

TOWN OF BERTHOUD
BOARD OF TRUSTEES
REGULAR MEETING
TUESDAY, JANUARY 25, 2005
Page 1 of 10

The Board of Trustees for the Town of Berthoud met for a regular meeting on Tuesday, January 25, 2005 in the Board Room of Town Hall. Mayor Milan Karspeck called the meeting to order at 7:00 p.m.

MEMBERS PRESENT: Mayor Milan Karspeck
Mayor Pro-Tem Don Ashcraft
Trustee Louis Gervasi
Trustee Michael Patrick
Trustee David Gregg
Trustee Glen Buckingham (arrived 7:02 p.m.)
Trustee Michael Patrick

STAFF PRESENT: Town Administrator Jim White
Town Clerk Mary Cowdin
Public Works Director Rich Elliott
Town Planner Wayne Reed
Town Attorney Bruce Fickel
Deputy Town Clerk Charlene Reed

PLEDGE OF ALLEGIANCE

Mayor Karspeck led the pledge of allegiance.

CITIZEN PARTICIPATION

There were no items presented from the audience.

REPORTS

Administrator White reminded the Board that there is an open house scheduled for the new Wastewater Treatment Plan from 9:00 to 11:00 a.m. on Saturday, January 29, 2005.

Administrator White reported that the Loveland Lake and Ditch stockholders meeting is also scheduled for 9:00 a.m. on Saturday, January 29, 2005. He asked that a member of the Board volunteer to attend the meeting. Trustee Thorstensen volunteered to attend the meeting and cast the proxy vote.

Administrator White offered several dates for the Board to consider for the Board retreat. Board members selected March 1, 2005.

Administrator White reminded the Board that an open house is scheduled at Summit Crest Homes on Wednesday, January 26, 2005. Administrator White and Planner Reed will be attending and Board members are invited to attend. Anyone interested should meet at the Chamber of Commerce office at 2:30 p.m.

CONSENT AGENDA

The Consent Agenda consisted of the minutes of the January 11, 2005 meeting, the financial statement for November 2005, and supplemental bills for December 2004.

Trustee Buckingham moved to approve the consent agenda as submitted. Second by Trustee Gregg. With no objection, the Board approved the consent agenda by unanimous consent.

PUBLIC HEARING – WATER AND WASTEWATER RATES

Mayor Karspeck opened the public hearing, welcoming John Gallagher from Black and Veatch, who is present to provide information regarding the rate study and the proposed ordinance.

Administrator White explained that the Town has been in serious financial condition over the past several years. He noted we received information from a citizen regarding water rate comparisons and a summary was included in the Board packet. There was also a question regarding transfers from Water and Wastewater to the General Fund, and a response was available in the Board packet.

John Gallagher of Black and Veatch summarized the information that was considered during the last study session. He presented an update of the five year financial plan for 2005-2009 and made recommendations for rates for 2005. He explained that these rates are based on the assumption that Town will grow an average of 45 taps per year. If the Town grows at a higher rate than projected, it would not be necessary to increase the rates at such a drastic rate. He suggested the Town look at our current tap fees to determine if there should be adjustments in that area. He also noted that it would be prudent to have the new Public Works Director look at the proposed capital improvements to determine what must be done and what can be postponed.

Mr. Gallagher noted that one factor that is affecting this rate is the reduction in water usage over the past few years due to the drought. Areas in the front range are projecting that there has been a 20-25% reduction in water sales over the past five years.

Mr. Gallagher noted both water and wastewater are operating at a deficit for 2005. Without increasing water rates, we would have a deficit of approximately \$140,600. With the proposed rate increase for 2005, the deficit will be approximately \$72,200, with the remainder of the deficit reducing our reserves. He noted this increase will have an impact on the average household of \$2.15 per month.

Mr. Gallagher noted the situation is more dire on the wastewater side. Without increasing wastewater rates, we would have a deficit of approximately \$575,600. The proposed 16.7% rate increase would reduce that deficit by \$170,300, with the remaining \$405,300 coming from reserves. This would have a significant impact on the reserves. The rate changes collectively will have an impact on the average household of \$5.33 per month.

Mr. Gallagher noted the reason the wastewater increase is higher is because a lot of the costs are fixed and the total needed is directly impacted by the amount of debt the Town has in that area.

Trustee Gervasi asked about the possibility of contracting out the operation of our water and wastewater plants to an outside service.

Board members discussed the direct impact on rates as a result of the debt service being faced by the Town. Mr. Gallagher explained that the debt service has increased significantly since 1998, and has increased to \$1,239,037.36 for 2005. A large portion of this increase is due to the wastewater plant which was completed in 2004, and has payments in the amount of \$597,135.26 for 2005.

Trustee Patrick noted the debt service for the Town was under \$100,000 until 1995. As we began to modernize both plants to meet state requirements in 1997, we began to see an increase in our debt service. In the past five years, our debt service has doubled. Mr. Gallagher confirmed that the increase in debt service is the primary driving force of this rate increase.

Trustee Patrick noted the primary reason for the increase in debt service was the modernization of our wastewater plant. The plant would have had to be replaced, even if no more houses were built. The

TOWN OF BERTHOUD
BOARD OF TRUSTEES
REGULAR MEETING
TUESDAY, JANUARY 25, 2005
Page 3 of 10

Department of Public Health and the Environment of the State of Colorado required improvements in this area because of the limitations of our old wastewater treatment plant.

Trustee Patrick asked if the capital increases that are proposed for the next five years in the amount of \$4.8M for water and \$8M for wastewater for replacement or repair of existing facilities. He asked if any of these items can be delayed.

Board members asked Mr. Gallagher to explain debt service. Mr. Gallagher noted both the water and wastewater departments are operated by enterprise funds that must be self-supporting. They must generate enough revenue to support themselves and generate enough income to meet regulatory requirements. These funds must also generate enough revenue to provide services to the people and to replace the infrastructure, as it ages. As the Town grows, the funds must also be able to pay for additional services needed to supply the increased capacity.

Mayor Pro-Tem Ashcraft added that there are only two sources for revenue for an enterprise fund; tap fees and user fees. He noted the Board has been looking carefully at the cost of service for both utilities every year, and in recent years, there have been increases to make up for the failure to increase rates in the 1980's to prepare for the future. The Board is looking for creative ways to complete capital improvements without overburdening the users. The Trustees understand that the fees must be affordable for the economy of Berthoud to flourish.

Trustee Buckingham initially suggested reducing the increase for wastewater to 8% until the Board has the opportunity to complete a study of the current capacity compared to demand. He noted this analysis was requested from the previous Public Works Director, but never provided.

Trustee Patrick noted with the amount of money that will be needed from reserves, without an increase in 2005, the Town will have eliminated our reserves by the end of 2006.

Mayor Karspeck distributed a copy of the information regarding the Total Annual Debt Service to the audience. Copies of the explanation regarding transfers to the General Fund from water and wastewater were also distributed. He summarized the changes proposed in the ordinance and opened the floor for public comment.

David Bradley, 809 Douglas Place addressed the Board, suggesting that the rates for Berthoud are higher than other towns in the area, and noting that residents of Berthoud are opposed to the increases being proposed. He suggested that by taking such a dramatic increase, usage will go down, resulting in less fees collected.

Larry Crane, 1130 Monroe Avenue, encouraged the Board to move ahead and put the rates needed into effect. He noted that the Board is playing catch up from the past when rates were not increased when needed. He also suggested that increasing tap fees will discourage development.

Russ Josephson of 1217 Aspen Drive addressed the Board agreed that enterprise funds should pay for themselves. He felt that money should not be transferred from the funds to the general fund, and suggested that the proposed increases in rates may discourage usage.

John Clarkson of Clarkson Land suggested the Town increase water sales and reduces the cost of building permits. By reducing the cost of building permits to be more comparable to other municipalities, the Town could generate more income from tap fees.

Karla Bradley of 809 Douglas Place noted conservation is the issue. She expressed concern that we are pushing people on fix incomes out of Berthoud. She noted she objects to the 16.7% increase in wastewater and presented a petition signed by 66 residents of Berthoud opposed to the increase.

TOWN OF BERTHOUD
BOARD OF TRUSTEES
REGULAR MEETING
TUESDAY, JANUARY 25, 2005
Page 4 of 10

Tina Hopkins of 1039 7th Street Place asked how we can encourage new residents to move to Berthoud when the utilities are so high.

Richard Kenyon of 1240 Cedar Drive addressed the Board on behalf of residents on fixed incomes. He noted the increases from Medicare are not significant enough to cover rate increases of this magnitude.

Neil Harrison of 548 Redwood Circle suggested the Board is trying to balance the budget on the backs of current residents. He felt that without growth, current users will not be able to continue to pay for the cost of services in the Town. He suggested we work to make it attractive for people to live here and asked the Board to encourage growth. If we do not encourage growth, builders will go to other towns in the area, and the current residents are going to be forced to leave.

Louis Gassner of 2120 Breckenridge Drive addressed the Board also recommending that we begin to encourage growth. He noted it is sad that while residents of the Town love the quality of life in Berthoud, the increases in rates are turning Berthoud into a Boulder-like community.

Kent Campbell of 210 Bein Street noted he had watched the debate over growth or no growth and he felt when the growth cap was put in place, there would be a day of reckoning for the Town. He suggested the growth cap brought us to this position, and because of this position, he urged the Board to go forward with the proposed rate increases.

Michelle Jurs, Executive Director, Berthoud Area Chamber of Commerce, addressed the Board, noting that we need to decide if we want to keep the Town elite, or do we want to decrease fees to bring residents into the Town. She noted the Chamber does not believe in rapid growth, but does believe in smart growth. Berthoud needs growth to support the businesses in the Town, and we need to look at reducing building permit fees to encourage growth in Berthoud. Without growth, current residents will continue to be faced with significant increases.

Mayor Karspeck noted growth and tap fees are not under discussion this evening, but he agreed there needs to be further discussion in these areas. He noted the Town must make our bond payments or we could be faced with significant legal issues.

Mayor Karspeck noted the Town was forced to replace the old wastewater plant to avoid fines from the EPA of \$10,000 per day. Because of specific EPA regulations regarding redundancy, the plant cost the Town over \$9M.

Mayor Pro-Tem Ashcraft noted Berthoud rates are high, but not the highest. Lyons, Erie, Gilcrest and other municipalities are projecting rate increases for the same reason we are. He also pointed out that it is difficult to compare rates, when each town buys water from different sources, and have different expenses and bond obligations. He noted we must have rate increases in the amounts necessary to meet our obligations. The State of Colorado required us to replace our plant, and had specific guidelines regarding what would be acceptable, and those guidelines drove the cost of the plant.

Mayor Pro-Tem Ashcraft noted the Board is looking aggressively for ways to attract new residents. The Board does not discourage growth. However, growth may have an initial impact on the Town, and that impact must be paid. The impact that growth has on our streets, schools, and parks must be considered and justified.

Trustee Ashcraft noted there are multiple factors that have resulted in our current situation. The growth cap affected our developers, because it was difficult for them to get funding because banks tend to hesitate to loan money for projects if they are unsure the projects can be completed. During the period that the growth

TOWN OF BERTHOUD
BOARD OF TRUSTEES
REGULAR MEETING
TUESDAY, JANUARY 25, 2005
Page 5 of 10

cap was in effect, and even since it has been removed, the Town has never reached the level of the permits allowed under the cap. The Board is reluctant to ask our consumers to pay for the cost of growth.

Trustee Patrick thanked the residents in the audience for coming out. He noted one frustration faced by the Board is that under state law, there are only two sources of revenue for an enterprise funds, tap fees and user fees. Tap fees must be set at level of actual cost and can only be sold to people interested in building in the Town. We have an Adequate Public Facilities ordinance that requires the Town to be able to provide services before growth can occur, and this was designed to protect our current residents. He noted it would be imprudent or illegal to reduce tap fees below their actual cost.

Trustee Patrick noted the Board is extremely aware of the impact rate increases have on retired or fixed income households. He noted there are sources for assistance with these bills. He noted the Trustees want Berthoud to be a good place to live and to be affordable for all our residents.

Trustee Thorstensen asked that the Board look at the possibility of delaying some of the capital improvements listed. He suggested that part of the problem is lack of planning in the 1980's, and changes in regulations for both utilities. He noted that there may come a time when we can reduce the rate increases, but we need to get the new rates in place and then look for solutions to these issues.

Trustee Gregg suggested that it would have been helpful if the Town had been escrowing funds for future needs in the 1980's and 1990's. He pointed out that beginning four years ago, the Town's building permit activity and revenues dropped approximately 25%. Since that time, the growth cap is gone and the economy has rebounded, but the Town still has high fees. He pointed out that the argument that growth must pay its way requires growth. If we don't sell permits, we cannot make growth pay its own way. We have to make the citizens that are here and enjoying the lack of growth pay the fees. He noted that Berthoud's fees are high in a regional context, and homebuilders operate in a regional context. There are four years of evidence that show us that is happening. The high fees are the only thing remaining, and we are proving to ourselves that we need to move aggressively to moderate fees and develop a more welcoming posture to growth. If we are successful in encouraging growth, that may offset the need for such significant rate increases in the future. The Board and the Town needs to change our posture towards growth. He pointed out that it is interesting that the people who are often here to talk about the need for Berthoud to grow slow are absent when we address the cost to grow slow. He pointed out there are significant positives to growth, including jobs, consumers and additional users to pay into the system.

Trustee Buckingham noted he is comfortable with the proposed water rate increase. He again noted that it is difficult to approve such a dramatic increase in wastewater because we do not have a study of capacity and demand. He also noted the tiered structure for water usage was left in place to try to set the rates so that citizens that are using water responsibly are not required to pay such significant fees for water usage. He noted that the current rate structure requires water users who use the Berthoud system, but who do not live in the Town to pay 50% higher rates. He agreed with Trustee Gregg that if developers can build homes in Johnstown, Mead or Erie and their costs are lower, those homes will not be built in Berthoud.

Mayor Pro-Tem Ashcraft noted one of the fees that is being reviewed is water dedication and that will be considered at the study session on March 15, 2005.

Board members asked for a line by line review of the capital items contained in the budget to determine what each item is, and to determine who should be paying for the cost of the item.

Public Works Director Elliott addressed the items, noting that the items listed for 2005 have already been approved in the 2005 Budget. He addressed the items for 2006-2009, as follows:

Aerobic Digester No. 2, \$1,200,000 scheduled for 2008 – Public Works Director Elliott noted the existing digester has been on line for four years. During the construction of the new wastewater treatment plant,

there as discussion regarding the need for two digesters. He noted we are existing problems currently with handling solids, and 2008 is pretty far down the road to look at improvements that may be needed today.

Centrifuge No. 2, \$300,000, scheduled for 2007. Public Works Director Elliott noted this goes hand in hand with the new digester, and he noted he would not recommend that this be deferred. Mayor Pro-Tem Ashcraft suggested we look at paying this expense with plant investments fees. Mr. Elliott felt this is an option that can be considered.

Mountain Avenue Line Replacement, \$310,000 scheduled 2005-2007. Public Works Director Elliott noted this improvement dovetails with projects already scheduled for Mountain Avenue, including the roundabout and improvements planned by CDOT. Before the roundabout is constructed and CDOT does surface improvements, we need to take a look at and make improvements to what is under the ground.

SLS Line Replacement, \$325,000, scheduled for 2005-2009. Public Works Director noted these lines are in the Campion area, and are in bad shape. These improvements have been made in the past on an emergency basis, and there is evidence that the lines are failing and will continue to fail.

South Interceptor, Dry Creek Interceptor, Meadowlark Line Extension, \$4,910,000, scheduled 2006-2008. Public Works noted these improvements are based on the concept that the Town will provide links for development. He noted these are costs that new development may be required to assume. What we do not know is which development will be first, and that may affect the amount that must be paid by the Town, at least initially. Trustee Buckingham noted the best scenario would be to allow the developers to pay for the cost of these improvements, and then allow them to collect their costs from other developers as the developments come on line.

Garfield Life Station Replacement, \$250,000, scheduled 2008. Public Works Director Elliott noted this is repair for an existing lift station that is in bad shape and getting worse.

Trustee Patrick noted the Board has the potential to delay projects that are tied to growth. Trustee Buckingham agreed, noting there noted that is \$5.1M which could be delayed.

Trustee Buckingham moved to approve Ordinance 1004 to include rate adjustments in water of 6.7% and wastewater of 9% to achieve the fiscal demands of the Water and Wastewater Enterprise Funds and meet the Town's long term debt requirements. Second by Trustee Patrick.

Mayor Karspeck agreed to support the reduction in the wastewater increase if we look at this more closely in February. Administrator White agreed to include this item on an agenda in February.

Mayor Karspeck, Mayor Pro-Tem Ashcraft and Trustees Patrick, Gregg, Buckingham and Thorstensen voted YES. Trustee Gervasi voted NO. The motion passed.

Mayor Karspeck called a recess at 9:21 p.m. and the meeting reconvened at 9:32 p.m.

PUBLIC HEARING – MUNICIPAL FEE

Mayor Karspeck opened the public hearing. Administrator White explained that the municipal fee concept was discussed in budget preparation when we recognized the revenues were not coming in to cover the fixed cost of expenditures. This was originally considered during budget meetings in 2003, for the 2004 budget. This was tabled at that time, but considered again when we began preparation for the 2005 budget. Administrator White explained that this fee will contribute to the General Fund for set expenses, and will be in place for one year. In spite of significant cost reductions in 2004, the Town is unable to balance our budget, and that is why the Finance Committee has proposed this fee.

Mayor Karspeck noted this ordinance contains an emergency clause which would make it effective immediately upon approval. He read the title of the ordinance.

Mayor Karspeck explained that the general fund provides basic services to the Town, including Administration, public works, public safety, recreation, the pool, parks, building, planning and the museum. The Finance Committee eliminated all fat from the budget, and there was no where else to cut. Without this fee, our only other choice is to reduce services. Other sources of revenue for the general fund are sales tax, which is down, and property tax, which is the lowest of any town of our size in this area, except for Estes Park.

Karspeck opened the floor for public comment.

Russ Josephson of 1217 Aspen Drive addressed the Board, noting that while he is happy to pay his share, he feels that this is a tax. He noted he would prefer to see this charged as a sales tax or as a part of his property tax bill.

Dale Harrison of 548 Redwood Circle suggested that the reason the Town is passing this as a fee, rather than a tax is to avoid getting approval from the people who are being required to pay this tax. If the Town passes this as a fee, it can be passed with no accountability to the general public.

Barb Mitteis of the Blue Spruce Mobile Home Park expressed concern that this fee will be assessed on all of their spaces, including those that are empty.

Fred Torres, Jr. of 1005 North 5th Avenue asked where these fees will be used. He suggested the fees be put in a separate interest bearing account, and asked that residents be given an option to pay the fees in full for the year, rather than being billed monthly.

Mayor Karspeck closed the floor to public comment.

Attorney Fickel addressed the issue of fees versus taxes. He noted the Town is required to have approval from the voters to raise taxes. The difference in fees and taxes is that fees can be charged at a pro-rated amount to offset the cost of specific services and the money collected must be used for the specific services. .

Mayor Karspeck agreed it would be preferable to increase our mill levy. The Town is seriously under funding our Police Department and we need to recognize the needs and increase our mill levy.

Mayor Pro-Tem Ashcraft moved to adopt the Town of Berthoud Municipal Fee Ordinance, #1005, with an “emergency” status to enable the municipal fee to be implemented for eleven (11) months, beginning February 1, 2005. Second by Trustee Buckingham. Mayor Karspeck, Mayor Pro-Tem Ashcraft and Trustees Gregg, Thorstensen, Buckingham and Patrick votes YES. Trustee Gervasi voted NO. The motion carried.

PUBLIC HEARING – LONE TREE II ANNEXATION – CORRECT LEGAL DESCRIPTION

Mayor Karspeck opened the public hearing to correct the legal description of the Lone Tree Annexation No. 2.

Planner Reed explained that an ordinance is required to correct this legal description.

Trustee Buckingham moved to adopt Ordinance 1006 to correct the legal description for the Lone Tree No. 2 annexation. Second by Trustee Thorstensen. All members voted YES.

PUBLIC HEARING – QUICK LUBE PUD FINAL DEVELOPMENT PLAN

Mayor Karspeck opened the public hearing to consider the Berthoud Quick Lube PUD Final Development Plan.

Planner Reed explained that Larry Leach and Brian Syp are requesting approval of an FDP for the Berthoud Quick Lube project for a minor vehicle repair business. This was reviewed at the public meeting of the Planning and Zoning Commission at their meeting on January 13, 2005, and they have recommended approval of the plan with one condition suggested by staff. Planning staff passed out a document to the Board which was a “blow-up” of the language proposed by the applicant on the FDP.

Brian Syp addressed the Board and thanked the Board for allowing them to present their proposal. This project was initially presented eight months ago and has been modified as requested by the Board. They have been working on the development review process and all issues have been satisfied. They are looking forward to opening the business in the community and hope this will be a service that will be of value to the residents of Berthoud. They hope to encourage residents of Berthoud to have auto service done in Berthoud and will encourage residents to spend their tax dollars in the Town.

Trustee Patrick noted there are significant differences in the information reviewed by the Planning and Zoning Commission and the written information presented to the Board at this meeting. Planner Reed noted the difference is that we are expanding the definitions. Trustee Patrick noted the information distributed allows a substantial change in use, permitting a series of very different prospective uses, based on the definitions of the FDP. He noted this was primarily presented as a quick lube, and expanded to allow minor repairs. The new definition allows a heavy general automobile repair shop. Trustee Patrick asked the Planning Director whether the Planning and Zoning Commission had explicitly considered, discussed and approved the expanded use language as presented on the applicant’s proposed FDP. The Planning Director assured the Board that the Planning and Zoning Commission had, in fact, done so.

Trustee Patrick noted that the Board wants this business to be successful. However, any changes in the FDP apply to future owners, and we are allowing portable or hand-held repair equipment. This would allow large portable equipment to be used outside the business.

Mr. Syp explained that there are occasions when it might be necessary to have a vehicle parked outside the building for longer than 48 hours. It may be necessary to park a vehicle on the property until parts can be located and ordered. Trustee Patrick agreed, but noted there is no definition for or limits to the “rare instances” defined in the agreement.

Mayor Karspeck opened the floor for public comment.

John Clarkson, representing Clarkson Land as the adjacent property owner, addressed this development. He noted he was before the Board for the Town-initiated rezone which killed an agreement for a \$1.5M anchor store on his property. He noted the reason given for the Town initiated rezone was to allow the Board to maintain the architectural integrity and take control of land use for the property that will be the gateway of Berthoud. He suggested that a bunch of garage doors and metal corrugated siding is not architectural integrity. He noted that in a PUD, if a development will impact a neighborhood, there is a requirement for neighborhood meetings, and the property must be posted. This proposed development will have a negative impact from noise and site pollution. He noted he was not notified in a timely manner and he asked the Board to think about the long term impact of having noisy tools, broken down cars, and people in greasy suits on the main thoroughfare of Berthoud. He suggested with the addition of this business, we are echoing the architectural standards of north Longmont or south Loveland.

Larry Crane of 1130 Monroe Avenue addressed the Board representing Berthoud Commons. He noted he is disappointed to hear comments welcoming this business to the community when it has not been approved. He noted they did not receive timely notice. He attended the Planning and Zoning Commission meeting and was advised the purpose of the meeting was to “iron out” details, and not to allow public comment. He noted they were expecting high architectural standards in the Gateway to Berthoud. This is not the kind of development that was considered acceptable for this area. He suggested that notification is not being done appropriately and suggested he wants input into this process. This is not a quick lube; this is an auto repair facility that does oil changes. This is not a usage that will be conducive to further developing in that area, nor does it enhance what is already there. This will be detrimental to the properties in the area. He agreed it is important to develop this area, but felt it is not appropriate to approve this in the gateway just to get tax dollars.

Melanie Crane addressed the issued, objecting to the lack of communication regarding this issue. She suggested the Town is reaching minimum standards for a PUD, rather than trying to get the best development for this area.

Mayor Karspeck closed the floor and verified the notification process that was completed for this Public Hearing.

Mayor Pro-Tem Ashcraft agreed that the notification process is important, but suggested it is the individual’s responsibility to be aware of what is going on in the community. This is the third meeting that has been held regarding this issue and all were published in the newspaper. He noted this developer is moving beyond minimum standards and meeting the architectural guidelines of the Town. If this had not been rezoned, the entire area could have been anything, as long as the developer met C-2. He noted the Board looks carefully at development and has specific guidelines for businesses in Berthoud.

Several Board members expressed concern regarding the proposed expanded uses of the application. Following extensive discussion of wording, Trustee Patrick suggested modification to the wording in the document.

Mayor Karspeck moved to approve the Berthoud Quick Lube Final Development plan with the following modifications:

Under Minor Vehicle Repair, Paragraph B, remove the phrase “portable or” and end the sentence with “including portable floor jacks”. Under Paragraph C, remove the phrase “portable or” and end the sentence with “including portable floor jacks”. Under Paragraph D, suck should be replaced with such. Under Paragraph E, delete the existing subparagraph 1. Subparagraph 2 shall be renumbered 1 and shall be modified as follows:

- 1. An inoperable vehicle is one that is not dismantled, but is not drivable. All inoperable vehicles outside of the building shall be located in the designated parking stalls. Inoperable vehicles shall be parked on the premises no longer than 2 business days. If parts are ordered but not delivered, inoperable vehicles may be permitted on the premises for no longer than fourteen (14) days. The number of inoperable vehicles that may be permitted shall be limited to no more than four (4) vehicles at any one time. Dismantled vehicles are not permitted outside the building.**

Second by Trustee Buckingham. All members voted YES.

Mayor Pro-Tem Ashcraft encouraged staff to take notification seriously and encouraged citizens to be aware of the notification that is done. Thanked citizens for comment.

SET PUBLIC HEARING – ORDINANCE RE PERMANENT WATER CONVERSION

Administrator White explained that on January 10, 2003, the Board of Directors of the Northern Colorado Water Conservancy District approved a policy regarding the conversion of Temporary Use Permits. This policy discontinued the practice of renewal for Temporary Use Permits. All current Temporary Use Permits must be converted to the permanent Section 131 Contract by March 1, 2005 which is also the date of expiration of Temporary Use Permits.

Trustee Buckingham moved to set the Public Hearing on February 8, 2005 to secure for the Town of Berthoud an annually renewable perpetual water contract for the right to use Colorado Big Thompson project water under C.R.S. 37-45-131. Second by Trustee Patrick. With no objection and by unanimous consent, the Board approved the public hearing.

Mayor Karspeck advised the Board that the Executive Session listed on the agenda has been removed.

Trustee Gervasi moved that the Board consider adopting Roberts Rules of Order to make meetings more efficient. The motion failed for lack of a second. Mayor Karspeck noted Roberts's rules of order are very involved and not always appropriate for small groups.

With no further business, the meeting adjourned at 11:52 p.m.

Mayor Milan Karspeck

Deputy Town Clerk Charlene Reed