



## CITY OF ARVADA

### SUMMARY OF MINUTES OF THE MEETING OF THE ARVADA CITY COUNCIL HELD AUGUST 25, 2008

- I. **CITY COUNCIL MEETING: CALL TO ORDER:** Mayor Frie called the meeting to order at 5:30 p.m.
- II. **MOMENT OF REFLECTION AND PLEDGE OF ALLEGIANCE**
- III. **ROLL CALL OF MEMBERS:**

Those Present: Mayor Bob Frie, Mayor Pro Tem Lorraine Anderson, Councilmember Don Allard, Councilmember Bob Dyer, Councilmember Mark McGoff

Mayor Pro Tem Anderson moved to excuse Councilmembers Aaron Azari and Marc Williams.

The following votes were cast on the motion:

Those voting Yes: Frie, Anderson, Allard, Dyer, McGoff

Absent: Azari, Williams

The Motion was approved.

Also present were: Craig Kocian, City Manager; Bill Ray, Deputy City Manager; Chris Daly, City Attorney; Maria VanderKolk, City Manager's Office; and Christine Koch, City Clerk.

- IV. **APPROVAL OF MINUTES OF THE AUGUST 18, 2008 CITY COUNCIL MEETING**

The minutes stand approved as submitted.

- V. **PUBLIC COMMENT ON ISSUES NOT SCHEDULED ON AGENDA - None**

- VI. **STUDY SESSIONS**

- A. **Pay Plan Alignment**

Craig Kocian, City Manager, said the last pay plan study and realignment was in 2004 and over the years some mis-alignment has occurred. He said Jo Mattoon, Director of Human Resources, would present this study session.

Ms. Mattoon said she is going to talk about the process, even though specific outcomes for employees are not yet known. She reviewed the history of the pay plan and said these changes this year will not be nearly to the extent as in 2003. She said the philosophy is that the City will look at a total compensation package including pay and a range of benefits. She said the City believes

by having good pay and benefits we are able to recruit top candidates. Ms. Mattoon said some of the biggest changes in 2004 included looking at positions and the pay based on what the market pays for comparable work as opposed to comparing positions internally. She said the organization updated all job descriptions for all positions and the Human Resources staff went out and looked at materials from companies who publish job descriptions and matched them up. She said it would be impossible to get 100% matches because some positions just don't have a match. She said 70 to 80% of our positions are connected to data on positions from the market place. For those that weren't, they found an internal position that had similar level of knowledge, skills and abilities.

Ms. Mattoon said another change was to pull the actual salary that was paid from the market data rather than just the range. She said many organizations have a range that doesn't really reflect what they actually pay their employees. She said also we get this data from these companies every year and update them, rather than do it once every three years. She said previous to 2004 they were also only comparing to other public sector organizations but now we compare to public and private sector, when appropriate.

Ms. Mattoon said the fourteen comparison cities are Aurora, Boulder, Broomfield, Colorado Springs, Englewood, Fort Collins, Greeley, Greenwood Village, Lakewood, Longmont, Loveland, Northglenn, Thornton, and Westminster. She said they were chosen because they met our philosophy of being leaders in pay, they had comparable budgets and they are on the front range.

Ms. Mattoon said pay plans do have life spans of 5-7 years and we are now at the 5 year mark. She said positions have gotten out of alignment because of the changes in the market. She explained the various job families and the pay grades within those families. She demonstrated how the salaries for some positions within a job family may have moved faster over the past few years, some may have stayed the same, and some may have gone down.

Ms. Mattoon said this year's project is just to resort the positions so that they are in the proper pay grade. She said the technical part of the work is easy, but there will be an impact on the positions with a number of outcomes. She said some employees will see an increase in pay and earning potential. Some will stay the same and some will lose earning potential, but still get an increase. She said some are currently paid higher than their new pay grades' maximums and their pay will be frozen until the market catches up. She said she doesn't know how many will be frozen yet but she is estimating about one-quarter to one-third. She said they have also done some analysis of how long they think people will be frozen and they think about two-thirds of those who have their pay frozen will be frozen for one year. She said no one will have his or her pay cut as a result of this project. She said if a position ends up in a lower grade and the person's current salary is above the new grade maximum, his or her pay will be frozen until the grade catches up. If a position is moved to a higher paying grade, the person gets an increase that is closest to a 3% increase from current pay, but not over the maximum of the grade.

Ms. Mattoon said there are some brutal facts that employees are going to have to face. She said health insurance costs continue to climb and premiums will be higher in 2009 and some out-of-pocket costs will be more expensive. Also, while some positions are frozen, the market for other positions are moving forward at a fast pace and will probably see sizable increases in 2009. She said both of these items are going to make it difficult for employees.

Ms. Mattoon reviewed the upcoming process. She said employee meetings are set to discuss the project with them and then her office will use September and early October to do the technical

work. Supervisors will be given data sheets for employees on the afternoon of October 21 and will share those outcomes with employees before October 31. She said Council action is scheduled for November 3 and changes will be seen in paychecks on January 2, 2009. She said we can expect changes similar to this every year from now on.

She said this is a project we really do have to do. The plan is out of alignment with the market; we need to pay appropriately while also being good stewards of the citizens' funds; and we know it isn't easy.

In response to a question, Ms. Mattoon said the city pays 80% of the health care premium and the employee pays 20%. Ms. Mattoon said they also survey the fourteen comparison cities and look at their benefits package, co-pays, premiums, etc.

#### VII. CITY COUNCIL REPORTS

- A. Mayor Pro Tem Anderson discussed the Gold Line report.
- B. Mayor Pro Tem Anderson also discussed the Department of Energy's website and their need for engineers.
- C. Mayor Pro Tem Anderson said movie night in Olde Town had a really good turnout and was a lot of fun.
- D. Mayor Pro Tem Anderson said she has questions about the Compliance Report from the Arvada Fire Protection District.
- E. Mayor Pro Tem Anderson said the lights on 58<sup>th</sup> are not working right and with the paving now done past Kipling, the lights should be fixed.
- F. Councilmember Dyer reported on the meeting with the neighbors at The Ridge at Harvest Lane. He said Aurora has a process set out for dealing with group homes and he handed out a copy to City Council. He said he thought our ordinance could be tweaked. Mr. Dyer said the owner and the neighbors have worked out some of their problems and it would be nice to have a process in place. He asked staff to look at the combination of what we already have and what Aurora has along with building a database of information on the homes.
- G. Councilmember Allard said he is concerned until we decide if the JPPHA is feasible, he wants to spend a minimal amount of money. He said he will oppose any actions until Council gets some assurance that this project is feasible.

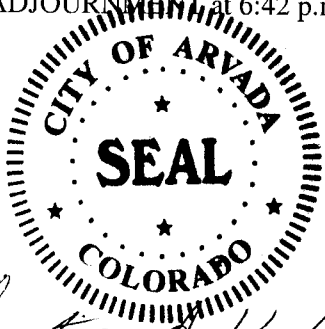
#### VIII. CITY MANAGER REPORTS

- A. Craig Kocian asked City Council to look over the tentative agenda for the budget retreat.
- B. Mr. Kocian asked if all Council Members had everything they needed for the joint meeting tomorrow evening with the Apex Board.

Mayor Pro Tem Anderson asked for staff to find out how many preschool programs Apex runs, where they are located, are they connected with Head Start, and why that is their

mission. She said it would also be helpful to know if any of the fees the youth pay offset the scheduling and field set-up cost.

- IX. CITY ATTORNEY REPORTS – None
- X. PUBLIC COMMENT LONGER THAN THREE MINUTES - None
- XI. ADJOURNMENT at 6:42 p.m.



SEAL:

*Christine A Koch*  
Christine A. Koch, City Clerk

*Robert G. Frie*  
Robert G. Frie, Mayor