

June 3, 2014

The City Council of the City of Fort Morgan, Colorado, met this day in the clubhouse at the Quail Dunes at Fort Morgan Golf Course. The regular meeting was preceded by a tour of city departments as part of the budget preparation process for 2015, which concluded with a tour of the golf course. The Honorable Mayor Terry L. McAlister called the regular meeting to order at 6:44 p.m.

The Pledge of Allegiance was given.

Roll Call: Present: Honorable Mayor Terry L. McAlister  
Councilmember Christine Castoe  
Councilmember Kevin Lindell  
Councilmember Lisa Northrup  
Councilmember Joe Segura Jr.  
Councilmember Ronald Shaver

Absent: Councilmember Damon Mussman (excused)

The meeting was also attended by City Manager Jeff Wells, Police Chief Darin Sagel, City Treasurer Jean Kinney, Human Resources/Risk Management Director Michal Boyer, Engineering/Public Works Director Brad Curtis, Community Services Director Josh Miller, Assistant City Attorney Jason Meyers, General Accountant Chris Bostron, Payroll Technician Laurie Whitney, Accounts Payable Specialist Lori Lammers, Customer Account Manager Connie Musgrave and City Clerk/PIO John Brennan.

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### **APPROVAL OF THE MINUTES OF THE MAY 20, 2014 CITY COUNCIL REGULAR MEETING**

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Councilmember Ron Shaver offered a resolution to approve the draft minutes as presented, which was seconded by Councilmember Christine Castoe and approved on a unanimous vote of 6-0, with Councilmember Damon Mussman absent.

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### **PRESENTATION OF THE DRAFT 2013 FINANCIAL AUDIT**

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City Treasurer Jean Kinney explained the process and purpose of the financial audit, and reviewed a number of improvements in the city's financial and accounting procedures that resulted from the audit. Kinney said each time her staff improves processes they get closer to their goal of an error-free audit.

Auditors Randy Watkins and Tyra Litzau of the auditing firm Anton Collins Mitchell LLP reviewed the two primary documents that resulted from the audit, the audit wrap-up and the financial statements. Litzau provided the council with a final copy of the wrap-up document and said there were no changes from the draft version that had been included in the council meeting packets.

Watkins noted that a lot of work goes into an audit like this and a great deal of information must be requested from the finance department and other staff. He said the city staff was very cooperative and it was great to work with a staff that was committed to doing things right.

Litzau then reviewed the documents, highlighting points of interest and significance, and said the firm expected to issue an unqualified opinion of the city's financial condition. After a few council questions were answered, Wells said the final version of the audit would be presented to the council for its approval and acceptance at the next council meeting.

No action was taken.

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**RESOLUTION AUTHORIZING THE MAYOR TO SIGN A GRANT AGREEMENT WITH THE FEDERAL AVIATION ADMINISTRATION**

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Engineering/Public Works Director Brad Curtis explained that funding from several programs and entitlements had been packaged into one big grant that would pay most of the cost of the construction of a new runway at the Fort Morgan Municipal Airport. This resolution would approve the acceptance of the grant, authorize the mayor to sign the grant agreement and allow the city to expend the funds on the runway project.

Shaver offered a resolution to approve the Resolution accepting the grant from the FAA and authorizing the mayor to execute the grant agreement. That resolution was seconded by Councilmember Joe Segura Jr. and approved unanimously (6-0, Mussman absent).

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**BIDS FOR THE CONSTRUCTION OF THE AIRPORT RUNWAY PROJECT**

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Curtis said the packaging of the various funding sources he referenced in the presentation of the previous agenda item meant the project could be done all at once rather than in phases. He said a number of contractors had attended the pre-bid meeting but only one company ultimately submitted a bid, which city staff determined to be favorable and in keeping with all requirements. Curtis noted that the total amount to be spent had gone up because of the availability of additional funds, so staff was asking for authorization to spend up to \$7,055,555, instead of the \$6.9 million referenced in the staff memo included in the council meeting packets. The city's share of this total cost would be approximately \$350,000, Curtis said. He said the work should start within about three to four weeks of this approval, and was scheduled to last for 150 days, with only about 30 days during which flying would be prohibited.

Councilmember Lisa Northrup offered a resolution to approve the expenditure of up to \$7,055,555 for the airport runway project and accept the bid from McAtee Construction Company of Sterling in the amount of \$6,370,546. That resolution was seconded by Castoe and approved unanimously (6-0, Mussman absent).

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**UPDATE ON IMPROVEMENTS FOR COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT**

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Human Resources/Risk Management Director Michael Boyer reminded the council of the settlement agreement the city had entered with the U.S. Department of Justice in August 2013, after an audit by the Justice Department of city facilities. That agreement required the city to make improvements to bring facilities noted in the audit report into compliance with the Americans with Disabilities Act within 30 months, and the city was approximately 48 percent finished with the required work, Boyer said.

Boyer showed slides of some of the improvements, primarily those made to improve accessibility to restrooms in city parks by installing concrete paths. He said other physical improvements as well as staff training were planned and included in the budget, and the city was in compliance with the DOJ settlement agreement so far.

No action was taken.

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**RESOLUTION DIRECTING THE CITY MANAGER TO REFER A BALLOT QUESTION REGARDING ESTABLISHMENT OF A LODGING TAX TO VOTERS IN NOVEMBER 2014**

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Wells said this Resolution would ask city voters to decide in the 2014 general election whether the city should impose a 2 percent lodging tax on hotel room charges. He said he had met with various organizations including the Fort Morgan Area Chamber of Commerce, the Morgan

County Economic Development Corp. and the Morgan County Tourism Panel, as well as local hotel and motel owners and other business people, and received very strong support for the tax from all entities. The tax would be expected to raise between \$60,000 and \$100,000 a year, which would be used for tourism and economic development projects in the community, Wells said.

Northrup offered a resolution to approve the Resolution submitting a ballot question to the electors of the city relating to the establishment of a lodging tax. That resolution was seconded by Castoe and approved unanimously (6-0, Mussman absent).

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**PUBLIC COMMENT / AUDIENCE PARTICIPATION**

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None.

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**REPORTS BY OFFICIALS AND STAFF**

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Wells said the city's investment committee had met earlier that day to review investments made by the new investment consultant, and the results so far were positive.

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**BIDS, MEETINGS AND ANNOUNCEMENTS**

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Brennan announced current bids and upcoming meetings, and noted that the city's new Facebook page was now up and running and receiving a good response so far.

Mayor McAlister adjourned the June 3, 2014 regular meeting at 7:43 p.m.

/s/ Terry McAlister

Mayor

/s/ John Brennan

City Clerk