

BOARD OF TRUSTEES
REGULAR MEETING
JANUARY 28, 2014
BOARD ROOM
6:30 P.M.

Mayor Gregg called the meeting to order at 6:30 PM.

Board Members Present: Mayor David Gregg
Mayor Pro-Tem Jan Dowker
Trustee John Bauer
Trustee Suzie White
Trustee Thomas Jones
Trustee Dick Shepard

Board Members Absent Trustee Paul Alaback

Staff Members Present: Town Administrator Mike Hart
Town Attorney Greg Bell
Town Clerk Mary Cowdin
Engineer Stephanie Brothers
Business Development Manager Ron Schneider
Interim Police Chief John Feyen
Deputy Town Clerk Tamiko Brewster

Mayor Gregg led the Pledge of Allegiance.

Citizen Participation

None

Consent Agenda

Mayor Pro-Tem Dowker wanted to clarify the January 14th, 2014 minutes on page 4 under Reports, the report from Administrator Hart regarding the NCEDC luncheon; the Town Trustees were invited by Mr. Landis to sit at the St. Aubyn table.

Trustee Bauer moved to approve the Consent Agenda with corrections mentioned by Mayor Pro-Tem Dowker. Trustee Jones seconded the motion. The motion passed unanimously.

IGA With CDOT For FHWA Flood Road Projects

Engineer Brothers explained this is the IGA with CDOT and allows them to handle all of the federal funding for emergency repairs for County Rd 1 and County Rd 44. It also helps with permanent funding for County Rd 44; we are already in the process and need to get the IGA approved. Administrator Hart clarified that we need to sign the agreement to get the money back. Town Council has looked at it and has no problems. Engineer Brothers corrected the motion stating that it is not about BATS. Engineer Brothers updated progress on County Roads 44 and 1, explaining that they are about to go out for bids and that it does not go through normal procurement process. There are seven to eight contractors in our area. Administrator Hart explained it is a catch 22 with the culvert and that we have to do an enhancement on County Rd 1 as they wouldn't approve emergency repairs unless the betterment is also approved. We can hopefully get 100% back on County Rd 1. On County Rd 44 we will have to do permanent repairs through FHWA, we can rush along the procurement process with emergency repairs. County Rd 44 has two different projects: adding a guardrail and finishing the pavement (FHWA and CDOT might try to repair and replace bridges and County Rd 44 might qualify - it would be fixed to carry 100 year historic flood). Engineer Brothers will come back to the board when more information is available once we know what CDOT will do. FEMA has covered the debris removal. Trustee Shepard asked if we did go to a box culvert and Engineer Brothers explained we are not, we are replacing it with corrugated pipe and a headwall to keep it in place. Trustee Bauer asked again if there is anything to be aware of on the IGA, Attorney Bell said they could go over the IGA if needed to make sure we are in compliance, but council sees no problems.

Trustee Shepard moved to approve the motion for staff to have the Mayor sign the IGA with CDOT for emergency repairs. Trustee Bauer seconded the motion. The motion passed unanimously.

ECONOMIC DEVELOPMENT REPORT

Business Development Manager Ron Schneider introduced Walt Elish, who will give a presentation, then Ron Schneider will follow up.

Mr. Elish thanked us for our involvement and explained they couldn't do what they do without support from communities. He stated 2013 was a good year with 10 projects out of around 75 that would bring economic opportunities. We should be focused on building infrastructure for future projects. We looked at our enterprise zone program to see if we could extend boundaries but it was not possible. The NCEDC coordinated conversation with OEDIT, coordinated discussion about rail service and the spur line, coordinated discussion regarding community

assessment through the City of Loveland and the Town of Windsor and they hosted a tour with Mike and Ron. He said that we need to make sure any property submittal package is exactly as they ask for as they will discard extra material (they pick what is kept and what is thrown out). They encouraged businesses to list sites on the Xceligent site and NCEDC can assist with that. The February meeting is being held here in Berthoud at Guaranty Bank, meetings rotate around to different sites. NCEDC is a source of information on several areas that they stay on top of and what makes sense for Northern Colorado, they keep their website relatively current as to what a town may need to do their analysis. The IEDC data sets get updated by Martin (?) with CSU. They had 6 requests this month about building sites and Berthoud was presented 4 of those times. In 2013 the Town of Berthoud was presented at least 10 times. Town staff checks the requests they get to see if it matches what we have to offer, then we contact NCEDC. NCEDC then looks at the request to see if the Town can meet the needs (land, building, both). They follow up until the customer has picked a site or until the site not available. Most businesses are expanding and they get lead sources are from all over. 52% of prospects are manufacturing and back office. Generally prospects are looking for a building or site and are not necessarily looking for a community. NCEDC searches the entire county, 88% of prospects are looking for available buildings, another 6% are looking for building or build to suite sites and another 6% looking strictly for greenfield sites. Few and far between are looking for large dirt sites with an understanding that they may need to bring in utilities. Companies are ready to move by the time they contact the NCEDC.

What do businesses look for: ease of doing business, having a single point of contact (Ron is our point of contact), the permitting process (relative ease in getting through), infrastructure (buildings, site utilities, labor force, training), incentives (come up every time), look for a welcoming community.

What can we do?: be open for business, be consistent in our message to businesses about what we want, ensure infrastructure in place, think through incentive process before it comes up so we are ready, think long term and know what the competition is doing.

Trustee Shepard had a question from the first page of the handout regarding CDBG funding and how we can be entitled. Mr. Elish explained it is money from DOLA allowing for grant funds based on population, Berthoud is not entitled to funds as we do not have the population, but it can be shared between communities. You have to apply to have access to the pooled funds

Mayor Gregg said we talk about incentives once a year and have not really finalized anything. Administrator Hart said we can do other things than writing checks, and Mayor Gregg stated we need to know what the other non-cash based options are for smaller communities like Berthoud.

Mr. Elish explained we need to look at other options to reduce upfront costs for businesses interested in Berthoud. Administrator Hart explained we need to tell businesses what we can help them with, not just lay our code book in front of them. NCEDC can help with other incentives ideas and help to put a package together. Trustee White asked if incentives are prioritized, Mr. Elish said usually the upfront costs are most important but may not be the top priority as to making the decision. Trustee Bauer asked how we are doing from Mr. Elish's perspective as far as letting people know we are "open for business". Mr. Elish said it is being heard outside of Berthoud, that both Administrator Hart and Ron are doing a good job of letting people know. Mayor Pro-Tem Dowker asked if the NCEDC speaks to outlying communities, is it all based on inquiries or do they initiate the contact at times. Mr. Elish said they do initiate contact and they follow up on whatever they hear (working with Metro Denver is different because of the code of ethics and they do not poach). Administrator Hart explained there is some impatience, that for four years they have tried to get something to happen and even our dirt has to compete with those above us, so it takes time. Mr. Elish talked a little about an incubation program with the Agilent site as far as smaller companies moving into the facility. The owners are looking for a few anchor tenants. Administrator Hart explained that Cumberland West, who owns the site, came to town and talked with us at length and did not know there was a town that close to them. Trustee Shepard asked if the incubator site landscape has changed or if it still happening. Mr. Elish explained they are still going on but it is hard to keep going once grant funding is gone. Administrator Hart talked about CSU being a big contributor to ag groups, and they we would be good in that area. Mr. Elish said the NCEDC is creating an ag cluster and is looking for opportunities. Mayor Gregg thanked Mr. Elish for being here. He expressed that it cannot be understated how important it would be if we could get the "whale", that it would be a tremendous benefit to our community. Administrator Hart said we would like to get a marketing program for the NCEDC to hand out when they go out on trips. Trustee Shepard said that at the site selector meetings the cash incentives were downplayed and that they played up cooperation with the community, future employability of population, etc..., and that incentives have changed over the years.

Business Development Manager Ron Schneider talked about the listing of businesses in Berthoud, and said he has made calls to the businesses along 2nd Street. We have a fairly up to date directory of businesses which shows we have a variety of low tech and high tech businesses. He mentioned some specific businesses: Flow Systems on Bunyan formed in 1968, they conduct business internationally; Syngenta (27000 employee company) primarily involved in development of genetics for spring wheat and are committed to feeding the world; Rapid Tooling is a highly automated company involved in medical, recreation, automotive, etc.... We have 507,506 square feet of commercial industrial space available in Berthoud. Only two buildings

are vacant, which is good news/bad news (we are full but have no space for new businesses). He explained about some of the buildings we have for sale and the availability to the different types of businesses we have. If all existing businesses could all create one new job it would be 35 new jobs. We have the potential to grow our own and we need to work with companies to help them grow and stay in Berthoud. He talked about some specific sites. There is a handout of the 2013 activity, what they were requiring, the leads we had (49) and how many we were qualified for (17). He cannot emphasize enough that it is a process and takes time. He is part way through a draft on incentives and hopes to have something to give to the board to chew on in the near future. Administrator Hart asked Ron to talk about some of the properties we have available here in Berthoud (the old grocery store, the old Wayside Inn building, the space above the surveyor). Mayor Gregg asked what the barriers are at the Wayside property, Ron said parking is an issue for bigger businesses. Trustee White asked if the lease is really high on the building and Ron said it is priced fairly high. We need to figure out if there is a market for the business in Berthoud. Administrator Hart said we are working real hard to work with brokers trying to recruit businesses. Ron is attending ag innovators quarterly meeting trying to get the word out that we are here and waiting for business. Trustee Shepard said we could use an industrial business park, Ron stated it would be real nice to have one ready to go but that it takes capital investment to make it happen. Trustee Shepard stated the landscape has changed as far as bank involvement and wanted to know if the banks are loosening up at all, Ron said they can lend for it but cannot be an owner. Mayor Gregg asked if it would be impossible to do it as a public project with bond money, Ron said you could do it by TIF. Administrator Hart said we have had opportunity recently but it puts us in competition with dirt in Loveland. There needs to be some creative thinking. Mayor Pro-Tem Dowker talked about the consistency in municipal government with working with businesses and what could we be doing to help existing businesses as well as bringing in new business, what are others perceptions. Ron stated that existing businesses were surprised to see someone from the Town visiting them that was not enforcing code, they were a little guarded when talking to him, and this is only Ron's first phase. We have an enterprise zone, but we couldn't increase it when we tried. We are safe for this year but it will be revisited for 2015 and Ron is concerned we may lose that tool. We have only had three companies take advantage of it. Boundaries are from NCWCD down First Street, then west on Mountain to County Rd 17. Trustee White wanted to know what the status is of properties with infrastructure and how hard would it be to put infrastructure on bigger sites and what the time line is. Ron explained there is engineering and utility mapping that needs to be done on the Jackson property (it has sewer), and that administratively we can have approval within 6 weeks. The Ludlow property has water near (engineering and mapping has to be done by the developer). We know where our pipes are and where the flat spots are so we are ready to

go if someone comes in. Trustee Jones asked if we are tracking the prospects that are coming through so we can follow up with them. Ron stated he keeps up on some of them and NCEDC keeps track of some of the others. We are trying to establish relationships with companies as the owners are from the surrounding areas and not necessarily from Berthoud. Mayor Gregg mentioned that the Grace Place facilities will be available in the near future. Trustee Shepard thanked Ron for the survey, and mentioned that as the Board members are out and about they need to be in contact as much as possible with these businesses.

LIBRARY BOARD APPOINTMENT

Town Clerk Cowdin stated we had been requested to accept the appointment of Miss Vickie McLane to the Library Board. Trustee Bauer asked if the Fire District (except for Weld county) is the same as the Library District (Miss McLane is in Larimer County). Miss McLane would be the 4th non-Berthoud resident, they have 4 out of town and 3 in town at this time. We as stewards of the financial aspect of the library district need to recognize that it still needs to be audited, it is expensive but highly recommended.

Trustee Bauer made a motion to appoint Vickie McLane to the Library Board. Trustee Shepard seconded the motion. The motion passed unanimously.

REPORTS

Trustee White asked who has oversight over Library monies, Trustee Bauer said the books are open to the public and can be requested at any time, the Library tends to self-audit, the Board can request they have an audit but cannot require it. Trustee White also wanted to know if there would be more discussion regarding the Police Department issue before the February 11th meeting. Mayor Gregg said there would not be any public discussion prior to the scheduled meeting. Administrator Hart explained there will be a meeting with everyone to cover all of the issues as thoroughly as possible, trying to provide all of the materials and information the board needs to make a decision. The meeting on February 11th will only have the police issue and will be an open public meeting.

Trustee Shepard reiterated the Police Department issue is a very important issue regarding the budget particularly. He attended the After Hours at the library a couple of weeks ago and felt like it was well done and well attended and it looks nice, it has changed but still has the same warmth, he commends the library board. There will be another Comp Plan meeting Thursday night this week, they are working on getting open houses set up for the following week and weekend. Administrator Hart said the committee is getting close to a finished product for comp plan that will go to the public for review. Mayor Gregg offered a hearty thank you for

committee members for the comp plan, they were subjected to tough questioning on Monday night.

Mayor Pro-Tem Dowker reminded everyone that the NFRMPO meeting will be hosted in Berthoud the first Thursday in February at Brookside Gardens.

Trustee Bauer added that Mayor Pro-Tem Dowker is the newly elected chair of the NFRMPO. He has attended transportation meetings to finalize the interconnectivity regional study project leadership team review of the high speed rail and the interconnectivity transport system and it is moving forward to the next phase (high speed rail is the first phase – between northern Colorado and DIA). The I25 Coalition Transportation Committee is focusing on getting northern Colorado as part of the new transportation bills. Trustee Shepard asked about Impact 64 and Mayor Pro-Tem Dowker explained that the group went farther than what was originally planned and that this fall was not the time to bring it to the voters but they will be researching how to fix the infrastructure and plan to pursue it at a later date.

Trustee Jones had no reports.

Mayor Gregg expressed his thanks for board members for a thankless job.

Mayor Gregg adjourned the meeting at 8:37 PM.



Mayor David Gregg

Tamiko Brewster
Deputy Town Clerk