

**LOVELAND CITY COUNCIL MEETING  
WATER ENTERPRISE BOARD  
TUESDAY, NOVEMBER 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.**

**5:30 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 OCTOBER 24, 2011 AS "ROTARY INTERNATIONAL DAY IN LOVELAND"**

*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:**
  - a)   October 11, 2011 Study Session**
  - b)   October 18, 2011 Regular Meeting****
  
- 2.     CITY MANAGER  
      **BOARD & COMMISSION APPOINTMENTS**  
      **Consideration of a motion to approve appointments to the Community Marketing Commission, Human Services Commission and Open Lands Commission****

This is an administrative action to approve the following appointments: Affordable Housing Commission – Angie Shafranek is recommended for appointment for a full term effective until June 30, 2014. Community Marketing Commission – recommends appointing Kurt Albers to a partial term effective until June 30, 2012. Human Services Commission – Amy Olinger is recommended for appointment for a partial term effective until June 30, 2013.

3. **AIRPORT**  
**SUPPLEMENTAL APPROPRIATION – SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM GRANT**

**Consideration on second reading of an ordinance enacting a supplemental budget and appropriation to the 2011 Ft. Collins-Loveland Airport budget for the Small Community Air Service Development Program Grant**

This is administrative action. The grant is in the amount of \$221,500.00. The grant will be used to fund the Airport's efforts to address the air service needs of the community through completion of an air service development, communications and marketing plan for the Airport and development of a plan for the wingless flight program. The appropriation is for a Federal Grant and local cash match to enhance service from the Airport. The program is funded with a federal grant. The grant requires a local match of \$19,600, which is funded from reserves. City Council unanimously approved the first reading of this ordinance on October 18, 2011.

4. **AIRPORT**  
**SUPPLEMENTAL APPROPRIATION – FACILITIES REMODELING PROJECT**

**Consideration on second reading of an ordinance enacting a supplemental budget and appropriation to the 2011 Fort Collins-Loveland Municipal Airport budget for a General Aviation Facilities Remodeling Project**

This is an administrative action. The Airport currently has a newly renegotiated lease agreement with the Fort Collins – Loveland jetCenter. This lease requires the jetCenter Corporation to contribute \$141,000 worth of improvements to the airport owned facility prior to November 30, 2011, or their leased rate will be increased. This project will be funded through new revenue not anticipated at the time of budget adoption, as a pass through to the airport, as the airport is the owner of the grounds and the associated improvements. City Council unanimously approved the first reading of this ordinance on October 18, 2011.

5. **CITY MANAGER**  
**MUNICIPAL CODE AMENDMENT - INVESTMENT POLICY**

**Consideration on second reading of an ordinance amending Loveland Municipal Code Section 3.04.070 regarding investment of City Funds and the City Investment Policy**

This is a legislative action to adopt an ordinance on second reading that will clarify the types of investments that may be made by the City. The ordinance (i) amends Loveland Municipal Code Section 3.04.070 so that City Council may authorize specified investments in addition to those already permitted under state law; and (ii) modifies the City's Investment Policy by adding descriptions, credit rating levels, maturity risk restrictions, and diversification limits for eight types of permitted investments. This item has a budget impact in that investment earnings on reserve funds are part of the revenues on which the City relies to provide services and build capital improvements. Without this proposed set of amendments, the City would not be able to earn as much on its reserves as it has in the past. City Council unanimously approved the first reading of this ordinance on October 18, 2011.

6. **WATER & POWER**  
**AMENDMENT TO CONTRACT FOR CONVEYANCE OF WATER**  
Consideration of Resolution #R-68-2011 of the City Council of the City of Loveland, Colorado approving an amendment to Contract No. 01WR6C0252 among the United States of America, the City of Loveland, Colorado, the Northern Colorado Water Conservancy District, and the City of Loveland, Colorado, Water Enterprise for conveyance of non- project municipal and industrial water through the facilities of the Colorado-Big Thompson Project
- This is an administrative item to adopt a resolution approving an amendment to Contract No. 01WR6C0252 with the U.S. Bureau of Reclamation and the Northern Colorado Water Conservancy District – commonly referred to as the City’s “Carriage Contract.” This amendment modifies the Carriage Contract to specify which entity receives the City’s payment under the Carriage Contract. It does not change the amount to be paid by the City or any other terms or conditions of the Carriage Contract.

**ADJOURN AS CITY COUNCIL AND CONVENE AS THE WATER ENTERPRISE BOARD**

7. **WATER & POWER**  
**AMENDMENT TO CONTRACT FOR CONVEYANCE OF WATER**  
Consideration of Resolution #R-69-2011 of the Board of the City of Loveland, Colorado, Water Enterprise approving an amendment to Contract No. 01WR6C0252 among the United States of America, the City of Loveland, Colorado, the Northern Colorado Water Conservancy District, and the City of Loveland, Colorado, Water Enterprise for conveyance of non-project municipal and industrial water through the facilities of the Colorado-Big Thompson Project
- This is an administrative item to adopt a resolution as the Water Enterprise Board acting on behalf of the City of Loveland, Colorado, Water Enterprise, approving an amendment to Contract No. 01WR6C0252 with the U.S. Bureau of Reclamation and the Northern Colorado Water Conservancy District – commonly referred to as the City’s “Carriage Contract.” This amendment modifies the Carriage Contract to specify which entity receives the City’s payment under the Carriage Contract. It does not change the amount to be paid by the City or any other terms or conditions of the Carriage Contract.

**ADJOURN AS THE WATER ENTERPRISE BOARD AND RECONVENE AS CITY COUNCIL**

8. **ECONOMIC DEVELOPMENT**  
**REVISE THE MEETING DATES FOR COMMUNITY MARKETING COMMISSION**  
Consideration of Resolution #R-70-2011 amending the scheduled meeting dates and location of the Community Marketing Commission
- This is an administrative action to change the meeting dates and location of those meetings of the Community Marketing Commission (CMC) from the first Thursday of every month in the City Manager’s Conference Room to the third Wednesday of every month in the Council Chambers.
9. **HUMAN RESOURCES**  
**2012 COMPENSATION OF CITY MANAGER AND CITY ATTORNEY**  
a) Consideration of Resolution #R-71-2011 of the Loveland City Council regarding the compensation of the City Manager  
b) Consideration of Resolution #R-72-2011 of the Loveland City Council regarding the compensation of the City Attorney
- This is an administrative action regarding compensation of the City Attorney and the City Manager. At the direction of City Council, the City Attorney and City Manager shall receive a

two percent (2%) merit increase, to their base salary, beginning on the initial pay period in 2012.

10. **HUMAN RESOURCES**

**CONTRACT AWARD FOR EMPLOYEE MEDICAL COVERAGE**

**Consideration of a motion to award the contract for City employee medical coverage to CIGNA HealthCare**

This is an administrative action. The item for consideration would allow the City Manager to enter into a contract for up to \$1,212,000.00 for 2012 with CIGNA HealthCare for City of Loveland employee healthcare administration. The contract stipulates that CIGNA HealthCare will provide healthcare administration for the City's employee healthcare.

11. **FINANCE**

**PUBLIC HEARING**

**SUPPLEMENTAL APPROPRIATION – CITY'S 2011 BUDGET**

**Consideration on first reading of an ordinance enacting a supplemental budget and appropriation to the City of Loveland, Colorado 2011 budget**

This is an administrative action. The ordinance is necessary to resolve several year-end issues and finalize the 2011 Budget. Several of the issues are new and the remainder we have been following through the year and have waited until now in order to provide the best forecast for the cost to the end of the year.

12. **FINANCE**

**PUBLIC HEARING**

**SUPPLEMENTAL APPROPRIATION – 2011 SPECIAL IMPROVEMENT DISTRICT #1 BUDGET**

**Consideration on first reading of an ordinance enacting a supplemental budget and appropriation to the Loveland Special Improvement District #1 2011 budget**

This is administrative action. The Ordinance appropriates funds from prepaid assessments to pay down debt. The revenue is being used to call District bonds early reducing the debt service for the District.

13. **PUBLIC WORKS**

**PUBLIC HEARING**

**SALE OF THE BISHOP HOUSE**

**Consideration on first reading of an ordinance authorizing the sale of the "Bishop House" and the sale of real property owned by the City of Loveland pursuant to City of Loveland Municipal Charter Section 4-7**

This is an administrative matter approving the sale of the "Bishop House," located at 871 E. 1st Street, and approximately 0.4 acres of City-owned real property located at 1317, 1321, & 1375 W. 8th Street (these parcels were acquired for the Taft Avenue widening project).

14. **FINANCE**

**SEPTEMBER 2011 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 nine months ending September 30, 2011.

15. **CITY MANAGER**

**INVESTMENT REPORT FOR SEPTEMBER 2011**

This is an information only item. No Council action is required. The budget estimate for investment earnings for 2011 is \$3,163,130. For the first nine months of 2011, the amount

posted to the investment account is \$2,900,744 including realized gains. Actual year-to-date earnings are higher than the year-to-date projection by \$528,396. Based on September's monthly statement, the estimated annualized yield on the U.S. agencies and corporates was up to 1.58%, well under the annual target rate and also under the budget target for 2012. Reinvestment rates are now significantly lower.

**END OF CONSENT AGENDA**

**CITY CLERK READS TITLES OF ORDINANCES ON THE CONSENT AGENDA**

**CITY COUNCIL**

- a. **Citizens' Report** *Anyone who wishes to speak to an item NOT on the Agenda may address the Council at this time.*
- b. **Business from 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.*
- c. **City Manager Report**
- d. **City Attorney Report**

**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**

**ADJOURN**