



TOWN BOARD REGULAR MEETING
May 11, 2015 - 7:00 P.M.
Town Board Chambers
301 Walnut Street, Windsor, CO 80550

The Town of Windsor will make reasonable accommodations for access to Town services, programs, and activities and will make special communication arrangements for persons with disabilities. Please call (970) 674-2400 by noon on the Thursday prior to the meeting to make arrangements.

MINUTES

A. CALL TO ORDER

Mayor Vazquez called the regular meeting to order at 7:01 p.m.

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| 1. Roll Call | Mayor
Mayor Pro Tem | John Vazquez
Myles Baker
Jeremy Rose
Kristie Melendez
Robert Bishop-Cotner
Ivan Adams
Christian Morgan |
| | Absent | |

Also Present:	Town Manager Town Attorney Communications/Assistant to Town Manager Chief of Police Director of Parks, Recreation & Culture Assistant Town Attorney/ Town Prosecutor Director of Planning Deputy Town Clerk	Kelly Arnold Ian McCargar Kelly Unger John Michaels Melissa Chew Kim Emil Scott Ballstadt Krystal Eucker
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1. Pledge of Allegiance
Town Board Member Adams led the Pledge of Allegiance

Town Board Member Rose left the meeting at 7:02 p.m.
2. Review of Agenda by the Board and Addition of Items of New Business to the Agenda for Consideration by the Board
Town Board Member Melendez motioned to approve the agenda as presented; Town Board Member Adams seconded the motion. Roll call on the vote resulted as follows:
Yeas – Baker, Melendez, Adams, Bishop-Cotner, Vazquez
Nays- None; Motion passed.
3. Proclamation for Public Works and Police Week
Mayor Vazquez read the proclamation.
4. Proclamation for Mental Health Month
Mayor Vazquez read the proclamation.
5. Board Liaison Reports

- Mayor Pro Tem Baker – Water & Sewer Board; North Front Range/MPO alternate
Mayor Pro Tem Baker had no Water and Sewer Board report. Next meeting is scheduled for Wednesday at 6:00 at Town Hall.
Mr. Baker reported the agenda was light for the MPO meeting. The financial statements for 2014 were reviewed and approved. It was also agreed that the MPO would be a sponsor for the transportation summit that is being held in Greeley. The Bustang Service will begin July 13, 2015.
- Town Board Member Morgan – Parks, Recreation & Culture; Great Western Trail Authority
Absent-No Report
- Town Board Member Melendez – Downtown Development Authority; Chamber of Commerce
Town Board Member Melendez reported the DDA meeting is scheduled for May 20, 2015 at 7:30 a.m.
Ms. Melendez reported the Chamber of Commerce meets Wednesday morning.
- Town Board Member Rose – Clearview Library Board
Absent-No Report
- Town Board Member Bishop-Cotner – Historic Preservation Commission; Planning Commission
Town Board Member Bishop-Cotner reported the Historic Preservation Commission meets Wednesday at 5:45 and the Planning Commission meeting was cancelled the previous week.
- Town Board Member Adams – Tree Board; Poudre River Trail Corridor Board
Town Board Member Adams had no report for the Tree Board.
Mr. Adams reported the Poudre River Trail Board property assessments for easements are still moving forward. The Great Western Railroad will not be doing an under pass so other solutions will need to be made to make the crossing safe. The Poudre River Trail-athalon was cancelled on May 9th and has been rescheduled to Saturday June 6th.
- Mayor Vazquez – Windsor Housing Authority; North Front Range/MPO
Mayor Vazquez acknowledged the efforts of the engineering and public works staff to put together a solution to manage flood waters in the off season that has proven to be successful with the recent rainfall.

6. Invited to be Heard

Mayor Vazquez opened the meeting for public comment to which there was none.

B. CONSENT CALENDAR

1. Minutes of the April 27, 2015 Regular Town Board Meeting – K. Eucker
2. Resolution No. 2015-30 – A Resolution of the Windsor Town Board Approving the Accession of Items to the Town of Windsor Museum Collection – A. Dunehoo
3. Resolution No. 2015-31 - A Resolution Approving an Agreement between the Town of Windsor and Poudre Valley Rural Electric Association for the Installation of Light-Emitting Diode Bulbs in Certain Street Lights, and Authorizing the Mayor to Execute Same
4. Report of Bills April 2015 – D. Moyer

Town Board Member Adams motioned to approve the agenda as presented; Town Board Member Bishop-Cotner seconded the motion. Roll call on the vote resulted as follows:

Yeas – Baker, Melendez, Adams, Bishop-Cotner, Vazquez

Nays- None; Motion passed.

C. BOARD ACTION

1. Ordinance No. 2015-1496 - An Ordinance Amending International Residential Code Section R310.2, Adopted by Reference in Chapter 18, Article III of the Windsor Municipal Code, with respect to basement window wells

Super-majority vote required for adoption on second reading

- Second reading
- Legislative action
- Staff presentation: Scott Ballstadt, Director of Planning

Town Board Member Melendez motioned to approve Ordinance No. 2015-1496, An Ordinance Amending International Residential Code Section R310.2, Adopted by Reference in Chapter 18, Article III of the Windsor Municipal Code, with respect to basement window wells; Town Board Member Bishop-Cotner seconded the motion.

Director of Planning Ballstadt stated prior to 1999, new homes with unfinished basements were allowed to install basement window wells that, while meeting the code minimum dimensional requirements for an unfinished basement, would not meet the minimum dimensional requirements required to finish a sleeping room in the basement. It became necessary to amend the code as homeowners wishing to finish their basements were being required to excavate the non-compliant window wells, oftentimes after the property had been landscaped.

Therefore, in 1999 the Town of Windsor amended its adoption of the building code to require that all residential basement windows requiring a window well meet the dimensional requirements whether or not the window is located in a sleeping room.

Since its adoption, this amendment has worked well in most situations, allowing homeowners to finish their basements without having to replace non-compliant window wells. However, there have been some instances where requiring all window wells to meet egress requirements has caused issues, and that is the reason for this proposed ordinance amendment.

While it is difficult to determine which portions of an unfinished basement may eventually be finished as sleeping rooms, the enclosed ordinance retains the window well requirement of the 1999 amendment while proposing to add exceptions. The following exceptions are intended to allow a sleeping room to be served by a single egress window well (as opposed to requiring multiple window wells in the same room) and to acknowledge that certain portions of the basement may not feasibly be finished as sleeping rooms:

“For all building permits issued after June 14, 1999, all escape and rescue windows requiring a window well pursuant to the International Residential Code shall comply with the dimension requirements set forth in this Section.”

Exceptions:

- (a) Window wells located in rooms other than sleeping rooms are not required to comply with the minimum dimensions of this section provided they are not located in areas of an “Unfinished Basement” where a sleeping room could be located.
- (b) Where at least one window well complying with this section is installed in a sleeping room, additional window wells in said sleeping room are not required to comply with this Section.”

The proposed ordinance is consistent with the Comprehensive Plan, the Vision 2025 Document and the Strategic Plan.

The Planning Commission held a public hearing at their April 15, 2015 regular meeting and recommended approval of the proposed ordinance as presented to the Town Board. The Northern Colorado Builders Association was informed of the proposed ordinance and had no comments.

Mr. Vasquez asked if there have been any changes since the first reading.
Mr. Ballstadt stated there have been no changes.

Mr. Vazquez asked Mr. McCargar if there was anything he would like to comment on or add.
Mr. McCargar stated he did not.

Mr. Vazquez opened the meeting for public comment, to which there were none.

Roll call on the vote resulted as follows:

Yeas – Baker, Melendez, Bishop-Cotner, Adams, Vazquez
Nays – None; Motion passed.

2. Ordinance No. 2015-1497 - An Ordinance Establishing the Amount Of Compensation for Town Board Members and the Mayor of the Town of Windsor, Colorado, Pursuant to the Town of Windsor Home Rule Charter

Super-majority vote required for adoption on second reading

- Second reading
- Legislative action
- Staff presentation: Kim Emil, Assistant Town Attorney

Town Board Member Melendez motioned to approve Ordinance No. 2015-1497, An Ordinance Establishing the Amount of Compensation for Town Board Members and the Mayor of the Town of Windsor, Colorado, Pursuant to the Town of Windsor Home Rule Charter, Town Board Member Bishop-Cotner seconded the motion.

Assistant Town Attorney Emil stated there have been no changes since the first reading. Section 3.6 of the Home Rule Charter requires that Town Board and Mayoral compensation be set by ordinance. In the April 13, 2015 work session, the Town Board directed staff to prepare an ordinance to increase the Town Board and Mayoral compensation and to switch payments to be made quarterly. The current levels of Town Board compensation were set by Ordinance No. 2007-1276, adopted in January, 2007. The ordinance before the Town Board is to increase

Town Board compensation to \$8,000 per year and Mayoral compensation to \$12,000 per year payable quarterly. These increases shall apply to those taking office after this ordinance is effective, not for the current term of office for any Town Board Member or the Mayor.

Mr. Adams stated he has received comments from individuals about giving himself a raise. Mr. Adams wanted to be clear that the increase in compensation was for future board members.

Mr. Vazquez stated an individual would have to win an election to receive the benefits. Individuals currently seated would need to win an election before an increase to their compensation would take place.

Mr. Vazquez opened the meeting for public comment, to which there were none.

Roll call on the vote resulted as follows:

Yeas – Baker, Melendez, Bishop-Cotner, Adams, Vazquez

Nays – None; Motion passed.

3. Ordinance No. 2015-1498 - An Ordinance Amending Portions of Chapter 4, Article II of the Windsor Municipal Code for the Purpose of Implementing Voter-Approved Measures Associated with Financing the Community Recreation Center Expansion Project

- First reading
- Legislative action
- Staff presentation: Ian McCargar, Town Attorney

Town Board Member Adams motion to approve Ordinance No. 2015-1498, An Ordinance Amending Portions of Chapter 4, Article II of the Windsor Municipal Code for the Purpose of Implementing Voter-Approved Measures Associated with Financing the Community Recreation Center Expansion Project, Mayor Pro Tem Baker seconded the motion.

Town Attorney McCargar stated the ordinance presented would carry out the instructions of voters from last November where they voted affirmatively to amend the Windsor Municipal Code to call for .75% sales and use tax increase and that the revenue from that would be placed in a special fund to do a handful of things for the expansion of the Community Recreation Center. Some of the uses would include defraying bond costs, construction of the building itself, operations and maintenance and equipping the facility. This measure amends the code and adds a sub part to make clear the revenue from this will go into the special fund.

Roll call on the vote resulted as follows:

Yeas – Baker, Rose, Melendez, Bishop-Cotner, Adams, Vazquez

Nays – None; Motion passed.

4. Ordinance No. 2015-1499 - An Ordinance of the Town Of Windsor, Colorado, Authorizing the Issuance of Bonds for the Purpose of Expanding, Improving and Equipping the Windsor Community Recreation Center: Continuing the Pledge of Certain Town Sales and Use Tax Revenues for the Payment of the Town's Financial Obligation Represented by the Outstanding Bonds; Pledging the Additional Sales Taxes Approved by the Town's Voters in the 2014 Election; and Providing Details and Approving Documents in Connection with the Bonds.

- First reading

- Legislative action
- Staff presentation: Dean Moyer, Director of Finance

Town Board Member Melendez motioned to approve Ordinance No. 2015-1499 - An Ordinance of the Town Of Windsor, Colorado, Authorizing the Issuance of Bonds for the Purpose of Expanding, Improving and Equipping the Windsor Community Recreation Center; Continuing the Pledge of Certain Town Sales and Use Tax Revenues for the Payment of the Town's Financial Obligation Represented by the Outstanding Bonds; Pledging the Additional Sales Taxes Approved by the Town's Voters in the 2014 Election; and Providing Details and Approving Documents in Connection with the Bonds, Town Board Member Adams seconded the motion.

Director of Finance Moyer stated the ordinance presented is authorizing the issuance of bonds to pay for the construction of the Recreation Center expansion. The sales and use tax increase of .75% became effective on January 1, 2015, as per the approval of the ballot question in November 2014. Mr. Moyer stated that the Town is in the process of bringing the bond issue to market. Mr. Matthew Gray from Butler Snow, LLP was in attendance; Butler Snow serves as bond counsel for this particular bond issue.

Mr. Moyer reviewed the ordinance and noted reported that it is a document designed to authorize the issue of, and define the parameters of, the Sales and Use Tax Bonds used to pay for the recreation center expansion. Mr. Moyer noted that while the document is voluminous, it is fairly simple in its purpose. It provides a bridge from the approval of the ballot question in November 2014 to the eventual issuance of the bonds themselves in June of 2015. The body of the document defines the bonds parameters as well as how the proceeds are to be handled and the repayment to bond holders.

The .75% is projected to collect enough money to pay for the debt service on these bonds. If that is not the case, the Town is required to supplement it with the .2% as well as the 3%. The bonds will be issued in dominations of \$5,000 which is the lowest domination allowed per bond. Multiple bonds can be purchased. Payments will be made twice a year on June 1st and December 1st. June payments will be interest only and the December payments will be interest and principle. The principle or face amount will be \$16.1 million, the interest rate shall not exceed 4.25%, the maximum annual payment (June and December payments) shall not exceed \$1,925,000, and if payments made through term the last payment will be in 2035. In 2025 an option is available to call the bonds with no penalty. If bonds are paid off before the 10 year mark there would be a pre-payment penalty.

Mr. Vazquez asked if the penalty would be the equivalent of interest that would have been paid until 2025.

Mr. Moyer stated that is the industry standard is 1% of what is being called.

The maximum payback amount is \$28,450,000 which is the total of all the payments over the years. The bonds will be tax exempt bonds. The interest will be tax exempt from Federal income tax.

Mr. Vazquez asked if the bonds are exempt from capital gains, dividends and interest.

Mr. Moyer stated it will just be the interest. Bonds owned by Colorado residents will also be exempt from Colorado State income tax. When payments begin, payments will be made to the paying agent and they will in turn make payments to bond holder.

A meeting is scheduled for June 2, 2015 to determine the rating. It will not be immediately known what the rating will be but it will be but the rating will be known before it goes to market. The rating on the last bond issue in 2012 was an AA-. Appendix A within the packet is an example of what the bonds will look like when issued.

Mr. Vazquez asked if there will be any effect on the bond issue by the Federal Government or will an increase in interest rate effect going to market in July.

Mr. Moyer stated he believes they will be in and out of the market by the time there is interest rate increase that would effect this issue.

Mr. Vazquez asked if once bonds are issued and the interest rate is locked in, then when we go to market the interest rate increases, will we be at a disadvantage on the market with the lower interest rate.

Mr. Moyer states he was not completely sure. He believes they will have the papers signed and the paperwork will be done before a higher interest rate would take effect and does not believe there will be a hard time selling our bonds as they are high quality bonds.

Mr. Baker asked if there is an option to make an extra payment throughout the year or is the maximum payment is \$1.9 million per year.

Mr. Moyer stated that is correct.

Mr. Baker asked if we wanted to pay it off early, we would need to completely pay it off and not make an extra payment each year.

Mr. Moyer stated that is correct.

Mr. Baker asked if extra funds are being saved to pay it off at once.

Mr. Vazquez stated an escrow or enterprise type account is being set up for any extra funds to help pay off the bonds in one lump sum payment.

Mr. Moyer stated if the funds are available to retire what is outstanding, there is a calculation that can be done to see if it is worth calling the loan.

Mr. Baker asked if there would be an enterprise fund set up for the operational piece as well.

Mr. Moyer stated there would not be. There will be one Recreation Center Expansion fund.

Matt Grey with Butler Snow stated for the most part, most of the covidence included in the document was from the 2012 ordinance to make it easier to manage everything that was promised since it has been done before and they are also parity bonds.

The pre-payment terms will not be set until the pricing date which is June 23rd. The reason is things that will give the most advantageous rate can change from time to time and the

investment bank will go to investors to figure out the conditions that give the best possible rates. The rates that almost all bond transactions use right now, we are not seeing the same pre-payment penalty of 1% if you do want to pre-pay the bond early. Normally you can pay without a pre-payment penalty but not until the 10 year date. Bonds cannot be paid off early until 2025. You can extinguish obligations before then using a process called defeasance by setting up an escrow account that is invested in federal securities. If enough funds are in the escrow account to pay off the principle and interest payments between 2025 and 2035, you are no longer legally obligated to the bondholders. Interest rates would be a factor in deciding when to start the escrow account.

My Vazquez asked how arbitrage would affect that.

Mr. Grey stated if treasury got to an interest rate level that's above the interest rate on bonds, certain unrestricted money could be put it in an account, receive credit for interest rate and put less in than the amount that would have to be paid.

Regarding the movement of interest rates and how that affects bond sales, on June 23rd George K. Baum has agreed to buy all bonds so they will be the one that takes the risk. There are very few outs that they have on their contract. Unless a catastrophe breaks out they are committed to purchasing the bonds. They will absorb any negatives of the market and will be the entity selling the bonds on the market.

Mr. Vazquez asked if the bonds will be triple tax exempt.

Mr. Grey stated an opinion will be received that will outline any Federal and Colorado tax exemptions.

Roll call on the vote resulted as follows:

Yeas – Baker, Melendez, Bishop-Cotner, Adams, Vazquez

Nays – None; Motion passed.

5. Resolution No. 2015-32 – A Resolution Expressing the Intent of the Town to be Reimbursed for Certain Expenses Relating to the Construction of the Community Recreation Center Expansion
- Legislative action
 - Staff presentation: Ian D. McCargar, Town Attorney

Town Board Member Ivan Adams motioned to approve Resolution No. 2015, Town Board Member Kristie Melendez seconded the motion.

Town Attorney McCargar stated that bond counsel has recommended that the Town adopt a resolution intended to satisfy the requirements of the Internal Revenue Code ("IRC") regarding the use of bond proceeds to reimburse CRC Expansion capital expenses incurred prior to bond issuance. Mr. McCargar noted that the attached resolution accomplishes this purpose, and assures that IRS treatment of the bonds remains favorable.

At this time, there are no expenses qualifying for reimbursement. All expenses incurred to date do not fall within the requirements of the IRC, but staff would like to have this Resolution in place nonetheless.

Roll call on the vote resulted as follows:

Yeas – Baker, Melendez, Bishop-Cotner, Adams, Vazquez
Nays – None; Motion passed.

6. 125th Anniversary Outreach Update

- Staff Presentation: Kelly Unger, Communications/Assistant to the Town Manager & Kim Newcomer, Slate Communications

Communications/Assistant to the Town Manager, Kelly Unger stated the past month they have been working on re-engaging stakeholders to include boards and commissions as well as non-profit groups and regional partners.

Kim Newcomer, Slate Communications, stated there was engagement with the community in the fall to see what the citizens wanted and how they wanted to celebrate the 125th Anniversary. That information was gathered and a plan was developed for the year.

Business tool kits were sent out to around 125 businesses. Items included in the tool kits were table tents, posters, decals, stickers and information about the event itself. A restaurant and trial promotion running from Memorial Day to June 8th will include discounts revolving around 125; some businesses are already involved.

On the Saturday of Memorial Day weekend, same day of the Pelican Triathlon, chalk artists have been invited and will be completing chalk drawings focusing on the heritage and history of Windsor on the corner of 5th Street and Main Street.

Ms. Melendez stated there may be a possible conflict with the reunion that is scheduled in October. An all school reunion is already scheduled for Labor Day weekend.

D. COMMUNICATIONS

1. Communications from the Town Attorney

Mr. McCargar reminded the Town Board of the Executive Session scheduled tonight and a motion will need to be made to go into Executive Session.

2. Communications from Town Staff

Police Chief Michaels reminded the Town Board about the annual Bike Rodeo with the Windsor Optimist Club and the Windsor Police Department from 9:00-11:00 am. 50 bicycle helmets will be given away and a free bike registration will be available.

Mr. Vazquez congratulated Mr. Ballstadt on his promotion to Director of Planning.

3. Communications from the Town Manager

Ms. Unger introduced Emmy Thomas, a COE student that has been working with the Town of Windsor. After graduation Emmy will be attending American University in Washington DC.

Mr. Vazquez thanked Emmy for working with the town, congratulated her on her upcoming graduation and wished her luck in the future.

4. Communications from Town Board Members

Ms. Melendez wanted to congratulate the Windsor girls soccer team for the 4th consecutive year being named all-conference champions and for making it to the 3rd round at state. Good Luck!

E. EXECUTIVE SESSION

An executive session pursuant to § 24-6-402 (4)(e), C.R.S., for the purpose of determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators. Economic Development Incentives (Stacy Johnson)

Town Board Member Bishop-Cotner motioned to go into an executive session pursuant to § 24-6-402 (4)(e), C.R.S., for the purpose of determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators. Economic Development Incentives (Stacy Johnson); Town Board Member Kristie Melendez seconded the motion.

Roll call on the vote resulted as follows:

Yeas – Baker, Melendez, Bishop-Cotner, Adams, Vazquez

Nays – None; Motion passed.

Upon a motion duly made, the Town Board returned to the regular meeting at 8:43 p.m.

The Executive Session was closed and the Town Board returned to the Regular Meeting.

Upon returning to the regular meeting, Mayor Vazquez advised that if any participants in the Executive Session believed the session contained any substantial discussion of any matters not included in the motion to convene the Executive Session, or believed any improper action occurred during the Session in violation of the Open Meetings Law, such concerns should now be stated. Hearing none, the Regular Meeting resumed at 8:43 p.m.

F. ADJOURN

Town Board Member Bishop-Cotner motioned to adjourn; Mayor Pro-Tem Baker seconded the motion. Roll call on the vote resulted as follows:

Yeas – Baker, Rose, Melendez, Bishop-Cotner, Adams, Vazquez;

Nays – None. Motion passed.

The meeting was adjourned at 8:43 p.m.



Krystal Eucker, Deputy Town Clerk