



City of Colorado Springs

City Hall
107 N. Nevada Avenue
Colorado Springs, CO
80903

Meeting Minutes - Draft Council Work Session

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Monday, August 8, 2016

1:00 PM

Council Chambers

1. Call to Order

- Present** 8 - Councilmember Larry Bagley, President Merv Bennett, Councilmember Helen Collins, President Pro Tem Jill Gaebler, Councilmember Don Knight, Councilmember Bill Murray, Councilmember Andy Pico, and Councilmember Tom Strand
- Excused** 1 - Councilmember Keith King

2. Changes to Agenda

Council President Bennett requested the following changes be made to the agenda, move the Executive Session to the end of meeting and move agenda item 7.A. to precede agenda item 6.A. Consensus of Council agreed with these changes.

3. Regular Meeting Comments

Councilmember Knight requested better maps for agenda items 4.B.H. and 4.B.I. included on the Consent agenda tomorrow.

Councilmember Knight asked why the Airport annexations are not public hearings. David Andrews, Legislative Counsel, stated the annexation procedure is different with City owned property and the City is following State Statues. Renee Congdon with the City Attorney’s office explained the prescribed procedure for annexing City owned property per State Statues. Councilmember Knight expressed concern about there not being a masterplan detailing the plans for this property with the annexation. Ms. Congdon stated the airport already has a facilities masterplan. Dan Gallagher, Director of Aviation, stated this proposal will result in property purchased in 1992 by the City to be included in City limits and remove the County from playing a role in the jurisdiction of this property. Any development on this property, as it is part of the airport, will have to be approved by the FAA and would also return to Council for approval.

Councilmember Knight stated he does not agree with the process the City followed in regard to agenda item 4.B.E., he will not pull the item off the Consent Calendar, but he does not feel due diligence has been done and requested future land disposal actions include more research.

4. Review of Previous Meeting Minutes

4.A. [16-498](#) City Council Work Session Meeting Minutes July 25, 2016

Presenter: Sarah Johnson, City Clerk

The Meeting Minutes were approved as presented.

5. Executive Session

5A. Open

There was not an Open Executive Session.

5B. Closed

5B.A. [16-494](#) Closed Executive Session

Presenter:

Wynetta Massey, City Attorney

David Andrews, Legislative Counsel, stated the issues to be discussed in the closed session involve 1) legal advice, consultation and negotiation strategy discussion with the City Attorney regarding a potential acquisition or purchase of railroad real property, 2) legal advice, consultation and negotiation strategy discussion with the City Attorney regarding a potential litigation matter and the purchase of real property for South Tejon Street improvements, and 3) legal advice, consultation and negotiation strategy discussion with the City Attorney regarding a potential litigation matter and a special district exclusion.

Council President Pro Tem Gaebler polled Council regarding the desire to proceed with the discussion in a closed session. Consensus of Council agreed to proceed with the Closed Executive Session.

6. Staff and Appointee Reports

6.A. [16-416](#) 2015 CAFR and GASB 68

Presenter:

Kara Skinner, Chief Financial Officer

Kara Skinner, CFO, explained how the transition to these accounting systems has impacted the City's financial reports and provided an overview of the City's current and projected financial status.

Councilmember Knight requested additional information about the unrestricted fund balance. Ms. Skinner stated the unassigned fund balance went down by \$1.2 million and the assigned fund balance went up by \$700,000.

6.B. [16-417](#) 2016 Monthly Financial Update and 2017 Budget Outlook

Presenter:

Kara Skinner, Chief Financial Officer

Kara Skinner, CFO, presented the financial report and provided estimated figures for the 2017 budget.

Councilmember Knight asked if the May sales tax figures are in-line with the expected sales tax trend for the year and requested future financial reports include a comparison with the previous year. Ms. Skinner stated the sales tax revenue is targeting as expected and agreed to provide a year-to-year comparison.

Councilmember Knight asked for additional information about grant funds. Ms. Skinner stated grant funds are close to what was anticipated and she does not expect supplemental appropriations will be needed to cover grant funds not received. She will include detailed information about grants in the next financial report. The City is close to the TABOR limit and this situation will be monitored closely.

Councilmember Murray asked if the optimistic sales tax rates included in the C4C proposal are coming to fruition. Bob Cope, Economic Development Manager, stated the City has tracked pretty close to projected rates.

Councilmembers Collins and Pico asked what affect the recent hail storm, which damaged and destroyed numerous police cars, had on the City budget. Ms. Skinner stated she does not anticipate having to appropriate funds to cover this loss.

Councilmember Strand asked about the reserve funds and the investment portfolio. Ms. Skinner explained how City funds are invested and spoke about the City's investment policy.

Councilmember Knight initiated a discussion about the administration of stormwater management costs and funds. Ms. Skinner stated the City's portion of joint stormwater management projects will be included in the City budget and all City expenditures are detailed and documented. Councilmember Knight recommended the City appropriate the funds required in the stormwater agreement, although they will not be spent until a later date to avoid future financial issues. Mr. Greene stated this recommendation will be taken into consideration when the budget is made.

6.C. [15-00795](#) Agenda Planner Review

Presenter:

Eileen Lynch Gonzalez, City Council Administrator

Eileen Gonzalez, City Council Administrator, informed Council item 6., under Items for Introduction, will be presented in the Work Session on Monday and in the Regular City Council meeting the next day due to time constraints of the agreement. Councilmember Knight stated Council has approved the concept for the IGA but has not seen the actual IGA and expressed concern about the short time-frame on this item. Ms. Gonzalez explained the circumstances leading to this situation. Councilmember Knight stressed the importance of all parties meeting their deadlines.

Councilmember Knight asked if it is necessary to handle the medical marijuana FBZ change the same way. Sarah Johnson, City Clerk, stated she will check with the Planning Department to see if this item can be re-scheduled.

7. Presentations for General Information

7.A. [16-469](#) UCCS Sports Medicine and Performance Center

Presenter:

Steve Johnson, Director

Steve Johnson, Director, presented a summary of the plans to develop a sports medicine and performance center on the north side of town.

Councilmember Strand asked if there is any way to expedite the project time-line. Mr. Johnson said if they need assistance expediting anything, they will return to Council.

Councilmember King arrived.

- 7.B. [16-503](#) United States Olympic Museum Letter of Intent for a Memorandum of Understanding Update.

Presenter:

Bob Cope, Economic Development Manager, Economic Development
Bob Cope, Economic Development Manager, provided a summary of the funds and provisions included in this agreement.

Councilmember Murray asked for figures on the cost of each of the required elements included in the project. Mr. Cope stated plans and cost estimates have not been finalized.

Councilmember Pico asked when the State TIF zone was established. Mr. Cope stated that was included in the original C4C agreement.

Councilmember Knight commented on the public process of the plans and expressed concern about the reputation of the City being compromised if the anticipated State TIF revenue falls short and the promised funds are not available. Mr. Cope stated routinely scheduled C4C updates have been provided in City Council Work Sessions, members of the public are always welcome to voice their opinions in regular City Council meetings. Mr. Cope stated the CSURA Board could present a request for a modification to the plans if the funds fall short. Investors have the ability to see the City is not included in the funding revenue stream.

Councilmember King asked how the net proceeds are going to be distributed. Mr. Cope explained how the funds will be prioritized and distributed based on the C4C contract. Mr. Cope explained the \$2.5 million in planned infrastructure projects blend into each other. Once all of the plans are finalized, project costs to be allocated accordingly.

- 7.C. [16-501](#) A presentation of final Fall 2016 Transit Service Changes

Presenter:

Craig Blewitt, Transit Services Division Manager

Craig Blewitt, Transit Services Division Manager, provided a summary of the planned fall service changes to the transit system.

Council President Pro Tem Gaebler expressed appreciation to Mr.

Blewitt for listening to and considering the public opinion regarding bus routes and voiced her support of the decision made.

Mr. Greene stated the Mayor's Office also endorses the proposal presented today.

7.D. [16-422](#)

Districting Process Advisory Committee Preliminary Report to City Council and City Clerk

Presenter:

Chair, Districting Process Advisory Committee

Dave Munger, Chair of the Districting Advisory Committee, thanked Sarah Johnson and her staff for their assistance along with Britt Haley from the City Attorney's Office. Mr. Munger provided a preliminary report of the committee's work.

Councilmember Pico asked how neighborhoods were defined. Mr. Munger stated neighborhoods were defined by development and other factors including ethnic and social economic status.

Councilmember Strand asked how census numbers in neighborhoods were estimated. Ms. Johnson stated data was purchased from a nationally regarded company that performs professional population estimates. Additional information on the population data can be found on the City Clerk Website. Mr. Munger stated the data is the best available, but still an estimate.

Councilmember Knight expressed concern about the variance in population between the proposed districts. Mr. Munger explained this is based on a population estimate and the desire to keep neighborhoods intact. Mr. Munger and Councilmember Knight discussed the City Charter language requiring substantially equal population in each district and the proposed districts at length.

Councilmember Murray stated some of these communities have been split by the districting process for years, why the emphasis on rejoining them now. Mr. Munger explained the committee desires to consider the communities as a whole in an effort to unify representation and to be respectful of them as a priority.

Ms. Johnson stated the next step will be for her to review the recommendation of the committee and provide a Charter required

preliminary district map by October 1, 2016 and receive public comment. The final District map will be released between November 5, 2016 and December 5, 2016.

8. Items for Introduction

8.A. [16-451](#)

A resolution amending Resolution 92-12, the Bylaws and the Investment Policy of the Colorado Springs Health Foundation

Presenter:

BJ Scott, Chair, Colorado Springs Health Foundation Board of Trustees

Jon Medved, Secretary, Colorado Springs Health Foundation Board of Trustees

BJ Scott, Chair, Colorado Springs Health Foundation Board of Trustees, explained they are looking to amend the foundations bylaws and investment policy. City Councilmembers have been briefed over the past few weeks regarding these changes.

Councilmember Knight expressed concern about the blanket five percent per year salary increase for the executive chief of staff without a salary cap and suggested a salary range be included in the document. Ms. Scott stated the salary increase is up to five percent per year and the Board considered this suggestion and decided to keep the moderate salary increase and open cap as this is in keeping with the policies of other grant making organizations.

8.B. [16-495](#)

A resolution approving the assignment of 2016 Private Activity Bond volume cap allocation to El Paso County

Presenter:

Bob Cope, Economic Development Manager

Bob Cope, Economic Development Manager, provided an informative summary of Private Activity Bonds and stated this is a request to assign unused funds to El Paso County to keep the funds in the region.

Councilmember Strand asked why these funds are not used more often. Mr. Cope stated this trend is thought to be due to current low interest rates on home mortgage loans.

Councilmember Murray asked how many of the houses included in these funds are within City limits. Mr. Cope stated the majority of them are within the City.

- 8.C. [CPC 080](#) Resolution approving a service plan prior to the creation of a Tuscan Foothills Village Metropolitan District

Presenter:

Carl Schueler, Planning Manager- Comprehensive Planning, Planning & Development Department

Carl Schueler, Planning Manager - Comprehensive Planning, provided an overview of this proposal.

Councilmember Knight stated the purpose of a district is to provide services the City is not providing and asked what services this district plans to provide using the funds generated by this plan. Mr. Schueler stated the purpose of a district is to provide public infrastructure, he will defer to the developer to discuss the plans for this development in more detail.

Councilmember Knight asked if apartment complexes are included in other districts and how they are assessed for property taxes in special districts. Mr. Schueler stated there are apartment complexes included in other districts and they are assessed on a residential basis per the assessor's statutory assessment guidelines following State Statutes. Mr. Schueler will provide a list of districts including apartments and townhomes prior to the next meeting.

Blair DeCounter, representing the developer, stated about a million dollars of infrastructure supporting the project would be funded through the improvement district. Councilmember Knight stated other developers provide roads, curbs, gutters, sewers and include the costs in the price of the houses, he does not see these as services that merit the creation of a district. Mr. DeCounter stated if the infrastructure costs are included in the price of the home or through higher taxes, the home owners are paying the costs either way.

- 8.D. [16-496](#) A resolution adopting an amendment to the "City of Colorado Springs Rules and Procedures of City Council" relating to donations and unspent council funds

Presenter:

Eileen Lynch Gonzalez, City Council Administrator

Council President Bennett was excused.

Eileen Gonzalez, City Council Administrator, provided a summary the

proposed changes.

Councilmember Pico asked if language needs to be added stating that unspent funds will be returned to the general fund. David Andrews, Legislative Counsel, stated that would be included in the budget process, not by Council rules.

9. Items Under Study

There were no items under study.

Council President Pro Tem Gaebler, Councilmembers Strand and Bagley were excused.

10. Councilmember Reports and Open Discussion

Councilmember Knight discussed the use of unused Council funds and suggested excess funds from 2016 be used to install video equipment in the Pikes Peak Room. Bret Waters, Deputy Chief of Staff, Ms. Gonzalez and Council discussed several options in regard to the use of these funds, a decision will be made and the funds designated for a project in the next few weeks.

11. Adjourn

There being no further business to come before City Council, Council adjourned.

Sarah Johnson, City Clerk