisions. The Plan sets forth a unique economic development strategy for each of five zones within the corridor. Each strategy is intended to stimulate redevelopment, reinvestments and new development within the corridor. Action Plans for each zone identify further studies, policies and projects that would further economic opportunities in the corridor, including some highly efficient and low cost actions that could be undertaken in the short-term. It is recognized that many of the recommended projects would require the expenditure of capital funds by the City and that such expenditures are subject to city-wide capital planning priorities in the future. On October 26th, the Planning Commission approved a resolution recommending that City Council adopt the Plan. Mayor Gutierrez asked for public comments. David Schneider, 501 5th Ave, spoke in opposition to the resolution, citing there was not enough authority in the document. Roger Weidemann, 2814 N. Franklin, spoke in support of the resolution. **Councilor Shaffer moved to Adopt Resolution #R-83-2015 Approving the U.S. 287 Strategic Plan. The motion seconded by Councilor Clark carried with eight councilors voting in favor and Councilor Krenning voting against.**

**17. PUBLIC WORKS (presenter: Ken Cooper)
PUBLIC HEARING**

POLICE REGIONAL TRAINING CAMPUS

This is an administrative action. Councilor Fogle recused himself from this matter and left the Chambers, indicating that the proposed architect was a client of his. Facilities Manager, Ken Cooper introduced this item to Council. Also available for questions were Mike Beckstead, Fort Collins Finance Director; Police Chief, Luke Hecker and Loveland Finance Director, Brent Worthington. The ordinance on first reading appropriates funding required for the two Cities to design the project, though Fort Collins will reimburse Loveland exactly half of those costs. An IGA between the Cities of Loveland and Fort Collins will form an equal capital partnership to design and eventually construct a Police Regional Training Campus on the west side of the Fort Collins-Loveland Airport. The \$1.62M design and engineering contract will equally be shared between the two cities at \$810K each. Funds have been appropriated and budgeted in the City of Loveland 10-year capital plan to support an \$18.5M shared capital project. All associated project costs will continue to be shared equally between the Cities, and Loveland's total project cost will be \$9.25M. Mayor Gutierrez asked for public comment. Jackie Marsh, Downtown resident, spoke in support of the ordinance. Police Advisory Board members, Tony Adams, Dick Hunsaker and Chair Pat Kistler all spoke in support of the ordinance. Bob Massaro, spoke in support of the ordinance. Steve Olson, 1668 McKenzie spoke in opposition of the ordinance. **Councilor Shaffer moved to Approve On First Reading An Ordinance Enacting A Supplemental Budget And Appropriation To The 2016 City Of Loveland Budget For Contributions From Fort Collins For The Police Regional Training Facility. The motion, seconded by Councilor Johnson, failed with four councilors voting in favor and Councilors Clark, Overcash, Krenning and McKean voting against. Councilor Fogle did not vote, because of his recusal.**

19. CITY MANAGER (presenter: Bill Cahill)

CENTERRA MFA AMENDMENT

This is an administrative item. City Manager, Bill Cahill introduced this item to Council. The Developer would request that Council direct staff to negotiate and finalize an amendment to the Centerra MFA to add specified public parking facilities as a public improvement eligible for financing through the Metro District. Centerra representative Ashley Styles, further detailed the request that is before Council. Centerra Representatives Troy McWhinney and Attorney Alan Pogue were available for questions. The public parking facilities would be instrumental in attracting a major primary job-generating project, and serve other users as well. **Council requested the provision be tied to the following on parcel 206: economic impact, good retailer and multiple uses. Council requested Staff also tie economic impact, good retailer and multiple uses to the parking structure in Parcel 505, which was granted previously.** There was no public comment. **Councilor Shaffer moved to Direct Staff To Negotiate And Finalize An Amendment To The Centerra Master Financing Agreement (MFA), And Return To Council For Further Action. The motion, seconded by Councilor Fogle, carried with all councilors present voting in favor thereof.**

18. **WATER AND POWER** (presenter: Briana Reed-Harmel)
FEMA ALTERNATE SOLAR PROJECT BID AWARD

This is an administrative action. Senior Electrical Engineer, Briana Reed-Harmel introduced this item to Council. Approval of this item will allow the Photovoltaic Facility for the FEMA Alternate Project to be awarded to Namaste Solar of Boulder, Colorado for work to begin following the final rezoning approval by Council and the special review appeal period for the Foothills site and completing by December 31, 2016. On July 7, 2015, City Council approved a supplemental appropriation on second reading to appropriate money for this project. Loveland Water and Power (LWP) will seek maximum reimbursement from FEMA for expenses as this project progresses. On November 24, 2015, the City was advised that FEMA had administratively approved the change of location for this project to the 29th Street site. With the scope of work project site change and environmental approvals, the City is now able to consider approval of this bid award. **A Motion To Adopt Resolution #R-86-2015 Authorizing A Notice Of Award For The Photovoltaic Facility Design And Construction And Authorizing The City Manager To Execute The Contract. The motion, seconded by Councilor Clark carried with all councilors present voting in favor thereof.**

21. **HUMAN RESOURCES** (presenter: Julia Holland)
CITY MANAGER GOALS AND OBJECTIVES

This is an administrative action to conduct an executive session on December 1, 2015, for the review of performance and goals for the City Manager. **Councilor Shaffer moved to Set A Special Meeting for December 8, 2015, immediately following the Study Session for the purpose of calling An Executive Session As Allowed By CRS Section 24-6-402(4)(F)(I) And Charter Section 4-4(C)(5) Concerning Personnel Matters To Conduct An Interim Review Of Performance And Goal Setting For The City Manager. The motion, seconded by Councilor Ball, carried with all councilors present voting in favor thereof.**

20. **PARKS AND RECREATION** (presenters: Elizabeth Anderson & Steve Southard)
OLDE COURSE GOLF MANAGEMENT AGREEMENT

This is an administrative action to conduct an executive session on December 1, 2015, concerning issues associated with the Olde Golf Course Management Agreement. This executive session was requested by Councilor Krenning and placed on this Agenda via the City Council's Rule of Four procedure. **Councilor Shaffer moved to go into executive session to discuss negotiations concerning issues associated with the Olde Course Golf management Agreement as authorized by Colorado Revised**

Statutes § Section 24-6-402(4)(e) and Loveland Charter Section 4-4(c)(1) concerning a matter that is subject to negotiations, to develop the City's negotiation positions and strategies, and to instruct the City's negotiators concerning those positions and strategies; and as authorized by Colorado Revised Statutes Section § 24-6-402(4)(b) and Loveland Charter Section 4-4(c)(3) to receive legal advice from the City Attorney's Office at 12:14 a.m. The motion, seconded by Councilor Fogle, carried with eight councilors voting in favor and Mayor Gutierrez voting against.

Council reconvened at 1:05 a.m.

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.

McKean Councilor McKean moved to direct Staff to explore options for Liability Insurance coverage. The motion seconded by Councilor Fogle, carried with all councilors present voting in favor thereof.

CITY MANAGER REPORT

None

CITY ATTORNEY REPORT

None

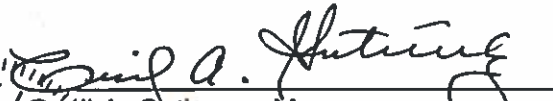
ADJOURN

Mayor Gutierrez adjourned the Regular Meeting of the City Council at 1:12 a.m. December 2, 2015.

Respectfully Submitted,


Teresa G. Andrews, City Clerk




Cecil A. Gutierrez, Mayor