

# ***City Council Meeting Minutes***

**October 4, 2016  
City Hall, Council Chambers  
749 Main Street**

## **SPECIAL MEETING – EXECUTIVE SESSION 6:00 PM**

**Call to Order** – Mayor Pro Tem Lipton called the meeting to order at 6:00 p.m.

**Roll Call** was taken and the following members were present:

**City Council:** *Mayor Pro Tem Lipton; City Councilmembers Jay Keany, Chris Leh, Sue Loo, Dennis Maloney and Ashley Stolzmann*

**Absent:** *Mayor Robert Muckle*

**Staff Present:** *Malcolm Fleming, City Manager  
Meredyth Muth, City Clerk  
Kevin Watson, Director of Finance  
Sam Light, City Attorney*

**Others:** *Tom Merrigan, Berg Hill Greenleaf Ruscitti*

### **EXECUTIVE SESSION**

#### **PENDING LITIGATION**

Louisville Charter, Section 5-2(d) – Authorized Topics  
and C.R.S. 24-6-402(4)(b)

Mayor Pro Tem Lipton noted the City Manager and City Attorney are requesting the City Council convene an Executive Session for the purpose of consultation with an attorney representing the City with respect to pending litigation.

City Attorney Light introduced the request for executive session.

City Clerk Muth read Section 2.90.050 – Public Statement of the Louisville Municipal Code, which outlines the topics permitted for discussion in an executive session.

City Attorney Light stated the authority to conduct this executive session: Louisville Charter, Section 5-2(d) – Authorized Topics and C.R.S. 24-6-402(4)(b)

MOTION: Mayor Pro Tem Lipton moved the City Council adjourn to executive session for the purposes of consultation with an attorney representing the City with respect to pending litigation as authorized by the laws noted by the City Attorney and the executive session include the City Council, the City Manager, Legal Counsel Tom Merrigan, the City Attorney, and Finance Director Kevin Watson, seconded by Councilmember Stolzmann.

Councilmember Leh recused himself from the executive session as his wife has done legal work for the opposing party in the past. The motion carried by a vote of 5-0.

The City Council adjourned to executive session at 6:04 p.m.

The Special City Council meeting reconvened at 6:59 p.m.

### **REPORT ON THE EXECUTIVE SESSION**

City Attorney Light reported on the executive session, stating the City Council had consultation with legal counsel on pending litigation.

### **REGULAR MEETING 7:00 PM**

**Call to Order** – Mayor Pro Tem Lipton called the meeting to order at 7:00 p.m.

**Roll Call** was taken and the following members were present:

**City Council:** *Mayor Pro Tem Jeff Lipton, City Councilmembers: Jay Keany, Chris Leh, Susan Loo, Dennis Maloney and Ashley Stolzmann*

**Absent:** *Mayor Bob Muckle*

**Staff Present:** *Malcolm Fleming, City Manager  
Kevin Watson, Director of Finance  
Beth Barrett, Director of Library & Museum Services  
Aaron DeJong, Director of Economic Development  
Chris Neves, Director of Information Technology  
Kathleen Hix, Director of Human Resources  
Kurt Kowar, Director of Public Works  
Rob Zuccaro, Director of Planning & Building Safety  
Emily Kropf, Assistant to the City Manager*

**Suzanne Janssen, Cultural Arts & Special Events  
Coordinator  
Meredyth Muth, City Clerk**

### **PLEDGE OF ALLEGIANCE**

All rose for the pledge of allegiance.

### **APPROVAL OF AGENDA**

Mayor Pro Tem Lipton called for changes to the agenda and hearing none, Councilmember Maloney moved to approve the agenda, seconded by Councilmember Stolzmann. All were in favor. Absent: Mayor Muckle

### **PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA**

None.

### **APPROVAL OF THE CONSENT AGENDA**

Mayor Pro Tem Lipton called for changes to the consent agenda.

Councilmember Keany thanked staff for obtaining the additional grant money for the reconstruction of County Road Bridge that is on the consent agenda.

Councilmember Leh moved to approve the consent agenda, seconded by Councilmember Keany. All were in favor. Absent: Mayor Muckle.

- A. Approval of Bills**
- B. Approval of September 20, 2016 Minutes**
- C. Resolution No. 48, Series 2016 – A Resolution Approving a Grant Agreement with the Department of Public Safety of Homeland Security and Emergency Management for the County Road Bridge**
- D. Approval of Easement with the Louisville Fire Protection District – 88<sup>th</sup> Street Improvements**

### **COUNCIL INFORMATIONAL COMMENTS ON PERTINENT ITEMS NOT ON THE AGENDA**

None.

### **CITY MANAGER'S REPORT**

City Manager Fleming stated County Road Bridge will be opening later this week. It will be a soft opening this week with the grand opening and ribbon cutting October 15.

City Manager Fleming stated Burlington Northern Santa Fe (BNSF) has completed the South Street Gateway railroad bridge this week. The City's contractor is now working on the pedestrian underpass connecting Downtown with the East Louisville neighborhood.

City Manager Fleming noted BNSF is closing South Boulder Road for two days starting tomorrow to replace a section of railroad track. This will have a big impact on traffic and staff is working to get out the word on the closure.

## **REGULAR BUSINESS**

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### **SWEARING IN OF MUNICIPAL JUDGE KRISTAN WHEELER**

Mayor Pro Tem Lipton welcomed Kristan Wheeler to the City. Councilmember Leh reported Judge Wheeler was chosen through a rigorous application and interview process. City Clerk Muth gave Judge Wheeler the oath of office.

Judge Wheeler thanked the Council for the opportunity to represent the City. She stated her philosophy is to treat people with kindness and respect. She noted the judge is often the face of Louisville and she hopes to represent the City well. She thanked her family, friends, and colleagues for their support.

### **DISCUSSION/DIRECTION – CITY MANAGER'S PROPOSED 2017 – 2018 BUDGET AND 2017 – 2021 CAPITAL IMPROVEMENTS PLAN**

Mayor Pro Tem Lipton noted this is a continuation of the discussion of the proposed 2017-18 budget and tonight will focus on five programs. He asked City Manager Fleming if staff has an update on the projections from the new software system.

City Manager Fleming stated it is still a work in progress and staff is looking at different scenarios based on what projections may or may not be. He stated staff is trying to prioritize items and trying to make sure they understand what Council's top priorities are to make sure they get in the proposed budget. He noted one-time revenue is up this year, but that will not continue and staff won't depend on that revenue for reoccurring expenses.

#### *Cultural Services*

City Manager Fleming gave an overview of the program noting top priorities include a Library Collection & Community Impact Supervisor. He noted that in comparing our library to other library programs our staff provides a much higher level of service per staff member.

Director Barrett stated the position is needed to keep service levels up, make sure there are no errors in ordering, and provide supervisory services. Currently, ordering and processing is done by other positions and takes time away from duties with the public.

Councilmember Stolzmann stated she has heard from residents they would like to go back to prerecession library hours. She added she is concerned that if Superior opens their own library they may then stop funding to our library.

Director Barrett noted the library hours were not changed during the recession, they remain the same. Related to Superior's funding, Director Barrett stated she has heard from Superior they may not be creating a traditional library so it is unknown how this might affect the funding.

City Manager Fleming stated staff could investigate what additional hours might look like and cost if Council is interested in pursuing it.

City Manager Fleming stated the other priorities for this Program are an increase in part-time hours for the Library and Museum, a new HVAC for the Jacoe Store, and in 2018, a Museum Technician.

Councilmember Leh asked if the key indicators would be affected or increased if staff positions are added. Director Barrett stated the additional staff would allow the library to maintain this service level over the long term.

### *Community Design*

City Manager Fleming noted revenue for the Program comes from building permit fees and application fees. There has been a significant uptick in development applications and fees in 2016. The Program includes Community Design, Development Review, and Historic Preservation. Priorities for the program include implementing the McCaslin and South Boulder Road Design Guidelines and in 2018 updating the Industrial Development Design Standards and Guidelines (IDDSG) and a Housing Policy Study.

Director Zuccaro gave a brief overview noting the IDDSG have not been reviewed since 2000 and are in need of updating to make the process more predictable for land owners and so development is more consistent with the Comprehensive Plan. The housing study is called for in the 2013 Comprehensive Plan. Additionally, the citizen survey showed lower ratings for the poor variety of housing in Louisville. The housing study would help the City determine what options there may be to address this.

Councilmember Keany asked why there is a proposed 50% increase in supplies for the department. Director Zuccaro stated this is an anticipated need to upgrade hardware to run the new EnerGov software system and for electronic plan review.

Councilmember Keany asked what the cost of the Housing Study is, stating he has misgivings about such a study as the City has little ability to influence the price of housing in Louisville. City Manager Fleming stated it is \$20,000 and the final study should give the City options to consider related to housing. Councilmember Keany stated he didn't think the study would be worthwhile and would be a low priority for him.

Mayor Pro Tem Lipton agreed with Councilmember Keany that the recommendations of the study could be items that are hugely expensive. Councilmember Keany stated the City doesn't have the ability to address housing without shifting costs to others or increasing density, which our residents state they don't want.

Councilmember Leh stated he strongly supports the study as it may be one way to work with Boulder County and other communities to address this problem growing in Boulder County.

City Manager Fleming stated there is pressure from surrounding communities that we work together and do our fair share to help address the housing issue. He noted the study might provide some new ideas and options we aren't aware of and show what other communities are doing.

Councilmember Leh noted housing is a very big issue in the County and other communities are looking at a variety of tools to address it. It is very important we be a part of this conversation with our neighbors. He stated we shouldn't be cavalier about housing and cast it off as something we can't do. We need to make a real effort on this issue.

Councilmember Keany stated Louisville has done quite a bit on this to date but can't solve this problem. Councilmember Loo agreed stating the housing problem is only getting worse even with any number of programs from the County and Boulder. It is a market issue on which we can have little impact. She would not support funding the study. Councilmember Maloney agreed.

Councilmember Leh stated the City cannot simply ignore what is happening in the area regarding affordable housing and how it is affecting Louisville.

Councilmember Stolzmann stated she is interested in something that would be undertaken regionally but not for the City to take on a study alone.

Mayor Pro Tem Lipton suggested the City work with Boulder County on the issue where there are opportunities, but that for the budget this is a low priority item. Members agreed to table the conversation on the housing study until the 2018 budget update.

Mayor Pro Tem Lipton asked when the sign code will be updated. He feels this is more important than updating the IDDSG. Director Zuccaro stated updating the sign standards will be a part of implementing the Small Area Plan guidelines and the IDDSG

update. Mayor Pro Tem Lipton feels the sign code update is a higher priority than work on the codes. Councilmember Loo agreed.

Councilmember Stolzmann asked if fees are set correctly for development review. City Manager Fleming stated this is a work in progress and he hopes the new software will help determine the costs better and will be able to adjust revenues and costs accordingly.

### *Economic Prosperity*

Councilmember Leh asked why personnel costs in this Program increased in 2016. Director Hix stated it included both a market increase and a merit increase for the staff.

### *Utilities*

City Manager Fleming stated the Water Committee has reviewed this information. Councilmember Keany stated the Committee supports this proposal. Mayor Pro Tem Lipton noted there is no suggested increase in water rates and small increases for trash and stormwater rates.

Councilmember Loo asked why there is a decline in employees in this program. Director Kowar stated this was a reallocation, moving costs from Utilities to Streets to reflect actual costs.

### *Administration and Support Services*

City Manager Fleming stated this program covers administration costs where they cannot be attributed to specific subprograms such as utilities, snow removal, etc.

City Manager Fleming stated priorities for Administration include merit increases, market adjustments and position audits. He stated the proposal includes merit increases ranging from 1% – 5% based on performance, with a 4% average. At the last meeting, Council asked what other communities are doing for increases. City Manager Fleming stated of the nine other jurisdictions we compare to, they average 3.4% for merit increases. For market adjustments, the Human Resources staff does an annual comparison of compensation for each position with the other jurisdictions so that we are no more than 4% from the average pay scale for that position.

Councilmember Leh asked what is the range for market adjustments. Director Hix stated some positions are recommended for a two grade adjustment and some are one grade, and some are none. There were more positions recommended for increase this year as employment is down and wages are up which affects the adjustments. Councilmember Leh asked what the aggregate cost of market adjustments is. Staff will provide this to Council at a future meeting.

Mayor Pro Tem Lipton stated his concern that so much of the budget is salaries and wages and it appears the revenue is not going up at the same rate of salaries and wages. City Manager Fleming stated this has been the City's general policy for nine years and the City has done this and maintained fund reserves. He stated merits and market adjustments are needed to keep the City competitive in the labor market and to fill vacancies. The City needs to stay competitive with surrounding jurisdictions. We look at the cost every year. It is not the only factor in keeping and attracting good staff members, but it is a big part of it.

Mayor Pro Tem Lipton would like to know the overall cost to compensation costs (dollars and percentage) of merits and market adjustments for. Staff will provide this at a later meeting.

Mayor Pro Tem Lipton added he wants to raise the lowest paid employee's wages more in 2017 and would like to see some funding set aside for that in 2017 and 2018.

Councilmember Loo stated her concern that raising lower salaries shouldn't happen without a full conversation and understanding of what those raises mean to the overall compensation plan.

Councilmember Maloney and Councilmember Stolzmann agreed some funding should be set aside for raises for the lowest paid employees in 2017.

Members agreed some funding should be set aside in 2017 as a place holder so raises can be given to lower end employees after Council has a broader discussion on this topic in 2017.

City Manager Fleming noted additional priorities in the Program include an application support specialist, a purchasing manager, and a senior accountant. He stated these positions are needed to make the new software system work well and get good information from it to help us make better decisions. This can't be done with the current staff levels. The management team believes these positions are needed and will help all departments work more efficiently.

Director Watson stated both the purchasing manager and the senior accountant will be providing new services but they will also assist staff with maintaining existing service levels. We don't have the bandwidth to maintain our current service levels without new staff. The Purchasing Manager is needed to make sure all departments are meeting our procurement processes and regulations.

Councilmember Maloney asked why some of the costs for the purchasing manager position are not allocated to the Golf Fund. Director Watson stated it has been a policy decision to not charge out all overhead costs (such as the Finance Director's time, the City Manager's time, Human Resources time) to the Golf Fund until the Golf Fund is on better footing.

Director Neves stated the application support specialist is needed to get good information from our new software system. The new system captures more data and metrics and we want to report that correctly. We run about 21 enterprise applications and they are only useful if we can use the data from the systems. We have great tools and this position would allow us to use them to their potential.

Councilmember Loo stated she doesn't feel she knew up front that the new software system would cost this much. Councilmember Keany agreed. We shouldn't have added this new system if we can't support it without new staff. The system is not making us more efficient if we need to add more staff.

Councilmember Maloney stated if we know we need to budget more for legal expenses then it should be a higher priority on the list than number 5.

Councilmember Loo asked why the City needs the investment consulting help. City Manager Fleming stated this is needed so we know better what they are getting in the defined contribution system. They would help the City negotiate with ICMA on the fees the City pays and offer employees additional sources of information. Director Hix stated employees are asking for additional help with getting more retirement information.

Councilmember Leh supports the request for consulting if staff thinks it will be useful for employees.

Councilmember Loo stated she doesn't support the strategic planning workshop. City Manager Fleming stated we do some strategic planning, but we are not able to do it well. Most businesses with budgets of this size do this type of planning on a regular basis. Councilmember Keany stated if changes are needed to balance the budget, this would not be an item he would prioritize.

Mayor Pro Tem Lipton stated the October 12 meeting will include the final programs of Parks, Recreation, Open Space, and Golf.

Mayor Pro Tem Lipton stated his goal to have a recommended budget that keeps costs and expenditures within our revenue levels.

City Manager Fleming stated staff will ask Council at the next meeting if they want to address the debt at the golf course and to what extent is there support for larger transfers to the Open Space Fund.

Mayor Pro Tem Lipton asked if there was interest in starting the October 18 meeting early. There was interest in doing so and Mayor Pro Tem Lipton suggested starting the October 18 meeting at 6:00 p.m. Councilmember Keany moved to have a special meeting at 6 pm on October 18, Councilmember Stolzmann seconded. All in favor. Mayor Muckle absent.

## **CITY ATTORNEY'S REPORT**

City Attorney Light noted there will be open government training for board and commission members on October 10 and 20.

## **COUNCIL COMMENTS, COMMITTEE REPORTS, AND IDENTIFICATION OF FUTURE AGENDA ITEMS**

Councilmember Keany noted there was a joint meeting of the Historical Commission and the Historic Preservation Commission and a recommendation will be coming to the Council.

## **ADJOURN**

MOTION: Councilmember Leh moved for adjournment, seconded by Councilmember Stolzmann. All were in favor. The meeting was adjourned at 9:43 p.m.

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Robert P. Muckle, Mayor

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Meredyth Muth, City Clerk