CITY OF MANITOU SPRINGS
CITY COUNCIL

Regular Meeting Minutes
606 Manitou Avenue
March 18, 2025

The City Council of Manitou Springs met in Regular Session on Tuesday, March 18, 2025, at 606 Manitou Avenue, in the City of Manitou Springs, County of El Paso, and State of Colorado.

COUNCIL MEMBERS PRESENT FOR ROLL CALL:

Mayor John Graham
Mayor Pro Tem Natalie Johnson
Councilor Judith Chandler
Councilor John Shada
Councilor Julie Wolfe
Councilor Nancy Fortuin
Councilor Michelle Whetherhult

A. CALL TO ORDER

Mayor Graham called the meeting to order at 6:00 p.m.

B. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

C. ROLL CALL

All members of the City Council were present for the roll call.

D. APPROVAL OF AGENDA

Councilor Chandler moved to approve the agenda as amended with item G2 moved after item G4. The motion was seconded by Councilor Shada. The motion carried unanimously (7-0).

E. PUBLIC COMMENT ON NON-AGENDA ITEMS

Laurie Wood, 211 Manitou Ave, Chief of Grants and Compliance with Silver Key Senior Services thanked the Council for their support.

Jason DeaBueno, Silver Key Senior Services President shared that Silver Key Senior Services is committed to the community and expressed gratitude for Council’s support as well.

F. CONSENT CALENDAR

1. Presentation of Warrants

2. March 4, 2025 City Council Regular Meeting Minutes

Note for the Record – This item was pulled from the consent calendar as requested by Mayor Pro Tem Johnson.

3. March 11, 2025 City Council Special Meeting Minutes

4. Resolution No. 0625, A Resolution of the City of Manitou Springs, Colorado, Amending Section 4.5 of the Employee Handbook Concerning Military Leave

5. Requesting Approval of a General Services Agreement with Silverback Excavation, LLC for Phase 1 Temporary Lot at the Dillon Mobility Hub

Note for the Record – This item was pulled from the consent calendar as requested by Mayor Graham.

6. Consider Reappointing Joy Porter to the Historic Preservation Commission

Mayor Pro Tem Johnson moved to approve the consent calendar as amended. The motion was seconded by Councilor Chandler. The motion carried unanimously (7-0).

F2. March 4, 2025 City Council Regular Meeting Minutes

Mayor Pro Tem Johnson moved to approve the minutes as amended with the March 4, 2025 minutes corrected under item H4 to state "Mayor Pro Tem Johnson suggested that the city consider using the consultants to evaluate staff that the city is retaining and why they are staying too." The motion was seconded by Councilor Fortuin. The motion was carried unanimously (7-0).

F5. Requesting Approval of a General Services Agreement with Silverback Excavation, LLC for Phase 1 Temporary Lot at the Dillon Mobility Hub

Mayor Graham stated that he had hoped to have more information before the City Council had to make a decision on the agreement.

Councilor Shada moved to approve the General Services Agreement with Silverback Excavation, LLC for Phase 1 Temporary Lot at the Dillon Mobility Hub. The motion was seconded by Councilor Chandler. The motion was carried (6-1) with Mayor Graham as the dissenting vote.

G. BUSINESS

1. Request for Appointment of Paul Arlinghaus to the Open Space Advisory Committee

David Conley, Open Space Advisory Committee (OSAC) Vice Chair presented the applicant Paul Arlinghaus. Vice Chair Conley commended Mr. Arlinghaus for his interest in being actively involved in the community after only moving to the city a year ago. He acknowledged Mr. Arlinghaus for his experience with trail building and maintenance.

Mr. Arlinghaus shared that he has previously been involved in trail advocacy and trail building in Indiana and that he moved to the area in part for trail access. He explained that he has had a long-standing tradition of being involved with the trails that he uses and that he wishes to continue giving back.

Councilor Shada moved to approve the appointment of Paul Arlinghaus to the Open Space Advisory Committee as an Alternate Member. The motion was seconded by Mayor Pro Tem Johnson. The motion was carried unanimously (7-0).

3. Schneider Electric Update: Water Meters and Facility Improvements

Program Manager Kate Sipla, Regional Vice President Jordan Lerner, and Project Development Manager Tyler DiLalla with Schneider Electric presented an update on the water meters and facilities improvements projects. Project Manager Sipla shared that they had entered an investment grade audit about a year and a half prior, to evaluate energy efficiency, as well as the water meters project. She reviewed the purpose and general framework for the Energy Performance Contracting Program. She noted that a contract with Ntiva for IT Services will save the city over $75,000 annually. Project Manager Sipla shared that Congressional Directed Spending Requests are not expected to happen for 2025 and added that the city could apply for funding for 2026. She explained that the Department of Local Affairs (DOLA) Energy/Mineral Impact Assistance Fund does not allow for projects to be under contract prior to being awarded and that the funds are not expected to be dispersed until August or September if awarded. She stated that Schneider Electric has locked in pricing for the project until May 1, 2025 and that it is unknown what impact there could be on prices beyond this date.

Project Development Manager DiLalla noted that the meters that were tested were 85% accurate and that the water meters are already beyond their life expectancy. He shared features and services offered by the selected manufacturer and distributor. He reviewed the services provided by Schneider Electric, including project management, staff training and maintenance, and the warranty.

Project Manager Sipla emphasized that Schneider Electric is offering a long-term partnership. She shared that the city is currently spending $12,000 annually and two weeks a month in staff time on water meter repairs. She reviewed the projected revenue and cashflow for the 20 year long program and confirmed that if there was a short fall during any year, Schneider Electric would write a check to the city to make up the difference. She added that the measurement verification process is only for the first three years and that there is an additional cost for measurement verification for any additional years. Project Manager Sipla stated that the city can choose reengage the measurement and verification process at any time throughout the 20-year period for the cost of about $10,300 per year. She added that the general scope of that process is right around the $10,000 mark and they could provide an exact number once they finalize some numbers with a couple of their vendors. Project Manager Sipla reviewed the proposed facilities improvements which included the HVAC system in Memorial Hall, LED lighting in multiple locations and replacing the windows on the north side of City Hall.

There was a brief discussion about staggering the water meter replacements compared to replacing all the meters at once to which Project Manager Sipla stated that staggering the replacements would mean maintaining multiple systems over a longer period of time. Distribution ORC Sean Dearborn added that it would be easier to track replacements if done all at the same time.

Project Development Manager DiLalla confirmed that the full warranty is for 10 years and that the warranty coverage decreases beyond the first 10 years.

There was a general discussion about rate changes relative to the Schneider Electric guarantee and water meter accuracy over the years relative to the warranty. Project Manager Sipla clarified that when Schneider Electric backs the program there are certain inputs that are expected of the city, such as a minimum annual five percent water rate increase, as shown in the projected cash flows.

Councilor Chandler expressed concerns about moving forward too soon with the program and acknowledged the financial uncertainty of the next several months. She noted that there are other sources outside of the residential and commercial water meters where the city is losing a greater amount of water. She stated that she is in favor of moving forward with the DOLA grant process before committing to the water meters project and that she did not consider the project to be a top priority compared with other needs of the city. She added that she would like more information about the details of the prorated portion of the warranty.

Distribution ORC Dearborn commented that the $12,000 spent on repairs yearly will increase each year and that the financial loss in unmeasured water is not accounted for. He stated that there is greater potential for a mass water meter failure the longer the project is postponed. He added that the equipment required to repair the current system is outdated and eventually may not be sold anymore, forcing the city to move to a newer system.

Councilor Chandler stated that she understands the water meters do need to be replaced within the next two years and reiterated that she would like to take the next several months to attempt to get funding for the project through the DOLA grant.

Councilor Wolfe stated that it appears all the savings from the project would go towards paying off the project debt, other than the estimated $348,299 projected for year 20 of the program.

Project Manager Sipla clarified that the projected positive cash flow is based on an annual rate increase of five percent, and should the city decide to increase the rates by a higher percentage any year, this could have a positive impact on the cash flow.

Regional Vice President Lerner explained that the purpose of the contract is to fund a project that pays for itself and provides new infrastructure.

There was a brief discussion about the likelihood of the city being awarded the DOLA grant in which City Administrator Howell stated that she is unsure if the city would be awarded a million dollars, but she is hopeful the city would receive some funds.

Councilor Wolfe expressed concern that the city could be in a bad position down the line if the meters are no longer manufactured.

Distribution ORC Dearborn confirmed that the water meters would need to be replaced within the next one to two years because the software is no longer being supported.

There was a brief discussion regarding window replacements in which Councilor Shada suggested considering finishing the rest of the building for uniformity and comfort. Project Manager Sipla confirmed that the proposed projects are what fit within the current project cashflow.

Councilor Wolfe stated that she anticipates increased interest rates and costs in the near future, and that she is in favor of moving forward with the water meters and facilities improvements projects. She added that if the city were to wait for the DOLA grant process, she does not think the funds would necessarily offset the increased costs of the project.

Councilor Whetherhult stated that she is in favor of moving forward with both projects.

Councilor Shada stated that he would be in favor of going forward with the facilities improvements project and that he would like to go through the grant process for the water meters project.

Mayor Pro Tem Johnson shared that she is in favor of moving forward with both projects.

Councilor Chandler stated that she is in favor of moving forward with the facilities improvement project and that she would like to go forward with the grant process for the water meters project.

Councilor Fortuin stated she is in favor of moving forward with both projects.

Mayor Graham expressed concerns about the future of the economy and stated he is in favor of going forward with both the facilities improvements and water meters projects.

Councilor Fortuin moved to approve going forward with a construction contract for the facilities improvements and water meters projects. The motion was seconded by Mayor Pro Tem Johnson. The motion was carried (5-2) with Councilor Shada and Councilor Chandler as the dissenting votes.

There was a brief discussion regarding the DOLA grant in which City Administrator Howell confirmed that the city could not move forward with the grant if the city is under contract for the project. She added that she will be reviewing other water projects that the city could potentially utilize the DOLA grant funds for.

Note for the Record – The City Council took a break at 8:02 p.m. and reconvened at 8:19 p.m.

4. First Reading Ordinance No. 0225, An Ordinance Amending Section 12.06.020 of the Manitou Springs Municipal Code Concerning Permit Applications for Work in Public Rights of Way

City Attorney Jeff Parker explained that the current language in the city's code regarding permit applications for work in public rights of way includes a process for permitting that is not appropriate. The changes presented are to correct the verbiage in the code so that the process makes more sense.

Councilor Whetherhult moved to approved Ordinance No. 0225, an Ordinance Amending Section 12.06.020 of the Manitou Springs Municipal Code Concerning Permit Applications for Work in Public Right of Ways, with "A letter of credit is not acceptable in leu thereof" added. The motion was seconded by Councilor Wolfe. The motion was carried unanimously (7-0).

2. Consider Approving the MACH Board Recommendations for the 2025 Grant Awards

Note for the Record – Mayor Pro Tem Johnson recused herself due to her connection to the distribution of funding and exited the room for item G2.

Ralph Routon Manitou Arts, Culture, and Heritage (MACH) Board Chair made a statement regarding the Adolph Bandelier 2025 Exhibition. He clarified that the request comes from Dave Wolverton who is the Miramont Castle Exhibition Curator and that the grant would mean a tangible benefit for a tier one entity, although the request does not come directly from the tier one entity. He added that the Board has followed the Council's direction to consider tier two project applications that benefit tier one organizations after all other tier two applications have been considered.

Kathryn Orr, 621 Arnold Lane, representing the Manikrewe shared that their group volunteers to put on Carnivale during the off season for the benefit of the city. She explained that the Chamber of Commerce did take over the event for a couple of years before giving the responsibility back to the Manikrewe. She stated that she has spent 400 hours working on Carnivale in the past year and has been involved with the event for the past three years. Ms. Orr expressed gratitude for the MACH grants and thanks to the MACH Board for their efforts in the process.

Judy Teevan, 416 Crystal Hills Boulevard, representing the Manikrewe added that the Manikrewe is an established nonprofit organization.

Lyn Ettinger-Harwell, 515 Manitou Avenue, President and Publisher of the Pikes Peak Bulletin stated that he believes it would be advantageous for the city and the MACH Board to approve the board's recommendations. He added that the Pikes Peak Bulletin supports the MACH Board's mission to promote the identity of arts and culture, as well as increase the visibility of arts and culture activities in the community. He requested that the City Council reconsider some of the controversy over the Fourth Estate and the separation of media. He stated that the bulletin tells the stories of Manitou Springs, including the projects under all MACH grant tiers.

There was a brief discussion regarding the specificity of the Pikes Peak Bulletin MACH grant request, in which Mr. Ettinger-Harwell clarified that the funds are to cover weekly full page stories for each tier of the MACH grants. He stated that the stories would be about the artists, culture and heritage in the city.

Councilor Chandler moved to approve all MACH grant recommendations, excluding the requests concerning the Carnegie Library, the Carnivale, and the Pikes Peak Bulletin. The motion was seconded by Councilor Whetherhult. The motion was carried (6-0).

Councilor Whetherhult moved to split the $10,000 recommended for the Carnegie Library and distribute the funds between Hiawatha Gardens, Miramount Castle, Manitou Arts Center and Manitou Springs Heritage Center. The motion was seconded by Councilor Wolfe. The motion failed (3-3), with Councilor Chandler, Councilor Fortuin and Mayor Graham voting against.

Mayor Graham moved to approve the MACH Board recommendation to distribute $10,000 to the Carnegie Library. The motion was seconded by Councilor Fortuin. The motion was carried (4-2) with Councilor Wolfe and Councilor Whetherhult as the dissenting votes.

Councilor Wolfe suggested redirecting the funds recommended for Carnivale from the Chamber of Commerce to go directly to the nonprofit group handling the event.

MACH Chair Routon confirmed that both 2025 and 2026 are included in the grant recommendations for Carnivale each year due to extending the MACH grant process.

Councilor Shada suggested that the City Council discuss the Chamber of Commerce at a work session to get clarity about their role in community.

Councilor Wolfe moved to deny the MACH Board recommended grants for the 2025 Carnivale Parade and the 2026 Carnivale parade. The motion was seconded by Councilor Whetherhult. The motion failed (1-5) with Councilor Wolfe in favor.

Councilor Shada moved to approve funding the MACH Board recommended grants for the 2025 Carnivale Parade and the 2026 Carnivale parade. The motion was seconded by Councilor Chandler. The motion was carried (5-1), with Councilor Wolfe as the dissenting vote.

Councilor Wolfe stated that she supports the city paying for its use of the bulletin, but she does not feel comfortable having the local paper funded through a MACH grant. She added that she believes it is crucial for the media to be separate from the government and for the media to be comfortable criticizing officials in government without concern of financial retribution in the future.

Councilor Wolfe moved to deny the MACH Board recommended grant for the Pikes Peak Bulletin. The motion was seconded by Councilor Whetherhult. The motion failed (2-4), with Councilor Wolfe and Councilor Whetherhult in favor.

Councilor Chandler noted that the City Council funded the bulletin the previous year. She added that she believes the matter is an important policy issue to discuss going forward and that it is important that the city support journalistic integrity and freedom. She stated that she is in favor of approving the MACH Board recommended grant for the Pikes Peak Bulletin.

Mayor Graham stated that he supports the grant request and added that he believes there must be a very clear divide between the government and the newspaper, particularly the editorial section. He shared that Councilor Fortuin suggested previously to provide the funds to the MACH Board to oversee the disbursement, potentially in the form of purchasing advertising from the bulletin and he added that he would be supportive of allowing the MACH Board to manage the funds in this way.

Councilor Fortuin moved to approve the MACH Board recommended grant for the Pikes Peak Bulletin and that the MACH Board come back to the Council in the next year with a policy that directs MACH dollars to remain in the operating funds and used to purchase ads in the Pikes Peak Bulletin. The motion was seconded by Councilor Chandler. The motion was carried (5-1) with Councilor Wolfe as the dissenting vote.

H. RECEIVE OR ACT ON COUNCIL CORRESPONDENCE

Note for the record – Mayor Pro Tem Johnson returned to the City Council Meeting.

Councilor Wolfe requested information regarding shuttle transportation options and a report on the electric vehicle charging station rates.

There was a brief discussion regarding shuttles in which it was determined that the matter would be revisited in 2026.

Mayor Graham confirmed that the City Council would be meeting on March 25, 2025 for an executive session concerning the Incline.

I. CITY ADMINISTRATOR REPORT

City Administrator Howell reported on the following items:

- Karen Rowe is the project manager for the Dillon Mobility Hub and the Creekwalk Phase Four projects.
- The city has received the DOLA grant for the water tank project.
- The community rating survey for the flood insurance is due May 1, 2025, led by consultant John Chavez.
- She is working on the Ruxton Project and has learned that the city can potentially get an extension for the funds coming from Colorado Department of Transportation (CDOT).
- Creekwalk Phase Three was not closed out with CDOT, so that is being completed within the next couple of months.
- Preliminary work is being done for the Soda Springs Park project and work is expected to start on June 1, 2025.

Councilor Shada requested that the contractor focus on completing the common area first for the Soda Springs Park Project.

J. EXECUTIVE SESSION

1. An Executive Session for the consideration of documents protected by the mandatory nondisclosure provisions of the Open Records Act, pursuant to Section 5.1(f) of the Manitou Springs Home Rule Charter, specifically C.R.S.24-72-204(1)(a), et seq., and by reference C.R.S.29-2-106(4)(c)(II), pertaining to the confidentiality of sales tax information relating to specific businesses in the city

2. An Executive Session to hold a conference with the City Attorney for legal advice pursuant to Section 5.1(c) of the Manitou Springs Municipal Charter concerning the dissolution of the Manitou Springs Metropolitan District

3. An Executive Session to determine positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators, pursuant to Section 5.1(d) of the Manitou Springs Municipal Charter, concerning the reimbursement agreement between the City and Cog Railway

4. An Executive Session pursuant to Section 5.1(a) of the Manitou Springs Home Rule Charter concerning the City Administrator

Mayor Graham read the purpose of the Executive Session into the record at 9:17 p.m.

Councilor Shada moved to enter the Executive Session for the stated purpose. The motion was seconded by Councilor Chandler. The motion was carried (7-0).

The City Council moved back to Regular Session at 10:44 p.m. Mayor Graham confirmed the Executive Session was held solely for the stated purpose and that no formal decision was made.

K. ADJORN

With no other items to discuss, Councilor Chandler moved to adjourn the meeting. The motion was seconded by Councilor Shada. The motion was carried unanimously (7-0). The meeting was adjourned at 10:45 p.m.

John Graham
John Graham, Mayor

Attest:

Elena Krebs
Elena Krebs, City Clerk