

**TOWN OF MILLIKEN
BOARD OF TRUSTEES
MILLIKEN MEETING HOUSE, 1201 BROAD STREET**

MEETING MINUTES

Wednesday, April 27, 2011 - 7:00 P.M.

Call to Order

The Town of Milliken Board of Trustees convened a regular session on Wednesday, April 27, 2011 at 7:00 p.m. Those present: Mayor Janie Lichtfuss, Mayor Pro Tem Julie Cozad. Trustees: Bob Carnahan, Ted Chavez, Doug Kehr and Peggy Wakeman. Also present: Town Administrator/Chief of Police Jim Burack, Town Attorney Bruce Fickel, Community Development Director Steve House, Finance Director Mitzi McCoy, Co-Clerk Cheryl Powell and Co-Clerk Betty Rangel. Absent: Public Works Director Mike Woodruff.

Pledge of Allegiance

Mayor Lichtfuss called the meeting to order.

Agenda Approval

Town Administrator Jim Burack responded that staff would like to add to the Discussion Agenda the 208 plan with Evans.

Citizens Comments

None.

Minutes of Previous Meeting – April 13, 2011 meeting.

Minutes approved as distributed.

CONSENT AGENDA

1. List of Bills

List of Bills for April 27, 2011.

Trustee Wakeman questioned the payment to Thompson Rivers Parks and Recreation (TRPR) District and asked if this was a full year's amount for the Town's contribution to the Senior program. Finance Director McCoy indicated it is for the full year from January 2011 through December 2011. Trustee

Wakeman asked if the payment to TRPR was by a contract. Town Administrator Burack responded it is an amount outlined by an agreement with TRPR that was approved by the Town Board two (2) years ago. Trustee Wakeman also asked about the payment of \$798.00 to USA Bluebook. Finance Director McCoy explained there were various invoices this payment covered to include, training materials, two (2) staff gauges and a meter reader.

Mayor Pro Tem Cozad moved to approve the consent agenda. Trustee Chavez seconded the motion.

Vote: All in favor, none opposed.

ACTION AGENDA

1. First Reading and Public Hearing for Consideration of an Amendment to Milliken Municipal Code Chapter 10, Article VI, Section 10-6-200, Residential Solicitation

Town Administrator Jim Burack asked the Town Board to consider a revision to Milliken Municipal Code § 10-6-200, Residential Solicitation, that would allow commercial door-to-door solicitation by solicitors who have obtained an annual permit and identification badge issued by the Town.

Public Hearing opened at 7:08 P.M.

Trustee Carnahan asked about the \$25.00 per permit fee. Town Administrator Burack responded this is an estimate for staff time to produce the permit, materials to produce the ID cards and fixed cost amounts to conduct Colorado Bureau of Investigation (CBI) background checks. He stated that after the first full year it will be easier to determine what the actual cost of producing the permits is and that figure can be adjusted accordingly and then added to the Town's fee schedule.

Public Hearing closed at 7:14 P.M.

Mayor Pro Tem Cozad moved to approve the first reading and public hearing for the consideration of the amendment to Milliken Municipal Code Chapter 10, Article VI, §10-6-200 for residential solicitation and Ordinance # 646. Trustee Carnahan seconded.

Vote: All in favor, none opposed.

2. Consideration and Approval of a Lease with 3 Coffee and Roastery at Milliken for Operation of a Coffee Shop at the Historic Town Hall and Police Station

Town Administrator Burack asked the Town Board to consider a lease for the operation of a coffee shop at the Historic Town Hall and Police Station. Town Administrator Burack explained to the Town Board that Requests for Proposals (RFPs) were sent out and the Town received two (2) proposals in response. Staff and Board representatives reviewed the proposals submitted and formally interviewed the interested respondents. A recommendation was made to pursue an agreement with 3 Coffee and Roastery.

Town Administrator Burack explained that Town Attorney Bruce Fickel has spoken to the representatives of 3 Coffee and Roastery and has drafted a five (5) year lease with an escalating lease payment. The Board and Staff that met to review the proposals agreed this proposal was the best match for the Town. The second proposal brought some special talents but the proposal from 3 Coffee and Roastery had better financial backing for a start-up business to succeed.

Mr. Raul Cruz, 107 Parkview Blvd. Kersey, CO, explained to the Town Board his concept of the Coffee Shop as a place where people can come together. Mr. Cruz said he has made a connection with a group called "coffee ambassadors" who strive for the fair treatment and the pursuit of sustainability in the coffee industry. Mr. Cruz explained the concept of fair and direct trade with the coffee farms and trips are taken to these locations. He also explained that part of their concept is to celebrate beauty through music and visual arts in their coffee shop. The coffee shop will be roasting their own coffee and establishing a home roasting community.

Mayor Pro Tem Cozad asked if they will be selling coffee beans to the public. Mr. Cruz responded they will sell their coffee beans.

Trustee Wakeman moved to accept the proposal and approve the proposed lease agreement with "3 Coffee & Roastery" for the operation of the Coffee Shop at the Historic Town Hall & Police Station located at 1109 Broad Street. Trustee Kehr seconded the motion.

Mayor Pro Tem Cozad explained that the Town was in need of an attraction for people to stop here as people are driving through. She believes it will be a showcase for the Town and that 3 Coffee and Roastery will fit in with the concept of the Town. She wished them success in their business.

Trustee Carnahan asked what the coffee shops hours will be. Mr. Cruz responded the hours will be 5am-9pm and they would like to have live music every Friday night. Mr. Cruz said they are considering being closed on

Sundays.

Trustee Carnahan commended Town Administrator Burack, Project Manager Rinebarger and Staff for their work on the coffee shop use at the retired Town Hall/Police Station.

Vote: All in favor, none opposed.

3. Consideration and Approval of Resolution 11-06, authorizing Certain Individuals to Act on Behalf of the Town in Business with Colorado Community Bank and other Financial Matters.

Finance Director Mitzi McCoy informed the Town Board that new signature cards must be completed to remove Trustee Monica Martens from the Town accounts at Colorado Community Bank. The attached resolution will preclude former Trustee Monica Martens to act on behalf of the Town in business with Colorado Community Bank and other financial matters.

Trustee Carnahan moved to approve Resolution 11-06 and authorize the Mayor to sign. Mayor Pro Tem Cozad seconded.

Vote: All in favor, none opposed.

4. Consideration and Approval of a Contract with A-1 Chipseal for Placement of a Chip Seal Overlay as Part of the Town of Milliken Public Works Department 2011 Pavement Maintenance and Resurfacing Program

Town Administrator Burack asked the Town Board to award a contract to A-1 Chipseal Company for placement of a chip seal overlay as part of the Town of Milliken Public Works Department 2011 Pavement Maintenance and Resurfacing Program and will not exceed \$65,000. The Town is piggybacking” on the City of Loveland street resurfacing contract. By utilizing the existing City of Loveland bid, the Town receives reduced pricing and eliminates the costs associated with issuing a Request for Proposal (RFP) and bid process. The Town of Johnstown also utilizes the Loveland bid in the same manner. The chip seal resurfacing will occur on South Dorothy Ave., South Irene Ave., South Frances Ave. and WCR 21 which will extend the life of these roads at least an additional five (5) years.

Mayor Pro Tem Cozad moved to approve the contract between A-1 Chipseal Company and the Town of Milliken in the amount not to exceed \$65,000.00 for the placement of a chip seal overlay as part of the Town of Milliken Public Works Department 2011 pavement maintenance and resurfacing project. Trustee Carnahan seconded.

Mayor Pro Tem Cozad commended staff for Identifying efficient cost savings, and she commended Public Works Director Mike Woodruff for looking for ways to provide cost savings by way of “piggybacking” on other municipality’s contracts. Town Administrator Burack mentioned the work Director Woodruff has done with regular meetings of other North Colorado Public Works Directors and the benefits that have been achieved due to those meetings.

Vote: All in favor, none opposed.

DISCUSSION AGENDA

1. Greeley Water Rates

Mr. Jon Monson, Director of the Water and Sewer Department, City of Greeley, 1707 11th Ave. Greeley, explained he brought Mr. Erik Dial who is the Water and Sewer Budget Analyst who could answer technical questions on how Greeley sets water rates. Mr. Monson clarified how the water rates are set and explained that Greeley uses a mathematical model that was developed by the Black and Veatch Company. Greeley has used this model for 20 years. The model allocates the cost of the running the water system for all the various users. The rate model is a cost of service model and takes the total cost to run his departments and allocates it to each customer class. He explained that outside customers such as Windsor and Milliken comprise a customer class and each type of class such as residential, commercial and industrial places a different kind of demand on their system. The best example of demand Milliken places on the system is peaking demand. The demand Milliken places on Greeley’s system in the summer months is what causes the high rates. The peaking factor is something that Milliken has some control over with the way we take water from them down Hwy. 257. Two ways to decrease the peaks are through installation of a flow regulating valve or an elevated tank both could flatten the peak this could probably cut the water rate and perhaps pay for the tank. These are some ideas that could minimize the cost of service for the Town’s water rates.

Mayor Lichtfuss asked about the differences in water flow measurements by Greeley and Milliken’s respective SCADA systems. Mr. Monson explained he had used a five (5) year average of the peaks instead of the two (2) year average that is in the contract. Mr. Monson said the Town of Milliken benefited by using the five (5) year average. The City of Greeley has lost approximately \$100,000 in revenue from the Town of Milliken due to this oversight and if Greeley’s SCADA system is incorrect it would probably not be in the Town’s best interest to go back and correct it.

Mayor Pro Tem Cozad asked if Mr. Monson suggests the Town goes back to using the two (2) year average. She thinks it may be beneficial to the Town since we haven't had the same peak usages the Town has had in the past. Mr. Monson has spoken to his Water Board and they will now follow the two (2) year average that is in the contract. Mayor Pro Tem Cozad asked what the new water rate will be. Mr. Monson replied that the new rate is \$3.61 per thousand gallons.

Town Administrator Burack asked the Board if there are any water questions beyond the water rates since we have Mr. Monson here. Mr. Monson explained to the Town Board that Greeley is pursuing aggressive water acquisition program at a cost of approximately \$20 million dollar in supplies and he wanted to clarify that Milliken, Windsor and Evans are not paying for these acquisitions. The acquisition amounts are segregated from the cost of service to the three municipalities.

Mayor Pro Tem Cozad asked if the model includes some of the water storage projects and does it include the water infrastructure. Mr. Monson responded that yes, the infrastructure cost are included since it is used for the contract purpose. Milliken has its own water rights and Greeley is providing treatment and transmission services for Milliken. Expansion of the Greeley treatment plant would be included since they treat Milliken's water.

Mayor Pro Tem Cozad asked if it is the intention of Greeley to not provide water to the Town of Milliken in the long term and stated that it is important for Milliken to know this for long- range growth projections. Mr. Monson cannot answer this question. He explained the 2003 water master plan that Greeley put together provides for no additional outside services. He doesn't believe there is anything in his policy that prohibits continual service, but he stated their water is very expensive.

Mayor Pro Tem Cozad asked if there are opportunities for regional facilities and partnerships whether it is public/private or public/public. This has been a big discussion topic for a lot of the smaller communities since it is expensive to create water storage, infrastructure and treatment. The Board would probably be interested if there is an opportunity for partnering with Greeley where the smaller communities would have some control over the amount of water supply we receive from Greeley. She explained that the Town Board is responsible to the citizens when the water rates increase.

Town Administrator Burack asked if Mr. Monson could provide an overview to the Town Board of Greeley's treatment and how it arrives in Milliken.

Mr. Monson explained that 80% of the water supply comes down from the mountains in the next four months and the rest of the time the reservoirs are used to capture the water. Over the last two decades Greeley has spent a lot

of time, money and effort in rehabilitating the high mountain reservoirs. There are two filter plants that take the water, one in Belleview near Ted's Place north of Fort Collins and there is a 2nd filter plant called their peaking plant that is used when people start to irrigate and it is located south of Boyd Lake. The City of Greeley owns about half of the Greeley/Loveland Irrigation Company, and the City of Greeley owns half of Boyd Lake and Lake Loveland. He explained in the summer months notice the water is becoming hard and it leaves white spots on your windows, it is because we are receiving water from Boyd Lake and it is more mineralized. The Belleview plant operates year-round and is supplemented by their Boyd Lake plant. The water supplies come from four (4) river basins: Big Thompson, Poudre, Laramie and Colorado Big Thompson. Greeley is trying to install a new transmission line for the first time in approximately 100 years.

Mr. Monson explained the City Charter requires him to set water rates that will recover the depreciation. The entire infrastructure he builds is depreciated and as the depreciation occurs he recovers that through the water rates and the funds are used to put back in to the system in the form of maintenance. This way they do not have to issue a bond.

Mr. Monson explained that the water coming down from the Belleview filter plant is pumped up to Gold Hill and the water from Boyd Lake filter plant has to be pumped to the elevated storage tank N.W. of Milliken, a ground storage reservoir at Gold Hill. The elevated tank is used to provide pressure to the State Farm and Promontory area. The original fifteen million gallon ground storage tank is used to regulate the various flows and from there it comes down Hwy. 257 to Milliken through a meter that can be read electronically by both Greeley and Milliken.

Mr. Purvis asked what depreciation method the City of Greeley uses. Mr. Monson believes it is on a straight-line, useful life basis. Pipelines are on a fifty-seventy year schedule, pumps are ten years and buildings are twenty years. Mr. Purvis stated that in the private sector when you use revenue terms like rates and fees there is normally a profit. Mr. Monson explained that there is not a profit and they do not have to pay taxes.

Mr. Purvis wanted to clarify that the water fund for Greeley is considered an enterprise fund. Mr. Monson indicated that it is.

2. Downtown Parking

Community Development Director Steve House presented a proposed memo from the Mayor and Board of Trustees to the Planning Commission in reference to the downtown parking study project.

Mayor Pro Tem Cozad indicated there has been some discussion in regard to parking. There isn't a current problem with parking, but when the downtown area starts to develop and grow there could potentially be a problem. She indicated that the downtown parking should be pedestrian friendly and parking should be created that does not require people crossing busy streets.

Trustee Wakeman asked about researching information regarding the parking lot located at the Fire Department. Director House responded it would be part of the research assessment. Mayor Lichtfuss indicated that she did not find a reference to the parking issue in the copies of ordinances she has. Town Co-Clerk Powell will look at the minutes and Mayor Pro Tem Cozad suggested looking at the site plan since it may have been a condition.

Trustee Wakeman is pleased with the pedestrian crossing signs on Broad Street and the responsiveness from the vehicles. Town Administrator Burack explained that the Colorado Department of Transportation (CDOT) Region 4 is supportive of the signs. An additional pedestrian cross-walk will be added by the Kids and Cops Park once the sidewalk at the S.W. corner of Broad St. and Ethel Ave. is brought up to ADA standards.

3. 417 Broad Street Update

Town Co-Clerk Cheryl Powell provided an update to the Board of Trustees on a meeting held on April 21, 2011 with CIRSA representative Mike Wagner, Professional Claims Adjuster Ted Oldenburg, Ryberg Construction Company, Building Official Ken Kidd and Town Administrator Jim Burack. Town Co-Clerk Powell explained the different options discussed in regard to the house. One option is to re-pour a foundation where the house currently sits, another to move the house east over ten (10) feet with a new foundation. The last option is moving the house down to the old Wulf property and having the structure face south into the Town Square area. CIRSA would be willing to accommodate this choice in location with the exception of the actual marginal cost of moving the house down to the new location.

Town Administrator Burack spoke to the Town Board about the original idea of placing the Historical Society at 1109 Broad Street in an old historic building. He explained that moving this structure to the downtown area would provide the Historical Society with an area that could be made into a small "Centennial" type village. The placement of the Historical Society museum in the downtown area will help revitalize the area and would be placed in an area that will be enhanced with the addition of the new coffee shop and library.

Trustee Wakeman asked if staff has done any research on the house. Town Administrator Burack referred the question to Lois Ann Onorato. Mrs. Onorato is fairly certain that Anna Floods family had lived there.

Mayor Pro Tem Cozad asked what year the house was built. Town Co-Clerk Powell responded that she believes it was built in 1913. Mayor Pro Tem Cozad asked how much it would cost to move the house to the new location and what would happen to the existing property if we moved the house to the new location. Town Administrator Burack responded that CIRSA would pay to reclaim the lot. He explained that there is a well on the property and it could be made into a community garden/park space. Town Attorney Fickel explained that the lot could be sold but if it is made into a park it would need to go to a vote of the people if the Town wanted to sell it later.

Town Co-Clerk Powell explained to the Board that the additional cost of moving the house to the new location is \$4,700 aside from this cost there would be an additional fee of filling in the existing hole and the digging of the new foundation hole.

4. 208 Boundary Between Evans and Milliken

Director House handed out a copy of the Intergovernmental Agreement (IGA) on the 208 boundary between Milliken and the City of Evans. The map on the hand-out showed the boundary areas. In 2007 Evans had an agreement with the Town requesting a change in the 208 service area boundary plan stating that if a development occurred in the Milliken area west of the dividing line the property owner could seek service from Milliken. If Milliken could not provide service then the property owner could seek service from Evans and vice versa. The City of Evans has requested an amendment to the 208 service area and has made application to the North Front Range Water Quality Planning Association. They are the organization that approves these boundary changes. They have requested a shift of their 208 water service area boundary to the west. Mr. House indicated on the hand-out map where that new area will be located. He and Town Administrator Burack attended a meeting with the Water Quality Planning Association on April 26th. Director House explained that staff is going to meet with Earl Smith from the City of Evans to receive more clarification on this requested change. Town Administrator Burack explained that Evans is seeking a joint 208 Plan with Milliken. Based on the 2007 IGA that Milliken agreed to, Evans is arguing that Milliken agreed to change the 208 plan and there seems to be a difference in the interpretation of the IGA with Evans. Milliken Town Staff will meet with Evans Staff.

Discussion by the Board included the interpretation and the intent of the agreement and if a letter had been sent to the City of Evans in regard to this request. Town Administrator Burack explained a letter was sent to Town Manager Aden Hogan from Administrator Burack opposing the amendment to the 208 plan.

Town Attorney Fickel explained one interpretation of the agreement is not only does the line go west into Milliken but it also goes east into Evans, so the agreement is to effectively share the boundary.

Further discussion by the Board showed a consensus that the 208 boundary does not need to be moved since the IGA is clear enough. Mayor Pro Tem Cozad replied that typically the North Front Range Water Quality Planning Association (NFRWQPA) will not change a boundary unless both municipalities agree to it.

Director House said the tentative hearing date is set for June 23, 2011. The date is pending to allow Evan's consultant to clear up some items and giving Evans the opportunity to meet with Milliken.

Town Attorney Fickel clarified that the direction from the Town Board is the IGA is sufficient and the 208 boundary does not need to be changed.

Trustee Wakeman would like the Board to have copies of the agreement with Greeley in regard to the water and the agreement to not annex past CR 54.

Additional Items

Town Administrator Burack announced that High Plains Library is looking for Board Volunteers to do a publicity shoot for the Library District. Their plan is to create a series of posters featuring local celebrities.

Town Administrator Burack supplied the Town Board with information regarding a potential flooding issue. The Big Thompson and Little Thompson Rivers could breach their banks with snowmelt and spring run-off. He said there will be some outreach to residents including county residents who are in this flood plan area. The Wastewater Treatment facility is going to be bermed to avoid any potential problem.

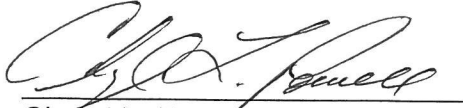
Community Development Director House passed out a drawing of a proposed sculpture done by University of Northern Colorado students for the area in front of the Meeting House.

Trustee Carnahan announced that he was approached by a resident and they commented to him on how well the Town Easter Egg Hunt was organized.

Adjournment

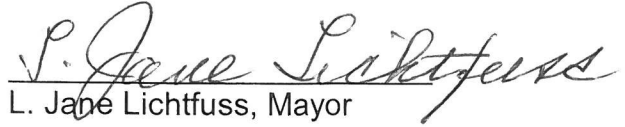
Hearing no further business, the Mayor adjourned the meeting at 9:07 p.m.

Prepared by:



Cheryl L. Powell,
Town Co-Clerk

Approved by:



L. Jane Lichtfuss, Mayor