



MINUTES
LOVELAND CITY COUNCIL MEETING
Tuesday, September 6, 2016 CITY COUNCIL CHAMBERS 6:00 PM

COUNCIL PRESENT: Mayor Gutierrez
Mayor Pro Tem Fogle
Councilors:
Krenning, Ball, Shaffer, Overcash, Clark and McKean.
Johnson arrived at 6:03 p.m.

COUNCIL ABSENT: None

1 INTRODUCTION

1.1 CALL TO ORDER

Mayor Gutierrez called the meeting to order at 6:00 p.m.

1.2 PLEDGE OF ALLEGIANCE

1.3 PROCLAMATIONS AND PRESENTATIONS

Councilor Shaffer read the proclamation declaring September as Hunger Action Month in Loveland, which was received by Alison Hade, Community Partner Manager.

2 CONSENT AGENDA

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. Comments will be limited to no more than three minutes, the City Clerk will start the timer once an introduction is made and a buzzer will sound when the three minutes have expired.

Councilor Clark requested items 2.5 and 2.11 be considered on the Regular Agenda. Councilor Krenning requested item 2.6 be considered on the Regular

Agenda.

Moved by Councilor Shaffer, seconded by Mayor Pro Tem Fogle

A Motion to approve the Consent Agenda with the exception of items 2.5, 2.6 and 2.11.

CARRIED UNANIMOUSLY.

**2.1 CITY CLERK
APPROVAL OF MINUTES**

Approval of the City Council minutes for the August 9, 2016 Study Session and Special Meeting, the August 16, 2016 Regular Meeting and the August 23, 2016 Special Meeting.

Approval of the City Council minutes for the August 9, 2016 Study Session and Special Meeting and the August 16, 2016 Regular Meeting.

A Motion To Approve City Council Minutes for the August 9, 2016 Study Session and Special Meeting and the August 16, 2016 Regular Meeting.

CARRIED UNANIMOUSLY.

**2.2 CITY MANAGER
APPOINTMENTS TO THE COMMUNITY MARKETING COMMISSION AND HOUSING AUTHORITY**

This is an item appointing members to the Community Marketing Commission and the Housing Authority.

1. Adopt a motion to appoint Laura Coale to the Community Marketing Commission for a term effective until June 30, 2019

2. Adopt a motion to reappoint Christine Forster to the Community Marketing Commission for a term effective until June 30, 2019

3. Adopt a motion to reappoint Peggy Ziglin to the Community Marketing Commission for a term effective until June 30, 2019

4. Adopt a motion to reappoint Sandra Mezzetti to the Housing Authority for a term effective until June 30, 2021

CARRIED UNANIMOUSLY.

**2.3 PUBLIC WORKS & FINANCE
FLEET VEHICLES SUPPLEMENTAL APPROPRIATION**

Currently, some vehicles are purchased by the Fleet Replacement Fund (500) and other vehicles are purchased by other funds (enterprise and special revenue funds). Fleet Management amortizes vehicles purchased within the Fleet Replacement Fund to ensure funds are set aside for future replacement costs. Most

vehicles purchased by other funds are amortized within those funds, however, the occasional vehicle has missed being amortized. This item is being presented to streamline and increase efficiency of the vehicle purchasing and amortization process. This item proposes the supplemental budget and appropriation necessary to transfer currently budgeted 2016 funds from the Transportation, Stormwater, Transit, and Police CEF Funds into the Fleet Replacement Fund to make this administrative change for vehicle purchases budgeted outside of the Fleet Replacement Fund in 2016. This streamlined method will be built in to the budget for 2017 and beyond for future years. This ordinance was approved unanimously on first reading by City Council on August 16, 2016.

A Motion To Approve, ON Second Reading, Ordinance #6041 Enacting A Supplemental Budget and Appropriation To the 2016 City of Loveland Budget For an Administrative Change in the Method of Purchasing Fleet Vehicles.

CARRIED UNANIMOUSLY.

2.4 DEVELOPMENT SERVICES GATORWEST ADDITION ANNEXATION

This is a public hearing to consider the following items on first reading:

- A legislative action to adopt a resolution and ordinance to annex 2.3 acres of property to be known as the Gatorwest Addition; and
- A quasi-judicial action to zone the 2.3 acres to B-Developing Business District. The property is situated on the west side of N. Garfield Avenue and on the east side of N. Granite Street, roughly half way between W. 50th Street and Ranch Acres Drives. It is addressed at 5100 Granite Street. The applicant is M. Bryan Short with Gatorwest, LLC.

Mayor Gutierrez opened the public hearing at 7:35. Staff and the applicant made presentations. There were no public comments. Mayor Gutierrez closed the public hearing at 7:43 p.m.

A motion to approve, on Second Reading, Ordinance #6042 Approving the Annexation of Certain Territory To The City of Loveland, Colorado, to be known and designated as "Gatorwest Addition" To the City of Loveland.

CARRIED UNANIMOUSLY.

A motion to approve, on Second Reading, Ordinance #6043 Amending Section 18.04.060 Of the Loveland Municipal Code, the Same Relating to Zoning Regulations for "Gatorwest Addition" to the City of Loveland.

CARRIED UNANIMOUSLY.

2.5 LOVELAND POLICE DEPARTMENT

**ABANDONED VEHICLE CODE AMENDMENT
PUBLIC COMMENT**

This item was considered on the Regular Meeting.

**2.6 MUNICIPAL COURT
COLLECTION PROCESS FOR COURT FINES
PUBLIC COMMENT**

This item was considered on the Regular Agenda.

**2.7 COMMUNITY PARTNERSHIP OFFICE
CDBG APPROPRIATION
PUBLIC HEARING**

On July 5, 2016, City Council adopted a resolution to grant Community Development Block Grant funds in the amount of \$417,140 during the 2016-2017 grant year. \$80,000 of this amount was funding returned to the City from the Bohemian Foundation when the Bohemian Foundation became the managing partner of the Sister Mary Alice Murphy Center for Hope in Fort Collins. The \$80,000 must be appropriated prior to contracting with 2016-2017 grant recipients.

A Motion to Approve, On First Reading, An Ordinance Enacting a Supplemental Budget and Appropriation to the 2016 City of Loveland Budget for Reallocation of Community Development Block Grant Funds

CARRIED UNANIMOUSLY

**2.8 CITY MANAGER'S OFFICE
SPECIAL DISTRICT NO. 1 REAPPROPRIATION OF ASSESSMENTS
PUBLIC COMMENT**

In late 2015, The City of Loveland 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 are paid off through the payment of assessments by property owners in the district that receive benefits from the improvements financed by the original SID No. 1 bonds. In January of 2016, a new assessment role was presented to and adopted by Council. Since January, property owners in SID No. 1 have subdivided and combined lots leading to the need to update the special assessment roll. As the land is developed, property owners and land developers sometimes have to subdivide larger tracts and occasionally small parcels are combined to create larger parcels. The City plays an integral role in the lot configuration process and always desires to ensure that the value of the property is sufficient to adequately cover the amount of the assessments on the property. Recent lot changes have led to the

revisions of the special assessment roll. By keeping the assessment roll current, the assessment payments will be accurately calculated, be fully transparent to the property owners, and be billed and collected on time, so that payments on the Series 2015 revenue bonds will be paid as expeditiously as possible. The property owners affected by this action agree with the provisions and the revised assessment provided for in the Ordinance and revised Assessment Role.

A Motion to Approve, On First Reading, An Ordinance Approving The Re-Apportionment Of Assessment To Align With The Creation Of A New Lot Within Special Improvement District No.1.

CARRIED UNANIMOUSLY.

**2.9 PARKS AND RECREATION
GOCO PLANNING GRANT FOR NAMAQUA UNDERPASS**

The City of Loveland is seeking financial support from the Great Outdoors Colorado (GOCO) *Connect Initiative Trail Planning Grant* for the design and preparation of construction documents of an underpass at Namaqua Avenue on the City of Loveland Recreation Trail. The new underpass will provide trail users with a safe, grade-separated crossing of an arterial projected to double in volume by 2035. The grant request seeks funding for the design of the underpass in 2018; Conservation Trust Funds will be requested in the 2018 budget cycle. The approximate cost for the design and preparation of construction documents for the underpass is \$125,000. The City is requesting \$100,000 from GOCO and offering \$25,000 in matching funds.

A Motion to Adopt Resolution R-82-2016 Supporting The Grant Application For A Connect Initiative Trail Planning Grant From The State Board Of The Great Outdoors Colorado Trust Fund For Completion Of Design Of Namaqua Trail Underpass.

CARRIED UNANIMOUSLY.

**2.10 PUBLIC WORKS
WASTE COLLECTION TRUCKS PURCHASE**

This resolution authorizes the City Manager to execute a contract for \$1,377,242.01 for the budgeted purchase of four (4) Autocar chassis equipped with New Way automated side load compaction bodies, and one (1) Autocar chassis equipped with a McNeilus rear load compaction body

A Motion to Adopt Resolution R-83-2016 Approving A Contract With

Transwest Freightliner, LLC D/B/A Transwest Trucks For Purchase Of Five Waste Collection Trucks And Authorizing The City Manager To Execute The Contract.

CARRIED UNANIMOUSLY.

**2.11 PUBLIC WORKS
US 34 & BOYD LAKE AVE INTERSECTION CONTRACT**

This item was considered on the Regular Agenda

**2.12 CITY MANAGER'S OFFICE
JULY INVESTMENT REPORT**

The budget projection for investment earnings for 2016 is \$2,199,328. On the portfolio's 2016 beginning balance this equates to an annual interest rate of 1.02%. Based on the June monthly report, the estimated yield on the fixed income securities held by USBank was at 1.31%, for total assets the yield was 1.07%. For the year-to-date, total earnings of \$1,287,070 have been posted to City fund accounts. U.S. short-term Treasury interest rates rose slightly in July; the portfolio's change in unrealized gain for the year-to-date eased to \$2.17 million. The end of July portfolio market value is estimated to be \$225.1 million. The peak amount for the portfolio was reached before the 2013 flood when it had an estimated market value of \$226.3 million.

**2.13 FINANCE
JULY FINANCE REPORT**

The Snapshot Report includes the City's preliminary revenue and expenditures including detailed reports on tax revenue and health claims year to date, ending July 31, 2016. The Citywide Revenue (excluding internal transfers) of \$166.7 million is 5% below budget projections, while the Citywide total expenditures of \$156,132,204 (excluding internal transfers) are 33.8% below budget projections. Sales Tax collections are 2.2% above the same period in 2015, this data spans seven months and the trend has been slowly rising.

**2.14 CITY ATTORNEY'S OFFICE
CALL FOR A SPECIAL MEETING ON SEPTEMBER 13, 2016**

Staff has been working on the financing plan for the public improvements for The Foundry Project ("Project"). A key component of the Project financing is the formation of a Metropolitan District ("District") by Brinkman Capital, LLC (the "Developer") that will have the same boundaries as the Project area. The District will be comprised of all of the properties in the Project, including 130 North

Cleveland Avenue. The negotiations to this point have included the transfer of property owned by the City to the Developer for the Project, with the City retaining the property on which the garage will be located. Public improvements in the Foundry include a public parking garage, public plaza, and other public improvements. The purpose of the District will be to levy property taxes on the properties within the Project to assist in paying the debt on the special revenue bonds to be issued by the City on behalf of the DDA to finance the parking garage and other public improvements, and for the District to own and maintain the public plaza spaces. Through this financial plan, the City, the District, and the Developer will be making a substantial investment in downtown Loveland for the benefit of the community.

A motion calling a special meeting of City Council September 13, 2016 at 6:00 p.m., to be located in City Council Chambers at 500 E. 3rd Street, Loveland. The purpose of the meeting is for Council to consider an Ordinance on First Reading to transfer the property at 130 N. Cleveland Avenue to Brinkman Capital, LLC for a portion of The Foundry Project in the City of Loveland.

CARRIED UNANIMOUSLY.

3 CITY CLERK READS TITLES OF ORDINANCES ON THE CONSENT AGENDA

4 PUBLIC COMMENT

Anyone who wishes to speak to an item NOT on the Agenda may address the Council at this time.

Tom Ryan, Loveland resident, requested City Council and public support for the .25 of 1% Sales Tax, Ballot Issue funding a facility in Larimer County addressing substance abuse and mental illness.

Sherri Coffee, Loveland resident, also requested support for the Ballot Issue.

Bruce Croissant, 1629 Jackson Ave, expressed concern with lack of underground power facilities.

Tony Abbot, American Legion Post #2000, announced the annual tribute to 9-11 survivors and the lost. This event will be held at the Foote Lagoon, September 11, 2016 at 7:00 p.m. City Council and the public are invited.

5 REGULAR AGENDA

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.

5.1 CONSIDERATION OF ITEMS REMOVED FROM CONSENT AGENDA

5.1.1 LOVELAND POLICE DEPARTMENT ABANDONED VEHICLE CODE AMENDMENT

Provisions of LMC Section 10.28.010 place an undue hardship upon owners of vehicles who utilize public streets and other public rights of way to park motor vehicles for a period of time greater than seventy two hours. The Code currently permits a vehicle to be towed if located upon a public right-of-way for more than seventy two hours. The proposed changes permit the tow of a motor vehicle parked on any portion of a street, highway, alley or other public right-of-way if the vehicle is reasonably determined to be deserted, discarded, or inoperable. The proposed ordinance provides the Loveland Police Department with factors to consider when determining whether a vehicle is abandoned. The proposed ordinance would not impact the numerous other provisions of the Code related to parking. The proposed changes to LMC Section 10.28.021 provide the Loveland Police Department greater flexibility, in terms of time, to report abandoned vehicles to the Colorado Department of Revenue and remains consistent with state law. The proposed changes to LMC 10.20.030 broaden the types of vehicles, whether motorized or non-motorized, which are constructed or designed for sleeping or dwelling purposes, from parking or standing upon public rights of way for a period of time greater than seventy two hours. Michael Quitana, Loveland resident spoke in support of the ordinance.

Moved by Councilor Shaffer, seconded by Mayor Pro Tem Fogle.

A Motion to Approve, On First Reading, An Ordinance Amending Sections 10.28.010, 10.28.021, and 10.20.030 of the Loveland Municipal Code Pertaining to Abandoned Motor Vehicles on Public Rights of Way, the Reporting of Abandoned Motor Vehicles, and Vehicles Designed for Dwelling or Sleeping Purposes

CARRIED UNANIMOUSLY.

5.1.2 MUNICIPAL COURT COLLECTION PROCESS FOR COURT FINES

The Court can no longer issue warrants for defendants who have not paid their

finer, as a result of the passage of House Bill 16-1311. The attached ordinance would allow the court to use a collection agency as another available option in collecting unpaid fines. There were no public comments made.

Moved by Councilor Krenning, seconded by Councilor Johnson

A Motion to continue the consideration of an Ordinance Amending The Loveland Municipal Code With Respect To Collection Of Fines And Penalties to the September 20, 2016 City Council Regular meeting.

CARRIED UNANIMOUSLY.

5.1.3 PUBLIC WORKS

US 34 & BOYD LAKE AVE INTERSECTION CONTRACT

City Council approval is necessary to give the City Manager authorization to sign a Contract with Mountain Contractors, Inc. for the Boyd Lake Avenue and US34 Intersection Project. Once the Contract is signed, a Notice to Proceed will be given to the Contractor to begin construction. Construction will include the installation of signals to ultimate locations on all four corners of the intersection as well as the construction of dual left turns on eastbound and westbound US34. Pedestrian facilities will also be improved with the installation of channelizing islands on the NW and NE corner of the intersection as well as protected pedestrian refuge islands on US34. With the approval of this Contract, construction is anticipated to begin on September 19, 2016 with a 50-working-day duration. A project completion date of November 25, 2016 projected barring any adjustments necessary due to weather delays. City Attorney, Tami Yellico entered into the record a correction to the resolution: The total of the contract should be amended from "\$1,555,207.67" to "\$1,295,961.00". There were no public comments made.

Councilor Shaffer moved, seconded by Councilor Clark

A Motion to Adopt Resolution R-84-2016 Authorizing A Notice Of Award To Mountain Constructors, Inc. For The North Boyd Lake Avenue And US34 Interim Intersection Improvements Project (EN1302) And Authorizing The City Manager To Execute The Contract as amended by the City Attorney.

CARRIED UNANIMOUSLY.

5.2 CITY ATTORNEY'S OFFICE

AIRCRAFT LANDING AND TAKEOFF CODE REPEAL

Approval of the ordinance will repeal Sections 12.48.030 and 12.48.110 of the Loveland Municipal Code. At the August 16, 2016 City Council meeting, Council elected to adopt on first reading, by a vote of 8-1, an Ordinance that removes manager approval for landing and takeoff of all aircraft, including hot air balloons.

There were no public comments made.

Moved by Councilor Shaffer, seconded by Councilor McKean

A Motion to Approve, On Second Reading, Ordinance #6044 Repealing Loveland Municipal Code §§ 12.48.030 and 12.48.110 Prohibiting Takeoff and Landing of Aircraft Outside of Airport and Landing in City.

CARRIED 7-2: No votes: Shaffer and Gutierrez; Abstention: Krenning.

5.3 LOVELAND FIRE RESCUE AUTHORITY FIRE TRAINING CENTER SUPPLEMENTAL APPROPRIATION

This is a three-way request, involving Loveland Fire Rescue Authority, Public Works and Risk Management. The three projects are separate, but interrelated:

1. Elimination of the current impoundment pond at the FTC, due to environmental issues (\$206,242)
2. The establishment of a new drainage system (stormwater and wastewater) due to the elimination of the impoundment pond and to account for additional on-site stormwater management necessary for FTC masterplan (\$260,314).
3. The construction of a new bridge on Railroad Avenue to mitigate flooding issues, which in turn, will eliminate the current entrance into the FTC, thus forcing the construction of a new primary and secondary emergency entrance into the facility (\$219,409).
4. Relocation of site amenities such as signage and the flagpole (\$12,035).

The total cost of all three sub-projects is \$698,000.

This request was unanticipated and therefore unbudgeted. \$206,242 of the requested amount is funded by fund balance in the Risk & Insurance Fund. If approved, the remaining Risk & Insurance Fund Balance will be \$3,695,054. Possible funding options for the remainder of the project costs include Tabor Excess and/or General Fund unassigned fund balance. The remaining 2016 General Fund Unassigned Fund Balance would be \$8,574,108 or the remaining 2016 TABOR Excess ending balance would be \$20,083,545. There were no public comments made.

Moved by Councilor Shaffer, seconded by Councilor Overcash

A Motion to Approve, On First Reading, An Ordinance Enacting A Supplemental Budget And Appropriation To The 2016 City Of Loveland Budget For The Fire Training Center.

CARRIED UNANIMOUSLY

5.4 HUMAN RESOURCES BENEFIT FUND UPDATE

On August 30, 2016 Staff presented information regarding the City of Loveland Benefits Plan, "Plan". City Council directed Staff to present additional options regarding the "Plan" to allow the Council the opportunity to include updated costs into the 2017 Budget. Staff is currently gathering data necessary to present this agenda item to City Council on September 6, 2016. Due to the short turn-around the materials will not be available until the morning of the regular meeting. Updated information provided by Staff will respond to Council's questions from the Study Session including percentage contribution split with employee impact comparisons; family medical split, and regional and state health costs comparisons. Roger Weidleman, 3814 Franklin Ave, asked for clarification on the "premium holiday". Bruce Croissant, suggested Council reserve a percentage versus a set dollar amount.

Moved by Councilor Shaffer, seconded by Councilor Johnson

A Motion to direct Staff to move forward with the necessary steps to incorporate the Council recommendation of the medical cost share average of 85% employer and 15% employee into the 2017 budget.

Motion to Amend

Moved by Councilor Shaffer, seconded by Mayor Gutierrez

A Motion to amend the original motion by adding "and direct Staff to bring back a resolutions setting a policy that would include the following provisions: 1) starting in 2018 the employer cost would be 80% and the employee costs would be 20%; 2) The reserves would be constantly maintained to at least 3.5 million dollars; and 3) Council would consider a "benefit holiday" in December if the reserves balance was retained at 3.5 million."

FAILED 3-6: NO: Fogle, Krenning, Clark, McKean, Ball, and Overcash

ORIGINAL MOTION: A Motion to direct staff to move forward with the necessary steps to incorporate the Council recommendation of the medical cost share average of 85% employer and 15% employee into the 2017 Budget.

FAILED 3-6 NO: Krenning, Clark, McKean, Ball, Overcash and Fogle.

Moved by Mayor ProTem Fogle, seconded by Councilor Krenning

A Motion to end debate and call for the question.

CARRIED UNANIMOUSLY.

Moved by Councilor Krenning, seconded by Councilor McKean

A Motion to direct staff to move forward with the necessary steps to incorporate the Council recommendation of the medical cost share average of 80% employer and 20% employee into the 2017 Budget; to further direct staff to bring back a resolution for consideration that would:

- 1) set a policy of medical cost share average split at Employer 80% and Employee 20%;***
- 2) In 2018 establish and maintain 20% of the total projected expenditures for the following budget year as a balance in reserves***
- 3) In 2017 Employees will receive a "premium holiday" (1 month with no premium payment by employee), and thereafter employees would receive a "premium holiday", if the reserves balance exceeds the required minimum of 20% of the following years projected expenditures.***

CARRIED 8-1: No: Gutierrez.

6 REPORTS

6.1 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.

Overcash:

Would like clarification of the role of the City's Boards and Commission; spoke regarding a house that had been moved and then abandoned.

Krenning:

Meeting with Police Chief and representative from Ft. Collins regarding the Police Training Facility; Requested that on the agenda for the second meeting of the month, "Council Business" be placed at the beginning of the meeting. At the direction of at least five members of Council, City Attorney, Tami Yellico will bring a resolution back for consideration setting that rule into place.

Buckhorn Train at Northlake Park is closed for the season.

Fogle:

The Rotary Club collected \$39,000 from the duck race to be used to purchase ipads for students in the Thompson School District.

Johnson:

Gave an update of the Waste shed policy group. A public forum will be held September 15 at the COL Public Works bldg.; requested Council consider a resolution of support for the School Bond ballot measures.

Mayor Gutierrez:

Remember past Councilors: Walk Skowron, Barbara Liebler and Larry Dassow and Thompson School Dist. Rep. Dan Maas and his wife.

6.2 CITY MANAGER REPORT

- 1) Rule of Four to be scheduled for Council consideration:
 - a. Reconsideration of a previously granted incentive
 - b. School District request for a 6: water tap
- 2) Regional elected officials meeting 6:p.m. on Thursday, September 8, 2016 at the Water and Power building.

6.3 CITY ATTORNEY REPORT

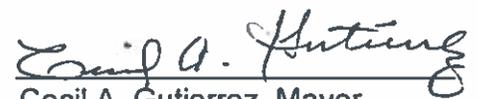
None

7 ADJOURNMENT

Hearing no further business to come before Council, Mayor Gutierrez adjourned the September 6, 2016 Regular Meeting of Council at 9:41 p.m.




Teresa G. Andrews, City Clerk


Cecil A. Gutierrez, Mayor