Town of Timnath
Regular Meeting Minutes
Tuesday, June 12, 2018
IMMEDIATELY FOLLOWED THE LIQUOR BOARD AND TIMNATH DEVELOPMENT AUTHORITY MEETINGS AT 6:00 p.m.
Meeting was held at Timnath Administration Building, 4800 Goodman Street, Timnath, Colorado

1. CALL TO ORDER AND ROLL CALL:
Mayor Grossman-Belisle called to order the meeting of the Town Council on Tuesday, June 12, 2018, at 6:22 p.m.

Present:
a. Mayor Jill Grossman-Belisle
b. Mayor Pro Tem Aaron Pearson
c. Councilmember Bill Neal
d. Councilmember Lisa Laake
e. Councilmember Rick Collins

Also Present:
a. April Getchius, Town Manager
b. Robert Rogers, Contracted Town Attorney
c. Milissa Peters-Garcia, Town Clerk
d. Christine Harwell, Contracted Finance Director
e. Don Taranto, Contracted Town Engineer
f. Matt Blakely, Contracted Community Development Director
g. Brian Williamson, Contracted Town Planner
h. Kevin Koelbel, Contracted Town Planner
i. John Barkley, Timnath Resident
j. Kay Means, Timnath Resident

2. AMENDMENTS TO THE AGENDA:
a. Item 4c removed from the consent agenda and moved under business as Item 6.a.
b. Discussion/Possible action added to 6b.

3. PUBLIC COMMENT ON NON-AGENDA ITEMS:
a. Mr. Rasmussen expressed his appreciation to staff, Town Council and Ms. Getchius for the work that they do. He also expressed his appreciation for the police department and their presence in the community. He spoke about the Town events and how the events bring the neighborhoods together. He stated his support for the new Town Center. He said that he was glad he lives in Timnath and he likes what we are doing. He stated that he used to serve in municipalities and he feels Timnath is very effective in our strategic thinking and planning.
b. Councilmember Collins stated that he would be voting against the new Town Center.
c. Mayor Grossman-Belisle thanked Mr. Rasmussen for his comments and also thanked staff, and police for their hard work making this a great community.

4. CONSENT AGENDA:
a. Approval of the May 8, 2018, Town Council Meeting Minutes
b. Approval of the Check Register
c. MOVED to 6a - ORDINANCE NO. 12, SERIES 2018, SETTING A PUBLIC HEARING, An Ordinance Amending the Town Budget for the 2018 Budget Year and Setting a Public Hearing on July 10, 2018, at 6:00 p.m.

Councilmember Neal moved to approve the consent agenda as amended. Councilmember Laake seconded the motion. The motion passed unanimously by voice vote.

5. REPORTS:
a. Mayor/Council
   i. Upcoming July 4th event.
   ii. MPO update on the need for funding CDOT projects in the region.

6. BUSINESS:
a. MOVED FROM 4c - ORDINANCE NO. 12, SERIES 2018, SETTING A PUBLIC HEARING, An Ordinance Amending the Town of Budget for the 2018 Budget Year and Setting a Public Hearing on July 10, 2018, at 6:00 p.m.

Staff Comments:
- Ms. Getchius spoke to Council about the proposed ordinance.

Councilmember Neal moved to approve ORDINANCE NO. 12, SERIES 2018, SETTING A PUBLIC HEARING, An Ordinance Amending the Town of Budget for the 2018 Budget Year and Setting a Public Hearing on July 10, 2018, at 6:00 p.m. Councilmember Laake seconded the motion. The motion passed unanimously by voice vote.

b. ADDED - DISCUSSION/POSSIBLE ACTION: Potential Conflict of Interest Regarding Mayor Grossman-Belisle’s relationship with BBVA Compass Bank, Council and Her Current Employment

Council Comments:
- Mayor Grossman-Belisle spoke about wanting to add this to the agenda because it was brought to her attention that a concern had been raised. She noted that it was important that this be discussed in an open setting and would abide by the Council’s position on it.
- She noted that in her discussions with the Town Attorney, he had stated based on the facts presented to him that he was of the opinion that no conflict of interest under the standard set forth in the Charter. Mayor Grossman-Belisle then stated that she did not believe there was a conflict, but wanting to maintain a high ethical standard, she wanted Council to be able to discuss and share concerns with council, staff, and the public in an open session.
• Mayor Grossman-Belisle spoke about her relationship between BBVA Compass Bank, Council and her current employment. Mayor Grossman-Belisle explained that she sits on an advisory only northern Colorado business development board that, while affiliated with BBVA Compass Bank, has no influence over loan decisions or stock sales or any of the activities of Compass Bank’s municipal finance division. Mayor Grossman-Belisle further noted that the local northern Colorado Advisory Board is a different bank division than the division that is responsible for the lending or issuance of COPs, and that neither of these entities controls or otherwise influences the activities of the other. Mayor Grossman-Belisle disclosed that she does not receive compensation for her position on Northern Colorado Advisory Board, except for a small quarterly stipend for her attendance and may qualify for an annual trip with other advisory board members if she helps introduce prospects outside of Timnath. She has never qualified for a trip, and she noted that her vote on the item before the council this evening would have no impact on her future stipend or trip opportunities. She also noted that the firm that she works for employs 25,000 employees and she has no influence over their decision-making processes related to stock purchase or sale. BBVA and her company are both institutional investors and publicly traded companies. Neither her role as Mayor for the Town, nor as member to the NOCO advisory board, have any impact on the decisions she makes in her other role. Moreover, she noted specifically that the council’s decision regarding the COPs and other Town or TDA financial decisions have no impact on the amount or frequency or her stipend opportunities with the Advisory Board as they are completely unrelated.

• Mr. Rogers read from the Town of Timnath Charter regarding conflicts of interest and stated his opinion that the Mayor’s relationship with the NOCO advisory board did not rise to the level of a conflict of interest under the totality of the facts and circumstances that he had reviewed.

• Mayor Pro Tem Pearson stated that he did not see any conflict of interest.

• Councilmember Neal stated that he did not see any conflict of interest.

• Councilmember Laake stated that she did not see any conflict of interest.

• Councilmember Collins disagreed and believes that a conflict of interest exists and recommended using an RFP process to obtain banking services.

• Mayor Grossman-Belisle spoke about the RFP process used previously for banking services three years ago prior to her involvement added, to the advisory board. Compass was the clear leader with more favorable rates and a deeper understanding of the complexities of municipal financing including the TDA. Ms. Harwell noted that the Town of Timnath has a very strong relationship with BBVA Compass Bank that started long before the Mayor was on council, and that the strong relationship she believed helped in the negotiations with the COPS financing and helped the Town achieve favorable terms due to the overall relationship. BBVA was selected in the RFP process and the Town had continuously renewed the relationship over the past 10 years based on their understanding of the complex financing needs of the TDA
and Town, and because BBVA Compass was the most informed of banks that responded to the RFP.

- Finally, Mayor Pro Tem noted that he thought a pertinent factor in the analysis was that BBVA Compass was engaged by the Town several years before the Mayor was on the Council.

Public Comments:

- Ms. Means asked about the RFP process and Mayor Grossman-Belisle explained the Town’s purchasing policy, the RFP process and preferred vendor list. If Ms. Means has further specific questions, staff will be happy to answer them.

Councilmember Neal moved to find no conflict of interest regarding Mayor Grossman-Belisle with BBVA Compass Bank. Councilmember Laake seconded the motion. Councilmember Collins opposed the finding because he believes in the RFP process and allowing other company’s the opportunity bid. The motion was approved on a 4-1 vote.

c. a. - ORDINANCE NO. 10, SERIES 2018, PUBLIC HEARING, SECOND READING, An Ordinance Amending Chapter 1, Article 4 of the Timnath Municipal Code to Omit the Possibility of Imprisonment for Municipal Court Traffic Violations and to Authorize the Entry of a Judgement of Liability by Default

Mayor Grossman-Belisle opened the public hearing at 6:57 p.m.

Staff Comments:

- Mr. Rogers spoke to Council about the proposed ordinance.

Mayor Grossman-Belisle closed the public comment at 6:57 p.m.

Councilmember Collins moved to Approve ORDINANCE NO. 10, SERIES 2018, PUBLIC HEARING, SECOND READING, An Ordinance Amending Chapter 1, Article 4 of the Timnath Municipal Code to Omit the Possibility of Imprisonment for Municipal Court Traffic Violations and to Authorize the Entry of a Judgement of Liability by Default. Councilmember Neal seconded the motion. The motion passed unanimously by voice vote.

d. b. - ORDINANCE NO. 11, SERIES 2018, PUBLIC HEARING, SECOND READING, An Ordinance Authorizing the Financing of a New Town Center Building and Related Equipment and the Refinancing of an Outstanding Loan with the Department of Local Affairs, and in Connection Therewith Authorizing the Conveyance of Certain Town Property and the Execution and Delivery by the Town of a Quitclaim Deed, a Lease Purchase Agreement, and Other Documents and Matters Relating to Certain Certificates of Participation, Series 2018; Setting Forth Parameters and Restrictions with Respect to the Financing; Authorizing Officials of the Town to Take Action Necessary to Carry Out the Transactions Contemplated Hereby; Ratifying Actions Previously Taken; And Providing for Other Matters Related Thereto

Mayor Grossman-Belisle opened the public hearing at 7:01 p.m.
Staff Comments:
- Ms. Getchius and Ms. Harwell spoke to Council about the proposed ordinance. It was noted that the new building design was displayed at a very well-attended public open house for comment several months before the action.

Public Comments:
- NONE

Council Comments:
- Ms. Getchius and Ms. Harwell explained the numbers and the reason for the change in budget. Specifically, it was noted that additional contingency of $500,000 was added in the event of unforeseen issues, but that those funds could be used for other projects if not needed, the DOLA loan repayment of approximately $600,000, and the actual building cost of $7.8MM as the original 6.5M was a placeholder prior to knowing actual costs of 7.8 and loan cost issuance was included, all to increase the loan to $9.1MM.
- Councilmember Neal spoke about the resident survey which included estimated costs.
- Councilmember Laake spoke about the reason for the contingency.
- Ms. Harwell spoke about amending the budget and that the Town is in a very good position financially to support this loan repayment.

Councilmember Collins moved that Ordinance 11 be amended to return the cost of the Town center back to $6.5 million as proposed in Town survey earlier in the year. Motion died for lack of a second.

Councilmember Collins moved that Ordinance 11 be amended as follows: Whereas, the Town wants to keep the public better informed throughout the building process. Therefore, all change orders on the project that have greater than $10,000 impact be reported monthly to the Council and available to the public.

- Councilmember Neal explained that Ms. Getchius provides the Council with any changes to costs or projects through her monthly staff reports and that he had no issues with the current process.

Motion was seconded by Mayor Pro Tem Pearson, but was defeated by a vote of 1-4

Mayor Grossman-Belisile closed the public comment at 7:01 p.m.
Councilmember Pearson moved to approve ORDINANCE NO. 11, SERIES 2018, PUBLIC HEARING, SECOND READING, An Ordinance Authorizing the Financing of a New Town Center Building and Related Equipment and the Refinancing of an Outstanding Loan with the Department of Local Affairs, and in Connection Therewith Authorizing the Conveyance of Certain Town Property and the Execution and Delivery by the Town of a Quitclaim Deed, a Lease Purchase Agreement, and Other Documents and Matters Relating to Certain Certificates of Participation, Series 2018; Setting
Forth Parameters and Restrictions with Respect to the Financing; Authorizing Officials of the Town to Take Action Necessary to Carry Out the Transactions Contemplated Hereby; Ratifying Actions Previously Taken; And Providing for Other Matters Related Thereto. Councilmember Neal seconded the motion. Councilmember Collins opposed and made the following statement:

Councilmember Collins’ written comment:

Clearly, the Council’s vision of a Town Center and mine is far different. They have the votes and will move forward. That is the process. I can handle it. I hope it turns out to be a great facility. But this project apparently has a life of its own.

Timnath residents will soon learn that the Town Center has increased from $6.5 Million to $7.8 Million, now up to $9.1 Million. That is just within last 90 days.

Actual cost with financing is over $13 Million.... The Towns annual payment will go up from $683,000 to over $1 million annually.

Timnath residents should know this is being funded with a mortgage type vehicle of 12 years. Over $1 Million per year.

Timnath residents should know this mortgage is in addition to the bank loan taken out by Council for $20 million.... Just prior to my swearing-in. It is now tied up in court.

Timnath residents might know .... That they ranked the Town Center third on their list of priorities in the recent town survey. But, what they might not know is their vote for police station turned into a Town Hall.

All these issues and changes deeply concern me. I do not feel there has been adequate public review and input throughout this process. Especially in the last 90 days.

Now let’s look at the Town Budget.

Timnath residents were just notified that the town intends to add most of the items cut, after the last election, back into the budget. We are talking over $9 million.

I hope to learn what made this possible at a scheduled 1-hour work session prior to the Council meeting. Yes, one hour. In my book that is not sufficient time or outreach. We can do better that this.
Going into that work session some of my questions were.

- What changed? Between November and Now?
- Can the Town afford to take on that much debt?
- Can the town secure any other loans? Are we maxed out?
- Where is the money for the Police Station being set aside?
- Is Timnath at risk of losing the site for the police station?
- Will passage of these measures “force” a third new tax vote?

My list of questions…. Can and will continue. My desire to open the process will not waiver. I am commitment to a responsible budget…. “Living within our means”

To: Timnath Residents…..

Tonight and in the weeks ahead I will continue to use my position and this tool to let voters know what I am thinking and why. In fact I plan to release a statement following my first 100 days on the job. You are my boss and I will let you know what I have learned and what I can’t find out…. And why.

That said…….

I believe the responsible vote is no.

End of Councilmember Collins written comments.

Other Councilmembers noted they supported the ordinance due to the information presented including the bond counsel recommendation to proceed, the restrictions of the timeframe associated with the property with re-purchase (it was noted the developer would not extend the date), the repayment of the DOLA loan and the ability to capture additional funds that can be used for contingency or other capital projects. Also noted was the fact that costs have increased and there is not a way to return to the 6.5 M estimate from over 9 months ago with increasing construction costs and actual contracted costs noted. The contract for the 7.8M was already approved due to the need to move forward with construction.

Ms. Harwell spoke to the placement of the contingency in a reserve fund and noted that she would not recommend this approach because the Town would be paying interest on money that is just sitting in an account rather than using it for capital projects. The opportunity to use these funds for either unforeseen circumstances or for other capital projects such as Harmony Road was a far better use of the monies. Councilmember Neal said that after hearing Ms. Harwell’s comments he agreed. She also noted that this process was an anomaly due to the commencing construction
deadline or risking the land as the developer had the option and would no longer extend. Normally, the process would follow policy practices.

The motion passed 4-1.

Jill Grossman-Belisle Aye
Aaron Pearson Aye
Bill Neal Aye
Lisa Laake Aye
Rick Collins Nay

e. c. RESOLUTION NO. 42, SERIES 2018, A Resolution Approving A Purchase Authorization and Marketing/Town Event Management Agreement with Mantooth Marketing
Staff Comments:
- Ms. Getchius spoke to Council about the proposed resolution.

Council Comments:
- Councilmember Laake asked if the additional staffing was budgeted and Ms. Getchius stated that it was budgeted.

Councilmember Neal moved to approve RESOLUTION NO. 42, SERIES 2018, A Resolution Approving A Purchase Authorization and Marketing/Town Event Management Agreement with Mantooth Marketing. Councilmember Laake seconded the motion. The motion passed unanimously by voice vote.

f. d. RESOLUTION NO. 43, SERIES 2018, A Resolution Approving Contractor Agreement with APEX Pavement Solutions for the Additional Pothole Patching and Street Crack Sealing
Staff Comments:
- Mr. Taranto spoke to Council about the proposed resolution.

Council Comments:
- Councilmember Laake asked how the repairs were prioritized and Mr. Taranto explained that staff evaluates the need for repairs twice a year.

Councilmember Neal moved to approve RESOLUTION NO. 43, SERIES 2018, A Resolution Approving Contractor Agreement with APEX Pavement Solutions for the Additional Pothole Patching and Street Crack Sealing. Councilmember Laake seconded the motion. The motion passed unanimously by voice vote.

g. e. RESOLUTION NO. 44, SERIES 2018, A Resolution Ratifying the Contractor Agreement with Coyote Ridge Construction LLC for the Emergency Repair/Replacement of the Clyde Smith Reservoir Outlet Structure and Shut Off Valves
Staff Comments:
- Mr. Taranto spoke to Council about the proposed resolution.
Council Comments:
- Councilmember


h. f. - RESOLUTION NO. 45, SERIES 2018, A Resolution Approving a Purchase Authorization and Purchase Contract for 5125 4th Street, Timnath, Colorado
Staff Comments:
- Ms. Getchius spoke to Council about the proposed resolution.

Council Comments:
- Councilmember Laake asked for background on the Old Town Area and Ms. Getchius spoke about creating a neighborhood plan which will include resident input. Ms. Getchius noted that this property is adjacent to the Town-owned fire station and will further the opportunity to implement the Dreambook and the Town’s vision for the area. In addition, it was noted that the modular home on the site can be sold and removed at a preliminary estimated value of $75,000.
- Mayor Grossman-Belisle spoke about the artisan village and how it ranked on the survey. She also spoke of the history of the old town area and Council’s vision, the Dreambook and how plans have changed over the years.

Councilmember Neal moved to approve RESOLUTION NO. 45, SERIES 2018, A Resolution Approving a Purchase Authorization and Purchase Contract for 5125 4th Street, Timnath, Colorado. Councilmember Laake seconded the motion. The motion passed unanimously by voice vote.

i. g. - RESOLUTION NO. 46, SERIES 2018, A Resolution Approving Contracts for Signage and Playground Improvements at the Community Park
Staff Comments:
- Mr. Blakely spoke to Council about the proposed resolution.

Council Comments:
- Councilmember Laake asked about the rubber and if it gets hot and Mr. Blakely stated that the rubber could heat up depending on the colors.
- Councilmember Laake asked about scaled down versions of the signs due to cost and Mr. Blakely stated that the pricing was standard.

Councilmember Laake moved to approve RESOLUTION NO. 46, SERIES 2018, A Resolution Approving Contracts for Signage and Playground Improvements at the Community Park. Councilmember Neal seconded the motion. The motion passed unanimously by voice vote.
j. **RESOLUTION NO. 47, SERIES 2018**, A Resolution Approving an Independent Contractor Agreement between the Town of Timnath and CorKat Data Solutions LLC for Managed IT Services, Backups, and Network Infrastructure

Staff Comments:
- Mr. Rogers spoke to Council about the proposed resolution.

Council Comments:
- Councilmember

**Councilmember Neal moved to approve RESOLUTION NO. 47, SERIES 2018**, A Resolution Approving an Independent Contractor Agreement between the Town of Timnath and CorKat Data Solutions LLC for Managed IT Services, Backups, and Network Infrastructure. **Councilmember Pearson seconded the motion. The motion passed unanimously by voice vote.**

k. **RESOLUTION NO. 48, SERIES 2018**, A Resolution Approving the Organizational Action of Incorporator of Timnath Foundation, Articles of Incorporation of Timnath Foundation, and Bylaws of Timnath Foundation

Staff Comments:
- Mr. Rogers spoke to Council about the proposed resolution.

Council Comments:
- Mayor Grossman-Belisle noted that having a foundation will help attract donations as a non-profit and provide diversity in fund raising sources.

**Councilmember Neal moved to approve RESOLUTION NO. 48, SERIES 2018**, A Resolution Approving the Organizational Action of Incorporator of Timnath Foundation, Articles of Incorporation of Timnath Foundation, and Bylaws of Timnath Foundation. **Councilmember Collins seconded the motion. The motion passed unanimously by voice vote.**

l. **RESOLUTION NO. 49, SERIES 2018**, A Resolution Approving Assignment Development and Purchase and Sale Agreement and Second Amendment to Development and Purchase and Sale Agreement (Town Commercial Parcel)

Staff Comments:
- Mr. Rogers spoke to Council about the proposed resolution.

**Councilmember Pearson moved to approve RESOLUTION NO. 49, SERIES 2018**, A Resolution Approving Assignment Development and Purchase and Sale Agreement and Second Amendment to Development and Purchase and Sale Agreement (Town Commercial Parcel). **Councilmember Neal seconded the motion. The motion passed unanimously by voice vote.**

7. **ADJOURNMENT:**

Mayor Grossman-Belisle adjourned the meeting 7:50 p.m.
Town Council approved the June 12, 2018, Town Council Meeting Minutes on July 10, 2018.

TOWN OF TIMNATH

Jill Grossman-Belisle, Mayor

ATTEST:

Milissa Peters-Garcia, CMC
Town Clerk

[Stamp: Town of Timnath, Colorado]