

Ordinance No. 90-58.

AN ORDINANCE AMENDING PORTIONS OF THE CODE OF  
THE CITY OF COLORADO SPRINGS RELATING TO THE  
ADMINISTRATIVE ORGANIZATION OF THE CITY OF  
COLORADO SPRINGS

WHEREAS, Article 24 of the Charter of the City of Colorado Springs provides as to the duties and powers of the City Manager that: "He shall direct and supervise the administration of all departments, offices and agencies of the City, except as otherwise provided by this Charter or by law"; and

WHEREAS, Article 25 of the Charter providing for the creation of departments states: "By ordinance City Council may establish departments, divisions, offices or agencies in addition to those created by this Charter and may prescribe the functions of all departments, offices and agencies, except that no function assigned by this charter to a particular department, office or agency may be discontinued or, unless this charter specifically so provides, assigned to any other. Such departments, divisions, offices or agencies may include but not be limited to police, fire and health."; and

WHEREAS, the departments, divisions, offices or agencies created by the Charter are the City Manager's Office, the City Attorney's Office, the City Clerk's Office, the City Treasurer's Office, the City Auditor's Office, the Department of Utilities, the Municipal Court, the Civil Service Commission, and, in general, advisory boards and commissions; and

WHEREAS, City Code § 1-4-212 in part provides for "...the City Manager to establish such departments, divisions, offices or agencies, in addition to those created by the Charter, as he deems necessary for the efficient administration of the City government and directs him to prescribe the functions of all departments, divisions, offices and agencies, except that no function assigned by the Charter to a particular department, division, office

or agency may be discontinued or, unless the Charter specifically so provides, assigned to any other department"; and

WHEREAS, City Code § 1-4-212 further provides that: "The City Manager shall each year, in conjunction with submitting to the City Council his estimate of expenses and revenues, submit his administrative organization chart which shall show those positions directly reporting to him. The City Manager shall also promulgate or cause to be promulgated as he deems necessary the duties and functions of the departments, divisions, offices or agencies within the City"; and

WHEREAS, it is desirous to streamline the administrative organization of the City to allow the City Manager and Deputy City Managers his deputies to carry out the directives as contained in the Charter and the Code.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:

Section 1. Section 1-4-201 (Office of the City Manager) of the Code of the City of Colorado Springs 1980, as amended, is hereby amended to read as follows:

"1-4-201: OFFICE OF THE CITY MANAGER:

- A. The City Manager shall be the executive head of the City government, shall enforce the laws of the City, and shall require the faithful performance of the duties of City employees. The City Manager may appoint Deputy City Managers as shall be authorized by the annual budget who shall serve at his pleasure and be terminable at will to act in the capacity as City Manager for the administration of departments, divisions, offices, and agencies assigned to them by the City Manager. ONE OF THE DEPUTY CITY MANAGERS APPOINTED BY THE CITY MANAGER SHALL BE THE DEPUTY CITY MANAGER UTILITIES.

~~By Deputy-City-Manager/Director-of-Utilities:  
The--Director--of--Utilities--is--hereby~~

~~designated a Deputy City Manager. His duties and responsibilities are as set out in the Charter, City Code, Ordinances, Resolutions, and regulations.~~

~~G. Deputy City Manager Administrative Services: If budgeted, there shall be a Deputy City Manager Administrative Services who shall be responsible to the City Manager for the operation and administration of the departments, divisions, offices and agencies as are assigned to him by the City Manager from time to time.~~

~~D. Deputy City Manager Community Services: If budgeted there shall be a Deputy City Manager Community Services who shall be responsible to the City Manager for the operation and administration of the departments, divisions, offices, or agencies as are assigned to him by the City Manager from time to time."~~

Section 2. Part 2 (Powers and Duties of the City Manager) of Article 4 (Appointive Officers of the City) of Chapter 1 (Administration) of the Code of the City of Colorado Springs 1980, as amended, is hereby amended by the addition of a new Section 1-4-214 to read as follows:

"1-4-214: POWER TO PROMULGATE ADMINISTRATIVE REGULATIONS: The City Manager, or designees of the City Manager, shall have the power and authority to promulgate administrative regulations consistent with the provisions of the Charter or Code concerning matters that are applicable to all operations of the City including departments, divisions, offices and agencies. Deputy City Managers and department heads shall have the authority to promulgate rules and regulations consistent with the provisions of the Charter and Code for the administration of their areas of responsibility."

Section 3. Chapter 2 (Administrative Departments) of the Code of the City of Colorado Springs 1980, as amended, except Article 6 (Police Department) and Article 7 (Fire Department) is hereby repealed and reordained to read as follows:

"CHAPTER 2 ADMINISTRATIVE DEPARTMENTS  
ARTICLE 1 ORGANIZATION  
PART 1 ORGANIZATION

2-1-101: ADMINISTRATIVE DEPARTMENTS: The City Manager in accordance with the Charter and provisions of this Code shall establish departments, divisions, offices and agencies.<sup>1</sup> He shall prescribe by administrative regulation consistent with the Charter and Code the duties and responsibilities of the departments, divisions, offices and agencies. In the annual budget the City Manager shall report to Council his administrative organization.

<sup>1</sup> See Article 24 & 25 of the Charter and §1-4-212 herein."

Section 4. Part 2 (Community Development Financial Advisory Board) of Article 5 of Chapter 2 is hereby recodified as Part 2 (Community Development Financial Advisory Board) Article 5 (Boards & Commissions) of Chapter 1 (Administration).

Section 5. Part 3 (Human Relations Commission) of Article 5 of Chapter 2 is hereby recodified as Part 3 (Human Relations Commission) of Article 5 (Boards & Commissions) of Chapter 1 (Administration).

Section 6. Part 4 (Old Colorado City Security and Maintenance District) of Article 5 of Chapter 2 is hereby recodified Part 2 (Old Colorado City Security and Maintenance District) Article 9 of Chapter 19 (Public Property and Public Works).

Section 7. Article 6 (Police Department) of Chapter 2 (Administrative Departments) is hereby recodified as Article 1 (Police Department) of Chapter 20 (Public Safety) and the existing Articles of Chapter 20 shall be renumbered accordingly.

Section 8. Article 7 (Fire Department) of Chapter 2 (Administrative Departments) is hereby recodified as Article 2 (Fire Department) of Chapter

20 (Public Safety) and the existing Articles of Chapter 20 shall be renumbered accordingly.

Section 9. Section 105 (Rules and Regulations) of Part 1 (Organization) of Article 2 (Fire Department) of Chapter 20 (Public Safety) is hereby amended to read as follows:

"20-2-105: RULES AND REGULATIONS: ~~Subject to approval of the City Manager,~~ The Fire Chief is authorized to promulgate all rules, regulations and orders of the Department, and shall cause to be furnished to every member of the Fire Department a copy of such rules and regulations. All persons employed by the Department shall be subject to such rules, regulations and orders. The rules of the Civil Service Commission shall govern disciplinary matters except as otherwise provided."

Section 10. A new Article 4 (Risk Management) is hereby added to Chapter 6 (Finance) to read as follows:

"CHAPTER 6 FINANCE MANAGEMENT  
ARTICLE 4 RISK MANAGEMENT  
PART 1 RISK MANAGEMENT

6-4-101: PURPOSE AND INTENT: The City Council of the City of Colorado Springs hereby recognizes that the general liability and automobile liability insurance policies for the General City departments and some enterprise funds of the General City have been cancelled, and therefore, there is an extraordinary need to address methods to protect the City and its employees against claims brought under the provisions of the Colorado Governmental Immunity Act and arising under Federal law. For purposes of this Article 4, reference to the "City" shall be deemed to include the General City departments, all offices and agencies, Utilities, Memorial Hospital, and all enterprise activities within the City. Additionally, the City Administration, with approval of City Council, may by agreement provide claims and risk management services to other governmental entities pursuant to the requirements of this Article 4. The agreement shall require that the separate governmental entity's self-insurance program and fund be

managed in accordance with the requirements of this Article 4 unless specifically modified by the terms of the agreement. Under no circumstances shall the self-insurance fund of the City of Colorado Springs be subject to judgments, liens or encumbrances of claimants or creditors of any separate governmental entity that has contracted with the City to manage its self-insurance program and fund, but nothing herein shall preclude the City of Colorado Springs from expressly agreeing with such governmental entity to front-end the payment of settlements or judgments, subject to reimbursement to the City in accordance with the terms of the agreement with that governmental entity.

The City Council recognizes the undesirable consequences of uninsured liability of the City including failure to respond to meritorious claims in a timely fashion, and greater ultimate costs of settlement caused by failure to investigate claims in an orderly and timely manner. The City Council declares, therefore, that the appropriate remedy is to create a reserve fund for purposes of self-insurance of the City to the extent that insurance coverage has not been obtained. The City Council declares that the purpose of this Article 4 is to create a claims reserve fund, provide a mechanism for claims adjustment, investigation, defense, and to authorize the settlement and payment of claims and payment of judgments rendered against the City for such claims or judgments arising out of violation of Federal law or pursuant to any action which lies in tort or could lie in tort regardless of whether that may be the type of cause or action chosen by the claimant. The City Council finds that, in order to adequately protect the City and carry out these purposes, it is necessary to authorize the City Administration to perform risk management services as such are promulgated in the administrative regulations (as outlined in the Risk Management policy for the City. The City Council declares that its intent is to explore the availability of commercial liability insurance policies of all types, including but not limited to variable deductible amounts in order to ensure that the costs of protecting the City against liability are minimized.

6-4-102: CLAIMS RESERVE FUND:

- A. There is hereby created a fund to be known as the Claims Reserve Fund, which will consist of all monies which may be appropriated thereto by the City Council or which may be otherwise made available to it by the City Council. The monies "otherwise made available" shall be deemed to include transfers of monies to the Fund authorized in any given annual budget ordinance. All interest earned from the investment of monies in the Claims Reserve Fund shall be credited to that Fund and become a part thereof. The monies in the Fund are hereby continuously appropriated for purposes of this Article 4. The City Controller shall account for all independent fund categories within the Claims Reserve Fund including utilities and enterprise funds if any are so appropriated. Accounting of these funds shall be in a manner consistent with the applicable governmental accounting standards. Funds from the Utilities I & D account should be made part of the Claims Reserve Fund. At the end of any fiscal year, all unexpended and unencumbered monies in the Claims Reserve Fund shall remain therein and shall not be credited or transferred to any other funds.
- B. The Claims Reserve Fund shall maintain reserves for incurred but unpaid liability claims for injuries which lie in or could lie in tort regardless of whether that may be the type of action chosen by the claimant, and for claims arising out of Federal law. The Claims Reserve Fund shall maintain reserves to provide for the contingency that in any year the contribution to the Claims Reserve Fund from other funds is adequate to cover the actual expenses realized in that year. The Director of Human Resources, after consultation with the Director of Finance, the City Attorney and the City Auditor, shall recommend the amount of money that is required to maintain adequate reserves. Adequate reserves shall be maintained in the Claims Reserve Fund subject to available appropriations made by the City Council at its discretion.

C. Expenditures made out of the Claims Reserve Fund in accordance with this subsection shall be made only for the following purposes:

1. To pay general liability claims and automobile liability claims and expenses related thereto, brought against the City, its employees or officials pursuant to the Colorado Governmental Immunity Act, and claims against the City and its officials or employees arising under Federal law, which the City is legally obligated to pay and which are compromised or settled pursuant to this Article 4 or in which a final money judgment against the City has been entered;

2. To pay the costs of defense, including expert witness fees and outside counsel legal fees, and investigation and other related defense costs in connection with claims brought pursuant to the requirements of subsection C1 above.

D. Monies in the Claims Reserve Fund shall not be used to pay any of the following:

1. Claims for liabilities or losses which are covered under commercial insurance policies purchased by the City;

2. All claims other than those which arise under Federal law or which lie or could lie in tort regardless of whether that may be the type of action chosen by the claimant;

3. Any other claim or expense not set forth in subsection C of this Section.

E. The City Clerk/Treasurer shall be responsible for the management and investment of the Claims Reserve Fund.

F. The setting aside of reserves for self-insurance purposes in the Claims Reserve Fund created in this Section shall not be construed to be creating an insurance company nor shall the Claims Reserve Fund otherwise be subject to the provisions of the laws of the State of Colorado regarding insurance or insurance companies. The requirements of Section



10-4-716, C.R.S., concerning self-insurance under the Colorado Auto Accident Reparations Act are not applicable to this Article 4.

- G. Disbursements made from the Claims Reserve Fund for eligible expenditures shall be initiated by the preparation of a payment request or other appropriate electronic request as approved by to the City Controller or Utilities Controller from Risk Management in accordance with the authority set forth in Sections 6-4-104 and 6-4-107 of this Article 4. All requests for disbursements from the Claims Reserve Fund shall be given the highest priority by the City Controller with respect to the processing and preparation of a payment request in connection with the compromise or settlement of claims or the payments of judgments.
- H. The City Auditor or any person authorized by him shall conduct an examination at least once a year to determine that proper underwriting techniques, sound funding procedures, loss reserves, claims procedures, and accounting practices are being followed in the management and operation of the Claims Reserve Fund or such other funds being used to cover deductible amounts when there is insurance coverage. The City Auditor shall present a report of his findings to the City Council.
- I. On or before March 1 of each year, the City Clerk/Treasurer shall report to the City Council regarding the operation and management of the Claims Reserve Fund. The report shall show, but not be limited to, the name of all lending institutions, funds, or other depositories where risk management funds have been deposited, the sums of money on deposit therein, the interest paid or credited thereon, the rate of interest so credited.

6-4-103: COMPROMISE OR SETTLEMENT OF CLAIMS:

- A. It shall be the responsibility of Risk Management to investigate and to either deny, compromise or settle all claims filed against the City or its employees

pursuant to the requirements of the Governmental Immunity Act or arising under Federal law in accordance with this Article 4. Prior to settling a claim of fifteen thousand dollars (\$15,000.00) or more, the person authorized to settle the claim shall consult with the head of the affected department to determine the appropriateness of the compromise or settlement amount; provided however, that the ultimate decision shall rest with the person having the responsibility pursuant to this Section 6-4-104 to settle or compromise the claim. Nothing herein, however, shall preclude the person authorized to settle the claim to refer the claim to a person with higher settlement authority, the Claims Review Board, or to the City Council, as appropriate.

- B. The following parties are authorized to make compromises or settlements on behalf of the City in the following amounts:
1. The Claims Manager, or his designees, is authorized to settle claims for an amount not to exceed twenty-five thousand dollars (\$25,000.00);
  2. The Risk Manager is authorized to settle claims for an amount not to exceed fifty thousand dollars (\$50,000.00);
  3. The Claims Review Board is authorized to settle claims for an amount not to exceed one hundred thousand dollars (\$100,00.00);
  4. The City Council is authorized to settle claims for an amount not to exceed the maximum liability limits under the Colorado Governmental Immunity Act for claims which lie or could lie in tort regardless of the nature of the action which is brought by the claimant, and for such other amounts which the City Council deems appropriate with respect to claims arising under Federal law.
- C. No claims shall be settled unless supported by a Claims Settlement Report, which will give a concise statement of the nature of the claim, the history of the

proceedings, and a recommendation from the person assigned the claim on behalf of the City.

- D. In investigating claims brought against the City and its officials or employees, the Claims Manager shall have authority to seek the advice and cooperation of all departments, offices or agencies of the City with respect to establishment of facts, determination of liability, and assistance in utilization of the professional expertise of various employees within the City in connection with those claims. Such advice and assistance shall be provided on a timely basis.
  
- E. At least once a year, the City Auditor or any person authorized by the City Auditor shall conduct an examination of the claims procedures, use of settlement authority and management and operation of Risk Management to determine that the use and operation of the Claims Reserve Fund is being accomplished in a prudent and reasonable manner. The City Auditor shall present a report of his findings to the City Council.
  
- F. 1. Section 6-4-101 of this Article 4 recognizes that the Utilities and some enterprise fund activities have not cancelled their general liability or automobile liability insurance policies. However, the insurance policies may contain self insurance retention amounts which are the responsibility of the City. Section 6-4-103 of this Article 4 enables transfers of monies set aside to cover self insurance retention amounts of the Claims Reserve Fund if done by the City Council. If such is not done by the City Council, then the accounts within the respective enterprise funds and the Utilities departments budgets for coverage of self insurance retention amounts are recognized as monies that can be used in accordance with Section 24-10-113, C.R.S., to pay any costs of defense, including expert witness fees and outside counsel legal fees, and investigation and other related defense costs in connection with claims brought pursuant to this Article 4

and to pay any compromise, settlement or final judgment.

2. The Utilities and Enterprise Fund activities which have general liability and automobile liability insurance coverage with self insurance retention amounts shall cause claims made against the Utilities or Enterprise Fund activities to be handled up to the self insurance retention amounts or in the case of claims under the Colorado Governmental Immunity Act, up to the damage limitations set forth in Section 24-10-114, C.R.S., in accordance with this Article 4.

- G. Disbursements from the Claims Reserve Fund or any other accounts established for the purpose of covering self insurance retention amounts where there is general liability and automobile liability insurance coverage for claims compromised or settled shall be paid by the City Controller or Utilities Controller on behalf of the Utilities upon payment requests drawn in accordance with the law and this Article 4. All disbursements made by the City or Utilities Controller shall be duly reported in the City or Utilities Controller's annual financial report.

6-4-104: CLAIMS REVIEW BOARD:

- A. There is hereby created a Claims Review Board which shall consist of the City Manager, the City Attorney, the Director of Finance, the Director of Human Resources or their designated representatives, and the affected department head involving a claim within that department. The Claims Review Board shall meet only when required to determine whether or not to compromise or settle a claim within the authorities provided in Section 6-4-104 above. Three members present shall constitute a quorum of the Board.
- B. The Claims Manager shall act as the secretary of the Board and shall be responsible for preparing its agendas and providing the Board with all applicable

reports and documentation necessary to properly assess claims brought before it.

- C. It shall be the responsibility of the Claims Manager and Chief Litigation Attorney to prepare a claims assessment in connection with each claim brought before the Board, and that claims assessment shall meet all of the requirements, as a minimum, of the claims settlement report as set forth in Section 6-4-104 above.
- D. The Board shall have the following powers and duties:
  - 1. To compromise or settle claims on behalf of the City and its officials and employees in amounts authorized in Section 6-4-104 above;
  - 2. To adopt rules governing its own organization and proceedings;
  - 3. To advise in the management of the Claims Reserve Fund created pursuant to this Article 4 and activities arising thereunder in connection with the settlement or compromise of claims brought against the City, its officials and employees.

6-4-105: RULES AND REGULATIONS: In order to carry out the purposes of this Article 4, the Risk Manager with approval of the Director of Human Resources, may promulgate reasonable rules and regulations governing the administration of Risk Management programs:

6-4-106: LITIGATION:

- A. Pursuant to the requirements of City Charter and Chapter 1, Article 4, Part 3, the City Attorney shall have the responsibility to represent the City, and its officers and employees, as applicable, in connection with all litigation arising under claims brought pursuant to this Article 4.
- B. The City Attorney, or his duly authorized assistants, shall have the authority to settle litigation up to fifty thousand (\$50,000.00), with settlements up to one hundred thousand dollars (\$100,000.00)

having the prior approval of the Claims Review Board, and settlements over one hundred thousand dollars (\$100,000.00) with the prior approval of City Council; provided however, that nothing herein shall preclude the City Attorney, in his discretion, from presenting any such settlement, regardless of amount, to the City Council for prior approval.

- C. The City Attorney shall have the power to authorize requests to the Risk Manager for disbursements from the Claims Reserve Fund or such other appropriate accounts in connection with litigation expenses, including but not limited to, outside counsel fees, defense costs, expert witness fees, and preparation of such demonstrative evidence which is necessary to properly and reasonably defend the City, its officers and employees in connection with said litigation.
- D. The City Attorney shall have the authority to contract for outside counsel in connection with litigation arising out of claims brought pursuant to this Article 4, and may request disbursements from the Claims Reserve Fund or such other appropriate funds as set forth in Section 6-4-106.
- E. In addition to the monthly litigation report, the City Attorney shall be responsible for providing a litigation settlement report to the City Council and the Risk Manager for all cases which have been settled without the prior knowledge of City Council pursuant to the requirements of this Section 6-4-107.

Section 11. Part 3 (Powers and Duties of the City Attorney) of Article 4 (Appointive Officers of the City) of Chapter 1 (Administration) is hereby amended to read as follows:

"1-4-306: SETTLE CLAIMS: Subject to the requirements of Part 2 1 of Article 6 4, Chapter 2 6 of the Code of the City of Colorado Springs 1980, as amended, the City Attorney shall have the power to adjust, settle, compromise or submit to arbitration, any action, accounts, debts, claims, demands,

disputes, and matters in favor of or against the City or in which the City is concerned as debtor or creditor, now existing or which may hereafter arise, not involving or requiring payment to exceed ~~twenty--five~~ FIFTY thousand dollars ~~(\$25,000.00)~~ (\$50,000.00) and with the permission of the Claims Review Board may do likewise in matters not involving or requiring payment to exceed ~~seventy--five~~ ONE HUNDRED thousand dollars ~~(\$75,000.00)~~ (\$100,000.00) provided the money to settle claims generally has been appropriated and is available therefor."

Section 12. A new Article 5 (Workmen's Compensation) is hereby added to Chapter 6 (Finance) to read as follows:

"CHAPTER 6 FINANCE MANAGEMENT  
ARTICLE 5 WORKMEN'S COMPENSATION  
PART 1 WORKMEN'S COMPENSATION

6-5-101: PURPOSE AND INTENT: The City Council of the City of Colorado Springs hereby recognizes that the City is required to provide Workmen's Compensation coverage for the City because of personal injuries or death sustained by any employee, pursuant to C.R.S. title 8, articles 40 to 54. For purposes of this Article 5, reference to the "City" shall be deemed to include the General Fund departments, to also include all enterprise and Internal Service Fund activities, Utilities, Memorial Hospital, Regional Building, Housing Authority, Joint Ventures, authorities, and others.

The City Council recognizes the need to respond to meritorious claims of employees in a timely fashion and therefore, that an appropriate remedy is to create reserve funds for the purpose of self-insurance to the extent that insurance coverage has not been obtained. The City Council declares that the purpose of this Article 5 is to create claim reserve funds, provide a mechanism for claims adjustment, investigation, and defense, and to authorize the settlement and payment of claims on account of personal injuries or death sustained by any employee pursuant to C.R.S. title 8, article 40 to 54.

6-5-102: WORKMEN'S COMPENSATION CLAIM RESERVE FUNDS:

- A. There are hereby created funds to be known as the Workmen's Compensation Claim Reserve Funds, which will consist of all monies which may be appropriated thereto by the City Council or which may be otherwise made available to it by the City Council. These funds are created for the purpose of enabling the City to meet its statutory Workmen's Compensation obligations to its employees and Executive Director of the Department of Labor and Employment under rules governing the issuance of self-insurance permits, Code of Colorado Regulations 1101-4.

The terms and conditions of the employer's coverages and benefits are particularly described in C.R.S. title 8, articles 40 to 54 and the City's excess insurance policy. The monies "otherwise made available" shall be deemed to include transfers of monies to the Funds authorized in any given annual budget ordinance. All interest earned from the investment of monies in the Workmen's Compensation Claim Reserve Funds shall be credited to those Funds and become a part thereof. The monies in the Funds are hereby continuously appropriated for purposes of this Article 5. The Director of Finance or his designated agent shall account for all independent fund categories within the Workmen's Compensation Claim Reserve Funds including Utilities, Memorial Hospital, authorities, ventures and enterprise funds if any are so appropriated. The accounting of these funds shall be in a manner consistent with the applicable governmental accounting standards. At the end of any fiscal year, all unexpended and unencumbered monies in the Workmen's Compensation Claim Reserve Funds shall remain therein and shall not be credited or transferred to any other fund, and shall not be construed to be an asset of the City.

- B. The Workmen's Compensation Claim Reserve Funds shall maintain reserves to provide for contingency so that in any year the



contribution of the Workmen's Compensation Claim Reserve Funds from other funds is adequate to cover the actual expenses realized in that year. The Director of Human Resources, after consultation with the Director of Finance or appropriate controller, the City Attorney and the City Auditor, shall recommend the amount of money that is required to maintain adequate reserves. Adequate reserves shall be maintained in the Workmen's Compensation Claim Reserve Funds subject to available appropriations made by the City Council at its discretion in an amount coordinated with the Executive Director of the Department of Labor and Employment. Each fund balance shall include sufficient funds to cover and discharge all known and potential Workmen's Compensation liability and allow for administrative costs in discharging such liability.

C. The purpose of the Workmen's Compensation Claim Reserve Funds shall be to:

1. Pay Workmen's Compensation claims and expenses related thereto, brought by its employees pursuant to C.R.S. title 8, articles 40 to 54, which the City is legally obligated to pay.

2. Pay the costs of defense, investigation, outside counsel legal fees, and other related costs in connection with claims brought pursuant to the requirements of subsections C1 above.

D. Monies in the Workmen's Compensation Claim Reserve Funds shall not be used to pay any claim except those pursuant to subsection C above.

E. The City Clerk/Treasurer shall be responsible for the management and investment of the General City Workmen's Compensation Claim Reserve Fund. All earnings collected from the fund will be credited to the fund.

F. The minimum Workmen's Compensation Claim Reserve Funds balance shall be an amount

approved by the Executive Director of the Department of Labor and Employment.

- G. The setting aside of reserves for self-insurance purposes in the Workmen's Compensation Claim Reserve Funds created in this Section shall not be construed to be creating an insurance company nor shall the Workmen's Compensation Claim Reserve Funds otherwise be subject to the provisions of the laws of the State of Colorado regarding insurance or insurance companies.
- H. Disbursements made from the Workmen's Compensation Claim Reserve Funds for eligible expenditures shall be initiated by the preparation of a payment request of other appropriate electronic request as approved by the Controller. All requests for disbursements from the Workmen's Compensation Claims Reserve Funds shall be given the highest priority with respect to the processing and preparation of payments in connection with the compromise or settlement of claims or the payments of judgments.
- I. The City Auditor or any person authorized by him shall conduct an examination at least once a year to determine that proper underwriting techniques, sound funding procedures, loss reserves, claims procedures, and accounting practices are being followed in the management and operation of the Workmen's Compensation Claim Reserve Funds. The City Auditor shall present a report of his findings to the City Council.

6-5-103: COMPROMISE OR SETTLEMENT OF CLAIMS:

- A. It shall be the responsibility of Risk Management to investigate and to admit, deny, compromise, or settle all claims filed against the City by its employees pursuant to the requirements of the Workmen's Compensation Law as described in C.R.S., title 8, articles 40 to 54 and the employer's excess insurance policy.
- B. In investigating claims brought against the City and its officials or employees, Risk Management shall have authority to

seek the advice and cooperation of all departments of the City with respect to establishment of facts, determination of liability, and utilization of the professional expertise of various employees within the City in connection with those claims. Such advice and assistance shall be provided on a timely basis.

6-5-104: RULES AND REGULATIONS: In order to carry out the purposes of this Article 5, the Risk Manager, with approval of the Director of Human Resources and in accordance with C.R.S. title 8, articles 40 to 54 may promulgate reasonable rules and regulations as necessary for administration of Workmen's Compensation Self-Insurance.

6-5-105: LITIGATION:

- A. Pursuant to the requirements of City Charter and Chapter 1, Article 4, Part 3, the City Attorney shall have the responsibility to represent the City, and its officers and employees, as applicable, in connection with all litigation arising under claims brought pursuant to this Article 5.
- B. The City Attorney shall have the power to authorize requests to the Risk Manager for disbursements from the Workmen's Compensation Claim Reserve Funds or such other appropriate accounts in connection with litigation expenses, including but not limited to, outside counsel fees, defense costs, expert witness fees, and preparation of such demonstrative evidence which is necessary to properly and reasonably defend the City and its officers in connection with said litigation.
- C. The City Attorney shall have the authority to contract for outside counsel in connection with litigation arising out of claims brought pursuant to this Article 5.

Section 13. The term "Department of Utilities" wherever it shall appear in the City Code shall be stricken and the term "Utilities" shall be substituted in its place.

Section 14. The terms "Director of Utilities" or "Director" wherever they appear in the City Code shall be stricken and the term "Deputy City Manager Utilities" shall be substituted in their place.

Section 15. Part 2 of Article 1 (General Provisions) of Chapter 12 (Utilities) of the Code of the City of Colorado Springs 1980, as amended, is hereby repealed and reordained to read as follows:

"PART 2 UTILITIES DEPARTMENTS<sup>1</sup>

<sup>1</sup> Charter §32 identifies City Utilities as a department and then creates divisions within the department. This Code section does not seek to alter that organization, but rather changes identification from "Department of Utilities" to "Utilities" and recognizes the Divisions of the Department of Utilities as Departments under the City Utilities.

"12-1-201: DEPARTMENTS: The Utilities shall include the Electric Generation Department, the Electric Transmission & Distribution Department, the Gas Department, the Water Department, the Wastewater Department, and the Customer/Administrative Services Department. Each department shall, as far as practicable, be administered as a separate entity. All revenues of each department shall be placed in the Utilities Gross Income Fund, from which all operating and maintenance expenses shall be deducted.

12-1-202: ADMINISTRATION:

- A. There is hereby created the office of Deputy City Manager Utilities. The Deputy City Manager Utilities shall be appointed by the City Manager and shall be the chief administrative officer of Utilities. The Deputy City Manager Utilities shall administer the Utilities and supervise its operations, subject to the control of the City Manager.
- B. Each department of the City Utilities shall be administered and operated by a Department Head, who shall be appointed by the Deputy City Manager Utilities. Each

Department Head shall perform such functions and possess such powers, duties and responsibilities as may be designated by the Deputy City Manager Utilities or as provided elsewhere in this Chapter.

12-1-203: RULES AND REGULATIONS:

- A. Each Department Head shall adopt rules and regulations consistent with the provisions of this Chapter for the administration of his or her respective department. Such rules and regulations shall be subject to approval by the City Council, and upon adoption and approval shall be filed with the City Clerk/Treasurer. Such rules and regulations may be inspected by any person at any time during regular business hours, and copies thereof may be purchased by any person upon payment of the cost of reproduction.
- B. It shall be unlawful for any person to violate the rules and regulations officially issued by the department head of any department, approved by the City Council and filed with the City Clerk/Treasurer. If any person is convicted of a violation of such official rules and regulations, punishment shall be as provided in Part 4 of this Article.

12-1-204: EXCLUSIVITY:

- A. The Utilities shall, to the maximum extent of its capabilities and consistent with its purposes, be the sole and exclusive provider of utility services within the corporate limits of the City of Colorado Springs.
- B. Except as otherwise provided in this Chapter, it shall be unlawful to furnish or offer to furnish to any property in the City any electrical, water, or natural gas service, or to accept such service from any entity other than the City.
- C. Each day that any violation of these provisions continues shall constitute a separate offense.

Section 16. Part 3 (Determination and Collection of Charges) of Article 1 (General Provisions) of Chapter 12 (Utilities) of the Code of the City of Colorado Springs 1980, as amended, is hereby reentitled "Part 3 (Customer/Administrative Services Department) of Article 1 (Customer/Administrative Services Code)" and amended by the addition of three new sections which shall be numbered, 301, 302, and 303 which shall read as set forth below. All other sections in Part 3 shall be renumbered by adding three to the section number, thus, creating Part 3 with sections 301 through 311.

"CHAPTER 12 UTILITIES  
ARTICLE 1 CUSTOMER/  
ADMINISTRATIVE SERVICES CODE  
PART 3 CUSTOMER/ADMINISTRATIVE  
SERVICES DEPARTMENT

12-1-301: RESPONSIBILITY OF THE DEPARTMENT:

The Customer/Administrative Services Department shall be responsible for providing administrative services such as customer service, credit and collection, meter reader, dispute resolution, and such other related functions as may be assigned by the Deputy City Manager Utilities for all utility customers.

12-1-302: RESPONSIBILITY OF THE DEPARTMENT

HEAD: The Department Head of the Customer/Administrative Services Department shall be responsible for the management of the business systems of the utilities and all property appertaining thereto. He shall see that such systems are properly maintained and kept in good order and he shall ensure proper compliance with all local, state, and federal regulations concerning the operation of the utilities business systems. He shall ensure proper utility consumer use charge determination, collection, and dispute resolution. The Department Head shall recommend sufficient funds through the utility budgeting process to effectively carry out the responsibilities assigned by the Deputy City Manager Utilities. The Department Head of the Customer/Administrative Services Department shall perform all other duties in connection

with his operation as may be required by the Deputy City Manager Utilities.

12-1-303: RULES AND REGULATIONS; ADOPTION OF:  
Rules and regulations adopted by the Department Head of the Customer/Administrative Services Department shall pertain to but shall not be limited to the planning, design, operation, and maintenance of utility business systems, consumer use charge determination, consumer charge collection, and dispute resolution. In establishing such rules and regulations the Customer/Administrative Services Department Head shall seek to assure the safe and efficient operation of the utilities business systems and the protection of such systems, processes, equipment and facilities appurtenant thereto.

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Section 17. Whenever in Chapter 12 the word "Division" or "Divisions" appear, "Department" or "Departments" shall be substituted in their place and whenever the words "Manager" or "Managers" appears, the term "Department Head" or "Department Heads" shall be substituted in their place.

Section 18. This ordinance shall be in full force and effect from and after its passage and publication as provided by Charter.

Section 19. Council deems it appropriate that this ordinance be published by title and summary prepared by the City Clerk and that this ordinance shall be available for inspection and acquisition in the Office of the City Clerk.

Introduced, read, passed on first reading and ordered published this 8th day of May, 1990.

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk

Finally passed, adopted and approved this 22nd day of May, 1990.

  
Mayor

ATTEST:

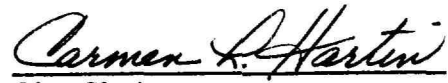
  
City Clerk

I HEREBY CERTIFY, that the foregoing ordinance entitled "AN ORDINANCE AMENDING PORTIONS OF THE CODE OF THE CITY OF COLORADO SPRINGS RELATING TO THE ADMINISTRATIVE ORGANIZATION OF THE CITY OF COLORADO SPRINGS"

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was introduced and read at a regular meeting of the City Council of the City of Colorado Springs, held on May 8, 1990; that said ordinance was passed at a regular meeting of the City Council of said City, held on the 22nd day of May, 1990, and that the same was published by summary, in accordance with Section 14 of Article III of the City Charter, in the Northern Light, a newspaper published and in limited circulation in said City, at least ten days before its passage.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City, this 22nd day of May, 1990.

  
City Clerk



**CITY OF COLORADO SPRINGS  
OFFICE OF THE CITY MANAGER**

**I N T E R O F F I C E   M E M O R A N D U M**

**DATE:** May 1, 1990  
**TO:** City Council  
**FROM:** City Manager  
**SUBJECT:** ORDINANCE AMENDMENT TO CITY CODE

The attached recommended ordinance amending portions of the City Code relating to the administrative organization of the City of Colorado Springs is submitted for consideration and approval. The preponderance of changes are for housekeeping purposes. Other significant changes are as follows:

1. The term "Department of Utilities" shall be stricken and the term "Utilities" shall be substituted in its place. The purpose of this change is internal consistency. Utilities "Divisions", such as Gas, Water, Electric Generation, etc., are comparable in size, scope, and importance to "Departments" on the General City side of the organization. "Department" is a higher status and a more common terminology.
2. The title, Deputy City Manager / Director of Utilities, shall be changed to Deputy City Manager, Utilities. The purpose here is to be consistent with Item 1 above.
3. The two other Deputy City Managers shall be referred to as such without specific identification of area of responsibility. The purpose here is simplicity.
4. The five Utilities Operating Divisions and the Utilities Customer / Administrative Services Division shall be changed to Departments. This change is for the purpose of internal consistency, as described in Item 1 above.

City Council/Ordinance Amendment to City Code  
May 1, 1990  
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5. Administrative Departments, Divisions, Offices, and Agencies shall be established by the City Manager by means of administrative regulation, consistent with and as defined by the Charter. The purpose here is to reflect in the Code that organizational change is, in reality, more or less constant. This amendment would permit change without the cumbersome process of revising the Code whenever an update is made. The language herein requires management to include current structure as part of the annual budget.

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