

**CITY OF CENTRAL
CITY COUNCIL MEETING
May 20, 2014**

CALL TO ORDER

A regular meeting of the City Council for the City of Central was called to order by Mayor Engels at 7:00 p.m., in City Hall on May 20, 2014.

ROLL CALL

Present: Mayor Engels
Alderman Gaines
Alderman Spain
Alderman Voorhies
Alderman Heider

Absent: None

Staff Present: City Clerk Bechtel
Attorney McAskin
Finance Director Flowers
Utilities Superintendent Griffith
Police Chief Krelle
Fire Chief Allen

The Pledge of Allegiance was recited by all present.

ADDITIONS AND/OR AMENDMENTS TO THE AGENDA

The agenda was approved as presented.

CONFLICTS OF INTEREST

No Council Member disclosed a conflict regarding any item on the agenda.

CONSENT AGENDA

Alderman Gaines moved to approve the regular bill lists for May 8 and 15, 2014. Alderman Heider seconded, and without discussion, the motion carried unanimously.

Alderman Gaines moved to approve the City Council minutes for the meetings on May 6 and 7, 2014. Alderman Voorhies seconded, and without discussion, the motion carried unanimously.

PUBLIC FORUM/AUDIENCE PARTICIPATION

No one requested time to address the Council.

SECOND READING AND PUBLIC HEARING

Ordinance No. 14-02: *An ordinance authorizing the City of Central to enter into a Municipal Lease Purchase Agreement and related documentation with Daimler Truck Financial for the lease and purchase of 2015 Freightliner Snowplow and related equipment.*

Finance Director Flowers gave the background as follows:

During the 2014 Budget process, one of the capital items that City Council approved for budgeting was the lease/purchase of a new snowplow for the Public Works Department. Over the course of 2013, it became apparent that a new snow plow was needed in order to properly maintain the Parkway during the winter months. Therefore, City Council approved funds in the 2014 Budget to obtain this equipment. Due to the fact that snowplows generally take several months to be delivered after an order has been placed, the 2015 Freightliner snowplow and equipment was ordered at the beginning of 2014. As the equipment is now nearing completion and delivery, it is appropriate to adopt the lease purchase agreement to complete the financing aspect of this purchase.

Although Council froze the purchase of even budgeted capital items during the 1st quarter of 2014 in order to maintain General Fund balances, this piece of equipment had already been ordered and could not therefore be cancelled. The City has secured financing with Daimler Truck Financial for the purchase of the new snowplow. The total cost of the snowplow is \$172,903. Total financed principal amount is \$142,903 (total cost reduced by a \$30,000 down payment from the sale of equipment in 2013). The annual interest rate is 3.17 % with and the term of the financing is four (4) years. Total interest paid over the lease/purchase period is \$11,501.72. Each annual payment will be \$36,601.18.

Although the 2014 Budget contemplates a three (3) year term and an initial down payment of \$40,000, the term has been extended to four (4) years and the down payment reduced to \$30,000. This has been done in order to keep the annual payment under \$45,000 and because the amount that the City received at auction for the old snowplow during the 4th quarter of 2013 was only \$34,500 (\$5,500 less than expected). This purchase adheres to the adopted funding allocations for vehicles and equipment in the Public Works Department under line item 01-431-7420 Lease Purchase Payments (budgeted amount of \$45,000). There will be an initial down payment made on the equipment in the amount of Thirty Thousand Dollars (\$30,000.00).

As TABOR does not allow the City to enter into any multiple year debt or financings, this lease purchase agreement is based upon an annual budget appropriation and annual renewal.

Mayor Engels opened the public hearing at 7:04 p.m. and invited comment. Hearing no comment, Mayor Engels closed the public hearing at 7:05 p.m.

Alderman Gaines moved to adopt Ordinance No. 14-02: An ordinance authorizing the City of Central to enter into a Municipal Lease Purchase Agreement and related documentation with Daimler Truck Financial for the lease and purchase of 2015 Freightliner Snowplow and related equipment. Alderman Voorhies seconded, and without discussion, the motion carried unanimously.

ACTION ITEMS: NEW BUSINESS

Resolution No. 14-08: *A resolution of the City Council of the City of Central, Colorado approving a short term loan with the Cultural Economic Development Association (CEDA).*

Finance Director Flowers gave the background as follows:

At the April 1, 2014 Council meeting, the Cultural Economic Development Association (CEDA) requested funding in support of the Central City Jazz Arts Festival scheduled to take place August 8-10. City council approved funding CEDA in the amount of \$7,000 as a short term loan that is to be repaid to the City within three months of the event. This date is

November 10, 2014. During the council discussion, a private property owner also volunteered to contribute \$5,000 in support of the Festival.

Based on Council's approval of the short term loan in the amount of \$7,000, a check was issued to CEDA in the amount of \$12,000 (for both the City's support and the private contribution) on April 4, 2014. A check in the amount of \$5,000 from the private contributor has been received by the City. The City's portion was coded out of line item 01-413-5990 Council Discretionary. When CEDA repays the loan, the amount will be credited against the same and there will be no net effect on the City's annual financials.

In order to formalize the short term loan aspect of the City's funding support, it is necessary for the City Council to enter into the Short Term Loan Agreement with CEDA as presented in Resolution 14-08. CEDA is required to pay back the \$7,000 no later than November 10, 2014. No interest is being charged on the amount loaned.

Alderman Voorhies moved to approve Resolution No. 14-08: A resolution of the City Council of the City of Central, Colorado approving a short term loan with the Cultural Economic Development Association (CEDA). Alderman Spain seconded, and without discussion, the motion carried unanimously.

Resolution No. 14-09: A resolution of the City Council of the City of Central, Colorado approving a Professional Services Agreement with the Regents of the University of Colorado, for and on behalf of the College of Architecture and Planning, Center of Preservation Research (CORP) for services related to the Historical Survey Update Project.

Attorney McAskin explained that the City was awarded a grant of \$19,569 to resurvey historic properties within the City's historic district boundaries. The last survey for the Central City district was conducted over three phases between 1998 and 2003. This survey update will evaluate how the district has changed since the previous historic resources survey.

The presentation of the results in a digital format will more effectively support the implementation of the community's historic preservation ordinance and guide future preservation and planning efforts. The survey update results will be in a database to reflected changes within the district. Additionally the information in the database can also be used to update History Colorado's COMPASS database. This will include adding contributing/non-contributing status for the district resources which is currently missing for most of the district. The updated survey information will also be incorporated into Central City's GIS system, allowing for greatly enhanced management of the district.

Payment will be made in four installments of \$4,892 through the next year with completion targeted for May 31, 2015.

Alderman Gaines moved to approve Resolution No. 14-09: A resolution of the City Council of the City of Central, Colorado approving a Professional Services Agreement with the Regents of the University of Colorado, for and on behalf of the College of Architecture and Planning, Center of Preservation Research (CORP) for services related to the Historical Survey Update Project. Alderman Voorhies seconded, and without discussion, the motion carried unanimously.

STAFF UPDATES

Utilities Superintendent Griffith gave an update on projects:

- City Clean-up – filled 3 dumpsters
- AT&T – the project is moving forward with perhaps construction to start in July
- Sign on the Parkway – the BID is trying various options to see if they can get a sign to encourage traffic on 1-70 during construction to use the Parkway with the wording CASINOS EXIT 243 to be secured on the City ROW overlooking 1-70.
- Richville/Yellow House at Quartz Hill site – contractor will move it tomorrow
- Quartz Hill – Still on track to complete before the July deadline.

Alderman Heider noted the Finance Director report of \$22K in revenue between State and City sales tax received through April for retail marijuana stores.

COUNCIL COMMENTS

Council had no comments.

PUBLIC FORUM/AUDIENCE PARTICIPATION

No one requested time to address the Council.

At 7:24 p.m., Mayor Engels adjourned the meeting.

The next Council meeting is scheduled for June 3, 2014 at 7:00 p.m.

Ronald E. Engels, Mayor

Reba Bechtel, City Clerk