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MEMORANDUM

DATE: March 25, 2019
TO: Mayor Troxell and Councilmembers
FROM: Carol Webb, Utilities Deputy Director [Signature]
THROUGH: Darin Atteberry, City Manager [Signature]
Jeff Mihelich, Deputy City Manager [Signature]
Kevin R. Gertig, Utilities Executive Director [Signature]
RE: March 26, 2019 City Council Meeting Agenda Item #1
Resolution 2019-039, Approving a Construction and Purchase Agreement for Condominium Units Consisting of Two Floors of a New Laboratory Building to be Constructed by RMI2 Properties, LLC at the Innosphere Site on East Vine Drive

This memo provides additional information related to Resolution 2019-039 referenced above.

1. Water Board Minutes and Recommendation

Water Board recommended unanimously that City Council approve the resolution. The meeting minutes excerpt is attached.

2. An overview of how the City Urban Renewal Authority (URA) helped fund the Innosphere Phase I building and the status of the financing provided.

There are currently no outstanding loans between the URA and RMI2.

The URA borrowed \$5.3M from the General Fund to loan funding to RMI2 in 2009. The URA "forgave" \$2.8M of the loan to RMI2, making it a direct financing to the RMI project. The remaining outstanding loan to RMI2 was \$2.5M. RMI refinanced that debt with another lender and paid back the loan to the URA in 2017.

3. The rationale regarding why the City did not partner with Colorado State University (CSU) on construction of a new laboratory building.

City staff investigated opportunities to collaborate with CSU however was unable to pursue a partnership due to the timeline for CSU's project and the overall plan for the CSU lab facility.



pc: Judy Schmidt, Senior Assistant City Attorney
Jill Oropeza, Director, Sciences

MINUTES

CITY OF FORT COLLINS • BOARDS AND COMMISSIONS



Excerpt from **Unapproved DRAFT** MINUTES - WATER BOARD

REGULAR MEETING

March 21, 2019, 5:30 p.m.

222 Laporte Avenue, Colorado River Community Room

6. (c) City-Innosphere Lab Partnership

(Attachments available upon request)

Presentation Summary: Utilities Deputy Director Carol Webb summarized the project. Water Quality Services Manager Jill Oropeza came to Water Board in September to present information. The City and Innosphere are proposing a public/private partnership consistent with strategic objectives.

Discussion Summary: Board members commented on and inquired about various related topics including the site's proximity to the canal next door, the City's whitewater park being constructed across the street, New Belgium Brewing, and In-Situ; lab architect's design skills (Ms. Webb replied the City is adding that expertise to the design team, as well as a chemist and the Water Quality Services manager) to address unique needs of laboratory design, such as ventilation, energy efficiency, and prevention of cross-contamination; suggestion for the City to hire an consultant to offer further expertise and a fresh perspective on lab design; the future of labs and related skills (Ms. Webb commented that expertise and skills will shift from volume of data to ability to draw conclusions from that data); emergency power (this is being considered in the lab design).

Board Member Malers moved that Water Board recommend to City Council adoption of the resolution approving a construction and purchase agreement for the City's purchase of condominium units consisting of two floors of a new water laboratory building to be constructed by RMI2 Properties, LLC at the RMI2 site on East Vine Drive.

Board Member Steed seconded the motion.

Vote on the motion: It passed unanimously, 6-0.