



MINUTES
LOVELAND CITY COUNCIL MEETING
Tuesday, October 4, 2016 CITY COUNCIL CHAMBERS 6:00 PM

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

COUNCIL ABSENT: None

1 INTRODUCTION

1.1 CALL TO ORDER

Mayor Gutierrez called the meeting to order at 6:30 p.m.

1.2 PLEDGE OF ALLEGIANCE

1.3 ROLL CALL

1.4 PROCLAMATIONS

Proclamation Declaring October 2016 as Domestic Violence Awareness Month

Glenda Shayne, Executive Director, Alternatives to Violence

Councilor Overcash read the proclamation which was received by Ms. Shane.

Proclamation Declaring Saturday, October 8, 2016 as the Day of the Annual Waterway Clean-up

Leah Browder, Public Works Director

The proclamation was read by Councilor Clark and received by Stormwater specialist, Joe Chapman.

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.

Items Removed from Consent Agenda: 2.3.

Moved by Councilor Shaffer, seconded by Mayor Pro Tem Fogle

A Motion to approve Consent Agenda items 2.1 to 2.12 with the Exception of item 2.3.

CARRIED UNANIMOUSLY.

**2.1 CITY CLERK
APPROVAL OF MEETING MINUTES**

Approval of the City Council minutes for the August 30, 2016 and September 13, 2016 Study Sessions and the September 20, 2016 Regular Meeting.

A Motion Approving the City Council minutes for the August 30, 2016 and September 13, 2016 Study Sessions and the September 20, 2016 Regular Meeting.

CARRIED UNANIMOUSLY

**2.2 CITY MANAGER
APPOINTMENT TO THE SENIOR ADVISORY BOARD**

This is an item appointing a member to the Senior Advisory Board.

Adopt a motion to appoint Karol Stroschein as the Chilson Senior Advisory Committee representative on the Senior Advisory Board for a two-year term effective until October 4, 2018.

CARRIED UNANIMOUSLY

**2.3 DEVELOPMENT SERVICES
THE FOUNDRY INCLUSION IN THE GID**

**2.4 PUBLIC WORKS
WILSON TO TAFT AVE FLOOD RECOVERY**

This project contains all remaining flood recovery work between Wilson Avenue and Centennial Park, including the following: replacement of the pedestrian bridge crossing the Big Thompson River downstream of Wilson Avenue; repair and realignment of several sections of concrete pedestrian trail between Wilson and Taft Avenue; repairs, utility protection, trail realignment, and erosion protection north of the Cottonwood Meadows Subdivision at an avulsion area; repair of three damaged storm sewer outfalls; repair and restoration of a pre-flood stormwater quality treatment pond; and construction of a trail connection to the west sidewalk on Taft Avenue. The first reading of the ordinance was unanimously approved by the City Council at the September 20, 2016 Council meeting.

***A Motion to Approve, on Second Reading, Ordinance #6051
Enacting A Supplemental Budget Appropriation To The 2016 City
Of Loveland Budget For Construction Of The Wilson To Taft
Avenue Flood Recovery Project.***

CARRIED UNANIMOUSLY

**2.5 DEVELOPMENT SERVICES
MIRASOL SECOND ADDITION ANNEXATION**

This is a public hearing to consider a resolution and the following ordinances on first reading:

- Approval of an ordinance to annex 6.8 acres of property to be known as the Mirasol Second Addition; and
- A quasi-judicial action to zone the 6.8 acres to Mirasol Community Planned Unit Development.

The property is located at the southeast corner of 4th Street SE and St. Louis Avenue. The applicant is the Housing Authority of the City of Loveland.

The City Council public hearing was held on September 20, 2016. After receiving public testimony, the Council voted unanimously to approve the annexation and zoning ordinances. After annexation and zoning, the next step in the process is a preliminary development plan that requires a Planning Commission hearing. This will provide the neighborhood with another opportunity to participate and comment on the site plan and building design.

1. A Motion to Approve, on Second Reading, Ordinance #6052 Approving The Annexation Of Certain Territory To The City Of Loveland, Colorado, To Be Known And Designated As "Mirasol Second Addition" To The City Of Loveland.

CARRIED UNANIMOUSLY

2. A Motion to Approve, on Second Reading, Ordinance #6053 Amending Section 18.04.060 Of The Loveland Municipal Code, The Same Relating To Zoning Regulations For "Mirasol Second Addition" To The City Of Loveland.

CARRIED UNANIMOUSLY

**2.6 ECONOMIC DEVELOPMENT
SUPPLEMENTAL APPROPRIATION FOR EWI**

City Council approved an agreement with EWI on October 20, 2015 to fund EWI operations at the Rocky Mountain Center for Innovation and Technology (RMCIT). The agreement called for the City to invest \$2 million, and EWI would identify an additional \$4 million for the project. The total development cost is \$6 million including the City's contribution. The initial appropriation for \$500,000 was approved at the October 2015 meeting and was paid to EWI. In accordance with the terms of the agreement, EWI has requested the next installment of \$1 million. EWI has met the performance measures as defined in the agreement that includes execution of RMCIT lease, contracts with financing partners, Colorado Advanced Manufacturing Alliance (CAMA) and the Colorado State Office of Economic Development and International Trade (OEDIT), and hiring of four staff including a director, business development, technology leader, and engineer.

Based on feedback from Council at the 1st reading of the appropriation ordinance, staff will work with EWI to develop a reporting system to insure the City's investment is tracked and used in accordance with the terms of the agreement. The first reading of the ordinance was approved unanimously by the City Council at the September 20, 2016 Council meeting.

A Motion to Approve, on Second Reading, Ordinance #6054 Enacting A Supplemental Budget And Appropriation To The 2016 City Of Loveland Budget for Edison Welding Institute (EWI) Incentive.

CARRIED UNANIMOUSLY

2.7 PARKS AND RECREATION

PUBLIC COMMENT

SUPPLEMENTAL APPROPRIATION FOR OPEN LANDS ACQUISITION

A supplemental budget ordinance to appropriate adequate funding for the acquisition of the Namaqua West Open Lands Acquisition along the Big Thompson River in west Loveland. A supplemental appropriation for \$1,600,000 from the Open Space Tax Fund is required to supplement available funding for the acquisition of the Namaqua West Open Lands acquisition. The current Open Space Tax Fund balance is \$6,064,377. The new fund balance would be \$4,464,377 upon approval of the supplemental appropriation.

A Motion to Approve, on First Reading, An Ordinance Enacting A Supplemental Budget And Appropriation To The 2016 City Of Loveland Budget For The Namaqua West Property Open Lands Acquisition.

CARRIED UNANIMOUSLY

2.8 ECONOMIC DEVELOPMENT

PUBLIC COMMENT

PHASE II OF THE WAYFINDING PROGRAM

The ordinance requests \$55,000 from the Lodging Tax Fund to support completion of Phase II of the wayfinding program. The funding is from reserves in the Lodging Tax Fund and reduces the flexibility for funding other future events or programs. If the request is approved the remaining 2016 unassigned fund balance in the Lodging Tax Fund will be \$553,324.

A Motion to Approve, on First Reading, An Ordinance Enacting A Supplemental Budget And Appropriation To The 2016 City Of Loveland Budget For Phase II Of The Wayfinding Program

CARRIED UNANIMOUSLY

2.9 PUBLIC WORKS

PUBLIC COMMENT

BIG THOMPSON RIVER CORRIDOR MASTER PLAN

City Council approval is necessary to accept a Community Development Block Grant – Disaster Recovery (CDBG-DR) planning grant awarded

by the State of Colorado to the City of Loveland. The grant is intended to reimburse the City of Loveland for the cost of preparing a detailed, multi-objective Big Thompson River Corridor Master Plan.

The ordinance on first reading appropriates funding for the engineering and planning costs to develop the Big Thompson River Corridor Master Plan. The project is anticipated to cost up to \$275,000, of which \$249,700 will be reimbursed by the CDBG-DR planning grant. The City's cost share is \$25,300 maximum. The City will contract with a consulting firm to develop the master plan, which is expected to be completed in approximately 12 months. The Stormwater Utility Capital Fund will be used as the primary funding source for the \$275,000 cost, but the fund balance will increase as the CDBG-DR grant reimbursements are received. A maximum amount of \$25,300 will be spent above the CDBG-DR grant amount of \$249,700. The existing working cash balance of the Stormwater Utility Capital fund is \$7,170,622. It will be reduced to a minimum of balance of \$6,895,622 before reimbursement from the grant and to a minimum balance of \$7,145,322 after reimbursement is received.

1. A Motion to Adopt Resolution R-91-2016, Authorizing the City Manager to Execute the Community Development Block Grant – Disaster Recovery (CDBG-DR) Planning Grant Agreement (Project No. CDBG-DR P16-025) Between the City of Loveland And The State of Colorado Department of Local Affairs.

CARRIED UNANIMOUSLY

2. A Motion to Approve, on First Reading, An Ordinance Enacting a Supplemental Budget and Appropriation to the 2016 City of Loveland Budget for the Big Thompson River Corridor Master Plan.

CARRIED UNANIMOUSLY

2.10 PUBLIC WORKS

IGA WITH CDOT FOR ROADWAY MAINTENANCE

City Council approval will allow City staff to proceed with renewing an IGA with CDOT so that the City can continue to provide maintenance services on certain CDOT roadways totaling just over 123 lane miles within or abutting city boundaries. The IGA would become effective in 2016 and would be renewable annually for a term of up to five years, assuming both parties are amenable and that State funds are appropriated accordingly. The annual contract payment from CDOT to the City would total \$110,916 and is subject to yearly increase should the City request and validate the need for an adjustment and CDOT accept the request.

A Motion to Adopt Resolution R-92-2016, Approving An Intergovernmental Agreement Between The City Of Loveland, Colorado And The Colorado Department Of Transportation Regarding Maintenance Services For U.S. Highways.

CARRIED UNANIMOUSLY

2.11 FINANCE

AUGUST FINANCE REPORT

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 August 31, 2016. Citywide Revenue (excluding internal transfers) of \$193.2 million is 97.4% of year to date (YTD) budget. Sales Tax collections are 5.1% above the same period in 2015, and 99.3% of the YTD budget. This data spans eight months, and the trend has been slowly rising. Building Material Use Tax is 125.3% of YTD budget. Sales and Use Tax collections combined are 102.8% of YTD budget. Citywide total expenditures of \$186,449,533 (excluding internal transfers) are 71.1% of the YTD budget.

2.12 CITY MANAGER'S OFFICE

AUGUST INVESTMENT REPORT

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 August monthly report, the estimated yield on the fixed income securities held by USBank was at 1.32%, for total assets the yield was 1.10%. For the year-to-date, total earnings of \$1,448,163 have been posted to City fund accounts. U.S. short-term Treasury interest rates rose in August; the portfolio's change in unrealized gain for the year-to-date eased down \$1.095 million. The end of August portfolio market value is estimated to be \$216.9 million. The peak amount for the portfolio was reached before the 2013 flood when it had an estimated market value of \$226.3 million.

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.

The following residents asked Council to support the Mental Health

Facility initiative: Judy Porter, Loveland Resident; Ty Bliss, 2139 Grays Peak Dr.; Alice Hingledi, Loveland Resident; Amber Phipps; Kevin Boyle, 2707 Hartsell Ct., Howard Dotson, Pastor of a Loveland Church. Larry Sarner, Ward 2 and Steve Olson, 1668 spoke in support of Council not taking a position on measures to be voted on by the citizens of Loveland. Bruce Croissant, 1629 Jackson St., expressed concern with Council's decision to not take a position on measures to be voted on by the citizens of Loveland. Tom Donnelly, County Commissioner and Loveland Resident gave Council a quick review of their "Telephone Town Hall" process.

5 REGULAR AGENDA

PROCEDURAL INFORMATION

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

5.1 CONSIDERATION OF ITEMS REMOVED FROM CONSENT AGENDA

ADJOURN AS CITY COUNCIL AND CONVENE AS THE BOARD OF DIRECTORS OF THE GID#1

5.1.1 DEVELOPMENT SERVICES THE FOUNDRY INCLUSION IN THE GID

The proposal by the City for including all of the The Foundry project site in the General Improvement District No. 1 is a necessary adjustment to its boundaries due to the acquisition of properties and the established redevelopment area. The boundaries of the General Improvement District No. 1 are situated so as to align with whole properties (lots, parcels, tracts, etc.) or developments in order to apply additional tax for contribution in maintaining/upgrading public parking and pedestrian facilities downtown. The General Improvement District No. 1 is not established over portions of properties. Consequently, this adjustment is appropriate so that all of The Foundry project site is within the boundaries and not just a portion. The first reading of the ordinance was unanimously approved by the City Council at the September 20, 2016

Council meeting.

Resident and Downtown Business, Jackie Marsh expressed interest in how Council would address the parking needs and impact on both the new development as well as existing business owners.

Moved by Councilor Shaffer, seconded by Councilor Clark

A Motion to Approve, on Second Reading, Ordinance #6050 Granting A Petition For Inclusion Of The Area Of The City Of Loveland, County Of Larimer Generally Bounded By Lincoln Avenue To The East, Cleveland Avenue To The West, Opera Alley To The North And East First Street To The South Within The Loveland General Improvement District No. 1 In The City Of Loveland, Colorado.

CARRIED UNANIMOUSLY

ADJOURN FROM THE BOARD OF DIRECTORS OF THE GID AND RECONVENE AS CITY COUNCIL

**5.2 CITY ATTORNEY AND PUBLIC WORKS
IGA FOR FUNDING I-25 IMPROVEMENTS**

In late 2015, the municipalities of Berthoud; Estes Park; Fort Collins; Loveland; Timnath; Wellington; Windsor and Johnstown passed Resolutions of Support for the Use of Larimer County Mill Levy Funds for Interstate 25 (I-25) Improvements.

As a result, Larimer County included in their 2016 budget a temporary increase to the Road and Bridge mill levy which is offset with an equal decrease in the County's general fund mill levy thus resulting in no net increase in the mill levy. The cooperative approach between the County and participating municipalities includes utilizing revenue realized from the temporary redistribution to establish a fund to create matching monies for a partially grant-funded \$237 million project to widen a 14-mile stretch of the I-25 from State Highway 14 to State Highway 402. The proposed IGA is the result of the collective efforts of legal representatives from all municipalities participating in this effort. It puts into place the mechanics for participating agencies to direct the increased Road and Bridge mill levy proceeds to the collaborative I-25 project fund. Increased Larimer County property values provide an opportunity to increase the County Road and Bridge Mill Levy within the County's total Mill Levy commencing in 2016 for a period of five years by an estimated amount of \$2 million annually without decreasing the amount shared back to the participating municipalities and without increasing the total County Mill Levy.

Larimer County Commissioner, Tom Donnelly spoke in support of the resolution. Larry Sarnier, Ward 2 resident, asked for some clarification on whether this was TIF funds. The answer was no.

Moved by Councilor Shaffer, seconded by Councilor McKean

A Motion to Adopt Resolution R-93-2016 Approving An Intergovernmental Agreement (IGA) For Funding Interstate 25 Improvements.

CARRIED UNANIMOUSLY

5.3 CITY ATTORNEY DISCUSSION AND POSSIBLE EXECUTIVE SESSION

City Council may be asked to consider formal action, including the possibility of calling an Executive Session, to consider negotiations, legal advice, and personnel matters concerning the process for naming an interim or acting city attorney.

Moved by Councilor Shaffer, seconded by Mayor Pro Tem Fogle

A Motion that the City Council go into executive session to receive legal advice and to discuss personnel matters related to the process for choosing an acting City Attorney as authorized by Colorado Revised Statutes § 24-6-402 (4)(f) and Loveland Charter Section 4-4(c)(5) to consider and discuss personnel matters , to determine positions that may be subject to negotiation pursuant to Colorado Revised Statutes § 24-6-402(4)(e) and Charter Section 4-4(c)(1), and for legal advice as allowed by Colorado Revised Statutes §24-6-402(4)(b) and Charter Section 4-4(c)(3).

CARRIED 8-1 No Vote: Krenning

Council Reconvened at 8:40 p.m.

Moved by Councilor Shaffer, seconded by Mayor Pro Tem Fogle

A Motion to call a Special meeting October 11, 2016 at 5:30 p.m. in the City Council Chambers, 500 E. 3rd St., for the purpose of interviewing Assistant City Attorneys Moses Garcia and Alicia Calderon for the position of Acting City Attorney and consideration of a possible executive session. The currently scheduled October 11, 2016 Study Session will follow.

CARRIED 7-1: No Vote: Krenning. Clark absent

6 REPORTS

6.1 BUSINESS FROM CITY 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.

Overcash: The City Council Employee Subcommittee has met once to discuss Employee Evaluations. The next meeting is scheduled for October 20, 2016. Update to follow;

Johnson: Serving on the National League of Cities (NLC) Economic Development and Entrepreneurialship Committee. The Committee be drafting a Resolution addressing Issues and concerns for Washington.

Krenning: Police Chief, Bob Ticer spoke to students at the University. Did an amazing job; Commending the Police for their conduct at the Political Rally this week;

Fogle: 1) Commended Fire personnel for their conduct at the Rally; 2) Serving on the NLC Information Technology and Communications Committee. They are drafting a resolution regarding "Truth in Advertising" for telecommuters. 3) Requested 3 Councilors support his request to bring back a resolution of support for the Mental Health Care Facility Initiative for discussion and possible consideration by Council on October 18, 2016. Councilors Shaffer, Johnson and Ball supported the request. Councilmembers indicated they would like to discuss other Ballot measures under Council new business at the same meeting.

Shaffer: 1) Congratulations to the Black Steer on it's 50 year anniversary in Loveland; 2) NI25 meeting and MPO meeting

Gutierrez: 1) Thank you to Group Publishing and other Businesses that recognize members of the public. Hearts and Horses was the Loveland recipient this year. Their last charitable event garnered over \$150,000 in support for their program. 2) Solicitation: City Attorney's office will forward a public email regarding Solicitation to Council for public dissemination; 3) Asked Staff to address the City 's vulnerability regarding Cyber attacks.

6.2 CITY MANAGER REPORT

Adams:

The position of Economic Director will post this week. There will be a two step process: 1) a public presentation and question and answer; and 2) multiple panel interviews;

The Budget is being distributed this evening, well in advance of the October 18, 2016 initial consideration and hearing.

6.3 CITY ATTORNEY REPORT

7 ADJOURNMENT

Hearing no other business to come before City Council, Mayor Gutierrez adjourned the October 4, 2016 Regular meeting.

Respectfully Submitted,




Teresa G. Andrews, City Clerk


Cecil A. Gutierrez, Mayor