

September 17, 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, Water Resources/Utilities Director Brent Nation, City Treasurer Jean Kinney, Human Resources/Risk Management Director Michael Boyer, Community Services Director Josh Miller, Assistant City Attorney Jason Meyers and City Clerk/PIO John Brennan.

PRESENTATION AND POSSIBLE ACTION ON PRIMARY HEALTH CARE PROVIDER AND WELLNESS INITIATIVE

City Manager Jeff Wells reviewed the city's increased costs for health care and said the city could not continue in that direction without making changes. Human Resources/Risk Management Director Michael Boyer introduced Shawne Cihak of HUB International, the city's insurance broker, who said the city's cost increases were not sustainable and reviewed some statistics about the health risks of the city employee population. She said the city looked at capitated clinics, on-site clinics and robust wellness programs as possible solutions, and issued an RFP for providers to fulfill these services. The five providers who submitted bids were narrowed to two: Paladina Health, and Gateway Health with Colorado Plains Medical Center. Those providers would make presentations in the next few weeks to the city's wellness and benefits committee, Boyer said.

Karen Hjerleid, vice president of national business development for Paladina, and Dr. Kristianna Roberts, D.O., a physician with the company, reviewed the company's model and philosophy in detail and answered several council questions about their programs and advantages over traditional care.

CPMC representative Brenda Shelton then spoke briefly about the local hospital's proposal in partnership with Gateway and answered council questions. Boyer said staff was not looking for council action at this meeting but would continue examining the alternatives and getting feedback from employees on the proposals and would come back to the council with a proposal in about a month. No action was taken.

PRESENTATION AND POSSIBLE ACTION ON PROPERTY/CASUALTY AUDIT

Boyer introduced Nick Ross of HUB international, who explained the analysis the broker had done of the city's property/casualty coverage with CIRSA and the workers' compensation plan with Pinnacol Assurance. Ross said the city was in a very good position with these carriers and others were not eager to try to compete with these organizations, so the recommendation was to stay with CIRSA and Pinnacol.

No formal action was taken.

PRESENTATION AND POSSIBLE ACTION ON RFP FOR INVESTMENT SERVICES

City Treasurer Jean Kinney explained the reasons for seeking an investment advising firm and the process used to solicit proposals and screen the bidders, which was done by a committee of staff, council and the public. She said two finalists were then given specific questions by the city and came back to do second presentations to the committee, and the decision of the committee was that the PFM Asset Management Group would be the best for the city.

Councilmember Ron Shaver offered a resolution to authorize the mayor to sign an agreement with PFM Asset Management Group as the city's investment adviser, which was seconded by Councilmember Deb Forstedt and approved unanimously.

UPDATE ON STORMWATER FEE FEASIBILITY STUDY

Municipal Engineer Brad Curtis reviewed the background on this issue including the recommendation of a stormwater ad hoc committee that led to the feasibility study. He said staff was not seeking approval at this point but wanted to provide an update and get general direction from the council on how the process was proceeding.

Brian Zick of Farnsworth Group and Adam Orens of BBC Research & Consulting reviewed a PowerPoint presentation that outlined the various alternatives for dealing with stormwater and ways of assessing costs and raising revenue to make the necessary capital improvements to manage stormwater. They said the study was largely focused on the creation of a stormwater utility, which had been the recommendation of the ad hoc committee.

Curtis then explained that the city staff was still examining all options, including creation of a utility and also other ways to do smaller stormwater improvement projects over time using general fund and capital improvement money.

The council consensus was for the staff to continue in the direction it was heading, and no formal action was taken.

BIDS FOR RAILROAD QUIET ZONE #1 CONSTRUCTION

Curtis reviewed the history of the city's quiet zone efforts and the bid process for this construction, which would complete the needed improvements to the remaining four railroad crossings in and near the city and allow the establishment of quiet zones there. Staff was recommending acceptance of the one bid it had received for the construction and additional approval of expenses related to city work on pavement markings and the use of BNSF Railway flaggers during the project.

Councilmember Scott Bryan offered a resolution to accept the bid from KECI Colorado Inc. of Sedalia in the amount of \$178,366.50 to construct Railroad Quiet Zone #1, and to approve additional expenses of approximately \$11,250 for the Streets Department to apply pavement markings and an estimated \$8,000 for the services of BNSF flaggers, with the total expenditure not to exceed \$205,000. That resolution was seconded by Forstedt and approved unanimously.

RESOLUTION AUTHORIZING THE MAYOR TO SIGN AN EXTENSION OF THE RIVERSIDE IRRIGATION CO. WATER LEASE

Water Resources/Utilities Director Brent Nation said this lease had been in place for many years to supplement the city's water supply, and because the construction of the Northern Integrated Supply Project had been delayed it was necessary for the city to continue leasing the extra water.

Councilmember Ron Shaver offered a resolution to authorize the mayor to execute an addendum to the amended lease agreement with Riverside Irrigation and the Morgan County Quality Water District. That resolution was seconded by Councilmember Christine Castoe and approved unanimously.

The mayor then called for a short recess of approximately 10 minutes.

2014 BUDGET CALENDAR – REVIEW OF THE OVERALL 2014 PRELIMINARY BUDGET INCLUDING REVENUES

Wells noted that the city staff and council had been working on the 2014 budget since July and looking at proposed expenditures for every single department, and now he wanted to highlight the revenue projections for 2014. Wells went through the revenues which he said were based on conservative estimates. He also said that because revenues were projected to be able to cover an earlier staff proposal to use approximately \$180,000 to bring all employees up to market salary minimums, the use of reserves for that purpose was no longer being proposed.

After discussion of the golf fund transfer, Wells concluded that the proposed 2014 budget would be balanced with approximately \$500,000 left over. He then went through enterprise funds individually, and Wells and Curtis noted a change in requests for the use of some money from the Capital Improvement Fund for the Streets Department.

Wells said he appreciated the council's patience with the detailed examination of the budget over several months, and all of the work of staff and managers who prepared the budget and made presentations to the council. He said staff would bring back a final draft of the budget for formal presentation to the council on Oct. 1 in accordance with the charter. No formal action was taken.

CONSENT AGENDA BY RESOLUTION

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

CONSENT AGENDA

- A. Approval of the Disbursements and Payroll for August
- B. Approval of the minutes of the Sept. 3, 2013 City Council regular meeting

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

PUBLIC COMMENT / AUDIENCE PARTICIPATION

Don Jones of 325 W. Platte Avenue spoke to the council about his recent personal experience with city code enforcement officers and others pertaining to a sign code issue with an election campaign sign. Jones said he had received a warning notice from a code enforcement officer from the tenant of his property, which had been posted there by the officer and said the sign was in violation of city codes and Jones would have one day to remove the sign or be subjected to a \$1,000 fine. He said the officer had taped the warning to the front door of the residence with electrical tape, which he said was inappropriate. He described his reasons for this belief as well as other similar instances he had heard about, and said the officer should be dismissed or disciplined and Jones deserved an apology. He expressed disappointment in how the city handled the incident and said he had circumstantial evidence that led him to believe the incident was spurred by a complaint that was politically motivated.

Wells apologized to Jones on behalf of the city and said he would be working with Interim Police Chief Darin Sagel to resolve these issues.

REPORTS BY OFFICIALS AND STAFF

Wells reviewed the events of the preceding weekend, when the South Platte River flooded due to extended heavy rains in the Front Range area and led to an emergency and disaster declaration for the city and Morgan County along with many others. Wells showed photographs of the incident and response including many pictures of damage in Riverside Park, which was severely flooded and sustained major damage. He thanked all city employees as well as the council members for their efforts and support during the incident.

BIDS, MEETINGS AND ANNOUNCEMENTS

Brennan announced upcoming meetings, and reminded the public that Riverside Park would be closed indefinitely and to avoid debris piles accumulating in certain parts of town in the aftermath of the floods.

Mayor McAlister adjourned the September 17, 2013 regular meeting at 9:59 p.m.

/s/ Terry L. McAlister

Mayor

/s/ John J. Brennan

City Clerk