



MINUTES
LOVELAND CITY COUNCIL STUDY SESSION AND
SPECIAL MEETING
Tuesday, June 26, 2018 Council Chambers 6:00 PM

COUNCIL PRESENT:

Mayor Marsh
Councilors:
Overcash, Johnson, Ball, Clark, Olson, Jersvig, Wright

COUNCIL ABSENT: Fogle

STUDY SESSION ITEMS

1. AGENDA

1.1 FINANCE

2017 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Brent Worthington, Finance Director, along with Matt Marino from Rubin Brown reported on the Comprehensive Annual Financial Report for the year ending December 31, 2017, which received an unmodified opinion from the external auditors. This indicates that, in all material respects, the report fairly presents the financial position of the City and is in conformity with generally accepted accounting principles. Members of the Citizens' Finance Advisory Commission were presented with audit findings in relation to the CAFR (Comprehensive Annual Financial Report) on June 13th, 2018 by auditors Cheryl Wallace and Matthew Marino with Rubin Brown. CFAC was pleased with the given results with no contention in regards to the final CAFR product and said findings.

Information Only

1.2 COMMUNITY PARTNERSHIP OFFICE

GRACE GARDENS AT DERBY HILL AFFORDABLE HOUSING NEIGHBORHOOD

Alison Hade, Community Partnership Office, addressed Council on the first affordable neighborhood project that utilizes the Unified Development Code and the Affordable Housing Code. Grace Community Church, Loveland Housing Authority and Habitat for Humanity will partner with Aspen Homes and Brinkman Partners to produce 206 for-sale and rental homes for primarily low to moderate income Loveland residents. The project will be the first to utilize both the new Unified Development Code and changes made to the Affordable Housing Code in 2017.

Information Only

**1.3 ECONOMIC DEVELOPMENT
INFORMATION ITEM REGARDING A PROPOSED INCENTIVE AGREEMENT WITH TRI-
POINT/LEED FABRICATION SERVICES**

Mike Scholl, Economic Development Manager, presented the economic incentive request from Tri-Point/Leed Fabrication Services located at 5100 Boyd Lake Avenue. Tri-Point/Leed Fabrication Services are planning to consolidate operations in Loveland. The plan includes an expansion of their existing manufacturing facility, projected to add 25 new jobs a year for five years and the expansion corporate offices and the relocation of 50 office jobs to Loveland. The company produces industrial separators used in oil and gas extraction and sells them to locations around Colorado, Wyoming and Nebraska. With the completion of the expansion, the company will maintain point of sales for the machinery in Loveland and be subject to City sales tax. The company has asked for an economic incentive that includes a waiver of fees and a rebate of sales tax over five years.

Craig Freckam, Vice President for Tri-Point, addressed Council on the company and the project.

Information Only

**1.4 PUBLIC WORKS
REGIONAL WASTESHED COALITION RECOMMENDATIONS**

The purpose of the study session item is to provide City Council with recommendations from the North Front Range Wasteshed Coalition about new infrastructure and policy, and to seek direction on next steps. Joining Loveland staff in the presentation is Doug DeCesare from HDR Consulting, with Stephen Gillette and Todd Blomstrom of Larimer County in attendance. This collaborative project represents a rare opportunity to create a more effective waste and recycling management system following the 2025 closure of the Larimer County Landfill. Recommendations from the Wasteshed Coalition include new solid waste facilities (funded by Larimer County) and supportive policies (adopted by municipalities) to be outlined in an Intergovernmental Agreement (IGA). The Board of County Commissioners will be considering adoption of a master plan detailing these recommendations, in July 2018.

Information Only

2. ADJOURN TO SPECIAL MEETING

Mayor Marsh adjourned the June 26, 2018 Study Session at 9:35 p.m.

3. SPECIAL MEETING

3.1 INTRODUCTION

3.2 CALL TO ORDER

3.3 ROLL CALL

COUNCIL PRESENT: Mayor Marsh

Councilors:

Overcash, Johnson, Ball, Clark, Olson, Jersvig, Wright

COUNCIL ABSENT: Fogle

PROCEDURAL INFORMATION

Council will give anyone in the audience time to speak to any PUBLIC COMMENT or PUBLIC HEARING item on the Regular Agenda before acting upon it. The Mayor will call for public comment following any staff report. Council conducts public hearings according to its Rules of Procedure and legal requirements. Loveland's Charter only requires that a majority of the quorum present vote in favor to adopt an ordinance first reading. However, adopting an ordinance on second or final reading requires that at least five of the nine Council members vote in favor.

4. AGENDA

4.1 PUBLIC COMMENT

FOUNDRY DRA AMENDMENT #4 CAP ADJUSTMENT & FOUNDRY SECURITY SYSTEM

Michael Hogan, Facilities Operations Manager, addressed Council on the Disposition and Redevelopment Agreement (DRA) amendment noting that since April 2017 the City of Loveland Foundry Project Team has been proactively managing the Foundry Project with the aid of Ditesco Construction Management Services, and in partnership with both Brinkman Construction and Brinkman Partners (Brinkman). Since that time Brinkman has encountered increasing costs related directly to materials, labor, dewatering requirements, and scope clarification. In partnership with Brinkman, the City has crafted a plan that will address these costs and allow both the City and Brinkman to complete the Foundry Project and deliver an exceptional public experience. The negotiation team worked in partnership with Brinkman to develop a solution to the cost increases as outlined in the proposed amendment and separate security camera funding proposal. The total cost to the City would be \$777,647, the cost to Brinkman Development would be \$679,869 and the cost to the Brinkman Metro District would be \$529,142.

Jay Hardy, Brinkman President, addressed Council on the timing of the release of the draft DRA amendment to the public prior to Brinkman's review and the timing/completion of the various components of the project.

Moved by Councilor Jersvig, seconded by Councilor Johnson.

A Motion To Adopt On First Reading An Ordinance Enacting A Supplemental Budget And Appropriation To The 2018 City Of Loveland Budget To Fund An Adjustment To The Foundry Project Disposition And Redevelopment Agreement (DRA) And To Purchase A Garage And Plaza Security System

CARRIED UNANIMOUSLY 8-0.

Mayor Marsh opened the meeting for public comment.

Gary Lindquist inquired what the responsibility of the engineering firm that conducted the soil tests to the issues related to the dewatering system.

Larry Sarnar spoke in opposition to the project stating concerns with the funding and financing of the Foundry project.

Gale Farnum addressed Council stating the Foundry project has created too much traffic and spoke in opposition to the City continuing to fund the project and feels it has gone too far.

4.2 PUBLIC WORKS

PUBLIC COMMENT

2018 BUDGET APPROVED SOLID WASTE REPLACEMENT TRUCKS

Tyler Bandemer, Superintendent of Solid Waste, addressed Council on the resolution which authorizes the City Manager to execute a contract for \$983,787 for the budgeted purchase of three (3) Autocar chassis equipped with Labrie Automizer side load compaction bodies. The Solid Waste fleet is subjected to intensive daily use and as a result are on a targeted replacement schedule to ensure retirement before expensive system failures occur. The funds are currently available within the Solid Waste Enterprise Fund and have been appropriated in the 2018 Budget.

Moved by Councilor Jersvig, seconded by Councilor Johnson.

A Motion To Adopt Resolution #R-60-2018 Approving A Contract With Transwest Freightliner, LLC D/B/A Transwest Trucks For Purchase Of Three Waste Collection Trucks And Authorizing The City Manager To Execute The Contract.

CARRIED UNANIMOUSLY 8-0.

5. **ADJOURN**

Mayor Marsh adjourned the June 26, 2018 Special Meeting of City Council at 10:28 p.m.

Respectfully Submitted,



Patti Garcia

Patti Garcia, City Clerk

Jacki Marsh

Jacki Marsh, Mayor

