

City Council Meeting Minutes

**March 19, 2019
City Hall, Council Chambers
749 Main Street
7:00 PM**

Call to Order – Mayor Muckle called the meeting to order at 7:00 p.m.

Roll Call was taken and the following members were present:

City Council: ***Mayor Robert Muckle
Mayor Pro Tem Jeff Lipton
Councilmember Jay Keany
Councilmember Chris Leh
Councilmember Susan Loo
Councilmember Dennis Maloney
Councilmember Ashley Stolzmann***

Staff Present: ***Heather Balsler, City Manager
Megan Davis, Deputy City Manager
Kevin Watson, Finance Director
Nathan Mosely, Parks, Recreation, & Open Space Director
Aaron DeJong, Economic Development Director
Kurt Kowar, Public Works Director
Rob Zuccaro, Planning & Building Safety Director
Meredyth Muth, City Clerk***

Others Present: ***Kathleen Kelly, City Attorney***

PLEDGE OF ALLEGIANCE

All rose for the pledge of allegiance.

APPROVAL OF AGENDA

Mayor Muckle called for changes to the agenda and hearing none, moved to approve the agenda, seconded by Mayor Pro Tem Lipton. All in favor.

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Deb Fahey, 1118 West Enclave Circle, encouraged residents to change to LED light bulbs for saving money and to help the environment. She asked the City to turn lights off at the Recreation Center when it is closed.

APPROVAL OF THE CONSENT AGENDA

MOTION: Mayor Muckle moved to approve the consent agenda with a change to the March 5 minutes requested by Councilmember Stolzmann, seconded by Councilmember Loo. All in favor.

- A.** Approval of Bills
- B.** Approval of Minutes: March 5, 2019; March 12, 2019
- C.** Award Landscape Maintenance Services Contract
- D.** Approve Appointment to the Business Retention & Development Committee
- E.** Approve Resolution No. 8, Series 2019 – A Resolution Approving a Business Assistance Agreement with Quicksilver Scientific, Inc. for an Economic Development Project in the City of Louisville

COUNCIL INFORMATIONAL COMMENTS ON PERTINENT ITEMS NOT ON THE AGENDA

None.

CITY MANAGER'S REPORT

City Manager Balsler reported the southbound lane of South 96th Street between Dillon Road and Paradise Lane has failed. The City's contractor will replace the failed pavement starting on March 20th at 7 am. They are going to keep going until they are finished, which may go into the night but they will have barricades with lights. They will have flaggers and one way traffic around the work area.

REGULAR BUSINESS

TERRACES ON MAIN, 712 & 722 MAIN STREET

Mayor Muckle noted the Council will not be acting on Resolution No. 10 this evening, rather after some discussion tonight they plan to continue it to a later meeting.

RESOLUTION NO. 9, SERIES 2019 – A RESOLUTION APPROVING THE TERRACES ON MAIN FINAL PLANNED UNIT DEVELOPMENT, WHICH INCLUDES A 22,020 SQUARE-FOOT COMMERCIAL BUILDING WITH 5,802 SQUARE-FOOT PARKING GARAGE ON TWO LOTS TOTALING 14,114 SQUARE FEET, ZONED CC; A FINAL PLAT TO VACATE THE LOT LINE BETWEEN LOTS 8 & 9, BLOCK 3, TOWN OF LOUISVILLE; AND A SPECIAL REVIEW USE FOR A PARKING GARAGE AND

**OUTDOOR SALES FOR RETAIL GOODS AND EATING AND DRINKING
ESTABLISHMENTS – PUBLIC HEARING – CONTINUED FROM 2/19/19**

Mayor Muckle introduced the item and opened the public hearing.

Director Zuccaro stated all of the public notice requirements have been met. He reviewed the site of the proposed building. This is a request for a Planned Unit Development (PUD), Plat, and Special Review Use (SRU). This is a revision to a proposal from 2018.

The proposal includes a 22,020 sq. ft. commercial building; a 5,802 sq. ft. parking garage; 1 and 2-story facades on Main Street; an overall height of 45' which is the maximum height allowed, with a limited 3rd story; is designed for retail/commercial on ground floor and office on second floor; and asks for a SRU for the parking garage, outdoor sales for retail goods, and eating and drinking establishments.

Director Zuccaro reviewed the changes made to this proposal since it was first discussed in 2018 including an approximate 4,000 sf reduction in total floor area, a 5500 sf reduction of the third floor, and reduction of the parking garage by almost half the size, a reduction in the FAR (floor area ratio), a reduction in parking spaces by 13, and asking for 5 parking spaces as fee in lieu. Director Zuccaro reviewed how the new proposed building would look compared to the previous proposed building.

He noted the parking requirements of 23 spaces. 18 are provided and an estimated 5 spaces for fee in lieu. He reviewed the downtown parking program which is meant to provide adequate parking without excess supply and to enhance the character of downtown. He reviewed the City's downtown parking inventory which has grown significantly in the past few years.

Director Zuccaro reviewed the various criteria for the building including the Downtown Design Handbook which requires the new building must relate to traditional context of development in downtown and how the standards and guidelines apply to the design.

The applicant is asking for a rear yard setback waiver for a stairwell and two balconies. Staff supports the waiver as it breaks up the façade of the building.

Regarding building height, the Municipal Code, Design Handbook, and Framework Plan allow up to 3 stories and 45' with the 3rd story a maximum of 50% of the building footprint. Downtown should predominantly be 1-2 story, with some 3-story buildings allowed. 3rd stories should be set back and subordinate. Buildings should appear no more than 2 stories as viewed from across the street.

PUD Criteria Compliance, LMC Sec. 17.28.120(A) and (B) – 28 Criteria – Staff finds the project meets all applicable criteria. Staff finds the requested rear setback waiver is justified - loading, service and parking areas are adequately provided while enhancing the architectural design with balconies and stairwell enclosure elements. Staff finds the

project is consistent with the Downtown Design Handbook, Downtown Framework Plan and Comprehensive Plan.

SRU Criteria Compliance, LMC Sec. 17.40.100 – The Comp Plan states outdoor seating contributes to a “healthy & vibrant” Downtown. Economic Compatibility with Surrounding Character: The project replaces ground floor office space with a retail design. The outdoor eating is compatible with other restaurants that offer outdoor seating on site and in the Main St. patios. All parking needs met with onsite and fee in lieu. There is a limitation on outside patio use requiring closing at 12 am and no amplified music. There are no nearby residences and no light spill. Pedestrian Circulation: Increased sidewalk width adjacent to the building. The parking garage requires an SRU as well.

Subdivision Plat Criteria Compliance, LMC Sec. 16.12.075 – The plat conforms to City requirements and is consistent with the Comprehensive Plan; the lot meets design standards; there is water and sewer drainage and access provided; the utilities to the building will be buried; and the overhead utility line serving private property will be relocated. Staff finds it meets all requirements.

Both the Historic Preservation Commission (HPC) and the Planning Commission reviewed the project and recommend approval with no conditions. Staff recommends approval.

Applicant Presentation – Erik Hartronft, 950 Spruce Street, Suite 2A stated they have worked to complement the Huckleberry on the south end of the street and have designed it to have retail and restaurant uses on the first floor.

He stated the design drivers are to meet the needs for a significant Louisville employer, provide offices upstairs and give back the storefront to retail, provide a pedestrian experience along with outdoor seating, provide the majority of required parking on site, provide opportunities for new downtown businesses, respect the adjacent historic buildings, relate to eclectic downtown aesthetic, and comply with the Downtown Design Guidelines.

Hartronft reviewed the proposed site plan noting the garage is now one level leaving a deficit of 5 spaces to be paid for by fee in lieu. The architectural concept is to be of today’s look but compliment the history of false front facades on Main Street. He noted the materials at street level are natural wood and glass. The other buildings in the block have paired buildings which they have tried to capture in the massing of this building. They are proposing alley art space on the building.

Hartronft noted this meets the design handbook, the Code, the Downtown Framework Plan, and the Comprehensive Plan. He asked for Council approval.

David Sinkey, Boulder Creek Neighborhoods Owner, stated the building design is respectful of the history of town. He stated the project began in 2010 when they moved to

Louisville. This project came about to grow the company and stay in downtown Louisville. He noted this can be both a problem and part of the solution for the downtown economy. He wants to have a building where offices don't use retail space on the first floor. This keeps business people downtown and accommodates retail or restaurant uses on the main level. They would like to have room to grow in this new space.

Sinkey stated this building and design are the best effort to make changes based on the feedback from Council last year. This project fits the downtown guidelines with less mass. There was feedback at the last meeting about restricting it to retail on the main level and that causes issues with financing a building. It would be a mistake to limit how retail can be used on this site. It is designed for retail and restaurant use as the market will allow. He thanked Council for their consideration of this project.

Public Comments

Rick Kron, president of the Downtown Business Association (DBA) and resident 746 West Fir Court, stated the DBA is in support of this project that is well designed. This is a quality space for retail and office uses. The DBA believes this deserves Council's approval. On behalf of Jennie Hlawatsch, owner of the Singing Cook, he read a statement. Her store is adjacent to the project. She is very supportive of the project which will bring much needed retail space. She values the historic nature of downtown, but we need to accommodate change. Boulder Creek is an asset to the downtown and their employees shop. This will be a positive change to the downtown.

John Leary, 1116 Lafarge, stated the project with the changes now generally meets the requirements in the handbook. He is still concerned about the intent language for retail on the first floor. He thinks the building is significantly under-parked by up to 30-40%.

Caleb Dickinson, 741 Grant Avenue, member of HPC, but speaking on his own behalf stated this is very tasteful infill that adds to the downtown without taking away from the historic nature of the surrounding buildings. This is respectful of the space and a great opportunity for the whole block. This should send a message that if you want to do infill in Louisville you have to meet a very high bar; this project checks every box and is the model of what we are looking for as a community.

Cindy Bedell, 662 W. Willow Street, noted the job of elected officials is not to maximize profit for landowners. This has a better mass and scale than the first version. However the north section is not consistent with downtown. The roofline does not fit in in Downtown. Downtown is doing very well and we don't need more buildings to maintain sales tax revenue. Council should not approve this without a requirement to have some uses besides office space.

Jean Morgan, 1131 Spruce Street, stated this building is out of place for downtown. If approved, it should have bird proofing glass. The building is under-parked and should

require more. This is a concern for the neighborhoods who bear the brunt of parking. On behalf of Barb Hesson, 526 LaFarge Ave., this building does not belong on Main Street.

Mayor Muckle asked if the green roof aspect in the drawings are included in the design. Hartrnft stated the green roofs are included to help meet water quality run off by slowing the run off and improving water quality coming off this site. It will also mitigate heat coming off the building.

Councilmember Maloney asked Mr. Sinkey if there is any commitment from Boulder Creek for retail or restaurant without affecting the building financing. Sinkey stated they would need to have a specific definition of what a retail is, are there certain uses allowed and others not. Even if defined, the financiers may not agree. Adding this complexity can mean some won't finance the building. He asked would the preference be to have vacant retail if there are no users rather than full office space. Everyone would like retail and it will be designed for that but he cannot guarantee it as the use.

Councilmember Keany asked if the building has sufficient parking. Director Zuccaro stated the parking requirement for downtown redevelopment allows the first 999 square feet to be exempt and then requires 1 parking space per 500 square feet of development after that. This is different from other commercial districts because in those areas there are no streets to park on or public parking areas. Downtown is to be pedestrian friendly and the City supplements with on street and public parking lots.

Councilmember Keany asked if the building is 22,000 square feet, why was it figured based on 12,000 sf. Director Zuccaro stated non occupied areas are not included in the requirement. The detailed floor plan of the building showed 12,000 sf of occupied space. If at tenant finish it is different more parking could be required. Councilmember Keany confirmed it is based on square footage in the downtown area.

Councilmember Keany asked if there is a use restriction on first floor uses on any other property downtown. Director Zuccaro stated no.

Public Comments

Brenna Berman, 112 Aline Street, stated her impression is that the third floor doesn't fit in. She stated she doesn't understand why there is a need for office space here when there is other office space available in Louisville.

Donna House, 730 Bella Vista Drive, stated she is concerned changes will mean a loss of character to Louisville. The building didn't fit in to begin with so why make it bigger. She thinks the north end is a box like structure. She wants to maintain the character as it is.

Councilmember Keany appreciated the changes made to the design. He stated maintaining a vibrant employee base in downtown is important to the businesses that are here. He appreciates the reduction in the size of the building. He would like to see the first

floor in active use with people coming and going all day but that could be any number of uses. He understands the concern of the public but this project does meet the standards which are stricter in downtown than the rest of town.

Councilmember Maloney noted this is a complicated item. Downtown is very eclectic and this fits our character. The design does respect the architecture downtown. It works and the mass and scale work better now. He would like the first floor to be an active use so maybe Council needs to address that another way. The design meets the downtown requirements. He supports the project.

Mayor Muckle closed the public hearing.

Motion: Mayor Pro Tem Lipton moved to approve Resolution No. 9, Series 2019 as presented. Councilmember Loo seconded.

Mayor Pro Tem Lipton stated the applicant did an outstanding job to bring a design that meets our requirements. It will be an asset to the community.

Councilmember Loo stated she liked both designs. She noted some of the reason people are concerned is they want things to stay the same. What we like here in Louisville, low density, is very, very expensive to build and the market won't provide the funding to do that. Then we will have complaints nothing is happening in Louisville. We don't know what the answer is, we love the low density but we need to be realistic that economically it is very difficult. She would like to keep Boulder Creek in the downtown.

Councilmember Leh stated he likes the design and the changes are a good addition to downtown. He supports the plan and the criteria for the PUD and Special Review Use have been met.

Mayor Muckle stated he understands changes on Main Street are hard and everyone will have opinions on design. He appreciates the concerns, but notes our framework plan calls for variability of heights and sizes of buildings so we do not end up with a canyon-like street. He thinks the design recognizes the historic character and tries to compliment other designs on Main Street. He noted the HPC feels this is a compatible design and supports this.

Vote: Motion carried by unanimous roll call vote.

RESOLUTION NO. 10, SERIES 2019 – A RESOLUTION APPROVING THE PROPERTY TAX INCREMENT REBATE AGREEMENT WITH 712 MAIN LLC AND 722 MAIN LLC PURSUANT TO THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE LOUISVILLE REVITALIZATION COMMISSION AND THE CITY OF LOUISVILLE

Mayor Muckle reiterated Council will not take action on this tonight but will discuss it and continue the item to another meeting.

Director DeJong stated this is a Tax Increment Funding (TIF) rebate agreement with the Revitalization Commission (LRC). He noted this is the first application the LRC has received for direct financial assistance for a redevelopment. The application provided financial information including a 10-year projection and sources and uses budget.

Staff's analysis included previous used categories of removing blight factors, the effect on property values, and the advancement of the Urban Renewal Area. Additional analysis included the need for financial assistance. He noted Council will have policy considerations to discuss.

The blight determination was made in 2006 with two factors on this property: unusual topography or inadequate public improvements and danger to life or property from fire or other causes. Two other blight factors this project addresses are faulty lot layout as well as deteriorating structures and the deterioration of the site.

A 10-year TIF analysis shows \$119,500 in new revenue after construction and approximately \$5,000,000 in new taxable property value in the urban renewal district.

The purpose of the urban redevelopment plan is "Reduce, eliminate and prevent the spread of blight...and to stimulate growth and reinvestment within the Area boundaries, on surrounding blocks and throughout downtown". The Terraces redevelopment would be a significant reinvestment for the downtown area and adds additional office and retail space in the area. Several other objectives of the renewal plan are met by this project.

Staff reviewed the need for financial assistance by first asking if the project would not happen 'but for' the assistance. He reviewed the main assumption of lease rates, debt, construction costs, and debt financing. The applicant stating they need a 90% TIF rebate to further the project which is approximately \$110,000 per year. This brings the Rate of Return to .15% without assistance and 7.28% with assistance. Projects with similar risk profile have a typical range of 10-15% return.

Director DeJong reviewed the TIF Rebate Agreement: The developer will construct and receive a Certificate of Occupancy (CO) from the City for the project. Once the project is complete, the LRC will begin making annual TIF Rebate payments to the Developer equal to 90% of the increased taxes paid on the property less other defined LRC financial obligations. The total maximum rebate payment is \$1,110,000. Annual payments will continue until the payment cap is met or the TIF revenue collection period for the Highway 42 Urban Renewal Area expires. The agreement terminates on February 18, 2023 if the project has not been completed. This date represents the three year initial term of the PUD plus one year for construction. Assignment of the TIF Rebate Agreement is permitted to similarly owned entities

DeJong reviewed how TIF is generated. Currently the site generates \$45,000 in property taxes. If the new building is built it would generate \$165,000 in property taxes which is

broken into two pieces; the base and the increment over the base. That increment is split between the City (90%) and the remainder is for payment to Boulder County (10%).

Director DeJong reviewed projects in nearby cities that use this type of payment assistance, including some in Lafayette and Erie.

He noted two of the possible policy considerations Council may want to address for these types of requests. 1) Should Urban Renewal funding only be used to remove blight factors found within the Urban Renewal Area or can it be used to prevent the spread of blight? 2) Does the City want to be competitive with our neighboring communities in attracting private reinvestment within our Highway 42 Renewal Area?

Staff is recommending approval of the TIF rebate agreement.

Steve Fisher, chairman of the LRC, stated the LRC brought this forward in hopes of keeping Boulder Creek in Louisville and in downtown. It stated it should be noted this funding is not coming out of the General Fund. Without the building there is no funding. He stated this is a legitimate tool in our tool box and we should start using it.

Applicant presentation: David Sinkey, 712 Main Street, stated the significant delay from the first proposal to this was because when looking for highest rents for office space you need to have parking onsite. Between the feedback on the building and construction costs he stated they didn't know if they should move forward on this. He then wanted to know if this would be a good project for a TIF rebate request. Would this be a benefit to the community, is this a tool set that should be used or not? There seems to be some fear that if Council uses this option on this project others will ask for it as well. That should be the hope. If other projects come forward Council can decide if they are worthy. If you don't want to see redevelopment than you don't need this tool. From an investor's perspective clarity on knowing if this is a tool Council wants to use or not would be helpful.

Public Comments.

Jean Morgan, 1131 Spruce Street, stated subsidizing this project would be setting a precedent in downtown and it would be in conflict with HPF to preserve buildings. We love the flavor of Main Street and don't want bigger buildings downtown. This building will most likely be office use. Downtown revenue is stable and we don't need this. Why subsidize this for redevelopment when have a tax for historic preservation?

Cindy Bedell, 662 West Willow Street, stated she understands any increase in taxes would not go to City, the Fire District, BVSD, or the County. Boulder Creek is not guaranteeing retail will be on this site. She thinks this is a bad precedent and the money should be used for a project of public benefit not for a private company.

Rick Kron, 746 West Fir Court and DBA President, stated the DBA supports the rebate to eliminate blight on this site. The return on investment is low on this project and the TIF

rebate is only a ten-year deal and the building will outlive the deal. He stated that precedent does not apply to a governmental body; decisions on future projects would be on a case-by-case basis. He stated people say sales tax revenue is solid, but many of the retail shops in downtown are struggling. Costs are up across the board as is internet competition. Having this project will help increase the likelihood retail can afford the rents. The DBA supports the agreement.

John Leary, 1116 Lafarge, stated this project will forever change the historic character of downtown. The voters of Louisville have taxed themselves for preservation. The growth rate in downtown has far outpaced the rest of town. The City should let nature run its course. This is a subsidy based on the premise that downtown is blighted. However, any place can be found to be blighted based on the criteria. Allowing this without modifying parking codes along with the subsidy will encourage large projects with parking deficits. This will lead to a request for a large parking garage.

Chief John Willson, Louisville Fire District, stated the LFPD is in support of redevelopment in Louisville as it keeps us thriving. He noted the District is funded by property tax and he would like to discuss with Council and LRC the impact on emergency services demand this redevelopment will have on the District while collecting less revenue.

Caleb Dickinson, 721 Grant Avenue, stated the City has asked for changes to the building against market interests. The market would say build the third story and they aren't doing it at the request of us, the government. He stated Council should use this tool to say thank you for doing this type of redevelopment; offer this rebate so it is still profitable. As Vice President of DBA, he stated one of the biggest issues for restaurants is not having viable daytime traffic and a daytime population. Retailers are dependent on restaurants to bring people here. This project would be huge for them; as would Boulder Creek leaving downtown. It is important for retailers and restaurants to have this project.

Councilmember Stolzmann stated she would prefer a policy discussion with the LRC first to talk about how to address blight in the urban renewal area. The policy question is about providing direct assistance for private gain. We shouldn't make decisions based on what other cities are doing; we need to represent our community. An urban renewal authority that is appointed and has no constituency to answer to sometimes does not listen to the public input. She felt the LRC should have a constituency to answer to.

She feels saying it is their money we are giving back to them is not a real argument. We wouldn't give tax money back to homeowners. If the money is for blight, there were only two blight factors on this property, one being power lines and danger to life or property from fire or other causes. The fire department is doing a good job without revenue growth and will be asking the taxpayers for more money as they are not getting the money they should from the areas in the urban renewal area. Life safety issues impact other rate payers and is not a fair way to do this and not how we should be funding things. We don't have real blight in our downtown; it is a vibrant downtown. We should use the money for public infrastructure. Downtown is vibrant because of organic growth over time with a

sense of place. If it is not profitable to build then it shouldn't be built. She is not in favor of awarding this and most appropriately should return funding to the Fire District.

Councilmember Loo would like to have a discussion with the LRC to have some policies on how to use this. She stated we do have an agreement to return TIF money to the County. With regard to the Fire District, this will be a sprinkled building and probably not going to get a lot of response calls from Fire. To say the LRC doesn't care about the public is not fair, they listen to the business community, many of whom live and work here and they do listen to them. You can't compare TIF on commercial to residential. Finally, the whole idea sales tax revenue will go up forever is a fallacy. There is already a concern sales tax revenue is peaking, the prosperity of downtown will not last forever and we are in competition with communities across the metro area.

Councilmember Maloney noted some policy discussions around this is needed.

Motion: Councilmember Maloney moved to continue this to June 11 so to have time for policy discussion. Mayor Pro Tem Lipton seconded.

Mayor Pro Tem Lipton asked City Manager Balser what the process will be to sort through these issues. City Manager Balser stated a joint meeting with LRC and Council is scheduled for May 14. Prior to that the LRC will draft policies and bring that to Council.

Mayor Pro Tem Lipton suggested this should be an iterative process with more than one meeting. It may take more time to get it right.

Mayor Pro Tem Lipton noted his vote at the LRC meeting was not against the application specifically but more on the process of sending this to the Council. We need to slow it down so both the LRC and Council can do some policy work. He suggested removing the application from the policy discussion. There is a disconnect between property values and the rents that downtown can command; we don't want to enact a policy that would exacerbate that. We do give rebates through the business assistance program; it's not like we don't provide rebates to businesses. It is the first time we have considered property tax increment. We need a clear policy on how we use this tool.

Mayor Muckle stated this money can't be spent on something else because if this building isn't built there is no money. He noted the historic preservation tax can be used to incentivize new buildings building to a lower density than they might have, so this is a similar tool. We have done other incentives but not this exact kind, so we need a process on how use this. This is a tool; it is a matter of how do we want to use it.

Vote: 6-1; Councilmember Stolzmann voting no. Item continued to June 11.

Councilmember Loo and Councilmember Leh left the meeting at 9:30 pm.

RESOLUTION NO. 11, SERIES 2019 – A RESOLUTION SETTING CERTAIN WATER, WASTEWATER, STORMWATER, AND OTHER FEES, RATES, AND CHARGES FOR THE CITY OF LOUISVILLE, COLORADO

Director Kowar stated the proposal does not change water rates but includes increases to wastewater and stormwater rates. The wastewater rate is a proposed increase of 7% as part of the plan to pay for the wastewater treatment plant upgrades. The stormwater increase is 18.5% to fund several pieces of equipment to service the infrastructure and to build up funds for a larger project in 2027. This is part of the long-term smoothing plan.

Councilmember Stolzmann stated the Utility Committee looked at these rates and takes this very seriously. We want to avoid sitting on cash or deferring maintenance or being wasteful. We made changes last year to avoid raising water rates and are continuing to look at smoothing over time. The 18% is a large increase and a lot of the money is needed in 2026. Sstormwater levels of service continues to increase. The committee continues to look at maintaining the system, providing services, and controlling the cost.

Public Comments – None

Councilmember Stolzmann moved to approve Resolution No. 11, Series 2019; Mayor Pro Tem Lipton second.

Vote: Motion carried by unanimous roll call vote. Councilmembers Loo and Leh absent.

2019 STREET RESURFACING AND RECONSTRUCTION

AWARD BID FOR 2019 STREET RESURFACING PROJECT

AWARD BID FOR 2019 STREET RECONSTRUCTION PROJECT

Director Kowar noted staff is recommending contracts for the street resurfacing program. Staff recommends approval of the 2019 Street Resurfacing Project and 2019 Street Reconstruction Project, **Package A**. This package awards APC Construction for resurfacing work and PLM Asphalt and Concrete for reconstruction work. **Package A** consists of work approved in the 2019 Capital Improvement Plan (CIP).

Bid alternates were added to both bids to provide additional resurfacing options. City Council may add work as identified in Packages B, C, and D.

- **Package A (Staff recommended to stay within approved CIP Budget)**
Includes *Resurfacing* work on W. Mulberry St., Mountain View Ct., Mesa Ct., S. Tanager Ct., S. Warbler Ct., Dillon Rd., Aspen Way, Roosevelt Ave. and *Reconstruction* work on Regal Ct., Regal Pl., Caledonia St., Front St., Spruce St., Johnson Ave., WWTP.

- **Package B (Needs Council Direction and \$426,821 Budget Amendment)**
Includes Package A work and adds Resurfacing Bid Alt #1, 104th Street.
- **Package C (Needs Council Direction and \$363,160 Budget Amendment)**
Includes Package A work and adds Resurfacing Bid Alt #2, The Meadows.
- **Package D (Needs Council Direction and \$820,353 Budget Amendment)**
Includes Package A work and adds Resurfacing Bid Alt #1, 104th Street and Bid Alt #2, The Meadows.

If Council approves Package A and combines it with the March 5 concrete approvals we will have about \$400,000 in contingency which could support the additional work.

Councilmember Maloney stated the roll over for paving from 2018 might be close to \$300,000.

Motion: Councilmember Maloney moved to use the unspent money from 2018 in 2019 to augment Package A and complete Package C.

Public Comments – None

Mayor Muckle seconded the motion.

Mayor Muckle noted some streets have worse pavement index than the Meadows but it is better to do a whole neighborhoods at a time.

Councilmember Stolzmann supported paying for Package C with the roll over. She wondered if with all of the roll over we can afford the whole program. She noted we try to get to streets before they fail.

Councilmember Maloney stated there might be as much as \$1.6M in unencumbered money from 2018 that might be used for this. Paving is very important and an investment in our community. He asked if we include more work can we accomplish it; the funding is there if we want to use it. Director Kowar stated it could be done.

City Manager Balser stated she thinks the funds are there based on contingency and the roll over and was comfortable moving forward.

Mayor Muckle stated there are other financial considerations for the roll over funds including the open space acquisition fund. If we make this decision it will be making other decisions by default. He supports adding C not D.

Councilmember Maloney said this is just capital funds and roll over. City Manager Balser added we don't have a full picture of what the rollover would look like. Director Kowar will need a decision fairly soon.

Councilmember Stolzmann stated this process can be improved by having this discussion with the budget conversation. She supports adding C or D to meet our paving goals.

Mayor Pro Tem Lipton supported just adding C.

Vote: Motion carried by unanimous roll call vote. Councilmembers Loo and Leh absent.

**DISCUSSION/DIRECTION/ACTION – COLORADO COMMUNITIES FOR CLIMATE
ACTION REQUESTED POLICY AGENDA CHANGE**

Deputy City Manager Davis stated this is a request from CC4CA to adjust their policy agenda to address some of the issues from the State Legislature around solid waste. CML has been looking at changing language in the statute that prohibits local governments from limiting the sale of some plastic items. No bill has been introduced but we are expecting one to remove that preemption language. CC4CA has four points they would like added to the policy agenda:

1. Create new task forces, staffed positions, programs and initiatives, and/or other entities to support and improve solid waste diversion efforts in the state and to improve funding and technical assistance for such efforts.
2. Create new task forces, staffed positions, and/or statewide initiatives to support the expansion of recycling businesses in Colorado.
3. Allow local governments to regulate disposable plastic waste (which they are currently preempted from doing by the State of Colorado).
4. Require or incentivize state agencies to improve their recycling, composting, and other solid waste reduction efforts.

This is not a request for the City to address any plastics issues but rather to support changes to give others local authority to do that if they so desire. Having the local authority does not preclude a statewide approach.

Councilmember Stolzmann, CC4CA representative, stated she wants to be representative of the Council on this issue. Personally, she wants to see aggressive strategies on combating climate change as do many of her constituents. Her concern with this change is there are lots of things we have an interest in that don't directly focus on climate emissions, transportation, energy use and oil and gas. We should focus on those areas. This doesn't further our agenda as a group and may get us enemies. We should stay focused on the major issues of climate change.

She added plastic bans would have the greatest effect if done on a statewide ban. We could spend all of our time on this, but that time might be better spent on other issues. If we do support this then we should do a local ban and do it ourselves.

Public Comment

Mark Persichetti, 1402 Taft Place, stated he urges Council to report to the CC4CA that we do support the changes to the agenda and support the removal of the preemption to local control language because this is an issue that can and should be handled at a local level as a start to get the state to consider this. Trying to get it done statewide without local examples will keep it from succeeding. It does not mean we need a local ordinance, we can do so on our own time. Don't restrict future city councils from having this ability.

Mayor Muckle stated he supports CC4CA's efforts for this change and supports their ability to do this now and then have a greater conversation at their summer retreat. This is an okay step for the moment. He stated he is reluctant to hold back our partners in a way that won't harm us.

Councilmember Maloney stated he is resistant to do this because we don't know what this is trying to accomplish. Local control is important but there are issues that don't follow city limits. He would rather target the larger areas which have a greater impact. He felt there was not enough certainty in what we are agreeing to for supporting this.

Mayor Muckle stated those items are in the policy agenda already and we will address if opportunity arises. This doesn't mean we have to pick or choose items. It is a significant team element to this that is very low risk to us.

Mayor Pro Tem Lipton stated his concern that this needs to be vetted with our business community. Having it regulated at the state level does provide a level playing field. He would like input from BRaD and business groups. This is just not good process.

The consensus was to not to make a change to the policy agenda now.

CITY ATTORNEY'S REPORT

None.

COUNCIL COMMENTS, COMMITTEE REPORTS, AND IDENTIFICATION OF FUTURE AGENDA ITEMS

Mayor Pro Tem Lipton stated he wants to make sure the LRC updates are scheduled quarterly.

Councilmember Maloney asked if the May 14 meeting with the LRC could be a special meeting. City Manager Balsler responded yes.

Councilmember Stolzmann stated the Utility Committee is looking at how the cost for reclaimed water is accounted for and identify what costs we are trying to recover. They are looking at a marginal cost model to recommend to Council.

ADJOURN

Members adjourned at 10:25 pm.

Robert P. Muckle, Mayor

Meredyth Muth, City Clerk