

June 4, 2013

The City Council of the City of Fort Morgan, Colorado, met this day in the Council Chambers of City Hall. The Honorable Mayor Terry L. McAlister called the regular meeting to order at 6:00 p.m.

The Pledge of Allegiance was given.

Roll Call: Present: Honorable Mayor Terry L. McAlister
Councilmember Scott Bryan
Councilmember Christine Castoe
Councilmember Debra J. Forstedt
Councilmember Lisa Northrup
Councilmember Joe Segura Jr.
Councilmember Ronald Shaver

The meeting was also attended by City Manager Jeff Wells, Municipal Engineer Brad Curtis, Community Development Director David Callahan, Human Resources/Risk Management Director Michael Boyer, City Treasurer Jean Kinney, Water Resources/Utilities Director Brent Nation, Recreation Coordinator Jane Perkins, FMPD Lt. Darin Sagel, Director of Library/Museum Services Jody Hungenberg, Parks Superintendent Doak Duke, Sanitation Superintendent Bob Evins, Wastewater Superintendent Mike Hecker and City Clerk/PIO John Brennan.

REQUEST FOR FEE WAIVER/DONATION OF IN-KIND SERVICES FOR THE GLENN MILLER SWINGFEST

Recreation Coordinator Jane Perkins explained the request for the waiver of fees related to this annual community event, which were valued at \$2,000. Perkins said the event had grown in recent years and brought many people to the city.

Councilmember Debra Forstedt offered a resolution to waive the fees and donate in-kind services as requested. That resolution was seconded by Councilmember Ron Shaver and approved unanimously.

REQUEST FOR FEE WAIVER/DONATION OF IN-KIND SERVICES FOR BOBSTOCK

Perkins reviewed the request for this annual free music festival held in City Park, for which fees had been waived in the past. The waiver and donation of services appeared higher this year, Perkins said, because the manpower for police patrol and security had been calculated for the first time this year. The total requested was \$5,975.

Councilmember Scott Bryan offered a resolution approving the waiver of fees and donation of in-kind services as presented, which was seconded by Councilmember Lisa Northrup and approved unanimously.

PRESENTATION ON 2013 MOSQUITO CONTROL PROGRAM

Parks Superintendent Doak Duke introduced Joe Cox of OtterTail Environmental, who conducted a PowerPoint presentation on the mosquito control program the company would conduct during the summer of 2013.

PRESENTATION OF PROPOSED REVISIONS TO CHAPTER 2, "ADMINISTRATION," OF THE FORT MORGAN MUNICIPAL CODE (2010)

City Manager Jeff Wells reviewed the process of revising the municipal code and the direction given by council regarding this chapter of the code after a presentation earlier in 2013. Wells, Assistant City Attorney Jason Meyers and City Clerk/PIO John Brennan noted certain highlights of the proposed changes, and asked for further council direction on a couple of policy issues identified during the city staff review of Chapter 2. These included whether to allow Municipal Court offenders to "buy out" Useful Public Service time they receive as part of sentences, by making monetary donations to nonprofit organizations for which they would otherwise do community service work; and the level of emergency spending the mayor should be authorized to approve.

Council and staff discussion of these issues followed. Council directed staff to include the possibility of UPS buyouts with the per-hour rate to be set by the council in its annual approval of the citywide schedule of fees, and to report back to the council on rates being charged by other courts. Council also directed Wells to gather information on the emergency spending levels recommended by emergency management experts and other government agencies, and report back to the council on that matter.

No action was taken.

REVISIONS TO THE BYLAWS OF THE LIBRARY ADVISORY BOARD

Wells introduced Jody Hungenberg, director of library and museum services, who reviewed the proposed changes to the bylaws. Most pertained to outdated or obsolete information, and the most significant proposed change was to allow several board members to reside outside the city, Hungenberg said. Meyers and Wells pointed out that the revisions also streamlined and simplified the bylaws, and deleted references to library board authority in areas such as hiring and budgeting.

In answer to a question, Hungenberg said the revisions called for a majority of the seven board members to be city residents, which would mean a maximum of three could be non-residents who would still have to be residents of the library's service area and library cardholders in good standing. Councilmember Northrup said the change would help fill vacancies on the board, noting that the library board had turned down several potential applicants who did not meet residency requirements even though the board had vacancies.

Discussion followed about non-resident members on other city boards and commissions.

Councilmember Christine Castoe offered a resolution to accept the proposed revisions to the Library Advisory Board bylaws as presented, which was seconded by Northrup and approved unanimously.

RESOLUTION APPROVING TRANSFER OF CONTROL OF THE CABLE FRANCHISE

Wells said this was a standard measure taken whenever the cable TV franchisee in the city changed hands, which had happened several times in recent years. The city had been notified that the franchisee had been sold from Cablevision/Optimum to Charter Communications, and this resolution would authorize that transfer of control.

Councilmember Ron Shaver offered a resolution to approve the Resolution approving the transfer of control of the city's cable franchise, which was seconded by Bryan and approved unanimously.

RESOLUTION AUTHORIZING THE MAYOR TO SIGN AN ADDENDUM TO THE EMERGENCY INTERCONNECTION AGREEMENT WITH THE MORGAN COUNTY QUALITY WATER DISTRICT

Water Resources/Utilities Director Brent Nation noted that the city and the MCQWD had entered into an intergovernmental agreement a couple of years earlier to establish interconnections between the two water systems that would help each entity in the event of an emergency such as a water line break. The time had now come to construct the last of those tie-ins and that required an addendum to the original IGA, Nation said.

Councilmember Forstedt offered a resolution to approve the Resolution authorizing the mayor to sign the addendum, which was seconded by Shaver and approved unanimously.

BIDS FOR UV DISINFECTION SYSTEM AT THE WASTEWATER TREATMENT PLANT

Nation reviewed the bid process for this purchase, which was needed to replace failing equipment that is part of the city's sewage treatment process. He said the company that came in with the lowest bid had provided some of its equipment to the city for a trial the preceding year, and would also be able to customize its equipment to fit the city's facility, which would greatly reduce installation costs.

Councilmember Bryan offered a resolution to accept the low bid for UV equipment from ENAQUA at a cost not to exceed \$78,000. That resolution was seconded by Forstedt and approved unanimously.

BIDS FOR A TANDEM AXLE REFUSE TRUCK AND A PAK-MOR HLR 29 REFUSE UNIT FOR THE SANITATION DEPARTMENT

Sanitation Superintendent Bob Evins reviewed the bidding process for this equipment, which included a truck chassis and a garbage truck body to be mounted on the truck, with a trade-in of the old compaction body being replaced.

Northrup offered a resolution to accept the bid of \$87,475 from McCandless International of Aurora, Colo., for the International 7400 truck chassis, and accept the bid of \$93,275 from American Transportation of Commerce City for the HLR 29 compactor, minus a \$15,550 trade-in allowance, for a total bid of \$77,725, with the total cost for both pieces of equipment not to exceed \$165,200. That resolution was seconded by Bryan and approved unanimously.

BIDS FOR EMMCO 3-YARD SANITATION CONTAINERS FOR THE SANITATION DEPARTMENT

Evins reviewed the bid process for this purchase and recommended accepting the low bid for unit pricing of these containers.

Northrup offered a resolution to purchase up to 75 3-yard sanitation containers from Kois Brothers Equipment of Commerce City at a cost of \$523 each. That resolution was seconded by Shaver and approved unanimously.

RESOLUTION CALLING FOR A GENERAL MUNICIPAL ELECTION TO BE HELD IN CONJUNCTION WITH THE NOV. 5, 2013 MORGAN COUNTY COORDINATED ELECTION AND APPROVAL OF THE DRAFT 2013 ELECTION CALENDAR

Brennan explained that the regular city election was scheduled for November and this resolution would formally call that election and state that the city would participate in the coordinated

election conducted by Morgan County. Approval of the resolution would trigger the development of an intergovernmental agreement with Morgan County that would come back for approval later, he said. Brennan also reviewed some highlights of the election calendar presented for approval, including the dates during which nomination petitions could be circulated, and noted that three council seats and the mayor position would be on the ballot.

Shaver offered a resolution to approve the Resolution calling for the General Municipal Election to be held in conjunction with the Nov. 5, 2013 Morgan County Coordinated Election, and to adopt the election calendar. That resolution was seconded by Forstedt and approved unanimously.

FIRST READING AND PUBLIC HEARING OF AN ORDINANCE REZONING PROPERTY AT 514 AND 516 EUCLID STREET AND REVISING THE CITY ZONING DISTRICT MAP

Mayor McAlister reviewed the format to be followed for the public hearing, and Brennan confirmed that proper legal notice of the hearing had been published. Wells explained that the rezoning was necessary because the purchaser of the property wanted to convert it to a four-plex, which it had been in the past. Applicant Marvin Schroeder of Gateway Realty said he believed the proposed use fit well with the neighborhood and asked for council approval.

No public comments were made during the hearing, and Brennan said none were received through his office in advance.

Community Development Director David Callahan presented a PowerPoint slide show with maps and photographs of the property and the surrounding area, and said the city Planning Commission had heard this case the previous evening and unanimously recommended approval.

Bryan questioned why the new zoning was for business use when the adjacent properties were residential, and Callahan said the city comprehensive plan had for years identified this area as suitable for commercial zoning. Callahan said the likelihood of developing a commercial use on the property was very low because of the size of the lot and parking requirements, and the applicant said he would be satisfied with residential zoning that would permit a four-plex.

Forstedt made a motion to close the public hearing, which was seconded by Shaver and approved unanimously.

Wells explained that the council would be acting in a quasi-judicial capacity in deciding whether to approve this rezoning based on the evidence presented at the hearing.

Northrup offered a resolution to approve the first reading of an ordinance rezoning property at 514 and 516 Euclid Street from Medium Density Residential (R-2) to Mixed Use Business (B-1) and for said purpose revising and supplementing the Zoning District map of the City. That resolution was seconded by Shaver and approved unanimously.

PRESENTATION AND DISCUSSION REGARDING CITY ELECTRIC AND GAS RATES AND THE IMPACT OF THE MUNICIPAL ENERGY AGENCY OF NEBRASKA RATE INCREASE AND POTENTIAL SETTLEMENT

Wells outlined rate increases that had been implemented by MEAN, which totaled between 22 and 24 percent over the last three years, and said those would obviously impact the city's electric rates. He said a new rate analysis had found the city was paying more for electric power than it was charging so city staff was recommending an increase in electric rates of about 8 percent beginning July 1.

Wells also explained that a legal situation involving MEAN and a regional power transmission company left MEAN facing a potential settlement liability of \$6 million, which would be passed on to MEAN members and would cost the city an estimated \$500,000. Wells said many details of this legal case had not been revealed by MEAN officials despite Wells' numerous requests,

but the settlement represented a substantial cost to the city and caused Wells great concern about how MEAN was managed.

Wells said the MEAN board of directors had decided to pay the settlement over five years and city staff recommended paying the city's share of the eventual settlement out of electric fund reserves, rather than adding the monthly increments to customer bills.

Wells then told the council that staff would also recommend a decrease in gas rates of about 12 percent, also to be effective July 1, because of over-recovery of costs in the gas fund.

Discussion followed about the city's contract with MEAN, which Wells said had more than 17 years remaining. Council members commended Wells for questioning MEAN officials about these issues and directed him to keep pursuing these matters.

No action was taken.

2014 BUDGET CALENDAR – PRESENTATION OF COUNCIL GOALS AND STAFF ASSIGNMENTS FOR 2014 BUDGET

Wells briefly reviewed a list of Council goals that came from a February budget retreat and noted about a dozen of the goals that had been identified as budget items that would be built into the 2014 budget.

Some discussion followed, and McAlister said members of the council could bring forth other ideas and projects as the budget was developed in coming months.

No action was taken.

PRESENTATION ON SUSTAINABILITY OF PAY AND BENEFITS

Wells reviewed a PowerPoint presentation that included analysis of trends in revenues as well as costs for such things as salaries, health care, pensions, Medicare and other employee costs. He said the city staff was working to find ways to make the city's pay and benefits sustainable for the long term, and Wells made a number of recommendations for possible courses of action but emphasized that no decisions had been made on these issues.

Council gave Wells direction to continue to investigate the issue of sustainability, and no action was taken.

CONSENT AGENDA BY RESOLUTION

Brennan presented the Consent Agenda for Council consideration, as follows:

CONSENT AGENDA

- A. Second reading and possible final approval of Ordinance No. 1137, Annexing to the City of Fort Morgan that area known as the Fort Morgan Farms Annexation
- B. Second reading and possible final approval of Ordinance No. 1138, Establishing a zoning district in and upon lands annexed to the City of Fort Morgan, Colorado, and for said purpose revising and supplementing the Zoning District map of said City
- C. Approval of the minutes of the May 21, 2013 City Council regular

Forstedt offered a resolution to approve the Consent Agenda as presented, which was seconded by Shaver and approved unanimously.

PUBLIC COMMENT / AUDIENCE PARTICIPATION

None.

EXECUTIVE SESSION

The regular portion of the meeting concluded at 9:30 p.m., and McAlister said the council would move to a scheduled executive session. Forstedt made a motion to convene the session, which was seconded by Bryan and approved unanimously.

The executive session had been published as follows:

EXECUTIVE SESSION for discussion of a personnel matter under C.R.S. Section 24-6-402(4)(f) and not involving: any specific employees who have requested discussion of the matter in open session; any member of this body or any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees; AND THE FOLLOWING ADDITIONAL DETAILS ARE PROVIDED FOR IDENTIFICATION PURPOSES: City Manager evaluation.

The executive session began at 9:41 p.m. and concluded at 10:12 p.m., and was attended by the mayor and council members along with City Manager Jeff Wells. Following the executive session the council returned to the open meeting, where Councilmember Forstedt reported that the council had met in executive session to conduct the City Manager's evaluation, and would continue that evaluation in an executive session at a special meeting to be held on Tuesday, June 25, at 6:00 p.m. at City Hall.

No motion was made.

Mayor McAlister adjourned the June 4, 2013 regular meeting at 10:13 p.m.

/s/ Terry L. McAlister
Mayor

/s/ John J. Brennan
City Clerk