

January 21, 2014

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 Christine Castoe
Councilmember Kevin Lindell
Councilmember Damon Mussman
Councilmember Lisa Northrup
Councilmember Joe Segura Jr.
Councilmember Ronald Shaver

The meeting was also attended by City Manager Jeff Wells, Police Chief Darin Sagel, City Treasurer Jean Kinney, Human Resources/Risk Management Director Michael Boyer, Community Services Director Josh Miller, Assistant City Attorney Jason Meyers, Fire Chief Erik Christensen, Fire Marshal D.J. Eicher and City Clerk/PIO John Brennan.

OATH OF OFFICE FOR COUNCILMEMBER CHRISTINE CASTOE

Mayor Terry McAlister administered the oath of office to Councilmember Christine Castoe, who had been unable to attend the previous week's meeting.

PRESENTATION OF 2014 BUDGET BOOKS TO COUNCILMEMBERS

City Manager Jeff Wells explained the format of the budget books, which contained the complete 2014 city budget as well as information on the city's financial status.

QUARTERLY PRESENTATION BY MORGAN COUNTY ECONOMIC DEVELOPMENT CORP.

MCEDC Executive Director Cassandra Wilson reviewed the activities of the organization since her last visit to the council, and outlined plans for the coming year including MCEDC's goals and areas of focus. She said she met regularly with Wells and had developed a good working relationship with city staff. Wells noted that Wilson took a team approach to her efforts in conjunction with the city and he appreciated the relationship between the two entities.

No council action was taken.

PRESENTATION AND POSSIBLE ACTION ON A STIPULATED AGREEMENT FOR RESOLUTION OF VIOLATIONS BY THE LICENSEE OF THE QUEEN LOUNGE

Councilmember Castoe announced she would recuse herself from this agenda item due to a potential conflict of interest, and left the room.

Wells reviewed the background on this issue, which had included an earlier stipulated agreement and fine held in abeyance, followed by additional alleged violations. The council had scheduled a show cause hearing for possible suspension of the liquor license of the Queen Lounge for Feb. 4, and in the meantime the city staff had worked with owner Keith Lehman on an agreement to resolve the issues without a hearing.

The agreement presented at this meeting called for the payment of \$3,000 in additional fines that had been held in abeyance in the earlier agreement with Lehman, and Lehman also agreed to transfer ownership of the establishment within 90 days or face the possible suspension of the license and other sanctions. Wells reminded the council that it had approved an application for transfer of ownership earlier in January which was now pending with the state Liquor Enforcement Division. Wells said the council could accept this latest agreement and forego the show cause hearing, or go forward with that hearing to hear evidence and testimony about the latest alleged violations.

Council discussion followed regarding the pros and cons of each option. Some council members expressed a desire to go forward with the hearing to hear all evidence and to send a strong message to other liquor licensees about the serious nature of such violations. Others felt the outcome would essentially be the same even if a hearing were held, as the owner was already being required to give up the business as punishment, and little would be gained by conducting the hearing.

Councilmember Kevin Lindell made a motion to accept the proposed agreement, which was seconded by Councilmember Ron Shaver and approved on a vote of 6-0, with Castoe having stepped down. Castoe then returned to the meeting.

FORT MORGAN VOLUNTEER FIRE DEPARTMENT ANNUAL REPORT

Fire Chief Erik Christensen and Fire Marshal D.J. Eicher reviewed statistics and activities of the fire department during 2013, and answered council questions. McAlister then read a letter he had received the preceding week from the president of the local AARP chapter, praising Eicher for a presentation he gave at the senior center about the purpose and use of the automated external defibrillator at the center. McAlister and Wells complimented the fire department and its volunteers and noted how much money a volunteer department saved the city.

No council action was taken.

BIDS FOR BOOKS AND LIBRARY MATERIALS

Community Services Director Josh Miller reviewed the bidding process for this item, which had been done annually in the past but for which staff was recommending a three-year agreement in this case. Staff recommended awarding the contract to Ingram Library Services of LaVergne, Tenn., for a three-year period, noting that the library had purchased books and other materials through Ingram for 12 years.

In response to council questions, staff members clarified that these bids were not for a set amount of expenditure but for the percentage discount off list prices that each supplier would offer, and that subsequent years after the initial year of any agreement would be subject to council appropriations through a standard TABOR stipulation in the contract.

Castoe offered a resolution to accept the bids from Ingram Library Services, which was seconded by Councilmember Lisa Northrup and approved unanimously.

BIDS FOR WELLNESS PORTAL AND HEALTH COACHING SERVICES

Wells noted that city staff had been working to promote wellness initiatives among city employees to reduce health care and self-insurance costs. Human Resources/Risk Management Director Michael Boyer described the proposal for online wellness incentive tracking and face-to-face and telephone coaching on wellness issues. Boyer said the program being recommended, by Health Promotion Management Inc. of Boulder, would be more robust than past programs and the hope was that it would help offset self-insurance expenditures and reduce the city's costs.

Northrup offered a resolution to accept the bid from HPMI for wellness portal and health coaching services, which was seconded by Castoe and approved unanimously.

DISCUSSION AND POSSIBLE ACTION ON WORKERS' COMPENSATION INSURANCE

Boyer reviewed the basis for a sharp increase in workers' compensation insurance premiums for 2014, which was due to a favorable past year dropping off the calculation of premiums and a new and unfavorable year being added to the formula. He said he could not foresee this estimated \$66,000 increase, and after receiving it had asked the city's insurance carrier for new quotes based on higher deductibles. Boyer recommended raising the city's deductible for workers' compensation claims from \$2,500 to \$5,000, which would bring the city's estimated premiums much closer to the budgeted amount.

Wells and Boyer noted that 2013 had been an outstanding year for workers' comp claims, with a reduction of about 60 percent compared to the prior year, which they credited to the city's strong emphasis on safety including weekly safety meetings for all staff. They said this effort would continue and they expected the cost of worker's comp to improve in future years as a result.

Councilmember Damon Mussman offered a resolution to accept the proposal to increase the workers' compensation deductible to \$5,000, bringing the city closer to its budgeted amount for workers' compensation premiums. That resolution was seconded by Shaver and approved unanimously.

RESOLUTION AUTHORIZING THE MAYOR TO SIGN A LETTER OF SUPPORT FOR A GOCO GRANT

Wells said the city was preparing to apply for a grant from Great Outdoors Colorado, to help with the costs of rebuilding the baseball fields in Riverside Park that had been destroyed in the September floods. He said it was unclear whether Federal Emergency Management Agency disaster relief funds could be coupled with these grant monies on the project, so the city's financial obligation was uncertain, but staff was asking for approval to move forward with the GOCO grant application while those issues were resolved.

Shaver offered a resolution to authorize the mayor to sign a letter of support for the GOCO grant application, which was seconded by Castoe and approved unanimously.

SCHEDULE FOR COUNCIL VISIONING RETREAT AND VISITS TO CITY DEPARTMENTS

Wells said the city would begin the development of the 2015 budget in February, which would include a council retreat for brainstorming ideas and goals for the city for 2015 and beyond. Staff also planned tours of various city departments for council members during the first few months of 2015, so the elected officials could see the operations, equipment and staff that would be funded by the budget. Wells reviewed the proposed schedule for these visits, and asked for council input on the date and time for the retreat. After some discussion, the visioning retreat was scheduled for Feb. 25 at 5 p.m. at City Hall.

No formal council action was taken.

CONSENT AGENDA BY RESOLUTION

City Clerk/PIO John Brennan presented the Consent Agenda for Council consideration, as follows:

CONSENT AGENDA

- A. Approval of the disbursements and payroll for December
- B. Approval of the minutes of the Jan. 14, 2014 City Council special meeting

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

PUBLIC COMMENT / AUDIENCE PARTICIPATION

None.

REPORTS BY OFFICIALS AND STAFF

Wells noted that his monthly written report on the previous month's activities had been included in the meeting packet.

BIDS, MEETINGS AND ANNOUNCEMENTS

Brennan announced current bids and upcoming meetings, and announced a new vacancy on the Senior Center Advisory Board.

Councilmember Joe Segura Jr. asked about the recently established railroad quiet zones and why some trains were still sounding their horns, and Wells said he would investigate this. McAlister mentioned the fact that the Denver Broncos would be playing in the Super Bowl in a couple of weeks, and the city supported the team and he encouraged everyone to wear Broncos colors and root for the team.

EXECUTIVE SESSION

The regular meeting concluded at 7:29 p.m. Mayor McAlister said the next item on the agenda was a scheduled executive session. Shaver made a motion to convene this session, which was seconded by Castoe and approved unanimously. The executive session had been published as follows:

EXECUTIVE SESSION for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under C.R.S. Section 24-6-402(4)(e); AND THE FOLLOWING ADDITIONAL DETAILS ARE PROVIDED FOR IDENTIFICATION PURPOSES: Property purchase..

The executive session began at 7:40 p.m. and concluded at 8:15 p.m., and was attended by the mayor and council members along with Wells and Assistant City Attorney Jason Meyers. At the conclusion of the executive session the council returned to the open meeting, where Castoe reported that the council met in executive session for the reason stated on the agenda, Castoe made a motion to direct staff to proceed as discussed in the executive session, which was seconded by Shaver and approved unanimously.

Mayor McAlister adjourned the January 21, 2014 regular meeting at 8:16 p.m.

/s/ Terry McAlister
Mayor

/s/ John Brennan
City Clerk