

CALL TO ORDER Mayor Gutierrez called the regular meeting of the Loveland City Council to order on the above date at 6:30 PM.

PLEDGE OF ALLEGIANCE

ROLL CALL Roll was called and the following responded: Gutierrez, McKean, Klassen, Heckel, Johnson, Solt, Shaffer and Rice. Councilor McEwen was absent.

PROCLAMATION Mayor Gutierrez read a proclamation declaring Samuel G. Betters, "Honored Citizen". The proclamation was received by Sam Betters.

PROCLAMATION

WHEREAS Samuel G. Betters has served the Housing Authority of the City of Loveland for thirty-five years; and

WHEREAS Samuel G. Betters has been an exemplary Executive Director of the Housing Authority of the City of Loveland since 1981; and

WHEREAS Samuel G. Betters has dedicated his professional career toward providing clean, safe, and affordable housing for the citizens of Loveland; and

WHEREAS Samuel G. Betters has provided assistance, leadership, and expertise to other affordable housing agencies throughout the State of Colorado; and

WHEREAS Samuel G. Betters is a strong advocate for the growth and personal development of Loveland residents who reside in affordable housing; and

WHEREAS Samuel G. Betters has served the City of Loveland as a member of its committees, boards, and commissions including Chairperson of the City of Loveland's Affordable Housing Commission; and

WHEREAS Samuel G. Betters' service and commitment to the citizens of Loveland has made the City of Loveland a better community.

NOW, THEREFORE, the City Council for City of Loveland, Colorado do hereby proclaim
SAMUEL G. BETTERS, "HONORED CITIZEN" OF THE CITY OF LOVELAND

and express the City's appreciation and gratitude for his leadership and the contributions he has made toward making Loveland the "jewel" of Northern Colorado.

Signed this 2nd day of August, 2011
Cecil A. Gutierrez, Mayor
City of Loveland, Colorado

PRESENTATION Jim Tolstrup, Executive Director of the High Plains Environmental Center, presented an overview of the environmental center. Their website is www.suburbitat.org.

PROCEDURAL INFORMATION

Mayor Gutierrez made the following procedural announcement: 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

Mayor Gutierrez asked if anyone in the audience, Council or staff wished to speak on any of the items or public hearings listed on the Consent Agenda. Councilor Johnson moved to approve the Consent Agenda. The motion was seconded by Councilor Heckel and a roll call vote was taken with all councilors present voting in favor thereof.

1. MINUTES

- a) Minutes for the July 12, 2011 study session were approved.
- b) Minutes for the July 19, 2011 regular meeting were approved.

2. DEVELOPMENT SERVICES

Easement Vacation, Ferrero First Addition (Larimer County Food Bank)

Ordinance #5613

Legislative Action: "AN ORDINANCE VACATING A PORTION OF A UTILITY EASEMENT ON LOT 2, BLOCK 1, OF THE AMENDED PLAT OF LOTS 1 AND 2, BLOCK 1, FERRERO FIRST ADDITION, CITY OF LOVELAND, LARIMER COUNTY, COLORADO was approved and ordered published on second reading.

3. FINANCE

Municipal Code Amendment Regarding Construction Contracts

Ordinance #5614

Legislative Action: "AN ORDINANCE AMENDING THE LOVELAND MUNICIPAL CODE AT SECTION 3.12.140 CONCERNING PERFORMANCE AND PAYMENT BONDS REQUIRED FOR CONSTRUCTION CONTRACTS, AND SECTION 3.12.150 CONCERNING RETAINAGE HELD ON CONSTRUCTION CONTRACTS" was approved and ordered published on second reading.

4. AIRPORT

Supplemental Appropriation – Airport Terminal Building

Ordinance #5615

Administrative Action: "AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2011 FT. COLLINS-LOVELAND AIRPORT BUDGET FOR THE PURCHASE OF A MODULAR BUILDING" was approved and ordered published on second reading.

5. PUBLIC WORKS

Supplemental Appropriation – School Crossing Guard

1st Rdg Ord & P.H.

Administrative Action: A public reading was held and "AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2011 CITY OF LOVELAND BUDGET FOR A NEW SCHOOL CROSSING GUARD AT 29TH STREET AND MADISON AVENUE" was approved and ordered published on first reading.

6. INFORMATION TECHNOLOGY

Dissolve Communications Technologies Commission

1st Rdg Ord & P.H.

Legislative Action: A public reading was held and "AN ORDINANCE AMENDING THE LOVELAND MUNICIPAL CODE AT SECTION 2.60.070 TO DISSOLVE THE COMMUNICATIONS TECHNOLOGIES COMMISSION" was approved and ordered published on first reading.

7. DEVELOPMENT SERVICES

CDBG Annual Action Plan

Resolution #R-47-2011

Administrative Action: Resolution #R-47-2011 of the City Council of the City of Loveland, Colorado approving a Community Development Block Grant Annual Action Plan and Grant Application for 2011- 2011 was approved.

RESOLUTION #R-47-2011

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO APPROVING A COMMUNITY DEVELOPMENT BLOCK GRANT ANNUAL ACTION PLAN AND GRANT APPLICATION FOR 2011 – 2012

WHEREAS, the City of Loveland, Colorado receives federal Community Development Block Grant ("CDBG") dollars from the U.S. Department of Housing and Urban Development ("HUD"); and

WHEREAS, HUD requires the City to submit an annual action plan and grant application providing detailed information regarding the City's plan to spend the federal funding; and

WHEREAS, the City has developed a Community Development Block Grant Annual Action Plan and Grant Application for 2011 – 2012, a copy of which is on file with the City Clerk ("Annual Action Plan"); and

WHEREAS, the Annual Action Plan includes information regarding the allocation of 2011 – 2012 CDBG funds that were approved by the City Council on June 21, 2011 through the adoption of Resolution #R-43-2011; and

WHEREAS, the City Council desires to approve the Annual Action Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the Community Development Block Grant Annual Action Plan and Grant Application for 2011 – 2012, a copy of which is on file with the City Clerk, is hereby approved.

Section 2. That this Resolution shall be effective as of the date of its adoption.

ADOPTED this 2nd day of August, 2011.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

END OF CONSENT AGENDA

CITY CLERK READ TITLES OF ORDINANCES ON THE CONSENT AGENDA.

CITY COUNCIL

a) Citizens' Reports

Eric Sutherland, Fort Collins resident, expressed appreciation for the Council's willingness to discuss the Platte River Power Authority project.

b) Business from Council

Gutierrez

There was discussion about creating an abatement policy. The Mayor complemented all those involved with the Larimer County Parade. The Mayor attended several events in conjunction with Colorado Cares Day. Human Resources Director Julia Garcia sent Council the 2011 schedule for evaluations of the City Manager, Judge and City Attorney. In response to a question by the Mayor, Chief Mirowski stated the Fire Authority does not have any taxing ability. The funding is from the city of Loveland and rural district.

Gutierrez

The Mayor addressed a letter received from Mayor Weitkunat of Fort Collins regarding a request to Council to send a joint directive (with Fort Collins Council) to Platte River Power Authority to investigate alternatives to building the Dixon transmission line through the Pineridge Natural Area. Discussion ensued. Councilor Klassen made a motion for Council to hold a special meeting on August 9, 2011 at 6:30 p.m. and discuss with Platte River Power Authority possible alternate routes and technologies to the current plan for the Dixon transmission line that will still allow the current schedule to be met. Councilor Shaffer seconded the motion and a roll call vote was called with seven councilors present voting in favor and Councilor McKean voting against. The motion passed. The Fort Collins City Council and Platte River Power Authority will be invited to the August 9, 2011 meeting.

c) City Manager Report

City Manager Cahill gave an update on the building facade collapse at 309 E. 4th Street.

d) City Attorney Report

None

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 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

8. FINANCE

Ballot Measure for November 1, 2011 Election

1st Rdg Ord & P.H.

Administrative Action: Budget Officer John Hartman introduced this item to Council. This is an administrative action to refer a ballot measure to allow the City to retain revenue in excess of the TABOR (State Constitutional Amendment) revenue limits beginning January 2013. Councilor Johnson made a motion to approve the ordinance and submit to the registered electors of the City of Loveland at the regular election to be held on November 1, 2011, the ballot issue of whether, without creating a new tax or increasing the rate of any existing tax, the City of Loveland shall be permitted to collect, retain, and spend all city revenues in excess of the spending and revenue limitation in Article X, Section 20 of the Colorado Constitution to be used for police, fire, street construction and maintenance, and parks construction and maintenance. Councilor Shaffer seconded the motion. Councilor Klassen made a motion to set sunset provisions by adding the following language "through December 31, 2022" to the ballot language. Councilor Rice seconded the motion and a roll call vote was taken with three councilors present voting in favor and Councilors Johnson, Gutierrez, Shaffer Solt and Heckel voting against. The motion failed. A roll call vote was taken on the ordinance as originally moved with five Councilors present voting in favor and Councilors McKean, Rice and Klassen voting against. The motion passed.

9. BUSINESS DEVELOPMENT

Fee Waivers – Wood Group Power Plant Services, inc

Resolution #R-48-2011

Administrative Action: Business Development Manager Betsey Hale introduced this item to Council. Gary Schwartz, Vice President Controls Operations/ Wood Group GRS, and Kelly Peters, Director of Business, Northern Colorado Economic Development Corporation were also present. This is an administrative action. Wood Group has requested City Council consideration of a \$13,835.00 economic incentive package for the expansion of the company located at 591 West 66th Street. Councilor Johnson made a motion to approve Resolution #R-48-2011 waiving certain permit and development fees for Wood Group Power Plant Services, Inc. Councilor McKean seconded the motion and a roll call vote was taken with all Councilors present voting in favor thereof.

RESOLUTION #R-48-2011

A RESOLUTION WAIVING CERTAIN PERMIT AND DEVELOPMENT FEES FOR WOOD GROUP POWER PLANT SERVICES, INC.

WHEREAS, Wood Group Power Plant Services Inc., a Nevada corporation ("Wood Group") provides engineering and support services, retrofit controls upgrades for gas and steam turbines, and remote monitoring and diagnostic services

for power generation, compression and transmission for power plants operated by John Wood Group PLC in the United States; and

WHEREAS, Wood Group has entered into a new five year lease (the "New Lease") for existing and new space located at 567, 579, 583, 587, 581, 595, 599 W. 66th Street, Loveland (the "Premises"), including renovation and expansion of the Premises at Wood Group's cost (the "Renovation and Expansion"); and

WHEREAS, as a result of entering into the New Lease, completing the Renovation and Expansion, and remaining in its current location in Loveland, Wood Group will create 15 new positions and retain 50 existing employees in the Premises in Loveland; and

WHEREAS, Wood Group has requested from the City certain economic incentives, including a credit for construction materials use tax due on application for a building permit for the Renovation and Expansion up to a maximum of \$6,000.00 (the "Use Taxes"), waiver of building permit and inspection fees due on application for a building permit for the Renovation and Expansion of the Premises of up to \$5,225.00 (the "Permit Fees"), and waiver of capital expansion fees due at time of certificate of completion for the Renovation and Expansion of the Premises of up to \$2,610.00 (the "CEF's"), to help defray some of its costs to complete the Renovation and Expansion to remain in its current location in Loveland; and

WHEREAS, Section 16.38.070 of the Loveland Municipal Code provides that the City Council may grant an exemption from all or any part of the CEF's or Permit Fees, whether for capital or other purposes, upon a finding that such waiver is in the best interests of the public by encouraging activities that provide significant social, economic, or cultural benefits; and

WHEREAS, Section 16.38.070 provides further that, whenever any capital related CEF is waived, the City Council shall direct that the waived fee be paid by the general fund or another appropriate fund; and

WHEREAS, Section 3.16.590 of the Loveland Municipal Code provides that the City Council may grant by resolution a use tax credit upon a finding that such a credit will serve a public purpose, including but not limited to providing the public with significant social and economic benefits;

WHEREAS, the City Council believes that granting Wood Group an exemption from the CEF's and Permit Fees and a credit for the Use Taxes is in the best interests of the public because Wood Group's completion of the Renovation and Expansion of the Premises and continued location in Loveland will provide significant social and economic benefits to the citizens of Loveland, primarily in the form of jobs, economic development, and increased sales and property tax revenues to the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the City Council hereby finds that granting Wood Group an exemption from CEF's and Permit Fees is in the best interests of the public because the Renovation and Expansion of the Premises and continued location of Wood Group in Loveland will provide significant social and economic benefits to the citizens of Loveland, primarily in the form of jobs, economic development, and increased tax revenues to the City.

Section 2. That the City Council hereby finds that granting Wood Group a use tax credit will serve a public purpose because the Renovation and Expansion of the Premises and continued location in Loveland will provide significant social and economic benefits to the citizens of Loveland, primarily in the form of jobs, economic development, and increased tax revenues to the City.

Section 3. That the Permit Fees identified on Exhibit A attached hereto and incorporated herein by this reference, due on application for a building permit for the Renovation and Expansion of the Premises in an amount not to exceed Five Thousand Two Hundred and Twenty Five Dollars (\$5,225.00) are hereby waived, provided that Wood Group obtains a building permit for the Renovation and Expansion of the Premises on or before October 31, 2011.

Section 4. That the a credit for the Use Taxes due on application for a building permit for the Renovation and Expansion of the Premises in an amount not to exceed Six Thousand Dollars (\$6,000.00) is hereby approved, provided that Wood Group obtains a building permit for the Renovation and Expansion of the Premises on or before October 31, 2011.

Section 5. That the CEF's identified on Exhibit A, attached hereto and incorporated herein by reference, due on issuance of a certificate of completion for the Renovation and Expansion of the Premises in an amount not to exceed Two Thousand Six Hundred and Ten Dollars (\$2,610.00) are hereby waived, provided that Wood Group obtains a temporary or permanent certificate of completion for the Renovation and Expansion of the Premises on or before May 31, 2012. Waived CEF's shall be backfilled by the general fund or other appropriate fund.

Section 6. That this Resolution shall be effective as of the date of its adoption.

ADOPTED this 2nd day of August, 2011.

Cecil A. Gutierrez, Mayor
Attest: Teresa G. Andrews, City Clerk
Exhibit A is available in the City Clerk's Office

10. DEVELOPMENT SERVICES

Municipal Code Amendment Regarding Affordable Housing

1st Rdg Ord & P.H.

Legislative Action: Community Partnership Administrator Alison Hade introduced this item. This is a public hearing to consider a legislative action to adopt an ordinance on first reading to amend Title 16, adding language to definition of "affordable housing development" establishing that an affordable housing development means a development designated as such by the City Council and establishes that fees calculated under this section are valid for only five years and thereafter can only be calculated based on the development fee schedule in affect a maximum of five years prior (the "five-year rolling lock"). The Mayor opened the public hearing at 8:58 p.m. and hearing no comments closed the hearing at 8:58 p.m. Councilor Johnson made a motion to approve and ordered published on first reading "AN ORDINANCE AMENDING TITLE 16 OF THE LOVELAND MUNICIPAL CODE AT SECTION 16.08.101, CHAPTER 16.38 AND CHAPTER 16.43 REGARDING AFFORDABLE HOUSING". Councilor Shaffer seconded the motion and a roll call vote was taken with all Councilors present voting in favor thereof.

11. FINANCE

June 2011 Financial Report

This is an information only item. No action is required. Assistant City Manager and Finance Director Renee Wheeler introduced this item to Council. The Snapshot Report includes the City's preliminary revenue and expenditures including detailed reports on tax revenue, health claims and cash reserves for the six months ending June 30, 2011.

12. CITY MANAGER

investment Report - June 2011

This is an information only item. No Council action is required. Executive Fiscal Advisor, Alan Krcmarik, introduced this item to Council. The budget estimate for investment earnings for 2011 is \$3,163,130. For the first half of 2011, the amount posted to the investment account is \$1,944,127 including realized gains. Actual year-to-date earnings are higher than the year-to-date projection by \$362,562. Based on June's monthly statement, the estimated annualized yield on the U.S. agencies and corporates slipped to 1.63%, which is under the annual target rate. The slippage is due to \$44 million of called bonds. Most of the \$44 million will be reinvested. Interest rates are trending lower, but annual returns should still meet the target.

ADJOURNMENT

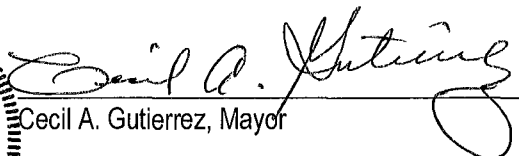
Having no further business to come before Council, the August 2, 2011 Regular Meeting was adjourned at 9:25 p.m.

Respectfully Submitted,



Teresa G. Andrews, City Clerk





Cecil A. Gutierrez, Mayor