

TOWN OF BERTHOUD
BOARD OF TRUSTEES
REGULAR MEETING
SEPTEMBER 25, 2007
Page 1 of 11

The Board of Trustees of the Town of Berthoud met for a regular meeting on Tuesday, September 25, 2007 in the Board Room at Town Hall. Mayor Karspeck called the meeting to order at 7:00 p.m.

MEMBERS PRESENT: Mayor Milan Karspeck
Mayor Pro-Tem Don Ashcraft
Trustee Peder Thorstensen
Trustee Glen Buckingham
Trustee Michael Patrick
Trustee Chase Sommars

MEMBERS ABSENT: Trustee Louis Gervasi

STAFF PRESENT: Town Administrator Jim White
Town Clerk Mary Cowdin
Planning Director Robert Anderson
Public Works Director Tony Huerta
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 addressed by the audience.

REPORTS

Administrator White introduced Don Burg, the Town's new water plant operator. Mr. Burg thanked the Board for the opportunity to work for the Town.

Administrator White noted the next meeting of the Finance Committee scheduled for 7:00 a.m. on Thursday in the Conference Room at Town Hall. The Committee will begin the review of our enterprise funds at this meeting.

Administrator White announced that the Town will be flushing the fire hydrants for the third consecutive year. Public Works Director Huerta noted the plan is to flush the hydrants next week, October 2-4, 2007, and we flush because this improves the quality of our water. Residents may experience a little brown water when this is done.

TOWN OF BERTHOUD
BOARD OF TRUSTEES
REGULAR MEETING
SEPTEMBER 25, 2007
Page 2 of 11

Administrator White noted that a Board and staff retreat is scheduled for Friday, September 28, 2007 from 2:00 p.m. to 6:00 p.m. at Glenhaven.

Administrator White noted Board and Commission training is scheduled for October 17, 2007 from 7:00 p.m. to 9:00 p.m. in the Board Room at Town Hall. Our CIRSA attorney, Tami Tanoue and Town Attorney Bruce Fickel, will be here to provide a presentation and answer questions. Mayor Karspeck noted it is important that all committee members attend this meeting.

Administrator White announced that the Tree Board is hosting a Tree Board Conference on Saturday, October 6, 2007 from 9:00 a.m. to 3:00 p.m. at the Berthoud Area Community Center.

Attorney Fickel noted that at the last meeting, when the annexation was done for Bader Farm, we failed to approve the required resolution. He asked the Board to approve that resolution to correct the problem.

Trustee Buckingham moved to approve Resolution 19-07, since that was the intent of the Board when the annexation for Bader Farm was approved at the last meeting. Second by Trustee Sommars. The motion passed unanimously.

Trustee Buckingham reported on the Historic Preservation Commission meeting held last week. The topic of discussion was the proposed Berthoud Commercial Historic District. He noted he was informed by one of the commission members that 80% of the property owners in the area have signed documents supporting the formation of a district, which will make available significant financial benefits. He noted this was a very positive meeting and he anticipates that within a few weeks, the Commission will be coming before the Board to discuss their plans. The next meeting of the Commission is tomorrow night, September 26, 2007, at 7:00 p.m. at Town Hall.

CONSENT AGENDA

The consent agenda consisted of the minutes of the regular meeting held on September 11, 2007, the bills allowed for September 2007, and the Financial Statement for August 2007.

Mayor Pro-Tem Ashcraft moved to approve the consent agenda. Second by Trustee Sommars. The motion passed unanimously.

VOLUNTEER BOARD APPOINTMENTS

Mayor Karspeck noted interviews were held to fill one opening on the Planning and Zoning Commission and one opening on the Parks and Open Space Committee.

Mayor Pro-Tem Ashcraft noted interviews were held for two applicants for one opening on the Planning and Zoning Commission. He noted the recommendation coming from the interviews is to appoint David Mineo to the Planning and Zoning Commission to complete a one year term ending August 31, 2008. He noted there is only one opening to fill at this time and encouraged the other applicant to reapply if further openings occur.

Trustee Sommars moved to appoint David Mineo to the Planning and Zoning Commission for a one-year term ending August 31, 2008. Second by Mayor Pro-Tem Ashcraft. The motion passed unanimously.

Trustee Sommars noted an interview was held with Jennifer Baker to fill an open position on the Parks and Open Space Committee and the recommendation is that she be appointed to a four year term ending August 31, 2011.

Trustee Buckingham moved to appoint Jennifer Baker to the Parks and Open Space Committee for a four year term ending August 31, 2011. Second by Mayor Pro-Tem Ashcraft. The motion passed unanimously.

RESOLUTION – INTERGOVERNMENTAL AGREEMENTS (IGA’S)

Planner Anderson asked the Board to adopt a resolution which signifies the intent of the Town to schedule meetings with our neighboring communities to enter into IGA’s for the management of growth in the area. He noted this is a requirement of the grant we received for our Comp Plan update.

Mayor Karspeck read the proposed resolution.

Trustee Buckingham moved to approve resolution 20-07. Second by Trustee Sommars. The motion passed unanimously.

PUBLIC HEARING – ORDINANCE RE: ADOPTING DEVELOPMENT CODE BY REFERENCE

Town Clerk Cowdin noted that in order to adopt the Development Code by reference, the Town is required to publish the public notice in our paper of record for two consecutive weeks prior to the public hearing. There was a problem, and the newspaper failed to publish the notice for the second week. She asked the Board to reschedule the public hearings for October 9 and October 23.

Trustee Patrick asked whether the issue with the notice not being published occurred at our end or at the paper. Town Clerk Cowdin noted the notice was submitted for

publication with instructions to publish two consecutive weeks and the paper failed to publish the second notice.

Trustee Patrick moved to set the public hearings for adopt the Town of Berthoud Development Code by reference for October 9, 2007 and October 23, 2007. Second by Trustee Sommars. The motion passed unanimously.

TRASH SERVICE CONTRACT

Mayor Karspeck noted the Board originally asked staff to research the possibility of providing solid waste and recycling collection services for the Town to solve our ongoing problem with the recycling area in Town in a cost effective manner.

Public Works Director Huerta explained that at the direction of the Board of Trustees, staff sent out a Request for Proposal (RFP) for "Solid Waste and Recycling Collection Services." The RFP was modified on two occasions, resulting in a bid opening on August 14, 2007. There were two bids from Waste Management and Gallegos Sanitation, and both include costs for both curbside and alley pickup.

Public Works Director Huerta noted we are trying to accomplish three objectives by bringing trash service under the supervision of the Town. We hope to standardize the fees paid by our residents, minimize the number of trash trucks coming into Berthoud and to initiate curbside recycling to help eliminate the problem we have with the recycling that is currently being done at the parking lot across from Subway.

Public Works Director Huerta explained that staff is looking for direction from the Board whether to proceed with this project. He noted staff is also recommending that there be an additional \$.50 charge to cover administrative costs for the Town.

Mayor Karspeck noted there was some confusion regarding this request when it was originally submitted. Public Works Huerta noted we did not include alley pickup in the first addendum to the RFP, but that was amended as a response to comments from our resident.

Mayor Karspeck noted there was also confusion regarding the posting requirements. Public Works Director Huerta noted the Town required both a bid bond and a performance bond as a part of this RFP. These bonds can be purchased from an insurance agency or bond provider and typically the cost is approximately 5% of the value of the bond. The bonds would have been returned to all unsuccessful bidders and held for the successful bidder, who would then have to post a performance bond.

Administrator White noted the 39% of our residents have alley pickup, which required modification of the RFP. We are looking for a solution to the problem we have had with

TOWN OF BERTHOUD
BOARD OF TRUSTEES
REGULAR MEETING
SEPTEMBER 25, 2007
Page 5 of 11

our recycling and curb side recycling should help with this problem. This is a two year agreement that can be terminated if it is grossly unacceptable. At the end of the two year term, we will re-bid or look for alternative solutions.

Mayor Pro-Tem Ashcraft noted when you have numerous trash trucks coming through the Town, there is a significant impact on our roads. By providing this service, we hope to reduce the amount of wear and tear on our streets. We are also trying to reduce the amount our residents are paying for trash service.

Trustee Patrick asked what services are being provided. Public Works Director Huerta noted some of the providers have recycling and some do not. Trustee Patrick asked if we are looking at single stream recycling. Public Works Director Huerta noted at this time, we will be utilizing a smaller bin for recycling and he passed around a flyer that provided information. Single stream recycling was not considered.

Trustee Thorstensen noted he has a three yard dumpster in his yard. Public Works Director Huerta noted the poly carts that will be provided are 90 gallons and if there are additional carts necessary, the contractor will provide them at an additional cost to the homeowner.

Trustee Buckingham asked if we will be eliminating the large dumpsters that we are currently using for recycle. Public Works Director Huerta noted we have been in discussion with Larimer County to get those relocated to the transfer station on County Road 1. They would be available there from 9:00 a.m. to 4:00 p.m. on Wednesday and Saturday.

Mayor Pro-Tem Ashcraft noted the concern with relocating the recycle bins there is that the transfer station is only open two days. That facility is located next to the gun club, and that will increase traffic on that road and that may create a problem for the Gun Club.

Mayor Karspeck opened the floor for public comment.

Ralph Nelson of 1121 4th Street asked if residents are gone for several months, will they have to pay for the service.

Stew Boyd of 717 6th Street thanked staff for including alley pickup. He asked if staff is aware of whether our trash trucks are leaving full or not. If they are leaving town full, then they are accomplishing our goal. He noted he would prefer to keep his current trash company and suggested that the Town charge a \$.50 trash fee and use that money to get the recycle bins emptied more frequently. He noted many of the residents have a relationship with their trash company that allows large item pickup at a lower fee.

TOWN OF BERTHOUD
BOARD OF TRUSTEES
REGULAR MEETING
SEPTEMBER 25, 2007
Page 6 of 11

Patty Kennedy of S & S Sanitation distributed a letter to the Board regarding why they were not able to participate in the bidding process. They could not afford the bid bond and could not afford the performance bond. She also noted that they were unable to cover the additional costs for workers comp and general liability insurance which would have been a result of this increase in business. She noted their total cost would have been approximately \$218,000, for two years. She felt this bid proposal was directed toward larger companies and eliminating smaller companies and she noted they plan to continue to service their customers in Berthoud, regardless of what is decided at this meeting. She noted they have been advised they can continue to come to Berthoud if they can compete with the cost to provide this service.

Keith Henderson of 312 Cheyenne noted his provider with pick up branches and other items at no additional charge. He was concerned about what will happen at the end of the two years. He also felt that the administrative fee is a revenue enhancement to the Town.

There were no further comments from the audience.

Administrator White introduced Bruce Philbrick from the City of Loveland, and he addressed the Board regarding the trash and recycle services they provide. Mr. Philbrick noted that the City of Loveland has provided solid waste service since the 1990's. They provide curbside pickup and are the only community in the state that pickup up yard waste. He noted they are recycling more than 50% of the trash that is picked up and that their program has been successful, both financially and environmentally.

Mr. Philbrick noted he would encourage the community to develop a plan for recycling. He noted he was pleased to see recycling at no additional cost on the proposal from Gallegos Sanitation. He also noted that the Larimer County Recycling Center will receive single stream recycling now, and that allows the provider to use one truck for both trash and recycling. He also encouraged staff to focus on public education.

Mr. Philbrick noted that 2/3 of the trash picked up in Loveland is yard waste and they have a local processor that composts that waste and sells it to the public. He encouraged the Town to look at capturing branch and tree disposal by providing a drop site where residents can bring these items. The Town can then have it ground and hauled away. He noted many Berthoud residents use the Loveland recycle area for yard waste and there is probably a significant amount of yard waste in Berthoud.

Mayor Pro-Tem Ashcraft asked if going to a single trash service will reduce the wear and tear on our roads. Mr. Philbrick confirmed that this will accomplish that goal.

Mayor Karspeck thanked Mr. Philbrick for his comments, and commended him for the service they are providing to Loveland.

TOWN OF BERTHOUD
BOARD OF TRUSTEES
REGULAR MEETING
SEPTEMBER 25, 2007
Page 7 of 11

Public Works Director Huerta responded to the citizen comments. He noted no studies have been done to determine if trucks are full.

Town Clerk Cowdin noted the Town is not presently being charged fees for the recycling services that are being provided. The provider is not interested in continuing the service since they are already coming twice a week. Administrator White confirmed that Larimer County and Waste Management have provided this service for the residents of Berthoud at no charge. They are no longer willing to continue this service due to the costs incurred.

Public Works Director Huerta noted that once this contract is in place the rates will be locked in for two years. He explained that the purpose of the \$.50 fee would be to cover the Town's cost for billing and customer service and he suggested any excess funds could provide a contribution to street repairs.

Administrator White noted our intent is to cover our costs. He suggested any excess funds could also be used to allow us to have a drop off for branches and yard waste, and pay a provider to dispose of that waste.

Public Works Director Huerta noted this contract provides trash receptacles for all town facilities and roll off bins for spring cleanup.

Mayor Pro-Tem Ashcraft noted as a small business owner, he sympathizes with S & S. He noted he has been in the position of having to pass on jobs because of the cost. He noted he would like to see a breakdown of the costs being covered by the \$.50 fee. Town Clerk Cowdin noted that information can be provided and will be readily traceable since the funds collected for this service will be put in a separate fund and not comingled with the general fund. The Board could see clearly what comes in and what it is used for.

Mayor Pro-Tem Ashcraft noted the Board's original intent was to clean up the mess at the recycling area and improve recycling services to the residents of Berthoud. Another goal is to keep the cost for trash service down for our citizens. He thanked the citizens present for providing input, but noted he has been very disappointed with the inaccurate and negative information that has been disseminated regarding this proposal.

Mayor Pro-Tem Ashcraft felt it would be appropriate to make adjustments for the residents who live elsewhere for several months at a time. Town Clerk Cowdin noted we already have a group of people that let us know when they are gone for the winter so that their bills can be adjusted.

Public Works Director Huerta noted yard waste was not addressed in this proposal, but that may be something we can address in the future. Mayor Pro-Tem Ashcraft suggested we resume the drops out by the cemetery and provide that service to our residents.

TOWN OF BERTHOUD
BOARD OF TRUSTEES
REGULAR MEETING
SEPTEMBER 25, 2007
Page 8 of 11

Trustee Sommars noted the competition drives price down and he would like further consideration and discussion before making a decision.

Trustee Patrick noted he is supportive of the environmental and financial benefits of recycling. Over time if you look at trends, it is getting more expensive to throw things away and more beneficial to recycle. He noted it is important that the Board look for ways to save the Town and the resident's money. If you look at the rates quoted for both companies, the reduction in cost is approximately 25%. He noted when we have bids on a community wide basis, we achieve a savings in cost.

Trustee Patrick noted he would prefer to separate the decision regarding the administrative fee from the decision regarding whether or not we provide trash service. It would be important to determine how much it cost the Town to provide this service before we implement a fee. He also felt it is important that these funds be segregated, and he encouraged staff to look for ways to increase the recycling stream. He suggested there may be companies that might be interested in taking waste at no cost and incorporating it into a product they are offering. Even if we start with lawn clippings, that would be a good way to expand that system.

Trustee Patrick noted he would like to have the flexibility to work with residents that are out of town for an extended period. He felt two years is a good balance to give the provider a commitment from the Town and allow us to give this a try. He noted he would be in favor of going forward with this. We need to make our road maintenance dollars last as long as they can and this will allow us to do so.

Trustee Thorstensen noted this bid is incomplete. There is no mention of commercial dumpsters. Town Clerk Cowdin noted state statute does not allow the Town to include commercial service in this bid. The companies that service commercial customers will continue to do so.

Trustee Thorstensen felt the recycling center should be moved and he would be in favor of a \$.50 fee. He calculated the revenues from servicing the Town and felt that would cover the costs of the contract. He noted he still does not feel there is adequate information available to allow him to make a decision.

Trustee Buckingham noted in prior meetings, the Board indicated that it is not a good idea to create a monopoly in trash service. The reason that customers get out of the box solutions is competition. Providers allow variations outside the well defined box because if they don't make their customers happy, those customers can take their business elsewhere. He felt it is a bad idea for governments to create monopolies. He noted he would be willing to consider the Town running our own trash service.

TOWN OF BERTHOUD
BOARD OF TRUSTEES
REGULAR MEETING
SEPTEMBER 25, 2007
Page 9 of 11

Mayor Karspeck noted that from a practical standpoint, this will get recycling for the Town of Berthoud. The Town has had to support the recycling center and we do not have the staff or the money to maintain that service. He suggested that the residents of Berthoud need and want to recycle, and this is an opportunity to make recycling work in Berthoud. He noted that residents leave recycling now, even when the bins are full. The Town has provided disposal of organic waste in the past, and this is something we can continue to do. He sympathized with the smaller businesses, but noted it is time to find a solution to recycling and trash service for Berthoud and he indicated he would be in favor of going forward for two years.

Public Works Director Huerta noted the Town does not have the money available to initiate Town operated trash service. Trustee Buckingham noted he realizes that we do not have funds available, but felt that would be preferable to selecting a single provider to provide this service.

Mayor Pro-Tem Ashcraft noted this has been done in other communities and the result has been improved service and lower cost. He also noted other communities also realize substantial savings in road maintenance.

Administrator White asked Attorney Fickel to clarify the time table when we could begin service. Attorney Fickel noted the statute requires a six month delay to initiate trash service. Since we are not initiating our own service, we may be able to commence sooner than six months. Town Clerk Cowdin noted that six months from the initial publication would allow us to start in February 2008.

Mayor Pro-Tem Ashcraft noted there are still additional issues that need to be addressed. Attorney Fickel noted if we award the contract this evening, we can continue negotiations with the provider that is selected.

Trustee Patrick moved to conditionally accept the bid that was received from Gallegos Sanitation, subject to acceptable completion of negotiation regarding large item pickup, the exploration of single stream recycling, and the resolution of any other matters that were not included in the RFP, before a final contract is signed. Second by Mayor Pro-Tem Ashcraft. Mayor Karspeck, Mayor Pro-Tem Ashcraft and Trustee Patrick voted YES. Trustees Thorstensen, Sommars and Buckingham voted NO. The motion failed.

Administrator White asked what additional information needs to come to the Board.

Trustee Sommars asked for the breakdown of the \$.50 fee. He also asked why only two of the five companies bid on this RFP.

TOWN OF BERTHOUD
BOARD OF TRUSTEES
REGULAR MEETING
SEPTEMBER 25, 2007
Page 10 of 11

Trustee Patrick noted one reason that a company would not bid would be that they did not provide recycling and that was required under the RFP.

Trustee Thorstensen asked the licensing requirement for trash services in the Town. Town Clerk Cowdin responded that the Town charges \$250, and the company must provide proof of insurance.

Trustee Thorstensen noted he has dumpster and he does not want to get rid of the dumpster. Town Clerk Cowdin noted residents would negotiate directly with the company for services which are not provided under the RFP and would pay the company directly for that service.

Mayor Karspeck asked what we plan to do for recycling if we don't go in this direction. What we are doing now is not working, and he suggested it is the Board's responsibility to find a solution for our residents. He noted once our current recycling area goes away, the residents of Berthoud will have nothing.

Trustee Buckingham noted he has recyclable service through his current provider. He pointed out that if you have a cubic yard of waste, it will not work in the bins that are provided for curbside recycling. That is why residents use the community recycling bins. He felt that one tub a week at home does not solve the problem. He felt that both curbside and community recycling are needed. Public Works Director Huerta noted we are trying to provide both with curbside recycling at the homes, and recycling for larger quantities at the transfer station two days a week.

Mayor Karspeck noted he feels it is important to recycle, and every time you go to the recycle area, it is full. He felt that having recycling at home would make more sense.

Trustee Buckingham suggested that many of our providers provide recycling. Town Clerk Cowdin noted only one of our five providers indicated that they provide recycling for our residents.

Mayor Pro-Tem Ashcraft suggested that by providing recycling at home to everyone, the need for the recycling area will be reduced. He noted if only one trash service is providing recycling, then the remainder of our residents will not have that option once the recycling area is removed.

Trustee Sommars suggested requiring recycling as part of our licensing requirements. That would not restrict competition, but still give our residents recycling services. Town Clerk Cowdin noted that would still eliminate the companies that could not provide that service.

TOWN OF BERTHOUD
BOARD OF TRUSTEES
REGULAR MEETING
SEPTEMBER 25, 2007
Page 11 of 11

Trustee Patrick noted when we made recycling mandatory part of the RFP, only two companies were willing to provide the service and submitted a bid. In the near future, we are going to lose all of our free, no cost services in the middle of Town. Just as the sheriff has discontinued our free dispatch services, Waste Management will no longer be able to afford to provide this service for free. There are so many people that want to recycle in the community that the recycle area we provide in the center of Town is not sufficient. He noted there is a relationship between those two. If you can make it simple for people to recycle, they don't have to take everything to the recycle bins and you will reduce the amount of usage that area will have. We are trying to make recycling for the residential community and we have businesses using the recycle bins, which also affects the amount of trash. He asked Trustees Sommars and Thorstensen what information would be necessary to make this a palatable option. He asked if it would be more acceptable to Trustee Thorstensen if staff negotiated for larger containers. He noted that Trustee Sommars was concerned about the fee that may be charged, and pointed out that the fee is not being included in the discussion this evening. He asked if that would make a difference, or if we need to wait for our final trustee.

Trustee Sommars noted he does not feel like he has adequate information, and would like to have further discussion before making a decision. Trustee Patrick suggested he contact staff for any further information he might need.

Trustee Buckingham felt the idea to tie recycling to licensing would solve the problem.

Trustee Thorstensen felt he needed additional information regarding the cost and availability of larger containers.

Mrs. Kennedy noted that S & S Sanitation provides recycling services in the County, but they do not provide that in Berthoud. She noted they would be willing to look at offering that service in the Town.

Trustee Patrick moved to bring this item back to the Board for further discussion. Second by Trustee Sommars. The motion passed unanimously.

With no further business the meeting adjourned at 9:20 p.m.

Mayor Milan Karspeck

Deputy Town Clerk Charlene Reed