

February 18, 2014

The City Council of the City of Fort Morgan, Colorado, met this day at the Fort Morgan Water Treatment Plant west of the city. The meeting was preceded by a tour of the plant facilities. 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, Human Resources/Risk Management Director Michael Boyer, Engineering/Public Works Director Brad Curtis, Water Resources/Utilities Director Brent Nation, Community Services Director Josh Miller, Police Chief Darin Sagel, Parks Superintendent Doak Duke, Golf Maintenance Superintendent Matt Givens, Gas Superintendent Tony Behrends, Assistant City Attorney Jason Meyers and City Clerk/PIO John Brennan.

PRESENTATION AND POSSIBLE ACTION ON WORKERS' COMPENSATION COVERAGE

Human Resources/Risk Management Director Michael Boyer reviewed the recent history of the city's workers' compensation costs, and said he believed the city could benefit from working with a more proactive broker with deeper expertise. He recommended retaining HUB International, which handles the city's health insurance programs, in place of the current broker, noting that there would be no increase in premiums and HUB would earn no commission for 2014.

Some council discussion followed, with some members questioning the wisdom of retaining the same firm that had audited the city's workers' comp program and recommended an increased deductible, and others saying the more sophisticated analytics offered by HUB would benefit the city.

Councilmember Lisa Northrup offered a resolution to appoint HUB International as the city's workers' compensation insurance broker effective immediately, which was seconded by Councilmember Christine Castoe and approved unanimously.

DISCUSSION AND DIRECTION ON HEALTH INSURANCE COVERAGE

Boyer said the city's management staff had been examining some ways to help reduce the city's costs for health insurance, including the addition of a third option for health insurance coverage. City Manager Jeff Wells said the alternatives being explored would offer more options for employees that would help the city reduce its risks and therefore its health insurance costs. Boyer said the city was not making these changes at this time but was exploring the possibilities and asking for council direction.

Council and staff discussion followed regarding the various alternatives, with Wells noting that the city's current focus was on wellness programs but the staff also wanted to be proactive in looking for other ways to reduce health care costs. The council consensus was that the staff was moving in the right direction and should continue to pursue these alternatives. No formal action was taken.

DISCUSSION AND DIRECTION REGARDING THE 2014 SALARY SURVEY

Boyer explained that the city had conducted a salary survey in 2011 and had made pay adjustments for those below market levels, and the plan at the time of the earlier survey was to revisit the issue this year. Boyer explained several options for updating the survey, which involved varying costs and staff time to accomplish. He noted that the city did not appear to be losing employees due to inadequate pay in most departments, and an appropriate focus might be on the few departments where this was happening.

Council and staff discussion followed, touching on the rate of turnover in the city, the level of employee satisfaction with pay and the repercussions of focusing salary adjustments only on a few departments. The council discussed the pros and cons of the alternatives presented by Boyer, with a consensus emerging in favor of keeping the current salary survey and adjusting it manually by department as needed, based on turnover and other factors. The council gave direction to proceed on that course, but no formal action was taken.

BIDS FOR SWIMMING POOL BOILERS

Parks Superintendent Doak Duke reviewed the bidding process for this purchase, which would be covered by the city's insurance because all three of the pool boilers had been damaged in the river flooding episode in September 2013. Duke recommended accepting the low bid of \$93,500 from CEM Sales & Service of Sheridan, Colo. Asked whether there was any advantage to accepting a higher bid from the one local bidder, Duke said he had worked with all three companies previously and all were offering the same equipment and the same warranty. Wells noted that the insurance company would ultimately have to approve the expense, and it was unclear how that company would respond to acceptance of a higher bid.

Councilmember Ron Shaver offered a resolution to accept the bid in the amount of \$93,500 from CEM Sales & Service of Sheridan, which was seconded by Councilmember Kevin Lindell and approved unanimously.

BIDS FOR GOLF COURSE ROUGH MOWER

Golf Course Maintenance Superintendent Matt Givens reviewed the bid process for this purchase, noting that three bids had been received but only two met specifications, and the staff was recommending the acceptance of the higher of those two bids. Givens explained that this recommendation was made because the golf course already had a mower of the same brand offered in the higher bid, and the savings on parts and other bulk use items would make up for the approximately \$4,000 price difference in the long run.

Lindell offered a resolution to accept the bid from LL Johnson Distributing Co. in the amount of \$55,514 for a rough mower for the golf course. That resolution was seconded by Shaver and approved unanimously.

BIDS FOR TWO 4-WHEEL DRIVE ¾-TON BIFUEL PICKUP TRUCKS FOR THE GAS DEPARTMENT

Gas Superintendent Tony Behrends said these trucks would replace 1997 and '99 models that both had high mileage and increasing maintenance costs. He said three bids had been received, one of which was for a crew cab model rather than the specified extended cab model, and that staff preferred an extended cab because of the shorter wheelbase allowing easier access to tight places like alleys. Behrends requested council approval to accept the higher of the two qualified bids, from Weld County Garage of Greeley, in the amount of \$37,032 per truck,

as well as additional options and the purchase of mobile radios and other items needed to prepare the trucks for city use, with the total expenditure not to exceed the budgeted amount of \$80,000 for the two trucks.

Northrup offered a resolution to accept the bid from Weld County Garage for the two pickup trucks for the gas department, and authorize the additional expenditures on options and other necessary equipment, with the total cost not to exceed \$80,000. That resolution was seconded by Castoe and approved unanimously.

FIRST READING OF AN ORDINANCE AMENDING SECTIONS OF CHAPTER 21, BUILDING REGULATIONS, OF THE FORT MORGAN MUNICIPAL CODE

Engineering/Public Works Director Brad Curtis reviewed the changes to the code addressed by the ordinance, which was made necessary by revisions to the state minimum standards for plumbing codes. Curtis said the city needed to adjust its own codes or risk being unable to do local building inspections of this type of work.

Northrup offered a resolution to approve the first reading of an Ordinance amending sections of Chapter 21, Building Regulations, of the Fort Morgan Municipal Code and to set a public hearing of the ordinance for March 4. That resolution was seconded by Castoe and approved unanimously.

FIRST READING OF AN ORDINANCE AMENDING SECTIONS OF CHAPTER 18, WATER SYSTEM, OF THE FORT MORGAN MUNICIPAL CODE

Water Resources/Utilities Director Brent Nation reviewed the background of recent changes to the water code, noting the city staff's expectation that certain unforeseen issues would crop up as the code pertaining to water taps was refined. One such situation was residential property owners with multiple water taps on a single lot, with only one for domestic use and the other(s) used solely for irrigation purposes. Nation said the city's Water Advisory Board had discussed this issue at length and recommended allowing such property owners to have their irrigation-only taps turned off during the winter months and not pay the monthly base charge for those taps, as long as they continued to pay the monthly charge on the one domestic-use tap all year. In answer to council questions, Nation noted that these property owners would be required to declare their irrigation-only taps as such, and if they ever wanted to use those taps for future development they would be required to pay the fee for a new tap.

Shaver offered a resolution to approve the first reading of an Ordinance amending sections of Chapter 18, Water System, of the Fort Morgan Municipal Code and to set a public hearing on the ordinance for March 4. That resolution was seconded by Councilmember Damon Mussman and approved unanimously.

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 January
- B. Approval of the minutes of the Feb. 4, 2014 City Council regular meeting

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

PUBLIC COMMENT / AUDIENCE PARTICIPATION

None.

REPORTS BY OFFICIALS AND STAFF

Wells said his monthly report on activities by various city departments had been included with the meeting packets, and he thanked Water Treatment Plant Superintendent John Turner and his staff for hosting this council meeting and conducting the tour of the facilities for the council and staff present.

Police Chief Darin Sagel announced the appointment of Brian Cantin from sergeant to operations lieutenant for the Fort Morgan Police Department. Sagel also mentioned an ongoing problem of theft from unlocked vehicles in all parts of the city, and reminded residents to be vigilant and lock their cars.

BIDS, MEETINGS AND ANNOUNCEMENTS

Brennan announced current bids and upcoming meetings. Councilmember Joe Segura thanked the FMPD for its response during his recent health emergency.

EXECUTIVE SESSION

The regular portion of the meeting concluded at 7:53 p.m., and McAlister said the next item on the agenda was a scheduled executive session. Castoe made a motion to proceed to this executive session, which was seconded by Northrup 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: Purchases or property and water.

The executive session began at 8:05 p.m. and ended at 8:47 p.m., and was attended by the mayor and council members along with Wells, Nation, Community Services Director Josh Miller and Assistant City Attorney Jason Meyers.

Following the conclusion of the executive session, the council returned to open session where Northrup reported that the council had met in executive session to discuss matters related to negotiations for the purchase of property and water. Northrup made a motion to direct staff to proceed with the negotiations as discussed in the executive session. That motion was seconded by Castoe and approved unanimously.

Mayor McAlister adjourned the February 18, 2014 regular meeting at 8:48 p.m.

/s/ Terry L. McCalister

Mayor

/s/John Brennan

City Clerk