

**BOARD OF TRUSTEES
REGULAR MEETING
JULY 9, 2013
BOARD ROOM
7:00 P.M.**

Board Members Present:

Mayor David Gregg
Mayor Pro Tem Jan Dowker
Trustee Thomas Jones
Trustee John Bauer
Trustee Suzie White
Trustee Dick Shepard
Trustee Paul Alaback

Staff Members Present:

Town Administrator Mike Hart
Attorney Greg Bell
Planner Tim Katers
Engineer Stephanie Brothers
Town Clerk Mary Cowdin
Administrative Clerk Jory Haslett
Economic Development Director Ron Schneider

The Mayor Gregg led the Pledge of Allegiance.

Citizen Participation

None.

Consent Agenda

The Consent Agenda consisted of the June 25, 2013 Minutes.

Trustee Bauer moved to approve the Consent Agenda with edits to the June 25, 2013 minutes from Mayor Pro Tem Dowker and Trustee Alaback. Mayor Pro Tem Dowker seconded the motion. The motion passed unanimously.

Wastewater Digester Project

Engineer Brothers presented the Board with an update on the progress of the digester project at the Wastewater Treatment Plant.

Josh McGibbon with JVA reported to the Board that Fischer Construction installed the centrifuge and it is running well. He stated that it is the goal of JVA and Staff to continue the project with the same contractor. He reported that the State has approved the overall project and the project can move forward as soon as the contracts are in place.

Mr. McGibbon further reported that JVA and Town Staff received a Guaranteed Maximum Price from Fischer Construction, who then negotiated with suppliers for the lowest possible prices.

The Town's procurement process allows for specialty construction to be bid differently. Mr. McGibbon does not feel that there is any advantage to the Town to reopen this project for competitive bids.

Attorney Bell stated that the Board may want to review the procurement policy as it might be dated. This is an exception to competitive bid process, to be used in instances when it is in the best interest of the Town to move forward without re-bidding the project.

Trustee White asked if the digester was included in the initial bid scope. Engineer Brothers replied that they knew it was a possible project. Engineer Brothers reported that Staff is very happy with Fischer Construction and working with them has gone well.

Engineer Brothers stated that the amount of the digester project is not to exceed \$1,500,655.00. Mr. McGibbon stated that they have allowed 270 days from start of construction to completion.

Trustee White asked if there was any room in the original funding for contingencies. Engineer Brothers replied that there were contingencies built into the funding.

Trustee Bauer moved that it is in best interest in of the Town to waive the competitive bid process and to approve the Town Administrator to authorize Fischer Construction to begin the digester expansion project. Trustee Shepard seconded the motion. The motion passed unanimously.

Annual Review of Ordinance 1104

Administrator Hart introduced the Development Incentives and explained that they were instituted in 2009 when the economy was slow and in order to stimulate building activity in Berthoud, the Board decided to reduce some of the development fees. The ordinance requires an annual review each year.

Administrator Hart noted that the current prices do not include CBT dedication, which is approximately \$13,000.

Planner Katers presented the Staff proposal to bring back all fees, with the exception of the Density Transfer Fee.

Planner Katers reported that the Town received an email from Todd Gabriel, a builder at Peakview, who asked the Board not to increase the fees.

Trustee Bauer asked if the reinstatement of the fees were proposed for the year 2013 or 2014. Administrator Hart stated that the process is just a review of the current ordinance and it will not impact builders who have already pulled a permit.

Trustee Bauer stated that impact fees may change based upon the new Master Plans currently in development.

Trustee Alaback stated that it is important to know what services the people in Berthoud expect the Town to provide and that there are different expectations for different communities.

Mayor Pro Tem Dowker asked how the current incentives are impacting the Town budget. Administrator Hart explained that the incentives don't impact the budget, but there may have been more money in the coffers from the additional fees. Mayor Pro Tem Dowker asked how the incentives factor into the good year the Town is currently experiencing. Administrator Hart replied that there have been several factors that have contributed to the number of permits.

Kurt Albers, 1928 SW 14th Loveland, with his address soon to be 165 Quandary in Berthoud, addressed the Board. He is a salesperson in Peakview Meadows. Mr. Albers stated that the problem currently is that appraisals are coming in a little low, with water and construction costs increasing. He understands that the Town needs reinstate the fees at some point, but he suggested a sliding scale, which would make it easier for builders to gradually increase the price to compensate for the higher fees.

Leroy Gabriel, a builder in Peakview Homes, addressed the Board. He has been working in Peakview since 2000 has gone through a lot in that time. There is a need for more people to come to Berthoud and to not price Berthoud out of competition again. He asked that the Board bring the fees back incrementally to try to keep people coming to Berthoud.

Scott Sarbaugh, of 1320 Pearl Street in Boulder, addressed the Board. He stated that the Town has the correct approach in recouping fees on the back end. However, it took 8 years to get past the growth cap issue in Berthoud and now the messaging plan is that Berthoud is open for business. Eliminating or reducing the current incentives goes against that message and the Town needs to get rooftops for sales tax base. It is his opinion is that incentives are part of a marketing plan for the Town.

Vance Bostock, of 1460 S Emerson in Denver, representing Henry Walker, addressed the Board. He is working on building in the Prairie Star development. He stated that water is a big issue, but he does his analysis starting with impact fees. Changing the incentives will impact what he can afford. He thinks that phasing things in would be helpful. He stated that right now builders are getting hit from a lot of different directions and he asks that the Board gradually reintroduce the fees and that back-ending the incentives is a good solution for small builders.

Administrator Hart stated that currently the Town is subsidizing water for builders to a certain extent.

Becky Herrmann, of 449 Mountain Avenue, addressed the Board. She stated that fees at some point will need to go up, but it may be too soon as businesses are still struggling. She would like to give businesses in Berthoud a little more time to build a customer base.

Sherry McMullin, of 1125 Bell Drive in Loveland, addressed the Board and stated that she is thinking of building her first home in Berthoud. She agrees with the idea to gradually increase the fees as a rapid increase would put her out of the market to build a home in Peakview.

Mayor Gregg stated that he would not want to see full reinstatement of fees overnight, but would like to be able to give some warning to builders regarding the timing of the increase. The Board could then use that time to finish the Master Plans in development to be sure fees are realistic and covering the costs incurred by the Town.

Trustee White stated that she does not want put a stop on the growth that has started. It is her opinion to keep the current incentives for 2013 and then increase the fees gradually.

Trustee Shepard stated that building is going in the right direction. However, the Board knew that eventually the fees would have to be increased. He suggests leaving the current incentives in place for 6 months. He would like to address the use tax issue for improvements.

Administrator Hart explained that the pricing of the available lots in Berthoud brought the developers and it wasn't the fees that attracted the builders.

Trustee Alaback stated that the Town needs more users to pay for infrastructure and being under market in regard to building fees might be good. He is in favor of leaving the current incentives in place for 6 months and then gradually increasing them. The Board will be able get better numbers in the meantime and can change the fees on a more informed basis.

Trustee Jones stated that he thinks the Board needs to raise the fees in 6 months, but they will have more information regarding real costs at that time.

Trustee Bauer stated that when addressing costs at the time of the implementation of the incentives, the Board looked at what the Town was actually incurring and what fees could be minimized. The Board did not have any Master Plans at the time in order to substantiate the fees being collected. He believes the fees should increase eventually, but not in 2013 and that it is important to understand the actual costs before increasing fees.

Mayor Pro Tem Dowker stated that study further is needed in the next 6 months before increasing fees.

Administrator Hart stated there are a lot of variables in the process and the Town needs amenities to draw people to Berthoud.

Mayor Gregg summarized the Board direction in that there will be no action on fees for the remainder of 2013, with an incremental approach to bringing fees back beginning in 2014. The Board will be working to understand the actual costs in the fees collected. He pointed out that Building Permit Fee, Plan Review Fee, Electric Permit Fee and the Use Tax are not impact fees and are based on the building code and a citizen approved tax. The Parkland Dedication Fee, Parkland Development Fee, the Public Density Fee and the Public Facilities Fee are impact fees. The fees related to the building code and the use tax should go back into effect in 2014, then the Board can discuss a deadline for reinstating the impact fees after further study.

Administrator Hart reviewed the consensus of the Board to leave the incentives intact for the remainder of 2013 and then phasing in fees beginning in 2014.

Mayor Gregg stated that the Town still has a reduced surety bond and that some of the fees are delayed until a Certificate of Occupancy is issued.

Consulting Proposal – Parks Master Plan

Planner Katers presented the contract from TB Group to assist Town Staff in completion of the Berthoud Parks and Recreation Master Plan. TB group will help in the production of mapping products related to the Master Plan and the recent open space acquisitions along the US 287 corridor.

Administrator Hart stated that the Comprehensive Plan review is almost finished and the Parks Master Plan is one of the remaining missing elements.

Trustee Shepard moved to approve the proposal from the TB Group and to authorize the Town Administrator to complete the contract. Trustee Bauer seconded the motion. The motion passed unanimously.

Ordinance re: Food Vendors

Attorney Bell presented a draft ordinance regarding food vendors, which addresses not only food vendors, but other mobile and street retail vendors.

The draft was for the Board's review and he will come back with a semi-formal ordinance at a later date.

Clerk Cowdin stated that the Town received an email from Whitney at City Star requesting a lesser fee for 1 or 2 day food vendor permit. Clerk Cowdin felt that there could be enforcement issues and instead suggests a reduced fee for $\frac{1}{2}$ year permit.

Municipal Code Revisions

Attorney Bell presented the Municipal Code Revisions for Chapters 1-5 to the Board. He stated that if there is a state statute on point, it is not necessary to codify it in the Town Code. All unnecessary items have been deleted and any outdated items updated, as well as unused provisions dropped.

Clerk Cowdin stated that now is the time to voice any questions or concerns regarding the revisions.

Mayor Gregg suggested a deadline of one week to submit concerns or questions.

Attorney Bell stated that several Board "traditions" were eliminated as the Board was not obligated to follow them per state statute.

Reports

Trustee Bauer reported that he attended the FRONT summit on June 13. He also reported that the Police Department has begun issuing warnings for ordinance violations. He wanted to make sure that the officers have the correct address and have clarity regarding the difference between weeds and plants. The officers may need more coaching before the follow-up on warnings. He stated that he has heard concerns about children not being able to get out of the pond at Pioneer Park during the filling process. Administrator Hart noted that Staff is getting bids for fencing at the basketball court to keep balls out of the pond.

Mayor Pro Tem Dowker reported that there will be a 287 Corridor meeting at the end of June, where they will be discussing CDOT plans and train horn noise. There is also a NFRMPO meeting on Thursday in Milliken.

Trustee Shepard asked about code enforcement regarding signs. Administrator Hart stated that it will be addressed at the next meeting.

Trustee Alaback reported that on Thursday there is a Chamber After Hours event at the McCarty-Fickel House.

Administrator Hart reported that on July 25th Berthoud will be hosting the quarterly meeting with Loveland, Fort Collins and Larimer County. Unfortunately, it will be in Loveland because there wasn't any meeting space available in Berthoud.

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Mayor Gregg adjourned the meeting at 9:54 PM.

Haslett
Jory Kate Haslett
Administrative Clerk

David Gregg
Mayor David Gregg