City of Greeley, Colorado
City Council Work Session Proceedings
August 12, 2025

1. **Call to Order**

   Mayor Gates called the meeting to order at 6 p.m. in the City Council Chambers at 1001 11th Ave, Greeley, Colorado, with hybrid participation available via the City's Zoom platform.

2. **Pledge of Allegiance**

   Mayor Gates led the Pledge of Allegiance.

3. **Roll Call**

   City Clerk Heid Leatherwood called the roll.
   The following were present:

   Councilmember Tommy Butler
   Councilmember Deb DeBoutez
   Mayor Pro Tem Hall
   Councilmember Brett Payton
   Councilmember Johnny Olson
   Councilmember Melissa McDonald
   Mayor John Gates

4. **Reports from Mayor and Councilmembers**

   None.

5. **Poudre River Restoration Initiative (PRRI) Master Plan – Vision 2045**
   Senior Urban Transportation Planner Victoria Leonhardt introduced the item at 6:01 p.m.

   Scott Streeb with MVVA Landscape Architects
   discussed project goals, which included passing the hundred-year flood and protecting community while making the Poudre River an anchor and economic driver, restoring wildlife habitat, improving pedestrian circulation, and supporting growth in Greeley. He reported that community feedback from nearly 1,000 participants with 6,500 responses validated the original goals of the project.

   Jonathan Kusa with Inter-Fluve explained flooding issues along the Poudre River corridor. He presented maps showing the floodway and floodplain, noting that approximately 1,800 structures were currently at risk of flooding. Mr. Kusa explained that floods in the region have increased over time due to increased rainfall, development adjacent to rivers, and river manipulation.

   The team proposed a 650-foot river corridor based on what the river would naturally do in the landscape without human constraints. This approach allowed for lower barriers along the edges while still protecting adjacent communities, avoiding solutions like the concrete lined LA River that only focus on moving water without providing recreational or ecological value.

Mr. Streeb discussed the 1,400-acre study site, which included several program areas: gravel pond improvements, Island Grove stormwater storage areas, a destination park at Centennial Village, and an urban district with potential breweries and restaurants.

The team shared artistic renderings showing what the corridor might look like with gravel beaches, bioengineered water edges, restored habitats, and circulation options including tubing in the springtime. They also showed concepts for improved gravel ponds, stormwater park areas that could accommodate soccer fields and temporarily hold water during storms, neighborhood parks, and a destination park with elevated viewing areas.

Councilmember Hall questioned the maintenance of the channeling the river in a defined area. Mr. Kusa responded that it was a matter of how much engineering was needed based on the width given to the river, noting that the 650-foot width allowed for lower containment systems compared to narrower corridors.

Councilmember Butler asked about the 650-foot corridor width, questioning whether there was enough water to fill such a wide area year-round and how private land ownership would be addressed. Ms. Leonhardt explained they were focusing primarily on publicly owned land (about 40% of the study area) and would look for win-win opportunities with private landowners, emphasizing that flooding mitigation is the main driver but with a clear approach to provide a healthier river.

Councilmember Olson had questions about the engineering aspects, asking if proper modeling had been done to account for Colorado's new dredge and fill law and whether the cost estimate accounted for inflation over the 20-year implementation period. He was concerned about impacts to water rights and Poudre Ponds, which the Water Department had invested in significantly. Both consultants acknowledged the challenges and emphasized coordination is the key for the next phase before adopting a plan that would work for all departments and parties.

Mayor Gates noted that both the Island Grove Park Advisory Board and Weld County Commissioners were being engaged about the plans. He stated that he liked the concept but agreed that tenants' concerns about Island Grove needed to be addressed.

Councilmember McDonald asked if fishing would be possible in the restored river. Mr. Kusa responded that while they could ensure enough water and habitat, water quality improvements would be needed before fishing would be viable.

The team noted that the project would likely begin in about five years, with funding strategies to be developed in Phase 3 of the planning process.

Councilmember DeBoutez suggested studying the economic impact across the entire community.

Mayor Gates thanked staff and the consultants for the information.

6. **Downtown Stormwater Capital Improvement Projects & Utility Rate Update**
Managing Director Paul Trombino introduced this item at 7:07 p.m.

Mr. Trombino provided an update on downtown stormwater capital improvement projects and the proposed 2026 stormwater utility rate. Interim Budget Director Kalen Meyers provided context about the utility enterprises' budget processes, explaining that unlike the general fund, utilities operate as enterprise funds primarily recovered by user fees.

Mr. Trombino explained the procurement of a Program Manager General Contractor (PMGC) to review and coordinate infrastructure improvements within the downtown core, which will accelerate implementation compared to traditional delivery methods. The procurement process was expected to be completed by early October.

Mr. Trombino reviewed the downtown stormwater master plan, noting that the 12th Street outfall remained on track, and work on aligning design and construction for crossing under the Union Pacific Railroad mainline for both 7th Street and 12th Street outfalls was a current focus.

Mr. Trombino displayed the schedule for the outfalls, explaining that the pipes under the railroad would be approximately 72 inches in diameter and would enable the collection system connections to provide drainage to the river. He also discussed the acceleration of the 6th Avenue collection system, which would address a significant area of flooding.

Mr. Trombino presented a chart showing the adopted 2025 rate and planned rates going forward to fund future downtown work, noting a proposed 20% increase for 2026. In comparison with other communities, Greeley's current rate was sixth in the state, and with the proposed increase, it would move to second, though Mr. Trombino stated other communities may also increase their rates, and it was possible Greeley would remain in its current ranking.

Councilmember Butler asked if the railroad approvals were causing delays. Mr. Trombino confirmed they were working through the process with the railroad for both 7th and 12th Street outfalls simultaneously to avoid having to approach them twice. Councilmember Butler also asked about the flooding on 11th and Highway 34. Deputy Public Works Director Will Jones explained this was a separate issue caused by undersized infrastructure that would require a different project to address.

Councilmember Olson asked about the Program Manager General Contractor contract approach, questioning the accountability in this structure. Mr. Trombino explained it would allow for more efficient design and construction by having the contractor and designer working together from the beginning.

Mayor Gates closed the discussion by noting that the City had postponed addressing stormwater infrastructure for many years, and current staff was working to fix problems that should have been addressed 25 years ago. He thanked staff for the information.

7. **2026 Utility Enterprises Operating and Capital Budgets**
Water and Sewer Director Sean Chambers, accompanied by Utility Finance Manager Virgil Pierce, presented on the utility enterprises operating and capital budgets at 7:37 p.m.
Mr. Chambers outlined challenges including slower-than-expected growth (less than 50% of expectations), significant regulatory changes, and decreasing water consumption (down 30-35% over 25 years). He emphasized that Greeley had a robust water system covering four major river basins but being further from source water than any other Front Range municipality of its size creates unique challenges.

Mr. Chambers discussed unplanned regulatory requirements including the lead and copper rule, nutrient control regulations, and aging water lines in backyard easements requiring replacement, totaling about $70 million in unplanned investments.

For the 2026 budget, staff had initially recommended 14 new positions, but after evaluation, only three (3) were proposed:

- a cross-connection control tech (repurposed from a vacant conservation position),
- a development review engineer, and
- a maintenance mechanic for Boyd and Bellevue water treatment plants.

Additionally, they found approximately $500,000 in operational savings for water and $97,000 for sewer.

Mr. Chambers presented the 10-year capital plan for both water and sewer funds. For water, major expenses included annual water acquisition (roughly aligned with the Wingfoot contract requirement to purchase 167 credits per year), water system replacements, and water construction for system expansion.

Notable projects included:

- an expansion of the Bellevue intake in 2029 ($8.2 million) and
- replacement of Bellevue treatment building #2 in 2034 ($57 million), which had been pushed out seven years from its original timeline.

For sewer, major expenses included:

- sewer replacement,
- odor control projects in 2029 and 2033, and
- plant treatment expansion in 2034 ($17.5 million).

Mr. Chambers proposed a 13% increase to water plant investment fees (tap fees) and a 5% increase to sewer tap fees, resulting in a 10% overall increase. For customer rates, the recommendation was an 8% water increase and a 5% sewer increase for 2026, which would raise a typical monthly bill from $79.92 to $85.03 for water and from $35.31 to $37.31 for sewer. With the stormwater increase, the overall bill would increase by 7.8%.

He also noted that the Water Board struggled with the magnitude of the rate impact and had asked staff to look for additional savings. A potential option was to reduce the water increase from 8% to 5.5% by postponing the F Street campus project from 2027 to 2029, saving about 2.5% on rates.

Councilmember Olson noted that water conservation efforts were contributing to revenue challenges since customers are using less water, resulting in less revenue to maintain the system. City Manager Raymond Lee added that larger commercial users are needed to help support the system long-term.

Councilmember Butler asked about the utility rebate program for low-income residents. Mr. Pierce confirmed that the rebate was sized to cover approximately one month of a typical customer bill and increases as rates go up. Mr. Chambers also mentioned they were exploring ways to fund Cascadia infrastructure without causing a rate adjustment.

Mayor Gates acknowledged that while the rate increases were painful, the comparative chart helped put it in perspective that water rates were increasing everywhere, and Greeley was fortunate to have an adequate water supply.

Mayor Gates thanked staff for the information.

8. Council Review of Procurement Contracts

Purchasing Manager Levi Dyer, presented on the City's contracting process for procurement of goods, services, and construction at 8:10 p.m.

Mr. Dyer shared a comparison showing that Greeley has the seventh largest budget among surrounding cities and was one of seven cities not requiring Council approval of contracts. He presented statistics on contracts above $100,000 from 2022 through 2024, broken down by type and dollar amount. The current timeline for contract execution was approximately 4-8 weeks and adding Council review would increase this by 5-6 weeks.

Councilmember Butler stated he was concerned about the large number of professional services contracts over $500,000 (33 in the last three years) and wanted to understand what those services entailed.

Councilmember Olson questioned how contracts were categorized, noting that the "other" category was rather large. Chief Financial Officer Allena Portis clarified that this classification was largely based on how each department chose to code them for purposes of payment.

Councilmember DeBoutez asked for clarification on what constitutes professional services. Ms. Portis explained these would be licensed professionals. Mr. Portis explained these would be licensed professionals. Mr. Dyer provided the code reference which included architecture, engineering, surveying, appraisals, accounting, training, and laboratory testing services.

Council requested more information about what falls into the "other services" and "professional services" categories before providing guidance on potential code changes. Staff agreed to provide a detailed breakdown in a memo or future work session.

Mayor Gates thanked staff for the information.

9. **West Greeley Project Update**

Managing Director Paul Trombino provided an update on the West Greeley project (Catalyst project) at 8:34 p.m.

Mr. Trombino presented the design milestones, noting that the 100% schematic design date had shifted from August 8 to August 15 due to locating the cap of an abandoned gas well on the site. He explained that at each major architectural milestone, an independent cost estimate would be conducted to validate the project cost.

Mr. Trombino reported that after discussions with Provident Resources Incorporated (the City's capital financing conduit borrower) and PCL Construction Services (the design-build general contractor), they agreed to go to the bond market at 30% construction documents (75% of total design). This decision moved up the schedule to go to the bond market to April 1, 2026, with expected bond issuance on May 15, 2026, and the first draw of bond funds in early June.

Mr. Trombino presented a working draft of the project dashboard that would provide transparent tracking of the project's progress. He shared updated visuals of the arena, hotel, and mobility hub, though he noted the mobility hub was planned for a later phase to align with future development.

Councilmember Olson asked about the budget versus actual spending, noting that expenditures to date were significantly below budget. Mr. Trombino explained that billings would ramp up as they reach 100% schematic design. Councilmember Olson also asked who would bear the risk after the guaranteed maximum price was set. City of Greeley Owners Representative Mo Luqman confirmed that PCL would own the risk once the price was established.

Councilmember Butler inquired about the timeline for reviewing the 30% designs and independent cost estimate. Mr. Trombino indicated this would be in September. Councilmember Butler also asked about the Certificate of Participation (COP) funding, noting that drawing down the full $115 million earlier than originally planned would result in higher interest costs and less money available for the project.

City Manager Raymond Lee clarified that they are still closing on the original $45 million and are in discussions with two other banks for the remaining funds. He stated that Council had given authority to draw the full $115 million in the April 15th approval, though drawing it all at once would incur additional interest costs.

Mayor Gates suggested waiting to discuss this further until the terms of the additional bank loans are known. Mr. Lee indicated that this should be available by the end of the month.

Mayor Gates thanked staff and the consultant for the information.

10. Scheduling of Meetings, Other Events
None.

11. Motion to go into Executive Session to receive legal advice regarding the West Greeley Project

A motion to go into executive session to discuss the potential purchase, acquisition, or lease of property, and to determine positions and receive instructions regarding negotiations as provided for in CRS 24-6-402(4)(a) and 24-6-402(4)(e)(I) and Greeley municipal code 2-151(a)(1) and 2-151(a)(5), and if necessary, to receive advice from the city attorney related to these matters as provided for in CRS 24-6-402(4)(b) and Greeley municipal code 2-151(a)(2).

Councilmember Olson moved to approve the motion. Councilmember Payton seconded the motion. The motion passed 7-0 at 8:59 p.m.

12. Adjournment
With no further business to come before the Council, Mayor Gates adjourned the meeting at 9:00 p.m.

11. **Executive Session to Request and Receive Legal Advice from the City Attorney regarding the West Greeley Project**

Mayor Gates started the Executive Session at 9:09 p.m. in the Colorado Room of City Center South. The meeting was electronically recorded as required by Colorado Open Meetings Law.

All Councilmembers were present. City Manager Raymond Lee, City Attorney Stacey Aurzada, Supervising City Attorney Bobbier Cranston, Chief Financial Officer Allena Portis, Chief Operating Officer Blair Snow, and City Clerk Heidi Leatherwood were also present.

The executive session was for the purpose to receive legal advice related to the West Greeley project as provided for under C.R.S. Section 24-6-402(4)(b) and Greeley Municipal Code Section 2-151 (a)(2).

Mayor Gates cautioned each participant in this executive session to confine discussion to the stated purpose, and reminded everyone that no formal action may occur in executive session. He asked if at any point in the executive session any participant believes that the discussion was going outside the proper scope of the executive session, to please interrupt the discussion and raise an objection. The recording was turned off at 9:10 p.m. at the advice of the City Attorney

The Executive Session concluded at 10:03 p.m.

The recording of this executive session will be retained as provided in the City's records retention policy and in conformity with Colorado Open Meetings Law for a period of 90 days.

Approved

X

John Gates
Mayor

Attest

X

Heidi Leatherwood
City Clerk