

CITY COUNCIL WORK SESSION MEETING  
CITY OF COLORADO SPRINGS  
AUGUST 12, 2013

Present: President King, President Pro Tem Bennett, Councilmembers Collins, Gaebler, Knight, Martin, Miller, Pico, and Snider. Also present, Chief of Staff Neumann and Legislative Counsel Massey.

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1. **CALL TO ORDER**

Deputy City Clerk Bill Powell called the roll. All Councilmembers were present.

2. **CHANGES TO THE AGENDA**

President King stated that Item 6-B, *Signature Authority over Colorado Springs Utilities' Business Contracts and Financial instruments and documents*, will be moved for discussion during Executive Session.

3. **REGULAR MEETING COMMENTS 7-22-2013**

No comments were presented.

4. **REVIEW OF 7-23-2013 WORK SESSION MINUTES**

No changes were recommended.

5. **EXECUTIVE SESSION**

Legislative Counsel Massey read the request to enter into Closed Executive Session. Consensus to enter into Closed Executive Session was unanimous.

6. **STAFF AND APPOINTEE REPORTS**

A. Agenda Planner Review – Deputy City Clerk Bill Powell

Councilmember Miller asked about the annexations on the Consent Agenda scheduled for August 27<sup>th</sup>. Ms. Massey explained that these items come to council as a notification that an annexation petition has been filed with the City Clerk. She clarified that all Council does with these items is refer them back to staff so that the planning process can proceed.

B. See action taken earlier in the meeting.

7. **PRESENTATIONS FOR GENERAL INFORMATION**

A. 1041 Issues – Division Chief – Utilities Attorney Rick Griffith

Division Chief – Utilities Attorney Rick Griffith provided an informational briefing on HB 1041, the 1974 Colorado House Bill that “...grants authority to cities and counties to designate and regulate land use of areas and activities of state interest.” He described El Paso County’s 1041 proposed regulations and certain issues of controversy between the City and County relative to the County’s regulations.

President King asked when it would be appropriate for the City to comply with El Paso County’s 1041 regulations. Mr. Griffith responded that the City Attorney’s Office would prepare a legal opinion. He added there is no certain deadline, but recommended a resolution be reached within the next month or soon thereafter.

Councilmember Bennett reported that he, Councilmembers Knight and Pico have been working together on this matter and met personally with Commissioners Hisey and Lathen. He believed the conversations were positive and productive. They followed up their meeting with a letter suggesting an amendment to the County’s regulations. The proposed change did not receive approval from the County Commissioners. Councilmember Bennett recommended continuing dialogue with a few additional meetings to allow an opportunity to reach consensus between the parties. President King requested they prepare an agenda and bring that forward for further consideration.

B. Unfunded Capital and Facility Needs – Chief of Staff Laura Neumann & Bobby Ingels

Chief of Staff Neumann explained her co-presenter, Bobby Ingels, was not present due to a 4:00 p.m. commitment. She described the extensive backlog of capital needs as significant, highlighting projects that have accumulated over the past five years. Ms. Neumann stated she would like to bring Mr. Ingels back on September 9<sup>th</sup> to provide a more detailed explanation of the committee’s work on Capital Improvement Prioritization.

Councilmembers Miller, Pico, Snider, and Knight had questions about the allocation of costs and what portion was the City’s share. It was acknowledged that a lot of capital improvements are needed and the existing difficulty to prioritize while attempting to catch-up with projects and maintenance that have fallen behind.

8. **ITEMS FOR INTRODUCTION**

A. LART Funding Introduction – Councilmember Jan Martin and Council Auditor Denny Nester

Councilmember Martin provided a quick review of the LART funding schedule. She introduced Jackie Hilaire, member of the LART Committee. Ms. Hilaire described the committee’s review, what has worked and what hasn’t, and their need to comply with the relevant resolutions and ordinances. She stated that the 2014 LART fund priorities are to attract visitors and support economic growth for the community. The

committee focused their recommendations towards that objective while also considering Executive and Council requests.

Councilmember Miller inquired relative to the allocations for the airport and the 2/3<sup>rds</sup> commitment to the Convention and Visitor's Bureau. Councilmember Martin explained there will be more information to come forward during the budget process that will better define the allocations.

Councilmember Martin encouraged this as a good opportunity for Council to step-back and take a fresh look at the governing ordinances and resolutions. She stated the committee is willing to continue to work through 2014 to redo the whole process.

President King described that he had requested 25% of the funds be set aside for specific projects that would include measureable outcomes based upon performance. He would like to see a competitive process for attracting conventions and events during off peak seasons to be coordinated through an RFP process. He favors a performance funding methodology that would encourage entrepreneurial thinking.

Councilmember Martin stated that in two weeks when this item comes back to Council for the approval process, there will be opportunity for public input, at which time she expects some organizations to appear to make their case for funding.

Councilmember Miller requested Dan Gallagher, Interim Director of Aviation, have an opportunity to speak relative to the Airport's interest in the LART funding request. Mr. Gallagher described the Airport options for attracting more visitors.

**Councilmember Gaebler was excused.**

B. Strategic Plan and Budget Presentation – Councilmembers Gaebler & Knight

In Councilmember Gaebler's absence, Councilmember Snider summarized Council's Strategic Plan.

Councilmember Miller described his work on and review of the strategic plan. President King commented that he appreciated Councilmember Miller's work, although it took a different approach to reviewing the strategic plan. President King commented Council should consider Councilmember Miller's approach and determine how they would like to develop their strategic plans for both Utilities and the City.

Councilmember Knight reported on Council's Budget Committee review and highlighted the required timeline for completion. He stated that he and Councilmember Gaebler had a meeting with the CFO Kara Skinner and Laura Neumann and felt they gained a better understanding of their work on the budget. He encouraged other Councilmembers to schedule personal meetings to gain better understanding. He indicated that Council needs to consider the logic, trends, and spending profile from past practices; as well as, consider their need to review any of the relevant resolutions and ordinances that may require change as they formulate their budgetary policy.

**Councilmember Martin was excused.**

Mr. Barry Baum of the Citizen's Committee, had prepared an updated presentation for Council's review at today's Work Session. Due to time restraints, a thorough presentation was postponed to a September meeting.

- C. Introduction of a Resolution authorizing the City of Colorado Springs to enter into a Ground Lease, as Lessor, with U.S. Bank National Association, as Lessee, and a Building Lease and Lease Purchase Agreement, as Lessee, with U.S. Bank National Association, as Lessor, with respect to the lease of certain real property – CFO Skinner and Deputy City Attorney Florczak

CFO Kara Skinner briefed Council on the historical background, terms, and conditions of the current lease/lease-purchase arrangement and highlighted the terms of the proposed new lease/lease-purchase transaction. She stated next steps will involve a resolution that will be brought back to Council for action on August 27<sup>th</sup>.

Councilmembers Knight, Miller, and Pico asked to clarify the anticipated terms of the new arrangement, the designation of any residual funds, and risk considerations. Councilmember Knight requested a payoff figure for the loan at the end of seven years be presented for Council's consideration prior to the August 27<sup>th</sup> action.

**9. ITEMS UNDER STUDY**

There was nothing reported.

**10. COUNCILMEMBER REPORTS AND OPEN DISCUSSION**

Councilmember Knight updated Council on the work of the Task Force relative to confirmation procedures. He stated they are getting close to completion of the review.

Councilmember Pico provided an update relative to the review of Banning Lewis being undertaken by staff and a couple of members of Council.

President King announced that the Broadmoor has decided to not move forward with plans for an additional golf course.

**11. ADJOURN**

Council adjourned at 6:21 p.m.