



# WESTMINSTER

## Staff Report

TO: The Mayor and Members of the City Council

DATE: April 16, 2014

SUBJECT: Study Session Agenda for April 21, 2014

PREPARED BY: J. Brent McFall, City Manager

Please Note: Study Sessions and Post City Council meetings are open to the public, and individuals are welcome to attend and observe. However, these meetings are not intended to be interactive with the audience, as this time is set aside for City Council to receive information, make inquiries, and provide Staff with policy direction.

Looking ahead to next Monday night's Study Session, the following schedule has been prepared:

*A light dinner will be served in the Council Family Room* 6:00 P.M.

### CITY COUNCIL REPORTS

1. Report from Mayor (5 minutes)
2. Reports from City Councillors (10 minutes)

### PRESENTATIONS

1. Public Works & Utilities Capital Improvement Project Planning Overview
2. Overview of the Utility Fund Finances
3. Living Wage Analysis
4. Diversity Task Force or Commission

6:30 P.M.

### EXECUTIVE SESSION

None at this time

### INFORMATION ONLY ITEMS

None at this time.

Additional items may come up between now and Monday night. City Council will be apprised of any changes to the Study Session meeting schedule.

Respectfully submitted,

J. Brent McFall  
City Manager

**NOTE:** Persons needing an accommodation must notify the City Manager's Office no later than noon the Thursday prior to the scheduled Study Session to allow adequate time to make arrangements. You can call 303-658-2161 /TTY 711 or State Relay) or write to [mbarajas@cityofwestminster.us](mailto:mbarajas@cityofwestminster.us) to make a reasonable accommodation request.



## Staff Report

City Council Study Session Meeting  
April 21, 2014



**SUBJECT:** Public Works & Utilities Capital Improvement Project Planning Overview

**Prepared By:** Stephen Grooters, Senior Projects Engineer  
Mike Happe, Utilities Planning and Engineering Manager

### Recommended City Council Action

This report is for City Council information only and requires no action by City Council. The City Manager recommends that City Council receive the Public Works and Utilities Capital Improvement Project Planning Overview for information.

### Summary Statement

- Westminster's water and wastewater utility system is a \$2.7 billion asset that includes the water treatment facilities, water distribution system, wastewater collection system and the wastewater and reclaimed water treatment facilities.
- As the components of the system reach the end of their useful life, they need to be repaired and/or replaced in order to maintain an appropriate level of service to Westminster's utility customers.
- By pursuing a proactive program to assess the needs and priorities of the utility system, and focusing the available funding on those needs and priorities, the cost of operating and maintaining the City's utility system can be minimized and costly system failures, emergency responses and interruptions of service can be avoided.
- Over the past several years, Staff has performed an extensive evaluation of all of the facilities in the City's utility system.
- This Staff Report provides an overview of the Capital Improvement Program (CIP) planning process used by the Public Works and Utilities Department and seeks to provide City Council with information on how the needs of the Utility are identified and what methods are used to maintain responsible, defensible spending and quality service to City customers.

**Expenditure Required:** \$0

**Source of Funds:** N/A

## Background Information

The City owns and operates a complex system of utility infrastructure with a total replacement value of approximately \$2.7 billion. The system includes water, wastewater, and reclaimed water services and requires many different facilities and types of infrastructure including those shown below. These facilities are necessary components of the City's Public Works and Utilities Department and provide core support to the City's overall mission statement of delivering exceptional value and quality of life through SPIRIT.

- source water collection
- source water conveyance
- reservoir water storage
- water diversion and exchange facilities
- water quality monitoring systems
- potable water treatment
- pipelines and hydrants
- pump stations
- storage tanks
- compliance sampling/testing facilities
- sewer collection piping
- sewage pump stations
- wastewater treatment
- reclaimed water treatment
- reclaimed water piping

A critical role of the Public Works and Utilities Department is to plan, prioritize, and implement a Capital Improvement Program (CIP) to sustain quality utility services. Included in this is the proactive upkeep of existing infrastructure to limit system failures and emergency situations while maintaining responsible, defensible budgets. Utility capital repair and replacement projects must be anticipated, planned, and budgeted as "stand-alone" projects and be realistic and sustainable relative to tap fee sales, rates, and other revenue sources.

Over the past several years, Staff has performed an evaluation of all of the facilities in the City's water and wastewater utility system. A database of system assets was created and used to identify a comprehensive repair and replacement program to maintain current levels of water and wastewater service. Information was also compiled anticipating other City needs including future development, redevelopment, regulatory-driven improvements, and other improvements to the City's infrastructure to improve system reliability, redundancy, and safety for operations and maintenance. Overall, this information represents the foundation for grouping projects into a recommended Capital Improvement Program (CIP).

Capital projects were prioritized using a systematic approach based on the International Infrastructure Maintenance Manual. The approach began with a holistic review of the Utility and the identification, at a high level, of the relative redundancy/reliability of the four main areas of the utility infrastructure system: 1) source water, 2) potable water, 3) wastewater, and 4) reclaimed water.

The second phase of prioritizing capital projects involved the comprehensive cataloging of equipment and structures in each of the four main utility areas. All assets that represent a complete physical piece or component of a facility with a value greater than or equal to \$20,000 were recorded. The asset list did not include low cost, non-critical equipment that can be easily repaired or replaced using operations and maintenance (O&M) funds.

Over 2,000 individual assets were cataloged along with their replacement cost, age, City-specific anticipated lifespan, and other critical information. City-specific lifespans are based on industry standard values modified to better match historical performance in the City of Westminster. For example, the City's general mechanical equipment typically lasts about 24 years, or 20% longer than the industry standard of 20 years. This is due in large part to the City's quality O&M programs as well as Colorado's relatively low humidity which provides benefits including reduced corrosion. Across all of the Utility's assets, quality O&M extends asset life by an average of 4 years. Considering the volume and value of assets in the City system, this represents significant cost savings to customers.

Determining the relative priority for projects also involved establishing numerical measurements for “vulnerability” and “criticality”. Vulnerability is a number based on asset age relative to lifespan or time to technological obsolescence. Criticality is a measure of the consequence of an asset failure and is a numeric value based on implications related to four categories: 1) Public Health and Safety (e.g. potential to cause illness, injury), 2) Effect on Customers (e.g. service outages, loss of pressure or quality), 3) Environmental Impacts (e.g. pollution, erosion) and 4) Cost of repairs at the time of failure (e.g. does it require rush delivery). Prioritizing projects requires analyzing the above information and recognizing that, in some cases, it is more cost-effective to run an asset to failure rather than replace it early.

Staff will be present Monday night to discuss the planning process, how Staff identifies CIP needs, and how the Department prioritizes recommendations for each budget cycle. Staff is currently in the process of developing these recommendations for the 2015/2016 budget process (to be presented to Council later this year). The purpose of this Staff Report and Presentation is to provide background and perspective on how these recommendations are developed.

CIP Planning helps achieve the City Council’s Strategic Plan Goals of “Financially Sustainable City Government Providing Exceptional Services” and “Vibrant Neighborhoods in One Livable Community” by contributing to the objectives of well-maintained City infrastructure and facilities and maintaining neighborhood infrastructure.

Respectfully submitted,

J. Brent McFall  
City Manager



## Staff Report

City Council Study Session Meeting  
April 21, 2014



**SUBJECT:** Overview of the Utility Fund Finances

**Prepared By:** Christine Gray, Senior Management Analyst  
Stu Feinglas, Water Resources Analyst  
Mike Happe, Utilities Planning & Engineering Manager

### Recommended City Council Action

This report is for City Council information only and requires no action by City Council. Staff will provide an overview of the Utility Fund's finances.

### Summary Statement

- The City has operated and maintained a water utility since 1911 and a wastewater utility since 1972. Since that time, new infrastructure has been built to accommodate growth and aging infrastructure has been repaired and replaced to maintain efficient operations.
- Water and wastewater rates and tap fees generate the Utility Fund's two primary sources of revenue.
- In 2006 City Council adopted a set of financial policies to help address the variability of Utility Fund revenues sources while meeting short- and long-term operating and capital needs.
- Through the use of these policies, Staff proactively develops rate and tap fee recommendations to meet current and future needs and make the utility system sustainable.
- As the City approaches build out, funding will become more rate dependent as fewer tap fees for new developments are sold.
- This Staff Report and presentation is intended to provide City Council with background on the Utility Fund finances and financial policies and to identify some key policy determinations that will be brought before City Council during the 2015/16 budget process.

**Expenditure Required:** \$0

**Source of Funds:** N/A

## **Background Information**

The City has operated and maintained a water system since its incorporation in 1911, relying upon wells until the mid-1950s, at which time it began purchasing water rights for surface water on Clear Creek. The City has also operated a wastewater system since the early 1970s when the original Big Dry Creek Wastewater Treatment Facility was constructed to address rapid growth in the City. The decision to provide these services necessitated the construction of infrastructure to support the City's current and growth related needs. Over the years, water rights have been purchased and facilities constructed to accommodate the City's planned development.

As the City has grown, the water and wastewater utilities (collectively called the "Utility") have required improvements in anticipation of growth, as well as the ongoing repairs and replacements that an aging system requires. Additionally, changes to State and Federal regulations have required the City to fund improvements to comply.

All utilities must deal with the reality that while the vast majority of its costs are fixed, the vast majority of revenue is variable. The City has developed a set of Financial Policies to provide for the City's annual revenue needs while recognizing the variability of revenues and the need to reduce reliance on tap fees as buildout approaches.

The operating budget includes the expenses to operate and maintain the Utility on a daily basis, and is comprised of fixed and variable costs. 80% of the Utility's operating costs are fixed, meaning that regardless of the amount of water used, the expenses remain the same. Fixed costs include personnel, maintenance and debt. Variable costs include chemicals and power (mostly for pumping water and wastewater), and are directly related to the amount of water produced and wastewater treated. Staff works to create a cost efficient budget by proactively identifying areas for cost reductions as well as potential cost increases.

The capital improvement budget addresses repair and replacement of the existing infrastructure as well as growth-related improvements. As a part of developing this budget, Staff reviews the comprehensive short and long term needs of the entire Utility. These needs are evaluated according to the level of need and prioritized into the five-year Capital Improvement Program (CIP). As the City approaches build out, the need for repair and replacement will increase while the need for new infrastructure to address growth will lessen.

Rates and tap fees are charged to recover the costs of running the Utility. These are the City's two primary funding sources that pay for its expenses. A discussion of each follows.

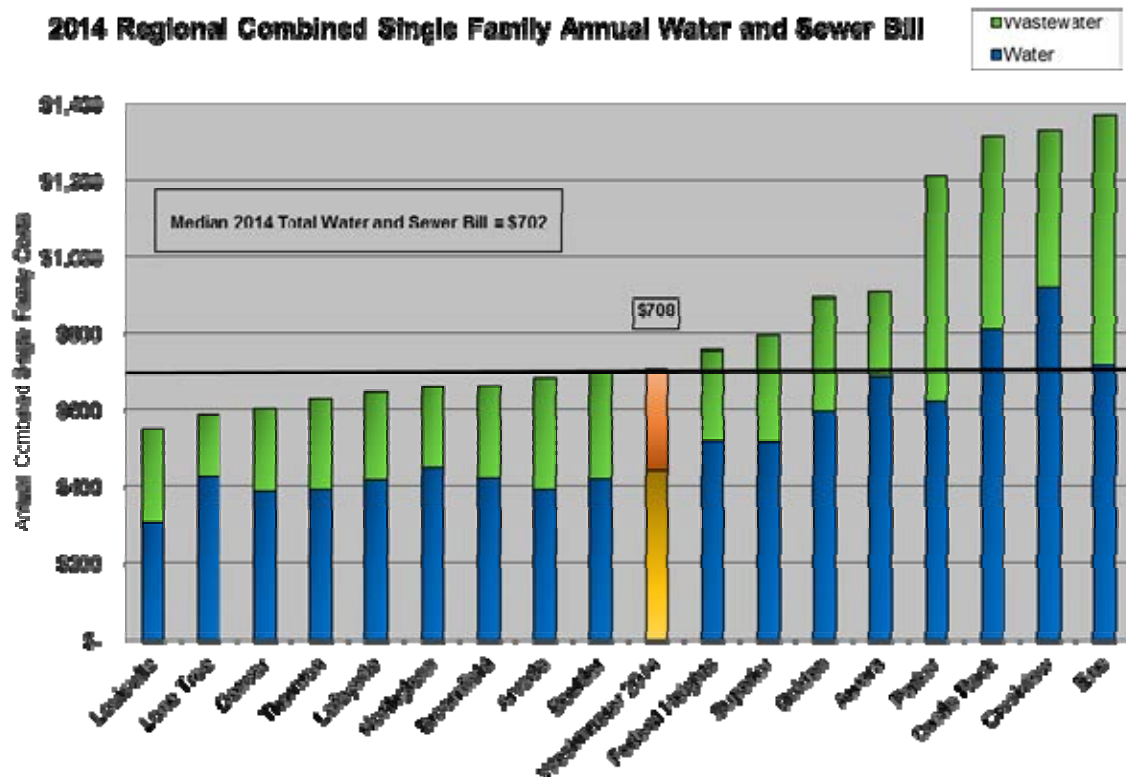
### Rates

Rates pay for the costs of operating and maintaining the water and wastewater systems, as well as a portion of the infrastructure repair/replacement and debt service costs based on past bond issues. Water charges also include a fixed Meter Service Charge and a fee based on the amount of water used calculated according to the City's inclining block rate structure. Reclaimed water is available for commercial and public customers, and rates are set at a 20% discount of the potable water rate.

While the City supplies water to all customers, the wastewater is transported and treated by different facilities based on location. A portion of the City's wastewater customers are located in the Big Dry Creek basin, and their wastewater is treated at the City's Big Dry Creek Wastewater facility. Customers located in the Little Dry Creek basin (generally south of 92<sup>nd</sup> Avenue) have their wastewater treated by the Metro Wastewater Reclamation District (Metro) per a 1964 agreement. Regardless of a resident's location, the City charges a uniform wastewater rate throughout the City. In

recent history Metro rate increases have outpaced the City’s wastewater rate increases. Staff will return to City Council at a future date to discuss the impact of Metro’s rate increases on the City’s finances.

A survey of the charges of other water and wastewater providers is provided to City Council as information to consider during the rate setting process. The survey is not intended as a market analysis, rather it is provided to City Council for context in its decision making process. The comparator cities have been chosen because of similarities to Westminster’s water supply area, future growth potential and location. The 2014 water and wastewater rate survey is included below for reference. It should be noted that rates are not necessarily “apples to apples” comparisons. Different entities provide different levels of service and achieve different levels of system improvements with their water rates.



Water and sewer rate recommendations are brought to City Council for approval on a biennial basis. Staff is sensitive to the impact of rate increase on customers. The City’s goal is to have frequent, affordable rate increases (when necessary) rather than less frequent, large increases. In 2012, City Council adopted a 4% water and a 4% sewer rate increase for 2013 and 2014. Staff will return to City Council later this summer with recommendations for 2015 and 2016 water and wastewater rate increases.

Tap Fees

New customers pay water and sewer tap fees to connect to the City’s utilities and pay their share of the costs. Existing customers do not pay tap fees. Tap fee revenues fund improvements to the Utility and reimburse existing customers for the investment already made to develop the water and wastewater systems.

Water tap fees are based on the current value and size of the water treatment and distribution system as well as the amount of water the customer will use. A water tap includes three components:

- The Infrastructure or Treated Water Investment Fee is set to recover an equitable portion of the City's treatment and delivery infrastructure.
- The Water Resources Fee is set to recover the value of the City's water supplies developed to meet the demand of the new customer.
- The Connection Fee is based on the meter size and is set to recover the cost of calibration and installing the water meter.

The 2014 single family water tap fee is \$21,157 and includes the costs of all three components. In 2012 the City's water infrastructure was valued at \$637 million and will increase due to the addition of system improvements. The City's water rights are the City's assets and their value is market driven. The City's water rights portfolio is currently valued at approximately \$1 billion and the Water Resources component of the water tap fee is set to reflect those costs.

Sewer tap fees are also paid by new customers. They are based on the size of the water meter, because the larger the meter, the more wastewater is assumed to be produced. The tap fee covers the cost of the system to transport and treat wastewater. Sewer tap fees include two components:

- The Treatment component of the sewer tap fee covers the cost of the wastewater treatment facility. Based on the customer's location within the City, the treatment facility will be the Big Dry Creek Wastewater Treatment Facility or Metro. About 30% of the City's wastewater goes to the Metro treatment facility.
- The Wastewater Transport fee covers the cost of the system designed to collect wastewater from each customer and deliver it to the wastewater facility.

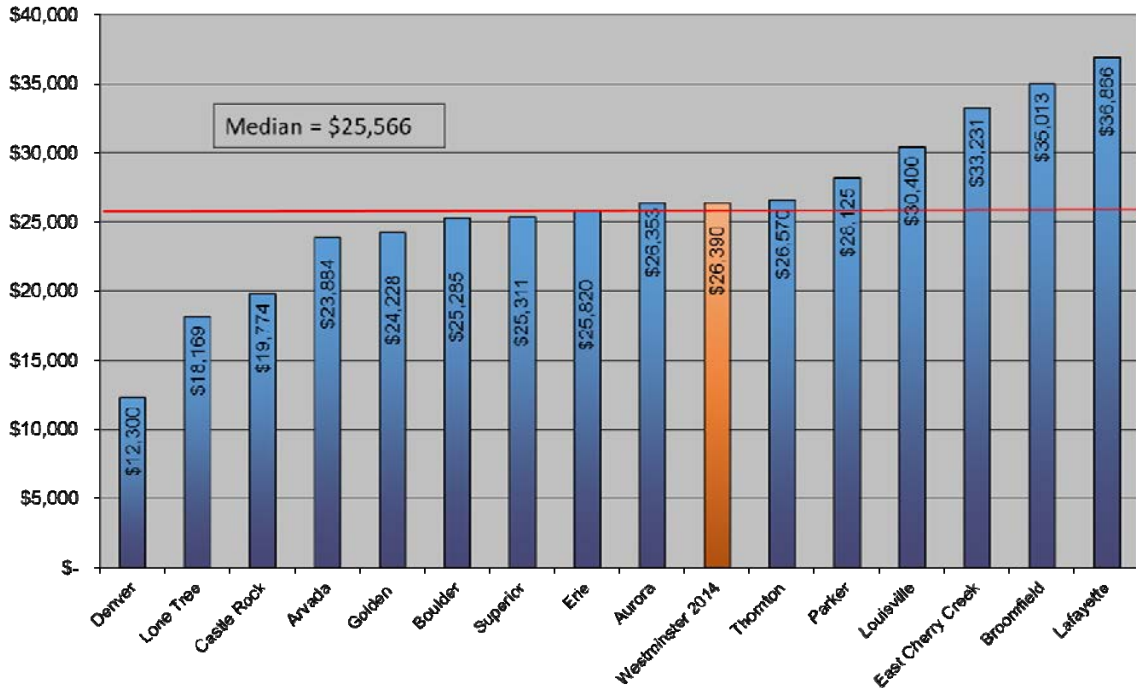
The 2014 single family sewer tap fee is \$5,554 and includes the costs of these two components. In 2012 the City's wastewater infrastructure was valued at \$100 million and, similar to the water infrastructure, increases due to the addition of system improvements. Tap fees collected within the Big Dry Creek basin fund the City's wastewater infrastructure. Metro sets its own tap fee which is collected by the City and paid to Metro. The City's practice has been to set the citywide sewer tap fee at the Metro amount to provide a uniform fee for all new City customers. Development costs are kept consistent throughout the City with this policy.

The combined cost of a single family water and sewer tap is \$26,711.

Similar to the rate survey, Staff supplies City Council with an annual survey of the tap fees charged by other water and wastewater providers as information to consider during tap fee setting. This survey is not intended as a market analysis, rather it is provided to City Council as context in its decision making process. The comparator cities were chosen because of similarities to Westminster's service area, future growth potential and location. The 2014 water and wastewater tap fee survey is included for reference.



### 2014 Single Family Water and Sewer Tap Fee Survey Not Including connection fees



Irrigation and reclaimed tap fees are sold based on the type of landscape and the size of the irrigated area. Reclaimed tap fees are sold at a 20% discount for the irrigation of large public areas and homeowner association green spaces. This discount is offered to encourage participation in the City's reclaimed program, which is used by the City as a conservation tool.

Staff is sensitive to the impact of tap fee increases on development and works extensively with developers to ensure that the appropriate tap size is identified and that the appropriate amount of future water use is determined. A water and sewer tap fee increase was adopted by City Council in 2013 for implementation on January 1, 2014 to meet the capital needs of the water system and ensure that costs are equitably distributed between current and future users of the system. Staff will return to City Council during the 2015/16 budget process to discuss water and wastewater tap fee adjustments.

#### Financial Policies and Tools

In 2005 the City recognized a need for ensuring long term sustainability of the Utility through the creation and adoption of financial policies. Staff worked with a financial consultant to create a set of recommendations designed to set financial policies to address the long term sustainability of the Utility and the impacts of revenue variability. Adopted by City Council in 2006, these policies are designed to ensure that the integrity of the Utility is maintained by funding repair/replacement at appropriate levels while allowing the Utility to respond to changing priorities, with rates that are fair and affordable. As a result, a Rate Stabilization Reserve (RSR) and Capital Project Reserve (CPR) were created for the water and wastewater funds.

The RSR allows the Utility to budget operating expenses for an average year, with the understanding that weather may impact actual revenues. For example, the majority of water sales occur during the hottest parts of the summer when people are watering their lawns. If there is higher than normal precipitation during those months, water use tends to decrease, which results in reduced water sales.

Recognizing that the majority of the Utility's operating expenses are fixed, while the majority of the revenues are variable, the RSR acts as a "Rainy Day Fund." Revenue shortfalls that may result from variations in the weather or other impacts to the Utility's rate revenue stream are made up by withdrawals from the RSR, while additional rate revenue produced during years of greater than anticipated water use is deposited into the RSR. The RSR "target amount" is sized as a percentage of the annual budgeted revenues (25% of the budgeted water rate revenues, 10% of the budgeted wastewater rate revenues) for the current year. The RSR balance maximum is 140% of "the target amount", and the minimum is 70%. If the RSR reaches its maximum, funds flow into the CPR for funding capital improvement projects. Currently, the RSR balance is at 140% (water = \$10,823,223; Wastewater = \$1,720,858).

The CPR allows the Utility to address short and long term capital needs. The Utility's Capital Improvement Program (CIP) is developed based on identified repair and replacement needs, as well as growth related improvements. In advance of the budget process, Staff reviews and prioritizes the Utility's capital needs on a short and long term basis. This allows Staff to better plan for the financial resources and minimize unanticipated expenditures. As CIP projects can often be high cost expenses, proactive funding is required to be developed over multiple years. The CPR pays for identified capital projects within the CIP program. The CPR is to be used only on capital projects and is funded through tap fee and rate revenues. The CPR is not to exceed 40% of the 5-year water and wastewater Capital Improvement Plan. Using the amended 2013-2017 Capital Improvement Plan budget, this amount is \$42.3 million for water and \$14 million for wastewater. The minimum balance is \$3 million for the water reserve and \$2 million for the wastewater reserve. If the CPR reaches maximum levels, financial policy recommendations are brought to City Council for direction. To date, neither the water or the wastewater CPR has reached the maximum level (Current CPR balances: Water = \$14,433,696; Wastewater = \$3,480,745).

Another tool in the City's toolbox is the strategic use of debt to fund projects. For water and wastewater systems, many projects must be constructed in advance of their need. Historically the City has issued debt to construct large scale projects, such as the construction of the Northwest Water Treatment Facility, the Reclaimed Water Treatment Facility and the expansion of the Big Dry Creek Wastewater Treatment Facility. Debt funding has allowed the City to manage the rate impacts to current customers while ensuring future customers also pay their appropriate share.

The City is committed to providing high quality water service and reliable wastewater service to its customers at fair and affordable rates. City residents share this value as shown in their responses to recent City surveys. To provide this level of service, the water and wastewater infrastructure must be maintained for current customers and expanded for future customers. The utility funding shared between these customer groups through rates and tap fees must be distributed equitably. To the extent new development does not pay its fair share for impacts to the utility through tap fees, these costs are covered by existing customers through higher rates.

As Westminster becomes more fully developed and approaches buildout, the City will receive less tap fee revenue and will rely more heavily on rate revenues to fund all of its water and wastewater expenses. At the same time, an aging system will drive increases in maintenance expenses, and new state and federal regulations will require system improvements. Westminster will need to implement strategies to reduce the Utility's reliance on tap fees as the City approaches buildout.

By providing safe and reliable utility services to its residents, the City's financial policies support all five of the City's Strategic Plan goals: Strong, Balanced Local Economy; Safe and Healthy Community; Financially Sustainable City Government Providing Exceptional Services; Vibrant Neighborhoods in One Livable Community; and Beautiful and Environmentally Sensitive City.

Respectfully submitted,

J. Brent McFall  
City Manager



WESTMINSTER

## Staff Report

City Council Study Session Meeting  
April 21, 2014



SUBJECT: Living Wage Analysis

PREPARED BY: Debbie Mitchell, General Services Director  
Dee Martin, Workforce Planning and Compensation Manager

### Recommended City Council Action

This update is in response to City Council's request for information regarding 2014 pay classifications with pay ranges that fall, at least in part, below \$10.10 per hour. Staff is seeking City Council direction on whether to pursue establishing a minimum wage for all City employees of \$10.10 per hour.

### Summary Statement

- Maintaining a quality workforce is the engine for exceptional service delivery to the citizens of Westminster. A critical component to ensuring that the City maintains a quality workforce is by providing a competitive and comprehensive total compensation package.
- The City has 288 classifications in the five Exempt and Non-exempt Full Time Equivalent (FTE'd) pay plans which are Administrative Officer, Exempt, Non-Exempt General, Non-Exempt Police Sworn and Non-Exempt Fire Commissioned. Some employees filling these authorized FTE's work in a part-time benefited capacity. There are no FTE'd classifications paid below \$10.10 per hour with the lowest position, Library Shelver, currently paid \$10.47 - \$13.40 per hour. The next lowest paid 2014 FTE'd classification is Lead Lifeguard which is paid \$11.25 - \$14.41 per hour.
- Westminster has four pay plans for non-FTE'd classifications which include Golf Instructor, Emergency Relief, Seasonal and Hourly. There are 72 classifications within these four non-FTE'd pay plans. Employees within these pay plans receive an appointment to a temporary position (which may be on-going or for Instructor, Seasonal or Hourly staffing in a specific designated area). Most Instructor and Hourly employees work an intermittent schedule with no defined number of hours guaranteed. There are no classifications in the Golf Instructor or Emergency Relief Pay Plans with pay ranges under \$10.10 per hour. In 2014, there are five classifications in the Seasonal Pay Plan and 20 classifications in the Hourly Pay Plan with pay ranges falling under \$10.10 per hour. From a 2013 demographic review of the employees paid wages below \$10.10 per hour, 75% were under 25 years of age with 50% of those employees age 21 years old or younger.
- Historically, wages have been established for all City classifications based on market surveys with non-market benchmark classifications established through an internal equity review of job functions as well as the required knowledge, skills and abilities of the position.

**Expenditure Required:** \$150,000 plus cost associated with addressing pay compression issues

**Source of Funds:** General Fund

## Policy Issues

Should the City set wages to establish a ‘living wage’ minimum of \$10.10 per hour for all employees?

## Alternatives

Do not make a change to any classification based on a set minimum of \$10.10 per hour and continue to establish wages based on market and internal equity.

Establish a ‘living wage’ policy, which goes beyond market, to pay all classifications a minimum of \$10.10 per hour and direct staff to revise the pay plan structures in the 2015 Seasonal and Hourly Pay Plans to ensure no compression or equity issues arise from the minimum wage adjustment.

## Background Information

The Westminster Strategic Plan goal of maintaining a Financially Sustainable City Government Providing Exceptional Services includes a primary objective of maintaining a values driven organization by recruiting and retaining top talent. The City is committed to providing competitive pay as one of the elements of its comprehensive compensation package to help meet this primary objective. Pay rates for position classifications are established based on market analysis within the five FTE’d pay plans that include Administrative Officer, Exempt, Non-exempt General, Non-exempt Police Sworn and Non-exempt Fire Commissioned. There are no classifications in the 2014 Exempt and Non-Exempt Pay Plans that fall below \$10.10 per hour. The City has 918,741 authorized FTE’s in 2014 filled by full-time and part-time benefited employees working at least 20 hours per week.

In addition to the five FTE’d Pay Plans, the City has four pay plans for non-FTE’d classifications. The employees within these pay plans are considered temporary or hourly and are not eligible to receive benefits unless they meet the Affordable Care Act requirements of working a minimum of 1,560 hours annually. Staff manage temporary work hours to meet budgetary limitations as well as maintain benefited staffing allocations authorized by City Council. The four non-FTE’d pay plans include Golf Instructor, Emergency Relief, Seasonal and Hourly.

The Seasonal Pay Plan is used to supplement the regular workforce during the City’s designated season of April to October as allowed by the State. The City hires annually an average of 250 Seasonal Employees, with most working in Parks, Recreation and Libraries. There are five classifications with pay ranges, at least in part, paid below \$10.10 per hour within the 2014 Seasonal Pay Plan as listed:

S5	Gate Attendant	\$8.00 - \$8.55
S8	Outdoor Lifeguard	\$8.81 - \$10.13
S12	Summer Camp Aide	\$8.81 - \$10.13
S13	Summer Camp Leader	\$9.25 - \$10.64
S17	Seasonal Laborer	\$9.49 - \$10.47

The Hourly Pay Plan includes classifications with an Instructor and other Hourly staffing classifications. These employees receive an appointment to a temporary position, which may be on-going or indefinite and are hired to provide services on an hourly basis in a specifically designated area. Employees in this pay plan work an intermittent schedule with no defined number of hours or benefit eligibility as defined by the Personnel Policies and Rules. There are 20 classifications in the 2014 authorized Hourly Pay Plan with pay ranges, at least in part, below \$10.10 per hour as listed:

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H2	Golf Course Attendant Scorekeeper Student Trainee	\$8.00 - \$8.34
H3	Child Care Attendant Program Aide	\$8.00 - \$8.75
H4	Retail Shop Clerk Swimming Lesson Instructor Van Driver	\$8.39 - \$9.65
H5	Assistant Sport Coach Early Childhood Program Aide Lifeguard (Hourly)	\$8.81 - \$10.13
H6	Climbing Wall Attendant Field Trip Chaperone Guest Services Cashier Gym Monitor Martial Arts Instructor I Program Instructor I	\$9.25 - \$10.65
H7	Assistant Golf Professional (Hourly) Child/Teen Activities Instructor I Tot Activities Instructor (Non-licensed)	\$9.72 - \$11.17

Based on the hours worked by those same employees in 2013, the estimated cost to do a flat increase of all minimum wages to \$10.10 per hour would be \$150,000 with all of the budget impact absorbed within the temporary salary accounts in the General Fund. This adjustment only moves all ranges to a \$10.10 per hour minimum with no adjustments for potential compression issues with supervisors or internal equity based on job classification including required knowledge, skills and abilities or position responsibilities. This adjustment would be a move away from the City's historic wage setting philosophy based strictly on market and internal equity.

Providing competitive pay addresses Council's Strategic Plan goal of Financially Sustainable City Government Providing Exceptional Services by maintaining a value driven organization through talent acquisition, retention, development and management.

Respectfully submitted,

J. Brent McFall  
City Manager



WESTMINSTER

## Staff Report

City Council Study Session Meeting  
April 21, 2014



**SUBJECT:** Diversity Task Force or Commission

**PREPARED BY:** Debbie Mitchell, Director of General Services  
Dee Martin, Workforce Planning and Compensation Manager  
Marina Miller, Volunteer Coordinator

### Recommended City Council Action

Consider other municipal approaches to diversity commissions and direct staff on the possible formation of a similar Westminster citizen group. City Council directed Staff to gather information on boards, committees and task forces in other area municipalities as they consider the possibility of creating a task force, board or commission focused on diversity.

### Summary Statement

General Services Staff will be in attendance at Monday's Study Session to review their findings regarding other agencies initiatives related to increasing participation, inclusiveness and collaboration with all populations within the City. Many Front Range cities have established diversity councils or human services commissions. The charge of each citizen group is varied as is the structure and responsibilities of the boards. City Council direction and input is requested in the potential preparation of developing a Diversity task force, commission or board.

**Expenditure Required:** To Be Determined

**Source of Funds:** General Fund

## **Policy Issue**

Should City Council form a Diversity board, commission or task force, and if created, what should the objectives, scope of responsibility, structure and composition of the group be?

## **Alternatives**

City Council could determine that pursuing a Diversity Board Commission either is or is not a priority at this time.

## **Background Information**

City Council directed staff to research the possible formation of a Diversity Task Force or board or commission. Staff has investigated a variety of local approaches related to citizen involvement in council authorized groups related to diversity. Additionally, some research was done last year by City Staff in the Leadership Development program on civility initiatives around the country. Duluth/Superior, Minnesota has a model initiative encouraging citizen involvement and effective civil discourse. The following is a summary of commissions in the area as well as the Duluth/Superior, Minnesota, program and other related initiatives found in Dubuque, Iowa. Staff will be in attendance on Monday night to provide additional information on insights garnered from conversations with other agencies.

## **Front Range Human Relations Commissions**

- **Aurora: Human Relations Commission**

**Purpose:** To promote a mutual understanding and respect among all people, disseminate information and educational materials to eliminate prejudice, promote human relations, and investigate complaints of this nature.

- **Boulder: Human Relations Commission**

The function of the Human Relations Commission is to foster mutual respect and understanding and to create an atmosphere conducive to the promotion of amicable relations among all members of the Boulder community.

The Human Relations Commission strives to:

- ✓ celebrate and encourage understanding of the diversity of the city's population;
- ✓ encourage education programs with the potential to change ideas and attitudes;
- ✓ conduct research to define key issues in the community in order to suggest appropriate changes to ordinances and policies; and
- ✓ enforce the City of Boulder's Human Rights Ordinance that prohibits discrimination by serving as a quasi-judicial hearing board for human rights ordinance cases.

- **Denver: The Agency for Human Rights & Community Partnerships (HRCP) has ten (10) Commissions that serve as bridges between the Denver community, HRCP and Mayor Michael Hancock. The executive director reports directly to Mayor Hancock and assists in the interchange of information between the commissions and the Mayor. The commissions are:**

- ✓ Denver African-American Commission
- ✓ Denver Asian Pacific-American Commission



- ✓ Denver Commission on Aging
- ✓ Denver Gay, Lesbian, Bi-sexual, Transgender (GLBT) Commission
- ✓ Denver Immigrant & Refugee Commission
- ✓ Denver Latino Commission
- ✓ Denver American Indian Commission
- ✓ Denver Commission for People with Disabilities
- ✓ Denver Women's Commission
- ✓ Denver Office for Strategic Partnerships Commission

- **Agency for Human Rights & Community Partnerships**

**VISION:** We envision a unified city where capacities and partnerships have been built and leaders from city governments and all corners of our community are empowered and supported. This agency creates opportunities for innovation to take root in local government and throughout the community to impact local challenges. HRCP is the model of inclusiveness, recognizing that diverse perspectives, skills and resources strengthen the foundation for lasting solutions.

**MISSION:** Our mission is to proactively protect human rights, build capacities, and strengthen connections that result in stronger relationships in the community through collaboration, communication and advocacy.

HRCP addresses issues concerning:

- ✓ Older Adults
- ✓ Racial, ethnic and religious minorities
- ✓ Women
- ✓ People with Disabilities
- ✓ Gay, lesbian, bisexual and transgender individuals
- ✓ Immigrants and Refugees
- ✓ Neighborhood partnerships
- ✓ Nonprofit partnerships

HRCP is the umbrella agency for the following City staffed offices who serve as staff liaison and support to the commissions.

- ✓ Denver Office on Aging
- ✓ Denver Office of Disability Rights
- ✓ Denver Anti-Discrimination Office
- ✓ Denver Office on Women & Families
- ✓ Denver Office of Community Support
- ✓ Denver Office of Sign Language Services
- ✓ Denver Office of Strategic Partnerships
- ✓ Denver Office of Neighborhood Partnerships

- **Fort Collins: Human Relations Commission**

**Purpose:** The Human Relations Commission was established by City Council to promote the acceptance and respect for diversity through educational programs and activities, and to discourage all forms of discrimination based on race, religion, age, gender, disability, etc. The Commission often coordinates these efforts with other City boards and commissions, community groups and organizations. The Commission also oversees the Citizen Liaison Program, and

presents the annual Human Relations Award to recognize those citizens who have advanced the cause of human rights through their volunteer efforts.

- **Greeley: Human Relations Commission**

**Purpose:** Fosters mutual respect and understanding for the promotion of amicable relations amongst all members of the Greeley community.

- **Lafayette: Latino Advisory Board**

**Committee Overview:** The Latino Advisory reviews, acts upon and advises the City Council about the needs of the Latino community in Lafayette and how those needs can best be met. Their mission is "Promoting and encouraging Latino community engagement and civic involvement."

- **Lakewood: Advisory Commission for an Inclusive Community (ACIC)**

**Overview:** In 2007, the ACIC was established to serve in an advisory role to City Council, involving citizens more directly to provide public input on a variety of policy topics. The initial structure of the commission included 60 members and eight committees. In recent years the commission was reduced in size and the committees were consolidated with an executive board oversight. Staff liaison and support includes the City Clerk and one additional staff member.

The ACIC is made up of three committees consisting of 30 members. The ACIC researches, seeks input and makes recommendations on initiatives or issues from City Council identified projects or from ACIC grass roots initiatives. All ACIC meetings are open to the public and citizen participation is encouraged. The three committees of the commission are:

- ✓ Civic Awareness
- ✓ Neighborhoods
- ✓ Sustainability

- **Duluth/Superior, Minnesota:**

The communities of Duluth and Superior, Minnesota worked together on an initiative to increase civil discourse and to educate and reach agreement about how to maintain civility in challenging disagreements in the community. The campaign is called "Speak Your Peace" and many agencies within the community participated in the effort to educate on nine principles of civil discourse. They found that that the materials were adopted by the cities, schools and community. The effort increased diverse community engagement.

City Council has mentioned the desire to increase philanthropy as well as community collaboration in Westminister. Duluth/Superior formed a foundation focused on both of those goals. The Duluth Superior Area Community Foundation "promotes private giving for the public good. By fostering generosity, civic engagement and inclusiveness, we strive to be the leading force in regional philanthropy."

- **Dubuque, Iowa:**

**Community Foundation of Greater Dubuque**

Another initiative in Dubuque, Iowa, is called "Circles", a program that partners community members with others seeking to move out of poverty. This community also sponsors an initiative called "Inclusive Dubuque" and "Great Give Day". All the programs work to engage their entire diverse community in working together to make the community better.

These are just two community examples of potential initiatives a diversity board or commission might be charged with exploring.

City Council direction and input is requested with regard to the possible formation of a task force, commission or board. The mission, objectives, scope of responsibility, reporting responsibility as well as number and composition of members are a few key preliminary policy decision points needed to proceed. Most commissions investigated have advisory responsibility. Many were charged with convening the community, researching topics, doing needs assessments and reporting back to City Council. In Denver the commissions are also charged with convening community groups to encourage collaboration between non-profits, for profit and governmental agencies already mobilized in the area of need. Whatever the mission of the group, success hinges on clear focus, charge and direction in the formation of the group. The composition of the group is also critical in determining success. Other cities suggested that it was important not to have individuals with personal agendas on the commission because the focus of the boards or commissions were to listen and consolidate what the community identified as needs versus articulating their own vision or agenda. Staff looks forward to discussing the opportunities of a diversity group creation at the April 21, 2014 Study Session.

The investigation of the creation of a diversity-focused citizen group supports all of the City's Strategic Plan goals as it encourages increased community involvement from diverse sets of individuals in Westminster. This increased participation and discourse would lead to strategies and services more closely aligned to community needs across the whole population. A group of this sort would also serve as a vehicle for engaging a larger, more diverse group of citizens in activities focused on building a strong, supportive community.

Respectfully submitted,

J. Brent McFall  
City Manager