

CITY COUNCIL WORK SESSION MEETING
CITY OF COLORADO SPRINGS
AUGUST 26, 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**

City Clerk Johnson called the roll. All Councilmembers were present.

2. **CHANGES TO THE AGENDA**

President King requested Council recommendations for discussion of Items 9.A - Strong Council, and 9.B - Stormwater. Consensus of Council was 9.A - Strong Council should be moved for discussion at a future Staff Planning meeting. Consensus of Council relative to 9.B - Stormwater was to invite the Stormwater Task Force to brief Council on their work, but also to discuss the topic at today's meeting.

3. **REGULAR MEETING COMMENTS**

Council Administrator Gonzalez indicated she had placed a revised Item 13 - LART Memo and Resolution, in Council boxes. She described there was a minor revision with no change to the exhibit.

Councilmember Knight stated he will be pulling Items 5-B-2, 5-B-3, and 5-B-4 off the Consent Calendar.

Relative to future meetings, Councilmember Knight indicated that on July 22nd, he requested cost figures for the Airport Premier Lounge, but has not received them yet. He stated he would like to have them prior to the September 10th meeting. He also requested that the Overview of the Annual Process for approval of Special Districts 2014 Budgets and Operating Plans be moved from September 23rd to September 9th Work Session in preparation for the budget process.

Councilmember Miller requested that he and Councilmember Knight be given permission to work with the City's Planning Division in revising the Amendment to the Special District Policy and Model Service Plan. He requested they receive a Word version of the document so that they may incorporate their recommended revisions for the presentation at the September 9th Work Session.

4. **REVIEW OF AUGUST 12, 2013 WORK SESSION MINUTES**

Minutes were approved by consensus of Council.

5. **EXECUTIVE SESSION**

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

Consensus of Council approved the action.

6. **STAFF AND APPOINTEE REPORTS**

A. Agenda Planner – Eileen Gonzalez, Council Administrator

B. Memorial Health System Enterprise Update – Kara Skinner, CFO

Councilmember Knight commented he had requested additions to the Memorial Enterprise report in preparation for the budget process.

C. *Wajdacz v. Robert E. Blackburn, et al.*, Civil Action No. 13-CV-01738-MSK
(Wojdacz II)

Recommendation of the Civil Action Investigation Committee: Authorize the City to represent the employees as required by the Colorado Governmental Immunity Act.

Consensus of Council approved the action.

D. Sustainability Solutions Team Report – Joe Corrigan, Chair

Mr. Corrigan, Co-Chair of the Mayor's Sustainability Team, described the history, short term opportunities as a result of data mining, and potential plans for action. The Committee recommended a top-down sustainability plan. In order to reduce costs, reduce waste, and sustain the community, they identified three key priorities under the Government Function: water conservation, utility data tracking, type and quantity of street lights.

Chris Fagnant, of Qualtek, described water conservation, what the city has already done and additional opportunities for savings.

Ellery Miller, serving as a summer City Intern, spoke regarding utility data tracking, her research and the efficiencies that can be achieved with a switch to LED street lights.

Toby Gannett, a private businessman, spoke about tracking electrical analytics and incorporating sound fiscal stewardship while considering environmental protections. He spoke regarding the existing city buildings and suggested a goal of 25% reduction in overall utility costs through different cost savings and energy measures, as well as by addressing existing vacant space and consolidation considerations.

Councilmember Miller asked regarding the LED program and a study commissioned by the City. Ms. Neumann answered that the former traffic engineer requested the study. She indicated there is an on-going debate as to whether the return on investment is 3 years or 12 years - that study was ceased and no longer exists, however, there was a second study about privatizing street lights. She acknowledged that at this time LED's are not considered in the 2014 CIP listing; however, if the return is what the sustainability study has outlined, then the City should consider it more strongly.

Councilmember Gaebler stated she would be a champion for Utilities on Council, and described that the City can do a better job of educating citizens on their options.

Councilmembers Martin and Snider were interested in learning how to engage the community and how the City can adopt the private sector "urgent" mindset as the committee recommended. Mr. Corrigan and Mr. Gannett encouraged educating individuals to accept new change while forming a platform where everybody has a piece of the action and be a driver for future growth.

- E. Review of Decision and Order regarding certain changes to the Colorado Springs Utilities Electric Rate Schedules to implement the Community Solar Garden Program.

City Attorney - Utilities Division, Chris Bidlack, described this was Council's opportunity to make any changes or to have any questions answered based on the prior presentations on the Solar Garden tariff.

Councilmember Knight noted that No. 40.6 was missing in the list of Electric Tariff Sheets. Mr. Bidlack will make the correction.

7. PRESENTATIONS FOR GENERAL INFORMATION

- A. Transit Services Division Orientation – Craig Blewitt, Transit Services Division Manager

Mr. Blewitt provided an overview of Transit's mission to provide the best, most cost effective transit services with the available funds, various transit innovations, and their objective to provide real-time bus arrival information for their customers' convenience.

Councilmember Miller asked about the history of contracting out metro transit services and whether it was ever staffed by City employees. Mr. Blewitt responded that in 1972 the private transit industry was turned over to the City, coinciding with when the private automobile industry became a popular choice.

Councilmember Martin described that she has been a follower of transit and is a big supporter.

President King asked about capital expenditures and what happens when the older buses are retired. Mr. Blewit described that Transit is looking at replacing buses in the future and considering the “right” size buses to meet the various needs and also considering different fuel technologies.

8. ITEMS FOR INTRODUCTION

- A. A Resolution to submit an Application for a Colorado Department of Transportation State Infrastructure Bank Loan in an amount not to exceed \$10,000,000 to assist in paying down the Colorado Springs Airport’s 2002a General Airport Revenue Bond (GARB) and lower Annual Debt Service

Dan Gallagher, Interim Director of Aviation, provided an overview of the Strategic Initiatives – Fiscal Health & Sustainability presentation. He explained the background for airport funding, the current needs to attract additional air service providers, explained potential scenarios to cover existing financial needs, considerations for future needs, strategies to lower the annual debt service, existing reserves, and upcoming appropriation requests.

President King and Councilmember Miller discussed with Mr. Gallagher various financial modalities, inquired about airport surcharge funds, reimbursable agreements, opportunity costs, and the pros and cons of loans vs. bonds.

Peggy Littleton, El Paso County Liaison to the Airport Advisory Commission, and Andrew Biancur, Alternate to the Commission, spoke in support of the strategic initiatives and the resolution that would lower the airport’s annual debt service.

Ms. Littleton also commented on stormwater issues. She emphasized a need to have responsible government that works together to come up with a regional solution before asking taxpayers to share in the infrastructure costs.

Councilmember Knight asked if we took the savings would those reduce the CPE costs to the airlines. Mr. Gallagher responded it would mean different things to different airlines.

- B. Presentation on Benefit Plan (*Final Report on Total Compensation Study, Salary, Pay Practices, and Benefits*) – Michael Sullivan, Director, Human Resources

Mr. Sullivan began his presentation by describing the history and the complex process of research and review that took place over the last 18 months. He stated this effort was part of the Mayor’s strategic objective that began in January 2012. He applauded the efforts of the staff and committee members who worked tirelessly to bring the plan forward. He requested to read into the record, “the compensation philosophy of the City of Colorado Springs is to be a governmental employer of choice by attracting, retaining and motivating qualified employees by offering the best overall whole career experience that includes total compensation generally

competitive to our defined market, is easily understood, and recognizes that we are fiscally-responsible, best-in-class stewards of our available resources.”

Mr. Sullivan explained the definition of Total Compensation and the market. He then introduced Margaret Dyekman, President of Corporate Compensation Services, LLC, who presented the methodology and laborious process that lead to the outcomes.

Councilmembers Snider and Miller asked how the job evaluation points were designed. Ms. Dyekman responded by factors including education, experience, problem solving, type of customer services skills, team player, etc. Councilmember Miller also asked if they were still using a 50% public/private comparison.

Ms. Dyekman recommended adjusting the bands and zones each year beginning in 2014 and to conduct a comprehensive cash compensation review every 2-3 years with a total compensation review, including benefits, every 3-4 years.

Councilmembers Knight inquired about the adjustment percentages, and stated the City needs to look at the new data coming out. Mr. Sullivan responded that the actual figures will be brought forward during the budget process.

Councilmember Knight and Miller both asked about the bands and zones and how that was structured and will be implemented.

Councilmember Snider asked if after all the work done, were there any surprises. Ms. Dyekman responded that the City was paying competitively all the way around.

Mr. Sullivan overviewed the benefit restructure and benchmarks. He introduced Jennifer Stroh, HR Benefits Supervisor, who provided a more in-depth review of the health benefits designed to encourage an individual's active role in managing healthcare costs. She stated there will be additional resources to provide average cost of services, types of service and quality of service to promote an informed decision.

Mr. Sullivan stated that they will be proceeding to open enrollment based on Council's approval of the benefit plan.

President King asked how the plan aligned with the implementation of the national healthcare plan. Mr. Sullivan responded there were some elements that were to go into effect 2014 now in 2015 and that all elements for 2014 are in compliance with 2014.

Councilmember Knight confirmed there was a method to the process and acknowledged the work was very well done. He expressed some remaining questions on PPM changes, wage adjustments and the alignment with the 2014 budget. Mr. Sullivan stated he would be happy to engage in further discussion of

these points with Councilmember Knight. Councilmember Bennett added that it was clear staff need to perform to obtain an increase.

C. Strategic Plan – Councilmember Jill Gaebler

Councilmember Gaebler described the strategic plan changes that were sent to Council overnight prior to the meeting. She welcomes other Councilmembers input prior to the September 10th formal presentation. Ms. Gonzalez stated there was a need to ensure the title was appropriate and the message was complete.

Councilmember Knight stated, due to the budget process, there is some sense of urgency to reach completion of the Strategic Plan.

9. **ITEMS UNDER STUDY**

A. Discussion on Stormwater – Keith King, City Council President

President King overviewed key points of his review of the stormwater issue. He expressed that Council, as the Legislative Branch of the City government, needs to be one of the key leaders in implementing the plan. He acknowledged the challenging work that has been performed by the Stormwater Task Force. President King described his preference is a solution that is regional in nature, but involves a vote of the citizens for whatever solution is recommended.

Councilmembers Bennett and Snider expressed their concern, also as expressed by the Task Force, regarding how to fiscally manage the on-going operations and maintenance once the stormwater/capital improvements have been resolved.

Councilmember Pico stated one concern is the inclusion of Pueblo in the plan, since they have already been doing their work, it might be problematic to state they are going to be part of us.

Councilmember Knight encouraged a very smart and inclusive approach to the plan. Councilmember Miller commented that he believes that stormwater needs a higher level prioritization than some items on the capital improvement list due to health and safety concerns.

President King sought Councilmember's thoughts on whether the issue should be presented as a single vs. multi-purpose issue when seeking voter approval for support of capital needs through taxation.

10. **COUNCILMEMBER REPORTS AND OPEN DISCUSSION**

Councilmembers will meet with the Mayor during the City Leadership Roundtable Meeting tomorrow.

Councilmember Knight requested a one-on-one meeting with the CEO of Memorial Health.

11. **ADJOURN**

Council adjourned at 6:06 p.m.