

CITY COUNCIL WORK SESSION MEETING
CITY OF COLORADO SPRINGS
September 9, 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.

1. CALL TO ORDER

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

2. CHANGES TO THE AGENDA

There was a request to discuss the City of Champions Regional Tourism Act (RTA) proposal under Item 10, Councilmember Reports and Open Discussion.

3. REGULAR MEETING COMMENTS SEPTEMBER 10, 2013

There were no changes requested.

4. REVIEW OF AUGUST 26, 2013 WORK SESSION MINUTES

The Minutes were approved by consensus of Council.

5. EXECUTIVE SESSION (estimated time will be a minimum of one hour)

Legislative Counsel Wynetta Massey read the request to enter into Closed Executive Session. Consensus of Council approved the action.

6. STAFF AND APPOINTEE REPORTS

A. Agenda Planner – Council Administrator, Eileen Gonzalez

B. *Dennis Sladek v. City of Colorado Springs, Colorado, a Colorado municipality, City of Colorado Springs City Counsel [sic], and Stephen [sic] Bach*, El Paso County District Court Case No. 13CV254

Recommendation of the Civil Action Investigation Committee: authorize the City to represent City Council and Mayor Bach as required by the Colorado Governmental Immunity. Consensus of Council approved the action.

C. Trails, Open Space and Parks (TOPS) Program Update – Karen Palus, Director, Parks, Recreation and Cultural Services.

Councilmember Miller asked about conservation easements and requested additional information. Ms. Palus stated she and her staff would be happy to go over the details of conservation easements with Councilmembers. She stated they

have been working closely with Palmer Land Trust since they have quite a few properties with future opportunities for these types of easements.

Councilmember Knight noted the ordinance relative to the use of 20% of TOPS funds to "...acquire, construct, and maintain new park areas..." needs an update to align with the voter's approval for maintenance. Ms. Palus apologized for the oversight and agreed to have the update to the ordinance prepared and approved as required.

Councilmember Knight requested a copy of the Parks Master Plan so his constituents may know when to provide input on pickleball courts. Ms. Palus will provide updated information for pickleball plans.

7. PRESENTATIONS FOR GENERAL INFORMATION

A. Mayor's Air Service Task Force Recommendations – William J. Hybl, Chairman

Air Service Task Force members William Hybl and General Renuart, provided an interim update of the Task Force's review and proposed three initial strategic recommendations to improve affordability and convenience at the Colorado Springs Airport. Mr. Hybl described the value of the proposal explaining that it makes sense to reduce out-of-pocket costs and improve the facilities to encourage business travelers.

Councilmembers Snider, Miller, Bennett, and Martin all expressed interest in improved, enhanced access to the airport from all corridors.

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

Ms. Neumann introduced Bobby Ingels, spokesperson on behalf of the Capital Improvement Program (CIP) committee, who spoke about the daunting task of working through the process, defining the priorities, while working within the constrained budget model of \$35 million over five years. They presented their three prioritization lists. Mr. Ingels stated the committee recommends the City continue to prioritize and develop a sustainable funding mechanism to address infrastructure needs.

Councilmember Miller requested additional information that would align categories of projects with their ranking on the A, B, and C priority lists. Angie Hoffman, Senior Budget Analyst, agreed to provide Council with the additional information.

Councilmember Martin inquired about sustainable funding sources and the exclusion of stormwater needs on lists A, B, and C. Chief of Staff Neumann acknowledged the tremendous work performed by the task force in prioritizing capital improvements and confirmed they were not charged with the work of delineating sustainable funding sources. She announced there will be a special

Stormwater meeting on October 9th at which the Mayor, President King, and other entities will present their recommendations on stormwater solutions.

Councilmember Knight asked about the CAB improvements not appearing on the capital improvement lists. Ms. Hoffman explained that the committee looked at what departments submitted for unfunded capital needs; the CAB renovation was not submitted as an unfunded need, yet will be a part of the 1-5 year list.

Councilmember Snider asked about the recommendation to develop a policy to maintain existing infrastructure, facilities, and rolling stock. Ms. Hoffman responded that the existing policies need to be reviewed and revised to enhance efficiencies. Chief of Staff Neumann clarified that in 2014, the Executive Branch will be requesting funding to allow an engineering firm to fully vet the CIP prioritization list for facility maintenance and rolling stock, reassuring Council that those funds will be part of the 2014 Budget.

Councilmember Collins expressed concern relative to the costs of having another entity vet the CIP prioritization list. In response, Ms. Neumann explained that due to the large sum of \$1.3 billion for which we may be requesting taxpayer's support, we want to be certain that the priority list has been fully vetted.

C. Amendments to the Special District Policy and Model Service Plans – Peter Wysocki, Director, Planning and Development / Carl Schueler, Senior Planner, Land Use Review

Mr. Wysocki overviewed the Special Districts policy and explained the purpose of Special Districts to provide a funding mechanism to allow landowners and developers to fund public infrastructure improvements.

Mr. Schueler described the complexity of special districts, the City Charter provisions, governance, level of independence, originating authority, consideration of a district vs. authority, and multiple/control of district structures.

President King and Councilmembers Gaebler, Miller, and Knight asked about recommendations, stakeholder input on policy revisions, and suggested looking at in-fill vs. expansion opportunities.

Councilmember Martin asked about those exceeding the maximum mill-levy. Mr. Schueler responded this was due to abatement strategies and Gallagher adjustments. She supports the idea of looking deeper and finding a better, more equitable way going forward. She requested a copy of an official "Special Districts White Paper" prepared in 2009. Mr. Schueler replied that he has rewritten the white paper which is not yet vetted, but indicated today's presentation incorporated the language.

D. Overview of Annual Process for Approval of Special Districts 2014 Budgets and Operating Plans – Carl Schueler, Senior Planner, Land Use Review

Mr. Schueler described the current annual actions required of City Council. He explained the discretion Council will have, the process and what to expect in the annual review.

E. 2014 Budget & Appropriation Ordinance Format & Process Recommendations – Keith King, City Council President

President King described preliminary budget questions prepared for Council's consideration: 1) How specific should budget line items be; 2) What is considered a major legislative budgetary determination; 3) What is the process to set salaries of Executive Officers; and, 4) Can salaries be set above or below the range in the salary schedule?

Active discussion ensued among Councilmembers on the various questions posed by President King. Prominently discussed was whether the Council has the authority to approve, or disapprove, by line-item the salary ranges, and whether language in the City Code needs revision to approve ranges by ordinance, while remaining in alignment with the intent of the City Charter. Ms. Massey reported a legal opinion on the issue will be coming forward by September 24th.

8. ITEMS FOR INTRODUCTION

A. A Resolution authorizing the exchange of a 1.59-acre parcel owned by the City of Colorado Springs for a 3.96-acre parcel owned by Verdoorn 1999 Charitable Unitrust, located within the Oak Valley Ranch Master Plan located southwest of Allgheny Drive and Front Royal Drive - Karen Palus, Director, Parks, Recreation and Cultural Services

Ms. Palus stated the land swap introduced today was first brought to the City's attention in 2004 and 2005. Chris Lieber, Principal Planner with Parks, Recreation and Cultural Services presented the rationale for the exchange and the historical background of its consideration. He encouraged approval that would bring resolution to 10 years of uncertainty and enable improvements for public benefit.

Councilmember Gaebler asked about the quarry access. Councilmember Miller asked about maintenance and funding. Councilmember Knight described concerns relative to current neighbors' input, access points, drainage, and fire concerns. He also questioned whether, to keep the area natural, it was possible to purchase the property rather than trade it.

Ms. Massey confirmed that in August the item went back to the Parks and Recreation Board and they reconfirmed their position to approve the land swap.

B. Assignment for Private Activity Bond – Bob Cope, Senior Business Climate Specialist

Mr. Cope described the establishment of the Private Activity Bond program in 1986 as part of the Tax Reform Act. He stated the bonds are issued for specific purposes and are tax exempt, lowering borrowing costs. He described eligible activities include qualified residential projects, single family mortgage revenue bonds, manufacturing or small issue industrial development bonds, and exempt major facility bonds, such as utilities. He stated that in 2013, the City received a little over \$20 million in PAB allocation. Typically the City has assigned its unused PAB allocation to El Paso County for use in its single family program. He emphasized that if we take no action by September 15, the City's allocation automatically reverts back to the State.

Councilmember Miller asked if these funds could be utilized as part of a recruitment opportunity. Councilmember Gaebler asked about risk if the funds are not paid back would the liability default back to the City or County? Mr. Cope responded that the funds could be used to recruit businesses, and that there is no risk to the municipality; the investor bares all the risk.

Councilmember Knight commented that for next year, he would like to see the PAB funds kept in the City and utilized on needed projects such as the North Nevada and UCCS student housing opportunities, or even perhaps used to fund student loans.

9. ITEMS UNDER STUDY

There were no items under study.

10. COUNCILMEMBER REPORTS AND OPEN DISCUSSION

A. City of Champions Regional Tourism Act (RTA).

Councilmember Gaebler recapped the background for the draft of the resolution presented today to support the RTA State funding application. She explained that the resolution expressed no desire to show support for an individual project other than reflecting that together, Council with the Executive Branch, can find common ground for transforming the vision for our City. Councilmember Bennett and Martin agreed there was a need to demonstrate leadership with fresh vision and a positive, unified approach.

Councilmember Miller expressed frustration over the stage of development and submission of the application for funding of the RTA without public input on the proposal and the four projects included. He stated he will not be supporting the resolution.

Councilmember Snider suggested a reservation of rights as to how they weigh in on the projects. Councilmember Knight agreed and expressed concern for unintended consequences and stated contingency options need to be included.

Councilmember Pico expressed neutrality on the projects, with the exception of moving the Sky Sox stadium from the east side. He stated he would rather see funds going to stormwater and infrastructure backlog and expressed he would rather see council remain silent on the RTA in the meantime.

President King stated he was generally supportive of the project, but believes it requires public comment. He asked who will own the assets, what economic risk to the City may be incurred, what type of entity formation would be appropriate, and what liability would be imposed.

- B. Councilmember Martin described that she had heard about a filing for the dissolution of Banning Lewis Ranch Flood Control Conservancy District. She requested that the legal department take a look at this and provide Council with an update. Consensus of Council agreed to receive the report.
- C. Councilmember Bennett announced that the USAFA Air Office Command has 20 students going through the UCCS class and would like an opportunity to speak with Council at 10:30 on Monday, September 30, in Council Chambers. Consensus of Council approved the meeting.
- D. Councilmember Snider asked Ms. Neumann if Council could receive a copy of the CH2MHill Stormwater assessment. Ms. Neumann responded that it needs more vetting first but assured Council that they will receive a copy of the assessment before it goes public.
- E. Councilmember Snider requested Council's approval to attend a Regional Business Alliance trip to Washington, D.C. Consensus of Council authorized the travel expenditure.

11. **ADJOURN**

Council adjourned at 6:04 p.m.