

LOVELAND CITY COUNCIL MEETING
TUESDAY, FEBRUARY 1, 2011
CITY COUNCIL CHAMBERS
500 EAST THIRD STREET
LOVELAND, COLORADO

THE CITY OF LOVELAND DOES NOT DISCRIMINATE ON THE BASIS OF DISABILITY, RACE, CREED, COLOR, SEX, SEXUAL ORIENTATION, RELIGION, AGE, NATIONAL ORIGIN, OR ANCESTRY IN THE PROVISION OF SERVICES. FOR DISABLED PERSONS NEEDING REASONABLE ACCOMMODATION TO ATTEND OR PARTICIPATE IN A CITY SERVICE OR PROGRAM, CALL 962-2343 OR TDD # 962-2620 AS FAR IN ADVANCE AS POSSIBLE.

5:45 P.M. DINNER—CITY MANAGER’S CONFERENCE ROOM
6:30 P.M. REGULAR MEETING—City Council Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

PROCLAMATION DECLARING FEBRUARY, 2011 AS “CAREER & TECHNICAL EDUCATION MONTH”

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. You 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 your comments to no more than three minutes.

CONSENT AGENDA

1. **MINUTES**
 CONSIDERATION OF MINUTES FOR:
 - a) January 11, 2011 Study Session
 - b) January 18, 2011 Regular Meeting

2. **CITY MANAGER**
 BOARD & COMMISSION APPOINTMENTS

This is an administrative action recommending appointments to the Disabilities Advisory Commission, Planning Commission and Police Citizen Advisory Commission. The Disabilities Advisory Commission (“DAC”) recommends Angie Clayton for a term effective until June 30, 2013 and Kathy Witcher as an alternate for a one year term effective until

February 1, 2012. The Planning Commission recommends the reappointment of Michael Ray for a term effective until December 31, 2013. The Police Citizen Advisory Commission recommends Ed Gassman and Richard Hunsaker for reappointment and Swaine Skeen for appointment, all for three year terms effective until December 31, 2013. Joseph Hertwig is recommended for appointment as an Alternate for a one year term effective until February 1, 2012.

3. **PUBLIC WORKS**

SUPPLEMENTAL BUDGET AND APPROPRIATION TRANSPORTATION GRANTS

Consideration on second reading of an ordinance enacting a supplemental budget and appropriation to the 2011 City of Loveland budget for a Federal Hazard Elimination Grant and a Federal Congestion Mitigation and Air Quality (CMAQ) Grant for transportation projects

This is an administrative action. The ordinance appropriates funding from federal grants for safety improvements at the Boyd Lake Avenue and 5th Street intersection and for traffic signal equipment upgrades along the US 287 Corridor in Loveland. The contracts between the City of Loveland and CDOT were approved by City Council at the December 7, 2010 meeting. The funding is from Federal grants. The matching funds for the Hazard Elimination grant are already budgeted within the 2010 Transportation Program and will be rolled over into the 2011 budget; and the CMAQ grant only requires in-kind contributions for the installation and other associated work. The ordinance was unanimously adopted on first reading by City Council on January 18, 2011.

4. **DEVELOPMENT SERVICES**

PUBLIC HEARING

UTILITY EASEMENT VACATION – HILE FIRST SUBDIVISION

Consideration on first reading of an ordinance vacating a portion of a utility easement of Lot 2, Block 1, Hile First Subdivision, City of Loveland, Larimer County, Colorado

A public hearing to consider a legislative action to adopt an ordinance on first reading vacating a 280 square foot utility easement located in Lot 2, Block 1, Hile First Subdivision. The applicant is the Atwood Associates Consulting Engineers, Inc. on behalf of the McDonalds Corporation.

5. **DEVELOPMENT SERVICES**

PETITION FOR ANNEXATION – TIMKA FIRST ADDITION

Consideration of Resolution #R-7-2011 finding a certain petition for annexation known as Timka First Addition, filed January 12, 2011, to be in substantial compliance with Section 30 of Article II of the Colorado Constitution and with the requirements of §31-12-107(1), C.R.S.; and establishing a date, time, and place for a hearing to determine whether the proposed annexation complies with the applicable requirements of Sections 31-12-104 and 31-12-105, C.R.S., and is eligible for annexation to the City of Loveland, Colorado

A legislative action to consider a resolution that makes findings of facts regarding certain statutory requirements for the proposed Timka First Addition, and setting a public hearing of March 15, 2011 for City Council consideration of the annexation.

6. **FINANCE**

CONTRACT RENEWAL - PINNACOL

Consideration of a motion approving and authorizing the City Manager to sign a Contract and Security Agreement with Pinnacol Assurance Company for workers' compensation coverage for 2011

This is an administrative action allowing the City Manager to enter into a contract and security agreement for \$1,670,876 with Pinnacol Assurance Company for workers' compensation coverage required by the State of Colorado. The contract stipulates that Pinnacol will provide workers' compensation insurance with a per claim deductible of \$200,000 for 2011. The vendor will adjust workers' compensation claims in accordance with state law, pay claims and bill the City for the amount due under the deductible. They will provide loss control services to the City, including but not limited to industrial hygiene services, assistance with the development of training programs, resources and improvement of the City's safety programs. The contract also requires a security agreement granting Pinnacol a security interest in specified minimum collateral, initially a \$1M US Treasury Note held as a part of the City's investment portfolio, to secure the City's financial obligations under the insurance contract.

7. WATER & POWER

RESIDENTIAL LEASE AGREEMENT

Consideration of Resolution #R-8-2011 approving a Residential Lease Agreement with Paul Gilbert

This is an administrative action to approve a Residential Lease Agreement with Paul Gilbert, a Water & Power Department employee. The real property to be leased consists of the house and one bay of a storage shed owned by the City located at 3142 N. County Road 29, on the site of the City's Water Treatment Plant.

8. BUSINESS DEVELOPMENT

PUBLIC HEARING

SUPPLEMENTAL BUDGET AND APPROPRIATION – LODGING TAX PROCEEDS

Consideration on first reading of an ordinance enacting a Supplemental Budget and Appropriation to the 2011 City of Loveland budget for the lodging tax proceeds and operating and grant budget

This is a public hearing to consider an administrative action. The ordinance appropriates funding for operational costs and grant allocations using the 2011 projected revenue from the lodging tax proceeds. The Lodging Tax Fund was not included in the 2011 Adopted Budget. Revenues are projected to be similar to 2010 collections.

9. DEVELOPMENT SERVICES

FEE WAIVERS – LOVELAND HABITAT FOR HUMANITY

Consideration of Resolution #R-9-2011 waiving certain development fees for the construction of six residences by Loveland Habitat for Humanity

An administrative action to consider a resolution waiving fees in the amount of \$151,462 for the construction on six single family dwellings on six lots in the Willow Park 2nd Subdivision. In the 2011 Adopted Budget, City Council appropriated \$65,000 to back fill enterprise fees for the six dwellings. The estimated enterprise fees for the six dwellings are \$70,609. The applicant will be responsible for paying the balance of enterprise fees, \$5,609. The remaining non-enterprise fees waived would be up to \$86,500. These fees do not need to be back filled.

10. CITY MANAGER'S OFFICE

2011 LEGISLATIVE POLICY AGENDA DOCUMENT

Consideration of a motion to approve the 2011 Legislative Policy Agenda as recommended by Councilors McEwen, Shaffer and Solt

This is an administrative action recommending the approval of the City Council Legislative Policy Agenda document for 2011.

11. DEVELOPMENT SERVICES

PUBLIC HEARING

FEE WAIVERS – LOVELAND-BERTHOUD INTERFAITH HOSPITALITY NETWORK

a) Consideration of Resolution #R-10-2011 waiving certain development fees for the construction of one unit of transitional housing by the Loveland-Berthoud Interfaith Hospitality Network

b) Consideration on first reading of an ordinance enacting a supplemental budget and appropriation to the 2011 City of Loveland budget for fee waivers for one housing unit for the benefit of low income households

Administrative actions to consider a resolution granting a fee waiver for the construction of one single family dwelling unit by Loveland-Berthoud Interfaith Hospitality Network and an ordinance enacting a supplemental budget and appropriation to the 2011 City budget in the amount of \$11,910 to back fill the enterprise fees waived under the subject resolution.

END OF CONSENT AGENDA

CITY CLERK READS TITLES OF ORDINANCES ON THE CONSENT AGENDA

CITY COUNCIL

Anyone who wishes to speak to an item NOT on the Agenda may address the Council under Citizens' Report.

a. Citizens' Report

Presentation from Jamie Felton, Miss Valentine 2011

b. City Council/City Manager Announcements

PROCEDURAL INFORMATION

Anyone who wishes to address the Council on any item on this part of the agenda may do so when the Mayor calls for public comment. 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

12. DEVELOPMENT SERVICES – continued from January 4, 2011

NAMAQUA HILLS CENTRAL SECOND SUBDIVISION, PRELIMINARY PLAT – APPEAL

Consideration of a motion regarding an appeal of the decision made by the Planning Commission

This is a quasi-judicial action to consider an appeal of the Planning Commission's decision on October 11, 2010 to approve a preliminary subdivision plat known as the Namaqua Hills Central Second Subdivision (Namaqua Central). The plat contains approximately 49.4 acres and proposes 38 single family lots. The western 27 acres of the site is zoned DR and reserved for open space through a conservation easement. The eastern 22 acres is zoned R1. The site is generally located west of North Wilson Avenue between future alignments of 29th and 22nd Streets, and north of the current terminus of Morning Drive within the Namaqua Hills neighborhood in Larimer County. As approved by the Planning Commission, Morning Drive would be extended north to connect to 29th Street and 22nd Street would be upgraded and opened to regular traffic. The extension of Morning Drive would be a public

street and gated at the northern and southern entrances to Namaqua Central. Six parking spaces would be provided within Namaqua Central on the south side of the south gate to accommodate parking for users of a recreation trail to be located in the conservation easement within Namaqua Central. The appellant is Mike Thompson of 1713 Sunnyside Drive, Loveland, Colorado 80538.

**13. BUSINESS DEVELOPMENT
PUBLIC HEARING**

AMENDMENTS REGARDING LOVELAND JOB DEVELOPMENT PROGRAM

- a) **Consideration on first reading of an ordinance changing the name of the City of Loveland Economic Development Policy and establishing criteria for and approval of the agreement to administer the Loveland Jobs Development Program**
- b) **Consideration on first reading of an ordinance amending Loveland Municipal Code Section 3.04.070 authorizing investment of City funds and the City investment policy**

This legislative action is a result of discussion from the November 2nd meeting of the City Council Economic Development Subcommittee, the November 16th City Council Meeting, the December 8th meeting of the Citizens' Finance Advisory Commission, and the January 11th Council Study Session. The amendments to the Municipal Code, Economic Development Policy, and Investment Policy will provide the City a means to invest in economic development and community redevelopment projects. This is the first reading of the amendments. If the Council adopts the Ordinances, up to \$5 million of the City's investment portfolio may be invested in projects that meet the criteria of the revised economic development policy and the credit review requirements of the Loveland Jobs Development Program third-party administrator.

**14. BUSINESS DEVELOPMENT
ACE MANUFACTURING AND INNOVATION CENTER**

Consideration of Resolution #R-11-2011 supporting location of the ACE Manufacturing and Innovation Center at the Agilent campus in Loveland, Colorado and authorizing the submission of an expression of interest

This administrative action is a follow up to the January 18th City Council meeting. In that meeting City Council members considered a presentation from the Colorado Association of Manufacturing and Technology (CAMT) and discussed the City's support for a response to the site selection request for information for the Aerospace Clean Energy Manufacturing and Innovation Center (ACE). The City is proposing the ACE Center be located at the Agilent campus property.

**15. FINANCE
DECEMBER 2010 FINANCIAL REPORT**

This is an information only item. No action is required. The Snapshot Report includes the City's preliminary revenue and expenditures including detailed reports on tax revenue, health claims and cash reserves for the twelve months ending December 31, 2010. Citywide Revenue (excluding internal transfers) of \$185,449,134 is 101.2% of year to date (YTD) budget. Sales tax, the City's single largest source of revenue, is 103.6% of the YTD budget. City wide total expenditures, \$179,955,573 (excluding internal transfers) are 83.1% of YTD budget. The City's health claims paid year to date is \$6,826,006 or 90.3% of YTD budget.

**16. CITY MANAGER
INVESTMENT REPORT FOR DECEMBER 2010**

This is an information only item. No Council action is required. The budget estimate for investment earnings for 2010 is \$4,195,750. For the year to date, the amount posted to the investment account is \$3,775,325 including realized gains. The actual year-to-date earnings are lower than the year-to-date budget projection by \$433,415. Based on December's monthly statement, the estimated annualized yield is about 2.0%, about 1/10th of a percent higher than last month. Due to record setting fall in interest rates since the budget estimates were done in August 2009, the portfolio did not reach the annual budget projection.

17. CITY MANAGER

An executive session to consider a matter subject to negotiation, the prospect of the ACE Manufacturing and Innovation Park being located in Loveland

CITY COUNCIL NEW BUSINESS

CITY MANAGER'S STAFF REPORT

CITY ATTORNEY'S REPORT