

MINUTES
LOVELAND CITY COUNCIL MEETING
LOVELAND URBAN RENEWAL AUTHORITY
TUESDAY, JANUARY 5, 2016
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: Councilors Present: Gutierrez, Johnson, Ball, Overcash, Clark, McKean Krenning. Councilor Shaffer arrived at 6:57 p.m. Councilor Fogle was absent.

Fire Chief of the Loveland Rural Fire Authority, Mark Miller presented Lifesaving Awards to Robert Morgan and Connor Quick (Lake Loveland Incident); and Arthur Aldrich (Choking Incident)

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 members of the public, staff or Council would like to remove something from the consent agenda. No items were removed. Councilor McKean moved to approve the consent agenda. The motion seconded by Councilor Johnson 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 December 8, 2015 Study Session and Special Meeting And The December 15, 2015 Regular Meeting was approved.
This is an administrative action to approve the City Council meeting minutes for the December 8, 2015 Study Session and Special Meeting and the December 15, 2015 Regular Meeting.
2. **CITY MANAGER** (presenter: Bill Cahill)

APPOINTMENTS TO THE PLANNING COMMISSION, OPEN LANDS ADVISORY COMMISSION, AND TRANSPORTATION ADVISORY BOARD

1. A Motion to reappoint Carol Dowding to the Planning Commission for a term effective until December 31, 2018 was approved.

2. A Motion to reappoint Patrick McFall to the Planning Commission for a term effective until December 31, 2018 was approved.

3. A Motion to reappoint Gale Bernhardt to the Open Lands Advisory Commission for a term effective until December 31, 2019 was approved.

4. A Motion to reappoint Darren Pape to the Open Lands Advisory Commission for a term effective until December 31, 2019 was approved.

5. A Motion to reappoint William Zawacki to the Open Lands Advisory Commission for a term effective until December 31, 2019 was approved.

6. A Motion to appoint Lindsey Dowswell to the Transportation Advisory Board for a partial term effective until June 30, 2018 was approved.

This is an administrative item appointing members to the Planning Commission, the Open Lands Advisory Commission, and to the Transportation Advisory Board.

3. **LOVELAND FIRE AND RESCUE AUTHORITY** (presenter: Mark Miller)
LFRA EXEMPTION FROM PERMIT FEES

A Motion To Adopt On Second Reading, Ordinance #5986 Amending The City Code To Provide The Loveland Fire Rescue Authority An Exemption From The Payment Of Permit Fees For Certain Projects Located Within The City was approved.

This is an administrative action that would allow Loveland Fire Rescue Authority construction projects in the City limits waivers on building permit fees consistent with other city projects according to Municipal Code Section 15.04.070 Exemption of Certain City Projects from Permit Fees. Fire construction projects are not currently charged permit fees; and therefore, there would be no impact on the budget. On December 15, 2015, City Council unanimously approved this ordinance on first reading.

4. **DEVELOPMENT SERVICES** (presenter: Troy Bliss)
SCION 1ST ADDITION ANNEXATION AGREEMENT AMENDMENT

A Motion To Adopt On Second Reading, Ordinance #5988 Approving An Amendment To The Annexation Agreement For Scion First Addition, City Of Loveland, Larimer County, Colorado was approved.

This is a legislative action to consider adoption of an ordinance, on first reading, to amend an annexation agreement. As currently written, the annexation agreement requires that with the issuance of any building permit certain improvements be made including a left turn lane in E. 71st Street (the "Improvements"). The amendment would remove this absolute requirement and allow the applicant to submit a traffic study to determine if the Improvements are necessary based on the number of trips generated by the proposed development. Currently, the owner (Jim Sampson) wishes to construct a warehouse building on the property to store materials used in conjunction with the Scion Industries business. The amendment would allow Mr. Sampson to submit a traffic report to determine if the proposed warehouse would generate enough trips to warrant construction of the Improvements. On December 15, 2015, City Council unanimously approved this ordinance on first reading.

5. **DEVELOPMENT SERVICES** (presenter: Alison Hade)
THE EDGE FEE WAIVERS

A Motion To Adopt On Second Reading, Ordinance #5989 Enacting A Supplemental Budget For Appropriation To The 2016 City Of Loveland Budget For Reimbursement Of Utility Fees For The Edge was approved.

This is an administrative action. On February 17, 2015, City Council adopted a resolution granting Loveland Housing Authority fee waivers for the construction of 70 units of

affordable rental units. Included in the fee waiver was \$402,099 in enterprise fees, which are required to be backfilled. The General Fund unassigned balance is \$6,849,058. If this ordinance is approved the remaining balance will be \$6,446,959. On December 15, 2015, City Council unanimously approved this ordinance on first reading.

**6. CITY MANAGER (presenter: Alan Krcmarik)
INVESTMENT POLICY**

A Motion To Adopt On Second Reading, Ordinance #5990 Amending The City Of Loveland Investment Policy was approved.

This is a legislative action to consider amendments to the City's Investment Policy. The Citizens' Finance Advisory Commission has reviewed the City of Loveland Investment Policy and is recommending two changes. The first change clarifies that the investment program is administered by City staff members designated by the City Manager. The second change expands the maturity term limitations for certain authorized and suitable investments enumerated in the Investment Policy and also expands the credit ratings for certain investments. With the greater flexibility in maturity and credit quality, the City should be able to invest in securities that offer a slightly greater return on investment with a minimal amount of credit risk. The CFAC recommendation is for a three year period, at which time it would sunset unless reauthorized by City Council. On December 15, 2015, City Council unanimously approved this ordinance on first reading.

**7. DEVELOPMENT SERVICES (presenter: Alan Krcmarik)
PUBLIC COMMENT**

SPECIAL IMPROVEMENT DISTRICT

A Motion To Adopt On First Reading An Ordinance Amending Ordinance No. 4519 And Ordinance No. 5245, Reducing The Principal Amount Of The Assessments And The Rate Of Interest Payable On Installments Of Assessments In Special Improvement District No. 1; Ratifying Action Previously Taken By City Officers In Connection Therewith; And Providing For Other Matters Related Thereto was approved.

This is an administrative action. The City of Loveland recently completed the refunding of its Special Improvement District No. 1 (Series 2007) revenue bonds. Through the refunding, the interest rate on the bonds was lowered from 5.625% to 3.90%. The bonds were sold to First Bank. Due to the refunding, the total amount of debt service to be paid on the new refunding bonds will be lower than the refunded bonds. Some of the savings may be passed along to the property owners that are subject to the specials assessments. The proposed Ordinance provides for the reduction in the assessments. The reduction in the principal amount assessments will be about \$670,400 or about 11.5 percent lower than the prior assessments.

**8. CITY CLERK (presenter: Terry Andrews)
MEETING NOTICES POSTING LOCATION**

A Motion To Adopt Resolution #R-1-2016 Establishing the Location for the Posting of City of Loveland Meeting Notices for 2016 was approved.

This is an administrative action. Approval of the Resolution will designate the bulletin board immediately adjacent to the Loveland City Council Chambers located at 500 East 3rd Street, City of Loveland, Colorado, as the location for the posting for all of the City of Loveland's written notices in the year 2016. The Resolution also designates the City's Fire Administration Building as an Emergency Posting location if the primary designated location becomes inaccessible or is no longer in existence due to natural disaster or other similar cause.

9. **DEVELOPMENT SERVICES** (presenter: Karl Barton)
PUBLIC COMMENT
THREE MILE PLAN

A Motion To Adopt Resolution #R-2-2016 Adopting A Three Mile Plan For The City Of Loveland, Colorado was approved.

This is an administrative action to formally adopt a Three Mile Plan for 2016. The Three Mile Plan is required by State Statute every year regarding the annexation of land. It consists of the City's comprehensive plan, other adopted plans covering infrastructure, services and surrounding areas, and procedures.

10. **FINANCE** (presenter: Brent Worthington)
FEE SCHEDULE CORRECTIONS

A Motion To Adopt Resolution #R-3-2016 Amending Resolution #R-66-2015 And The 2016 Schedule Of Rates, Charges And Fees For City Services, Other Than Services Provided By The Water And Power Department And The Stormwater Enterprise was approved.

This is an administrative action to adopt a resolution amending the 2016 Schedule of Rates, Charges, and Fees for City services, other than services provided by the Water and Power Department and the Stormwater Enterprise. The amendment would correct five errors.

Public Works had five Street Maintenance Utility fees that were inadvertently mislabeled in the 2016 Schedule of Rates, Charges, and Fees. The resolution would correct the Street Maintenance Utility Fees for Industrial, per acre from \$30.20 to the correct amount to be charged of \$23.27; High Traffic Retail, per acre from \$23.27 to the correct amount to be charged of \$232.69; Retail, per acre from \$232.69 to the correct amount to be charged of \$91.44; Miscellaneous Retail from \$91.44 to the correct amount to be charged of \$59.44; and Commercial, per acre from \$59.44 to the correct amount to be charged of \$30.20.

ADJOURN THE LOVELAND CITY COUNCIL AND CONVENE AS THE LOVELAND URBAN RENEWAL AUTHORITY

11. **ECONOMIC DEVELOPMENT** (presenter: Mike Scholl)
VERBOTEN BREWING PUBLIC IMPROVEMENT

A Motion To Adopt Resolution #R-4-2016 Of The Loveland Urban Renewal Authority Authorizing The Execution Of A Public Improvement Agreement With Verboten Limited, LLC, Lessee, And Lug Nutz, LLC, The Owner, Of The Building Located At 127 East 5th Street, Loveland, Colorado was approved.

This is an administrative action to approve the Resolution. Verboten Limited ("Verboten") is seeking assistance of \$12,500 for electrical improvements in the public right-of way to occupy the building in Downtown. The agreement is funded by Tax Increment Finance (TIF) from the Loveland Urban Renewal Authority, Downtown Plan area and the agreement is consistent with allowed uses of TIF. In addition, the Loveland Downtown Partnership and Downtown Development Authority have reviewed and are supportive of this proposed agreement. LURA will obligate \$12,500 if the agreement is approved. \$26,000 will be the remaining TIF balance and LURA is estimating an additional \$14,000 in TIF revenue in 2016 (\$40,000 total).

ADJOURN THE LOVELAND URBAN RENEWAL AUTHORITY AND RECONVENE AS THE LOVELAND CITY COUNCIL

12. **PUBLIC WORKS** (presenter: Steve Kibler)
2016 FLEET FUEL CONTRACT

A Motion To Award A Contract To Hill Petroleum In The Amount Of \$1,500,000;

Authorizing The City Manager To Sign The Contract; And Authorizing The Public Works Director To Lock Prices If It Is In The Best Interest Of The City was approved. This is an administrative action to approve a contract with Hill Petroleum for \$1,500,000 (one million five hundred thousand dollars) for diesel and unleaded fuel purchases for various City locations including the City of Loveland Service Center [main fueling center], golf courses, water and wastewater treatment plants, and Fort Collins-Loveland Airport for a period covering February 1, 2016 to February 28, 2017. This authorizes the City Manager to sign the contract and also authorizes the Public Works Director to lock prices if determined to be in the best interest of the City. Budget dollars are available in various departments with the bulk (\$1.4 million) in the Public Works Fleet Management Operations Fund (501-23-261-1902-42030). Should City Council approve this recommended award of contract and fuel prices remain favorable, City staff intends to pursue the price lock in option.

13. **PARKS AND RECREATION** (presenter: Steve Southard)
GOLF CART PURCHASE AGREEMENT

A Motion To Award A Purchasing Contract For The Purchase Of 150 Electric Golf Cars (Rental Fleet) In An Amount Not To Exceed \$534,044.83 And To Authorize The City Manager To Execute The Contract On Behalf Of The City was approved.

This is an administrative action seeking approval of a motion to award a purchasing contract to Masek Golf Cars of Colorado for a total cost of \$534,044.83, and authorize the City Manager authority to sign the contract. The contract cost is the base bid amount. 150 new electric golf cars are being purchased to replace the current aging rental fleet of 147 golf cars. The existing golf cars have been in use for over 12 years. The 147 existing cars are included in a trade-in package with the successful bidder.

14. **CITY MANAGER** (presenter: Alan Krcmarik)
NOVEMBER INVESTMENT REPORT

This is an information only item. At the end of November, the City's portfolio had an estimated market value of \$218.8 million, about \$900,000 less than a month ago. Of this amount, USBank held \$191.3 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 November. 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.

15. **FINANCE** (presenter: Brent Worthington)
NOVEMBER 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 November 30, 2015.

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.

Darrin Barrett, Loveland Resident, indicated he did not believe that the train noise should be Council's highest priority.

John Meadors, Loveland Resident, yielded 3 additional minutes to Ms. Lynn.

Stacie Lynne, County resident, asked Council to Dismiss City Manager Bill Cahill. Ms. Lynn indicated her life had been threatened.

Richard Nelson, Arvada resident asked Council to listen to Ms. Lynne.

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

16. CITY ATTORNEY (presenter: Tami Yellico)

CENTERRA MFA PUBLIC IMPROVEMENTS

City Attorney, Tami Yellico introduced this item to Council. These resolutions are administrative actions to approve the proposed Seventh Amendment to the Centerra Master Financing and Intergovernmental Agreement ("MFA") to amend the MFA to designate the public parking structure on Parcel 206 as a Local Improvement and to either impose certain restrictions on the Service District's authority to construct the Parcel 505 Parking Improvements as a Local Improvement permitted by MFA Section 1.54, as set forth in version one of the Amendment, or to eliminate the Parcel 505 Parking Improvements as a Local Improvement permitted by MFA Section 1.54, as set forth in version two of the Amendment. Also present for Council consideration were Ashley Styles and Chad McWhinney from Centerra and Agrium/Crop Production representatives Sheryl Heckel- and Paul Polster. Council Discussion ensued. Councilor McKean proposed the following amendment on section 6.10 of the MFA be amended immediately following 50,000 square feet in size with the addition of the following language: "which is part of a multiple tenant and use project". Mayor opened the public comment on both Resolutions, including the proposed amendment to the MFA. Eric Sutherland, Ft. Collins resident expressed opposition to the resolutions. Loveland Resident Jackie Marsh, indicated there were some outstanding questions.

Councilor Shaffer moved to Adopt Resolution #R-5-2016 A Resolution of the Loveland City Council Approving the Seventh Amendment to the Centerra Master Financing and Intergovernmental Agreement as amended. The motion was seconded by Councilor McKean, and carried with all councilors present voting in favor thereof.

CITY COUNCIL ADJOURNED AND CONVENED INTO THE LOVELAND URBAN RURAL AUTHORITY BOARD OF DIRECTORS AT 8:30 P.M.

Councilor Shaffer moved to Adopt Resolution #R-5-2016 A Resolution of the Loveland Urban Renewal Authority Approving the Seventh Amendment to the Centerra Master Financing and Intergovernmental Agreement as amended. The motion was seconded by Councilor McKean, and carried with all councilors present voting in favor thereof.

THE LOVELAND URBAN RURAL AUTHORITY BOARD OF DIRECTORS ADJOURNED AND RE-CONVENED AS CITY COUNCIL AT 8:32 P.M.

**17. CITY MANAGER (City Council discussion)
CITY COUNCIL MEETING TIME AND PROCESSES**

This is an administrative item placed on the January 5 agenda by "rule of four" at the December 15, 2015 City Council meeting. This is a discussion of measures which may be taken to govern or limit the length of City Council meetings. If the Council desires to set any new rules or limits, they would need to be embodied in a new Resolution to amend (or replace in their entirety) Resolutions R13-98 and R17-2000, which currently govern Council meetings, and which specifically disallow meeting time limits. Council discussion ensued. The Resolution was amended as follows. "City Council regular meetings shall begin at 6 PM and end on or before 10:30 PM, but may be extended by increments of thirty minutes by a voice vote of a majority of Council members present." "That this Resolution shall be effective as of the date and time of its adoption and remain in effect through the first regular meeting of January, 2018."

Councilor Ball moved to approve Resolution #R-7-2016 amending Resolutions No. 17-2000 Concerning the Rules of Procedure for the City Council of the City of Loveland, CO. The motion, seconded by Councilor McKean, carried with six councilors voting in favor and Councilor Shaffer and Gutierrez voting against.

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.

- Shaffer** Indicate the NI25 meeting would be in Weld Council on Wed, January 6, 2016; MPO would be meeting on Thursday January 7, 2016
- McKean** Asked if Council would support for a letter to President Obama regarding his recent executive order on firearms.
- Johnson** Attended the Library new brand activities.
- Overcash** Asked for clarification regarding the city's snow removal policies

CITY MANAGER REPORT

- Cahill** Council Retreat is scheduled for January 23, 2015 at Group Publishing; Council meeting with the Police Chief Recruiter on January 8 from 11:30 to 2:30.

CITY ATTORNEY REPORT

Councilor Shaffer announced that past City resident and attorney, Mark Robert Shaffer passed away on December 27, 2015.

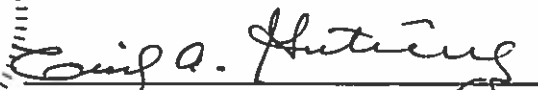
ADJOURN

Mayor Gutierrez, after hearing no further business adjourned the January 5, 2016 Regular meeting at 9:50 p.m.

Respectfully submitted,


Teresa G. Andrews, City Clerk




Cecil A. Gutierrez, Mayor

