



MINUTES
LOVELAND CITY COUNCIL MEETING
Tuesday, February 21, 2017 CITY COUNCIL CHAMBERS 6:00 PM

COUNCIL PRESENT: Mayor Pro Tem Fogle
Councilors:
Krenning, Ball, Overcash, Clark and Johnson.

COUNCIL ABSENT: Mayor Gutierrez and Shaffer

1. INTRODUCTION

1.1. CALL TO ORDER

Mayor Pro Tem Fogle called the meeting to order at 6:02 p.m.

1.2. PLEDGE OF ALLEGIANCE

1.3. ROLL CALL

1.4. PRESENTATION

LARIMER COUNTY ANNUAL COMMUNITY REPORT

Tom Donnelly, County Commissioner, presented Council with the 2015-2016 Community Report.

[Larimer County Community Report Link](#)

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.

Item 2.6 was removed from the Consent Agenda by Councilor Krenning.

Moved by Councilor Clark seconded by Councilor Johnson.

A Motion approving the Consent Agenda, items 2.1 - 2.9, with the exception of item 2.6.

CARRIED UNANIMOUSLY.

**2.1. CITY CLERK
APPROVAL OF MINUTES**

Approval of the City Council minutes for the January 24, 2017 Special Meeting and the February 7, 2017 Regular Meeting.

A Motion to Approve the City Council minutes for the January 24, 2017 Special Meeting and the February 7, 2017 Regular Meeting.

CARRIED.

**2.2. FINANCE
SUPPLEMENTAL APPROPRIATION FOR BUDGET SOFTWARE
SOLUTION**

The City's budget process is very manual and involves the use of a multitude of spreadsheets and other documents that serve different purposes throughout the process. Larimer County recently conducted a competitive bidding process and selected a budgeting software solution offered by PowerPlan Corporation. Finance and IT Department staff received a demonstration of this solution and believe it to be a great fit for the City. In addition to automating existing business processes, it would provide opportunities to improve and enhance processes. Thus, staff would like to leverage Larimer County's competitive bidding process and contract with PowerPlan to purchase and implement a budgeting software solution. The one-time implementation cost is \$114,388 (including the first year of maintenance and support and internal technology costs) with on-going annual maintenance and support costs of \$16,280 (for years two and three) and \$17,100 (for years four and five), for a total five-year cost of ownership of \$181,148. Staff would like to purchase, implement, and provide training on this

system by the end of 2017 for broad use at the beginning of 2018 for the 2019 budget process. This item was adopted unanimously by City Council on first reading on February 7, 2017.

A Motion to Adopt, on Second Reading, Ordinance # 6089 Enacting A Supplemental Budget And Appropriation To The 2017 City Of Loveland Budget For The Purchase Of A Budgeting, Forecasting, Reporting, And Analysis Software Solution.

CARRIED.

2.3. FINANCE

SUPPLEMENTAL APPROPRIATION FOR TRANSPORTATION PROJECTS

Three projects (2017 Supplemental Bridge Repairs, US 287 Sidewalk Installation, and US 287/US 34 Integration) were approved in the 2017 Capital Program. They were initially appropriated in the Capital Projects Fund, however, they should have been appropriated in the Transportation Fund to properly connect them to the Transportation Program. This ordinance transfers project funding for these three projects from the Capital Projects Fund to the Transportation Fund. This item was adopted unanimously by City Council on first reading on February 7, 2017.

A Motion To Adopt, On Second Reading, Ordinance #6090 Enacting A Supplemental Budget And Appropriation To Transfer Monies From The Capital Projects Fund To The Transportation Fund Within The 2017 City Of Loveland Budget For Certain Transportation Projects.

CARRIED.

2.4. PARKS AND RECREATION & OTHER DEPARTMENTS

EMERALD ASH BORER SUPPLEMENTAL APPROPRIATION

This item includes an overview of a draft Emerald Ash Borer (EAB) Management Plan in preparation for the impending arrival of the EAB in Loveland (projected to be this year due to the discovery of EAB in Longmont in June 2016). The City's Plan is modeled after Plans developed by Boulder County and the City of Longmont. EAB is a highly destructive, non-native insect that infests and rapidly kills all North American true Ash species leaving them dry, brittle and highly hazardous. EAB is a regulated pest meaning that federal and state entities require local action upon detection including quarantine, heightened monitoring and special handling of wood waste. The Borer has swept westerly across the country since entering the US on the east coast in the 90's and has now been found in Boulder (2013) and Longmont (2016). The City has completed a parks tree inventory

including 2,742 Ash trees. Tree inventory for golf courses and natural areas is continuing. The inventory and assessment of City-owned street trees is about 75% complete. The initial data indicates a projected total of approximately 15,000 City-owned street trees with 3,450 or 23% of the inventory being Ash. It is recommended that the City take the first steps to implement systematic Ash tree removal of older, weaker trees, replacement, and treatment of select specimens of high aesthetic value, as well as a public education effort during 2017. It is anticipated this will be the first year of a 10-year program with future years to be included in upcoming years' budget proposals. This item was adopted unanimously by City Council on first reading on February 7, 2017.

A Motion To Adopt, On Second Reading, Ordinance # 6091 Enacting A Supplemental Budget And Appropriation To The 2017 City Of Loveland Budget For To Mitigate And Manage The Budgetary And Operational Impacts Of Damage Caused By The Emerald Ash Borer.

CARRIED.

**2.5. DEVELOPMENT SERVICES
PUBLIC HEARING
PULLIAM BUILDING LOCAL LOVELAND HISTORIC LANDMARK
DESIGNATION**

The City of Loveland as owner of the Art Moderne historic Pulliam Community Building at 545 N Cleveland Avenue is requesting Loveland Historic Landmark designation to recognize the building's significance to Loveland's community character. The Historic Preservation Commission acknowledges the building's significance and recommends that City Council designate the building to the Loveland Historic Register.

A Motion To Adopt, On First Reading, An Ordinance Designating as a Local Loveland Historic Landmark the Pulliam Community Building located at 545 N. Cleveland Avenue in Loveland, Colorado.

CARRIED.

**2.6. LOVELAND POLICE DEPARTMENT
PUBLIC COMMENT
POLICE SIU OVERTIME REIMBURSEMENTS**

This item was considered on the Regular Agenda, Item 6.1.1.

2.7. PARKS AND RECREATION

AMENDMENT TO DISPOSAL & USE AGREEMENT FOR CONSTRUCTION

In July 2016, the City of Loveland ("City") and the Colorado Department of Transportation ("CDOT") and Kiewit Infrastructure ("Kiewit") entered into mutual agreements that benefited both the City and CDOT regarding the reconstruction of U.S. Highway 34. The current agreements address the needs for construction staging, development of a rock spoil site and the reclamation of the staging area once CDOT and Kiewit Infrastructure complete the US 34 project. The resolution tonight addresses the Disposal and Use agreement with Kiewit for a limited expansion of the Round Mountain staging site. The second amendment will permit Kiewit to expand the Round Mountain property for additional rock storage and for material rock waste. The amendment to the Kiewit agreement increases compensation based on the specific use of each area on a need and schedule determined by Kiewit and CDOT. Payment to the City will occur as each area is utilized for storage or waste rock. All other terms of the original agreement remain the same. Due to schedule changes and resequencing of the US 34 project, CDOT and Kiewit wish to amend both agreements to expand the Round Mountain Site. The CDOT amendment is delayed but will be presented to Council in March. There is little or no risk in separating the review and approval of these amendments, CDOT is still obligated to complete the restoration of the Round Mountain site. In order to keep the US 34 project moving forward without further delays, staff is seeking review and approval of the Kiewit amendment now. The amendment will permit CDOT to move forward with additional construction packages within the first phase of re-construction for US 34. The City of Loveland will receive compensation from Kiewit Infrastructure Co. for the expanded use of the Round Mountain staging and rock spoil site for a total value not to exceed \$250,000.00.

A Motion To Adopt Resolution #R-12-2017 Approving A Second Amendment To The Disposal And Use Agreement Between The City Of Loveland, Colorado And Kiewit Infrastructure Co., As Part Of The U.S. Highway 34 Construction Project and Authorizing The City Manager To Execute The Amendment.

CARRIED.

2.8. CITY CLERK

A MOTION CALLING FOR A SPECIAL MEETING ON FEBRUARY 28, 2017 FOR EMPLOYEE EVALUATION FOR MUNICIPAL JUDGE, POSSIBLE EXECUTIVE SESSION, & BROADBAND FEASIBILITY STUDY, POSSIBLE EXECUTIVE SESSION

The City Charter provides that the Mayor and three other Council members may call a special meeting. Also addressed in the Charter is

the provision that City Council may not take an action on an item that has not been noticed at least 24 hours prior to the meeting. Resolution #R117-2016, provides that Council conduct discussions/evaluations of their three employees quarterly. February is the month for the Municipal Judge. Judge Joneson's employee agreement renews April 20, 2017. Direction at the February 28, 2017 meeting would enable Staff to incorporate the changes and have any amendments to the agreement before Council prior to the renewal date. The second item is an update of the Broadband project, with a possible Executive session.

A Motion To Approve A Request For A Special Meeting On February 28, 2017 For The Purpose Of Conducting An Employee Evaluation For The Municipal Judge With A Possible Executive Session And Direction To Staff Regarding Compensation And Employment Agreement Terms And Broadband Feasibility Study With Possible Executive Session

CARRIED.

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.

John Ryan Keil, 563 Kathryn Court, expressed concern for the lack of affordable housing in Loveland and tax burdens on low-income residents.

5. BUSINESS FROM CITY COUNCIL

This is an opportunity for Council Members to introduce new business for discussion at this time or on a future City Council agenda.

New business was not presented.

**6. REGULAR AGENDA
PROCEDURAL INFORMATION**

Anyone in the audience will be given time to speak to any action 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.

6.1. CONSIDERATION OF ITEMS REMOVED FROM CONSENT AGENDA

**6.1.1 LOVELAND POLICE DEPARTMENT
PUBLIC COMMENT
POLICE SIU OVERTIME REIMBURSEMENTS**

Bob Ticer, Loveland Police Chief, presented this item to Council. Each year, the City receives seizures and forfeitures funds from the Fort Collins Police Department related to the Northern Colorado Drug Task Force. These funds are used to offset Police overtime costs for the Special Investigations Unit (SIU), which is a component of the NCDTF and is responsible for investigating narcotics and vice violations. These revenues and associated expenditures were not budgeted within the Seizures and Forfeitures Fund for 2016 or 2017. Staff recommends that City Council approve two ordinances (one for the 2016 Budget and one for the 2017 Budget) to properly budget and account for these funds in both years. These funds cannot be comingled with any other City funds per federal reporting requirements. For 2018 and beyond, Budget Office staff will work with Police Department staff to ensure these funds are properly budgeted as part of the annual adopted budget. The City of Loveland receives \$36,937 from the City of Fort Collins Police Department each year for activities related to the Northern Colorado Drug Task Force (NCDTF). These funds are used to offset Police overtime costs for the Special Investigations Unit (SIU), which is responsible for investigating narcotics and vice violations. These funds were not included in the 2016 or the 2017 adopted budgets and they cannot be co-mingled with any other City funds. There is a net neutral budget and fund balance impact, because revenues fully offset expenditures.

No Public Comments.

Moved by Councilor Clark, seconded by Councilor Krenning.

1) A Motion To Adopt An Ordinance, On First Reading, Enacting A Supplemental Budget And Appropriation To The 2016 City Of Loveland Budget For The Police Special Investigations Unit Overtime Reimbursements.

CARRIED UNANIMOUSLY.

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

Council discussed other options for the 2017 funds and expressed concern over the limitations of the agreement. Staff will research and present options at a future meeting.

2) A Motion To Continue This Item To A Future Meeting At The Discretion Of The City Manager.

CARRIED UNANIMOUSLY.

ADJOURN AS CITY COUNCIL AND CONVENE AS THE BOARD OF COMMISSIONERS FOR THE LOVELAND URBAN RENEWAL AUTHORITY (LURA)

6.2. FINANCE

INITIAL PROJECTS RE-APPROPRIATION FOR THE LOVELAND URBAN RENEWAL AUTHORITY

Theresa Wilson, Budget Manager, presented this item to Council. The Budget Office staff worked with other entities to identify remaining balances related to on-going projects appropriated but not completed in 2016 that need to be re-appropriated for continuation in 2017. Through this work, one remaining project balance for the Loveland Urban Renewal Authority (LURA) was identified as needing to be re-appropriated, however, it has since been determined that this is no longer needed. This ordinance was originally developed to recommend re-appropriation of \$31,500 for a Downtown Façade Reimbursement Agreement with Downtown Loveland LLC that was originally budgeted in 2016, but not completed by year-end. However, it has since been determined that this reimbursement will be covered within the Loveland Downtown Partnership (LDP) budget and the re-appropriation within the LURA Budget is no longer needed. The unspent appropriation related to this item reverted to the LURA Fund balance at the end of 2016 and will be available for re-appropriation as part of the 2018 Budget. This item was approved unanimously on first reading at the 1/17/17 City Council meeting. However, it is staff's recommendation that City Council reject the ordinance on second reading. Please find the attached letter from Jacque Wedding-Scott regarding termination of the façade reimbursement agreement. No public comment.

Moved by Councilor Clark, seconded by Councilor Krenning

A Motion to Reject Ordinance # 6092 Enacting A Supplemental Budget And Appropriation To The 2017 Loveland Urban Renewal Authority Budget For Projects Appropriated But Not Completed In 2016

CARRIED UNANIMOUSLY.

**ADJOURN AS THE BOARD OF COMMISSIONERS FOR THE LOVELAND
URBAN RENEWAL AUTHORITY (LURA) AND RECONVENE AS CITY
COUNCIL**

**6.3. LOVELAND POLICE DEPARTMENT
POLICE REGIONAL TRAINING CENTER FINANCIAL UPDATE**

Bob Ticer, Police Chief, presented this item to Council which was intended to provide the City Council with additional requested background on the proposed Police Regional Training Center (RTC) in partnership with the City of Fort Collins, including an update on operational/maintenance costs, reduction in current training costs, and information on potential lease and rental options for other law enforcement agencies. This item provides information to support City Council decision making regarding funding of this project. The City of Loveland and City of Fort Collins have estimated operational and maintenance costs for the RTC for the first five years of operations (2019-2023) will be \$422,859; \$580,727; \$598,149; \$616,093; and \$634,576, respectively. If this cost is shared at 50/50 between the two cities, then the projection for the City of Loveland for the first full year (2020) will be \$290,363 before training costs savings and revenues from leases are factored. The Loveland Police Department estimates that there will be a cost savings to the budget of \$66,622 per year in 2020 as driving to Adams County will be eliminated, track rental fees will be eliminated, and the current leased shooting range cost will be eliminated. Additionally, projections for rental and lease of the new RTC will range between \$147,000 and \$264,000 annually for the first full year of operations and increasing to between \$217,000 and \$338,000 by the third full year of operations in year 2022. Based upon these base and high projections, increased costs to the Loveland Police Department budget to operate the new RTC will be \$150,242 and \$91,878 in 2020. Council asked staff to provide information regarding funding sources and clarify that Fort Collins' Council doesn't need a study session prior to the joint meeting with Loveland City Council in March.

Information Only

**6.4. FISCAL ADVISOR
DECEMBER 2016 INVESTMENT REPORT**

Alan Krcmarik, Executive Fiscal Advisor, presented this item to Council. 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 December monthly report, the estimated yield on the fixed income securities held by USBank was at 1.36%, for total assets the yield was 1.31%. For the year-to-date through December, total earnings of \$2,188,334 were posted to City

fund accounts. U.S. short-term Treasury interest rates moved sharply higher in November and December. The portfolio's change in unrealized gain for the year 2016 was a decrease of \$1.4 million. The end of December market estimated value is to be \$220.6 million. The peak amount for the portfolio was reached before the 2013 flood when the market value was estimated to be \$226.3 million.

Information Only

**6.5. FINANCE
DECEMBER 2016 FINANCIAL REPORT**

Brent Worthington, Finance Director, presented this item to Council. 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 December 31, 2016. Citywide Revenue (excluding internal transfers) of \$281.5 million is 90.0% of year to date (YTD) budget. Sales Tax collections in the month of December are 3.5% below December in 2015, and 99.3% of the YTD budget. Building Material Use Tax is 130.7% of YTD budget. Sales and Use Tax collections combined are 103.2% of YTD budget. Citywide total expenditures of \$269.5 million (excluding internal transfers) are 72.2% of the YTD budget.

Information Only

7. REPORTS

7.1. BUSINESS FROM CITY COUNCIL

This is an opportunity for Council Members to report on recent activities.

Clark: 1) Highway 34 Coalition will be discussing future access control along the corridor and the Highway 402 corridor to be called Freedom Parkway. Discussions with other municipalities are ongoing. 2) The Loveland Downtown Partnership, has a vacant position to be filled by someone who owns a business or property downtown. 3) The Downtown Loveland Association will be changed to the Loveland Downtown Foundation as a 501c3 organization. 4) The Community Marketing Commission reported the cost of the Fire and Ice Festival, paid for by the lodging tax, was \$110,000.

Johnson: 1) Attended the Loveland Police Department awards ceremony and the Colorado Municipal League's Policy Committee Meeting.

Fogle: 1) Attended Valentine's Day celebrations throughout the community. The BBC contacted the Chamber of Commerce with the intent of making a

short film about Loveland's Valentine program. 2) Attended, A Night to Shine, a prom for those with special needs; over 400 and their chaperones attended.

7.2. CITY MANAGER REPORT

City Manager, Steve Adams, informed Council of legislative proposals to increase sales tax to fund transportation that will be an agenda item at the next North Front Range Metropolitan Planning Organization meeting.

7.3. CITY ATTORNEY REPORT

None.

7.4. ADJOURN

Hearing no further business to come before Council, Mayor Pro Tem Fogle adjourned the February 21, 2017 City Council meeting at 9:10 p.m.

Respectfully Submitted,




Beverly A. Waker, Acting City Clerk


John H. Fogle, Mayor Pro Tem

