

GRAND JUNCTION CITY COUNCIL WORKSHOP SUMMARY
October 3, 2016 – Noticed Agenda Attached

Meeting Convened: 5:30 p.m. in the City Hall Auditorium

Meeting Adjourned: 8:42 p.m.

City Council Members present: All except Council President Phyllis Norris.

Staff present: Caton, Moore, Shaver, McInnis, Watkins, Hazelhurst, Romero, Camper, Lanning, Schoeber, Rainguet, Prall, Valentine, Williams (John), Ferguson, Roth, Kovalik, Carruth, and Harrell

Also: Kalie Greenberg (KKCO), Amy Hamilton (Daily Sentinel), Julie Mamo, Dennis Simpson, Bruce Lohmiller, and Richard Swingle.

Mayor Pro Tem Chazen called the meeting to order.

Agenda Topic 1. Budget Overview and Departmental Presentations

Budget Overview

City Manager Greg Caton introduced the topic, handed out 2017 budget information books to City Council, listed the contents (non-city agency funding applications, City Manager's transmittal letter, and detailed budget spreadsheets), and asked Council to review the information before the October 17th Workshop when it will be reviewed in detail. He then presented an overview of the 2017 Recommended Budget explaining the budget timeline and themes. He highlighted the City's fiscal responsibility and said the budget was built around Council's top three priorities: Public Safety; Infrastructure; and Economic Development (ED). He noted reductions to labor, internal support services including capital replacement, and operating expenses accounted for most of the 3.7% reduction (\$5.4 million) from the 2016 adopted budget.

City Manager Caton said he was proud to maintain or improve resources within Council's priorities areas. Some improvements within Public Safety are three new dispatcher and emergency medical technician (EMT) positions. He explained how the addition of all of these positions was essentially cost neutral because of the amount of overtime (OT) they reduced and noted the addition of the three dispatcher positions still does not meet the call volume need. More recommended additions are two sworn Police Officer positions, one new and one reclassification. Also for 2017, \$3.5 million is the recommended allocation (up from \$2.8 million, a 25% increase) for Infrastructure/Pavement Management and under ED (\$2.76 million recommended), all requests will be fully funded at the 2016 level with the exception of HopeWest and HomewardBound of the Grand Valley which will be funded but at a lower level than requested; additional funding is also recommended for three ED initiatives: Foreign Trade Zone (\$100,000); Broadband (\$50,000), and North Star Marketing Implementation (\$30,000).

City Manager Caton said a memo on Revenue Indicators will be sent to Council prior to the next workshop. He then briefly reviewed three areas impacting revenues: new residential developments; Lodging Tax; and the decrease in energy related jobs.

City Manager Caton went on to Labor and Benefit costs and the recommended reductions noting City Employee Health Insurance will remain with Rocky Mountain Health Plans and the rates will be flat; savings may be realized due to the introduction of a new plan. He then outlined the Voluntary Labor Reduction Program, the labor savings needed (\$1 million), and the 2016 savings (\$500,000) gained from natural position vacations. He explained how City Divisions/Positions funded through Enterprise Funds are charged for their related business expenses and that the charged rate will increase to 7.5%. An internal support functions review will be conducted soon so that required levels of service will continue to be provided. He then gave a brief overview of the continued decrease in Sales and Use Tax Revenues from 2006 through 2017 projections which is the major revenue source for the General Fund which supports the City's major operations (Police, Fire, Parks, and Public Works).

City Manager Caton finished with a comparison of the 2016 Adopted Budget to the 2017 Recommended Budget of all funds and debt services. He noted the 2017 Recommended Budget is balanced, has a \$81,000 surplus, and will continue to deliver high quality services to residents (no major service modifications are planned).

Councilmember McArthur asked if any adjustments to the 2017 Budget Requests could save City jobs. City Manager Caton said he recommends a \$1 million labor reduction and the details will be worked out by the November budget adoption.

Councilmember Boeschstein suggested developing regional funding solutions to public safety and infrastructure. City Manager Caton said this is a complex issue and suggested starting discussions in the early part of 2017. He felt there is regional support, but no regional funding mechanism which should be put in place. The Grand Junction Regional Communications Center (GJRCC) and Grand Valley Transit are good examples of regional partnerships with shared expenses. He added there are discussions about moving forward with a November 2017 county wide ballot question to provide funding for the GJRCC.

Mayor Pro Tem Chazen asked if the Enterprise Fund charge back increase will be a cost shifting or pass through measure. City Manager Caton said there will not be any rate increases to citizens; Department budgets will be modified to absorb the increase. Mayor Pro Tem Chazen asked for clarification that even with the 2016 labor savings there will still be a \$1 million placeholder for labor reductions. City Manager Caton said yes. Mayor Pro Tem Chazen then asked what infrastructure projects were delayed due to decreased 2016 revenues. City Manager Caton the 1st Street Project was delayed and is not as far along as was anticipated. The Project is now budgeted for completion in 2017.

Councilmember Boeschstein commended staff for getting grant funding for various projects.

Police Department (PD) Presentation

Police Chief John Camper then presented the budget overview for his department. He reviewed the PD's mission statement and said the PD has just reached full strength (fully trained) with their sworn officers since the recession decline in 2009. He gave an overview of the services and programs the PD offers including those the PD provides with other partners.

Councilmember McArthur asked how many members are in each team. Chief Camper said team numbers depend on the type of team it is, but a sergeant and commander are either on duty or on call.

Chief Camper then reviewed the PD's workload indicators, crime statistics, how calls are prioritized, and the average response times for the different priority call levels. He noted priority 3 and 4 calls are increasing along with their response times which is a huge frustration for citizens. Chief Camper

provided an overview of the GJRCC and PD's budget highlighting the operating reductions, external service cost increases, and the labor changes.

Councilmember McArthur asked Chief Camper what he would add if the budget allowed. Chief Camper said a Traffic Team would be beneficial.

City Manager Caton added that a Traffic Team was considered during budget development, but after projecting expenses and revenues it was deemed not appropriate at this time.

Councilmember Taggart asked if the GJRCC is funded through an Enterprise Fund. Financial Operations Director Jodi Romero said it is more of a hybrid, funded both through Enterprise and Operating Funds.

Chief Camper then listed specific expenses included in the 2017 budget for the PD that are needed to provide essential services. He also listed essential items and upgrades for the GJRCC that will be funded through the 911 Fund.

Councilmember Taggart asked if Chief Camper felt body worn cameras may become mandated. Chief Camper said he felt they would and he too would like to go to this technology, but, at this time, the video storage is cost prohibitive.

Councilmember McArthur asked if there are opportunities for Colorado Mesa University (CMU) Criminal Justice students to volunteer in the PD. Chief Camper said there is and they are usually used in the Parks Patrol.

Chief Camper concluded with Services and Operations Division highlights and service modifications that are under consideration and gave examples. He noted his biggest concerns are increased violence and/or mental health issue calls and officers running call to call with no down time for patrol duties and/or reports which increases OT.

Councilmember Kennedy asked if the PD had any programs in place to proactively address the violence and mental health issues being encountered. Chief Camper said in 2015 65% of street level officers received CIT (crisis intervention training) and they just received a grant that will allow more officers to attend. They are also working with St. Mary's Hospital to create new protocols for these calls as well as establish more services through Mind Springs Health.

Councilmember Boeschstein asked if services could be improved through a metropolitan law enforcement agency. Chief Camper said he felt coordinated services are already handled well here unlike the Denver Metro area.

Mayor Pro Tem Chazen asked if the CMU Professional Services Revenue line item is for their contract with the PD. Chief Camper said yes and it generally reflects base salary, but may also include equipment and OT.

Mayor Pro Tem Chazen then asked where the almost \$2.3 million Interfund Revenue came from. Ms. Romero said these are proceeds from the cost share charges designated for Police and Fire.

Mayor Pro Tem Chazen then asked Chief Camper if the statistics for 2016 crime are trending higher than 2015. Chief Camper said yes.

BREAK

Fire Department (FD) Presentation

Fire Chief Ken Watkins began the presentation with the FD's Purpose and Mission statements and explained how they pertain to the type of calls they receive. He then reviewed the FD's budget, noted areas of savings, explained the duties of two administrative positions that were vacated and not filled, described next steps for the North Area Fire Station, explained why a Peer Support Program is being added in 2017, and described the Outreach/Prevention Program and how it is being revamped to meet the community's needs. Chief Watkins also noted a Fire Prevention Officer position was vacated and replaced with a Hazard Materials Specialist, Kay Yeager; he reviewed her credentials. He then went over changes to the general and fire permits, how each will affect revenues, and then explained the Company Inspection Program saying it was being negatively affected by the FD's increased call volume; this Program and how services are delivered will be reviewed in 2017 for improvements and noted changes to this Program could affect the FD's Insurance Service Office Rating (ISO). Chief Watkins then reviewed FD training location changes, use of the new Colorado Law Enforcement Training Center, explained the types of training and certifications staff is required to have and how they plan to provide required training without incurring as much travel and OT costs, and how they are partnering with CMU for EMT and paramedic field training. He expressed concern that live fire training continues to be difficult to provide.

Chief Watkins reviewed the FD's Operations and said the total number of staff is 125; 14 in administration and 111 in the field which includes the three additional EMT positions. He hoped by adding the new positions it will help with daily staffing, and reduce OT and burnout.

Councilmember Kennedy asked how much OT was budgeted for 2016 and if that amount has been exceeded. City Manager Caton said the primary OT departments are those that operate 24/7 and when staffing is down OT goes up. In order to better balance this, staffing was added. Some individuals were paid up to 30-40% of their salary in OT.

Mayor Pro Tem Chazen asked if the 2017 budgeted OT is achievable. Chief Watkins said the OT policy will also be updated to help keep these costs within budget.

Chief Watkins noted with the added EMT positions, the FD is now one position away from moving four all hazard firefighter positions to EMS positions which provides more appropriate services and cost savings. He then talked about the various areas affected by the increased service calls and that they review this to ensure appropriate charge backs from the County and patients are being billed. Call volume increased by 11% in 2015 and through August 2016 it has increased 6% from 2015 which is equal to a large metro area. Due to this increased volume, a mandatory station rotation will be implemented in 2017 to help reduce fatigue. He described proposed changes to Behavior Health Team transports for improved care and secondary transports (the same program referenced by Chief Camper).

Chief Watkins reviewed the FD's call map and added they respond to about 140 structural fires annually. He explained that an ambulance was able to be moved up on the replacement schedule for 2017 (due to wear and tear they have had to borrow ambulances when theirs has been out for major repairs) and they are looking into purchasing a mobile fire pump testing vehicle because they are expensive to rent and they would be able to rent it to other local departments. Chief Watkins explained the reimbursement for wildland fires and said that Brush 4 truck has a higher reimbursement rate than other vehicles and those funds go back to the FD.

Chief Watkins concluded by saying how proud he is of the FD and how they continue to build community trust and highlighted how the FD regularly seeks efficiencies in programs and operations.

Councilmember Boeschstein asked how the Orchard Mesa Fire Station is doing since it's opening earlier this year. Chief Watkins said he did not have their numbers, but said the Station is doing well and the location is beneficial. He added there is still an agreement with the Clifton Fire Department regarding the Pear Park area and that this will be reevaluated. City Manager Caton said the financial arrangement is based on the Persigo 201 Agreement and is meant to keep the Clifton Fire Department whole. He added that City Attorney Shaver is working on modifications so that the City FD can take over this coverage.

Councilmember Taggart expressed concern that the ambulance fees are not keeping up with the Consumer Price Index (CPI), but being kept flat. Chief Watkins explained that by State Statute the County is tasked with setting an annual rate ceiling for transport fees using medical CPIs; the City is notified of the new rates in February and the City charges the maximum. He also said Medicare is recognizing the need for service fees in addition to transport fees, but these are not in place yet.

Mayor Pro Tem Chazen asked Chief Watkins if the FD had all the equipment needed. Chief Watkins said with the 2017 ambulance replacement, they do. He said the FD's biggest needs are the new North Area Fire Station, which is in process., and capital for the new training site.

Public Works Infrastructure

Greg Lanning, Public Works Director, presented information on the Public Works Infrastructure saying the major projects for 2017 are the 1st Street Reconstruction, the Lewis Wash Bridge, and the North Avenue Storm Drain.

Councilmember Kennedy asked if the increased Chip Seal/Crackfill budget would get the City ahead of the maintenance schedule. Mr. Lanning said the City has 12 maintenance zones and this amount will move the City to the next zone. City Manager Caton said about \$30 million is needed to get the City from the current PCI (pavement condition index) of 69 to the desired 73. Once this is achieved, it is estimated \$4 million will be needed annually for maintenance.

Councilmember Boeschstein said the County should be involved in some projects and the City should take credit for completion of the North Avenue and Horizon Drive projects.

Councilmember Taggart asked what is the total cost of the 1st Street Reconstruction. City Manager Caton said it is \$2.9 million.

Councilmember Boeschstein asked where the Safe Routes to School projects are budgeted. City Manager said those projects are either funded by Community Development Block Grants or will be completed in 2016 and therefore are not listed in the budget information.

City Manager Caton explained how he planned funding for road maintenance and reconstruction projects based on the different type of funds available, in particular TCP funds.

City Manager Caton then reviewed the budget topics for the next workshop scheduled on October 17th.

Councilmember Taggart asked if the Grand Junction Economic Partnership (GJEP) and the Grand Junction Chamber of Commerce (COC) have decided how they would like to proceed with a local Vendor Fee. City Manager Caton said GJEP would like to move forward with the fee and the COC said they have some concerns and would like to take more time for member outreach in the first quarter of 2017.

Councilmember Boeschstein asked if a letter of support for the Train Depot had been approved. City Manager Caton said it had and it will be sent.

With no further business the meeting was adjourned.

**GRAND JUNCTION CITY COUNCIL
MONDAY, OCTOBER 3, 2016**

**PRE-MEETING (DINNER) 5:00 P.M. ADMINISTRATION CONFERENCE ROOM
WORKSHOP, 5:30 P.M.
CITY HALL AUDITORIUM
250 N. 5TH STREET**

To become the most livable community west of the Rockies by 2025

- 1. Budget Overview and Departmental Presentations**
- 2. Next Workshop Topics**
- 3. Other Business**