



# City of Colorado Springs

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

## Meeting Minutes Council Work Session

*City Council meetings are broadcast live on Channel 18. In accordance with the ADA, anyone requiring an auxiliary aid to participate in this meeting should make the request as soon as possible but no later than 48 hours before the scheduled event.*

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Monday, December 9, 2019

10:00 AM

Council Chambers

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### 1. Call to Order

**Present** 9 - Councilmember Yolanda Avila, Councilmember Jill Gaebler, Councilmember David Geislinger, Councilmember Don Knight, Councilmember Bill Murray, Councilmember Andy Pico, President Richard Skorman, President Pro Tem Tom Strand, and Councilmember Wayne Williams

Councilmember Williams was excused at approximately 11:00 AM.

Councilmember Geislinger arrived at approximately 1:00 PM.

Councilmember Knight left at approximately 2:05 PM.

### 2. Changes to Agenda

Sarah B. Johnson, City Clerk, stated item 9.A. will be held at 1:00 PM.

Consensus of City Council agreed to this change on the agenda.

### 3. Regular Meeting Comments

Councilmember Knight requested item 4B.E. be removed from the December 10, 2019 City Council meeting Consent Calendar.

Consensus of City Council agreed to this change on the agenda.

### 4. Review of Previous Meeting Minutes

4.A. [19-741](#) City Council Work Session Meeting Minutes November 25, 2019

Presenter:

Sarah B. Johnson, City Clerk

**Attachments:** [11-25-19 City Council Work Session Meeting Minutes Final.pdf](#)

The minutes of the November 25, 2019 Work Session meeting were approved by Consensus of City Council.

### 5. Executive Session

**5A. Open**

There was no Open Executive Session.

**5B. Closed**

There was no Closed Executive Session.

**6. Staff and Appointee Reports**

6.A. [19-740](#) Agenda Planner Review

Presenter:  
Sarah B. Johnson, City Clerk

**Attachments:** [Agenda Planner Review 12-9-19.pdf](#)

There were no comments on this item.

**7. Presentations for General Information**

There were no Presentations for General Information.

**8. Items for Introduction**

8.A. [19-703](#) A resolution approving the issuance of debt in the form of Limited Tax General Obligation Bonds not to exceed \$1,800,000 for the Wildgrass at Rockrimmon Metropolitan District

Presenters  
Carl Schueler, Comprehensive Planning Manager, Planning and Community Development

Peter Wysocki, Planning and Community Development Director

**Attachments:** [Resolution](#)  
[PowerPoint](#)  
[Attachment 1-Transmittal Letter](#)  
[Attachment 2- Term Sheet](#)  
[Attachment 3- District Bond Resolution](#)  
[Attachment 4- Form of Senior Indenture](#)  
[Attachment 5- Form of Subordinate Indenture](#)  
[Attachment 6- Financial Plan](#)  
[Attachment 7-Draft General Counsel Opinion Letter](#)

Carl Schueler, Comprehensive Planning Manager, Planning and Community Development Department, presented the Resolution approving

the issuance of debt in the form of Limited Tax General Obligation Bonds not to exceed \$1,800,000 for the Wildgrass at Rockrimmon Metropolitan District. He provided a brief summary, vicinity map, district map, identified the improvement cost to be partially funded, and the discussion at the City Council Budget Committee.

Councilmember Murray asked why there is a Series B bond if the district is using a taxing authority to repay the bonds. Mr. Schueler stated it increases the coverage ratio on the senior bonds which lowers the interest rate and it also allows the district to issue additional debt. Elizabeth Cortese, McGeedy, Becker, representing the district, stated the typical financing structure is to issue both Series A and B bonds because they are different purchasers and the Series B bonds are purely cash flow bonds. She explained the revenue source goes toward the Series A bonds first and only after additional revenue is received will it go toward the Series B bonds. Councilmember Murray requested the interest rate and payback for the Series B bonds. Ms. Cortese agreed to provide that information.

Councilmember Murray requested a list of all the district bonds within the City. Mr. Schueler agreed to provide that information.

Councilmember Knight stated the common area landscaping is ongoing expense and does not belong under the debt portfolio as a one-time expense, it should be under operations and maintenance. Ms. Cortese stated this is for the initial installation of landscaping, not the ongoing maintenance.

**8.B.** [19-723](#)

An ordinance amending Ordinance No. 18-118 (2019 Appropriation Ordinance) for a supplemental appropriation to the General Fund in the amount of \$6,984,844, and to the Lodgers and Auto Rental Tax (LART) Fund in the amount of \$167,394 which will be transferred to the General Fund and is included in the \$6,984,844, for the retention of 2018 fiscal year revenue above the 2018 fiscal year revenue and spending limitations (TABOR cap), approved by voters in the November 2019 coordinated election to be retained and spent for parks, sports and cultural facilities, and trail improvements

Presenter:

Charae McDaniel, Chief Financial Officer

**Attachments:** [Ordinance for Supplemental for TABOR \\$7M-Parks](#)  
[Signed Resolution 77-19-Ballot Language](#)

Charae McDaniel, Chief Financial Officer, presented the Ordinance for a supplemental appropriation to the Lodgers and Automobile Rental Tax (LART) fund for \$167,394 for the revenue retention approved by voters in the November 2019 election to be retained and spent for parks, sports and cultural facilities, and trail improvements.

Councilmember Knight asked if the appropriation will be moved into a capital improvement project fund. Ms. McDaniel stated it will stay in the general fund under a project account.

- 8.C. [19-724](#) An Ordinance amending Ordinance No. 19-87 (2020 Appropriation Ordinance) for a supplemental appropriation to the General Fund in the amount of \$329,828 for partial construction costs of the Tutt Boulevard Bridge over Cottonwood Creek.

Presenter:

Charae McDaniel, Chief Financial Officer

Jeff Dunn, PE, Stormwater Enterprise Division of Public Works

**Attachments:** [CW-Ordinance-Supplemental Approp for Assurance](#)

[Exhibit A](#)

[Exhibit B](#)

[Tutt-Cowpoke PR-2 for Council](#)

Jeff Dunn, PE, Stormwater Enterprise, presented the Ordinance for a supplemental appropriation in the amount of \$236,396 for partial construction costs of the Tutt Boulevard Bridge over Cottonwood Creek. He gave an overview of the bridge location, summary, annexation agreements, Reel annexation agreement, and the City's major thoroughfare plan.

There were no comments on this item.

- 8.D. [19-725](#) A Resolution to amend Resolution No. 94-19 increasing the 2019 Sand Creek Drainage Basin Fee

Presenter:

Richard Mulledy, P.E., Stormwater Enterprise Manager, Stormwater Enterprise

Erin Powers, P.E., Senior Engineer, Stormwater Enterprise

**Attachments:** [2019.11.12 Resolution for 2019 Sand Creek Drainage Fee Increase](#)  
[Exhibit A 2019 Drainage Fee schedule proposed](#)  
[Exhibit B 2019 Drainage Fee schedule](#)  
[Exhibit C Drainage Board Minutes](#)  
[Sand Creek Fee Adjustment 2019](#)  
[Signed Resolution 152-19.pdf](#)

Erin Powers, Senior Engineer, Stormwater Enterprise, presented the proposed \$124.00 per acre increase for the Sand Creek drainage basin fees. She gave a brief background of the drainage basin and identified the increase in infrastructure costs.

Councilmember Williams asked why the projected construction cost was off by such a large amount. Ms. Powers stated the current drainage basin planning study was approved in 2000 and there has been a significant increase in the cost of construction over the last nineteen years.

- 8.E.** [19-726](#) A Resolution establishing 2020 Drainage Basin Fees, Bridge Fees, Detention Pond Facility and Land Fees

Presenter:

Richard Mulledy, P.E., Stormwater Enterprise Manager

Erin Powers, P.E., Senior Technical Engineer, Stormwater Enterprise

**Attachments:** [2019.11.12 Resolution for 2020 Drainage Fees att](#)  
[Exhibit A 2020 Drainage Fee schedule Proposed](#)  
[Exhibit B Memo to Drainage Board for 2020 fees](#)  
[Exhibit C 2020 Drainage Fee Letter](#)  
[Drainage Fee Adjustment 2020 Shortened for CC](#)  
[Signed Resolution 153-19.pdf](#)

Erin Powers, Senior Engineer, Stormwater Enterprise, presented the Resolution establishing 2020 drainage basin fees, bridge fees, detention pond facility, and land fees. She went over City Code 7.7.902, how drainage fees are determined, past drainage fee increases, process for the 2020 fee, and the recommended four percent increase of the fee.

There were no comments on this item.

- 8.F.** [19-727](#) A Resolution to approve the 2019 Cottonwood Creek Drainage Basin Planning Study for use within the City of Colorado Springs

Presenter:

Richard Mulledy, P.E., Stormwater Enterprise Manager, Stormwater

Enterprise

Erin Powers, P.E., Senior Technical Engineer, Stormwater Enterprise

**Attachments:** [2019.11.15 Resolution for 2019 Cottonwood DBPS mm](#)

[Exhibit B\\_07-11-19 Drainage Board Minutes](#)

[Cottonwood Creek DBPS 2019](#)

[Signed Resolution 154-19.pdf](#)

Erin Powers, Senior Engineer, Stormwater Enterprise, presented the Resolution to approve the 2019 Cottonwood Creek Drainage Basin Planning Study. She gave an overview of the details of the study and stated the Drainage Board has recommended approval.

There were no comments on this item.

**8.G.** [19-728](#)

An Ordinance Amending Ordinance No. 18-118 (2019 Appropriation Ordinance) for a Supplemental Appropriation to the Memorial Health System Enterprise Fund in the Amount of \$1,384,091 to Transfer UC Health Margin Share Proceeds to the Colorado Springs Health Foundation

Presenter:

Charae McDaniel, Chief Financial Officer

Chris Wheeler, Budget Manager

**Attachments:** [Supplemental Approp Ord for MHS Revenue Share-2019](#)

Charae McDaniel, Chief Financial Officer, explained the process for the transfer of \$1,384,091 from the Memorial Health System Enterprise Fund to transfer UC Health margin share proceeds to the Colorado Springs Health Foundation.

Councilmember Avila asked what the percentage of the Colorado Springs Health Foundation grants this amount is and would like to see the amount increased. Ms. McDaniel stated she will request that information.

Councilmember Knight stated their limit is five percent of their corpus. Jeff Greene, Chief of Staff, stated they will request a briefing to City Council at a Work Session regarding the operations of the foundation.

Councilmember Gaebler requested the previous amounts which were appropriated in prior years. Ms. McDaniel stated the amount was smaller in 2018 due to capital expansion and it was \$1.2M in 2016 and 2017.

## **9. Items Under Study**

- 9.A. [19-730](#) Discussion on the new state Marijuana Laws concerning Delivery and Consumption Clubs

Presenter:

Mattie Gullixson, Senior Regulatory Compliance Analyst

**Attachments:** [2019 Legislative Background DeliveryConsumption December 9 2019](#)

Councilmember Williams asked if since the proponents of these two laws were invited to speak if the opponents were also invited. President Skorman stated they are welcome to speak, but no one had specifically reached out to them regarding opposition. Councilmember Knight stated in previous marijuana discussions, there were several groups opposed and it is unfair there was no outreach for a fair and balanced representation.

Mattie Gullixson, Senior Regulatory Compliance Analyst, presented the new state marijuana laws concerning delivery and consumption clubs. She gave a brief background on the 2019 legislative overview of HB19-1230 Marijuana Hospitality Establishments, and HB19-1234 Marijuana Delivery.

Bret Waters, Deputy Chief of Staff, stated the two marijuana consumption clubs currently in operation must apply to the state by December 31, 2019 to continue business until their sunset expires in March 2024. He stated executive branch administration is not recommending either delivery or hospitality and sales initiatives.

Commander Raphael Cintron, Metro Vice, Narcotics, and Intelligence (VNI), gave an overview of the regulatory team's primary function and focus on marijuana enforcement throughout El Paso County and the City. He stated adding any additional enforcement duties would add a burden to the department.

President Pro Tem Strand asked if these Ordinances would decrease the black market. Commander Cintron stated increasing availability would expand the black and grey market marijuana grows.

Councilmember Geislinger asked if a consumption club would increase the number of incidents of people driving under the influence of marijuana. Commander Cintron stated it would increase the probability much the same as a liquor establishment would.

President Pro Tem Strand stated Councilmember Williams would like to know if the one-dollar surcharge on each delivery for law enforcement purposes would count against the City's Taxpayers' Bill of Rights (TABOR) limit. Mr. Waters confirmed the one-dollar surcharge would be counted against the TABOR cap.

Citizen Cliff Black, invited by President Skorman, requested the two consumption clubs within the City be approved by City Council as marijuana hospitality and sales establishments in order to decrease the black market. He passed out a draft Ordinance and gave an overview of the regulations of the model, tourism, amounts authorized for sale, and City Code sections which currently discourage investment support of the consumption clubs.

Citizen Jason Worf, invited by President Skorman, Executive Director Southern Cannabis Council, explained the desired urgency for City Council support of the proposed Ordinances and requested a stakeholder process.

Councilmember Geislinger asked how the proposed Ordinances would address the necessary increase in law enforcement. Mr. Black stated the tax dollars generated from the legal clubs would support it.

Councilmember Geislinger asked how the consumption clubs would reduce the black market. Mr. Black stated patients and caregivers are authorized to grow large amounts of marijuana which is then sold to the black market and the black market activity is not coming from the licensed businesses.

Councilmember Pico asked what the percentage of TCH is in the ten milligrams per microsale serving. Mr. Waters stated there is no cap of the percentage of TCH allowed in the product.

Mr. Waters stated by allowing microsales of recreational marijuana in consumption clubs would lift the ban of retail recreational marijuana sales within the City. Councilmember Murray stated the sales would not go outside of the consumption club.

President Skorman stated this would allow a safe place for people to consume marijuana and the sales would be very specific to these two consumption clubs.



Councilmember Murray asked where the consumption clubs could purchase marijuana. Mr. Black it would be through a licensed recreational grow.

Councilmember Geislinger stated it is not City Council's responsibility to guarantee to investors on how City Council will react to this at this time.

Councilmember Knight stated this is not a public hearing because the public has not been notified that a draft Ordinance was going to be discussed and both sides are not equally represented.

Councilmember Knight left the meeting.

Jeff Greene, Chief of Staff, stated Work Session meetings were designed for City staff to provide information to City Council and for City staff to answer questions from City Council. Marc Smith, Corporate Division Chief, Office of the City Attorney, read the City Council rules related to Work Session meetings.

Councilmember Gaebler stated she feels both sides of the issues are represented with the Administration as an opponent and the speakers as a proponent, but would like to hear additional information.

Councilmember Pico stated the public notice was for discussion on state marijuana regulation and there was no notice of the proposed Ordinances which were presented to City Council at the dais.

Citizen Jaymen Johnson, consumption club owner, gave an overview of the amount of marijuana which could be sold in a consumption club, the black market, public safety, and the liability involved.

Citizen Shannon Fender, Director of Public Affairs, Native Roots, gave an overview of their company and the parameters of marijuana delivery.

Citizen Mike Okada, Medical Community Success Manager, Native Roots, spoke about direct delivery to medical patients who have problems with access due to breakthrough pain and limited mobility.

Councilmember Geislinger requested the current regulation regarding the

delivery of prescribed controlled substances. Mr. Okada stated he will provide that information.

Councilmember Murray requested a date certain regarding the consideration of the proposed Ordinance. Mr. Smith stated due to the City's current ban of retail recreational marijuana, if the proposed Ordinances were to move forward, it would require multiple City Code revisions.

Councilmember Geislinger and President Pro Tem Strand stated City Council moving forward at this time on the consumption club proposal is premature.

Mr. Waters stated the consumption club issue is a policy issue and staff has provided the Administration's position on it, but will present the option of the delivery of medical marijuana to the Medical Marijuana work group.

Councilmember Pico stated the delivery of medical marijuana would have to address if there are any current issues which need to be resolved.

**9.B.**    [19-591](#)            Special Districts Overview- Session No. 5

Presenters:

Peter Wysocki, Planning and Community Development Director  
Carl Schueler, Comprehensive Planning Manager

**Attachments:**    [PowerPoint-Session 5](#)

[Overview of Colorado Springs Special Improvement Maintenance Districts](#)

Carl Schueler, Comprehensive Planning Manager, Planning and Community Development, gave an update from the special districts overview session no. 4, special improvement maintenance districts (SMID), special district financial obligations, debt authorizations, and debt issuances.

Councilmember Knight stated there are several issues that need to be addressed which include the physical separation of districts within a master district, the size of the district, and the requests to exceed the ten percent operations and maintenance cap. Mr. Schueler stated he will keep track of those questions.

## **10. Councilmember Reports and Open Discussion**

Councilmember Avila stated she and several other Councilmembers attended the groundbreaking ceremony for the downtown stadium.

President Pro Tem Strand stated he attended the Chamber of Commerce and EDC Legislative Roundtable, the Peak Military Care Network meeting, and the Pearl Harbor Remembrance ceremony. He asked if City Council would like a presentation on military stolen valor from a student from Pikes Peak Community College. Consensus of City Council agreed.

Councilmember Murray stated there has been several meetings within the community regarding interface with the police and the Administration and City Council has an obligation to address these concerns.

## **11. Adjourn**

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

Sarah B. Johnson, City Clerk