

June 17, 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 9:00 a.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.

Absent: 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, Engineering/Public Works Director Brad Curtis, Community Services Director Josh Miller, Assistant City Attorney Jason Meyers, Customer Account Manager Connie Musgrave, Water Treatment Plant Superintendent John Turner, Water Distribution/Wastewater Collection Interim Superintendent Erik Sagel, Streets Foreman Ken Wright and Administrative Assistant Jill Westhoff-Curtis.

SWEARING IN OF NEW FORT MORGAN POLICE DEPARTMENT OFFICER

Police Chief Darin Sagel introduced new officer Chris Garcia and provided some brief biographical information on him. Mayor Terry McAlister then administered the oath of office, and Officer Garcia offered brief remarks, saying he was looking forward to working with the community.

PROCLAMATION AFFIRMING A COMMUNITY ACCEPTING OF ALL OF ITS MEMBERS

Mayor McAlister said this item was on the agenda for discussion and the proclamation would be read by him if the council approved. There was no council discussion or questions, and the council approved the reading of the proclamation by consensus. McAlister then read the proclamation aloud.

ACCEPTANCE OF THE FINAL 2013 FINANCIAL AUDIT

City Treasurer Jean Kinney noted a couple of changes since the draft audit had been presented to the council on June 3. Kinney said the auditors had changed their minds about how to account for a payment to the Municipal Energy Agency of Nebraska for a transmission cost adjustment, which reduced the city's net financial position in the electric fund by approximately \$524,000.

City Manager Jeff Wells thanked the finance department for its hard work on getting the audit completed this early in the year.

Councilmember Lisa Northrup offered a resolution to accept the final 2013 financial audit, which was seconded by Councilmember Christine Castoe and approved on a unanimous vote of 6-0 (Shaver absent).

BIDS FOR ITRON MC LITE AND FC300 HANDHELD

Utility Billing Customer Account Manager Connie Musgrave described the use of this equipment, which is used to read utility meters remotely. If the devices are broken or unavailable it could result in late utility bills and a cash flow issue for the city, she said.

Musgrave noted that the only bid for the equipment was \$95 over the budgeted amount, and Wells said expenditures in other accounts could be cut back to make up for the excess cost and ensure that the overall budget was not exceeded.

Northrup offered a resolution to purchase an Itron MC Lite and FC300 from Mountain States Pipe & Supply in the amount of \$13,485, knowing there was a \$95 overage of the budgeted amount. That resolution was seconded by Castoe and approved unanimously (6-0, Shaver absent).

BIDS FOR A CHLORINE DIOXIDE BATCH GENERATOR/FEED SYSTEM FOR THE WATER TREATMENT PLANT

Water Treatment Plant Superintendent John Turner reviewed the bidding process for this purchase, noting that the current equipment had seen multiple repairs and was badly in need of replacement. He said the cost was over the budget by \$9,870, which he said was caused by adding a second pump to the system for redundancy, but that the water plant would still be under budget for capital expenses because a water storage tank painting project had come in under budget by about \$22,000.

Councilmember Damon Mussman offered a resolution to accept the bid from Municipal Treatment Equipment Inc. in the amount of \$129,870 for the chlorine dioxide generator. That resolution was seconded by Castoe and approved unanimously (6-0, Shaver absent).

BIDS FOR 2014 WATER DISTRIBUTION PROJECTS

Engineering/Public Works Director Brad Curtis reviewed the areas scheduled for water main replacements in 2014, including Ensign Street from Railroad Avenue to U.S. 34 and the 200 and 300 blocks of Euclid Street, and the bidding process for construction services for these projects. He said the city purchases materials for these projects separately. Wells then introduced Erik Sagel, the interim superintendent for the Water Distribution/Wastewater Collection Department. Northrup offered a resolution accepting the only bid, from Ransom Boone Excavating of Fort Morgan, and authorizing expenditures not to exceed \$245,000 to complete the 2014 water distribution system projects. That resolution was seconded by Castoe and approved unanimously (6-0, Shaver absent).

BIDS FOR 2014 HBP PAVING PROJECTS

Curtis explained that these projects were done in conjunction with the water main replacements approved in the previous agenda item, and reviewed the bidding process for these paving projects. He said staff was recommending acceptance of the bid from McAtee Construction for both projects as well as unit pricing for trench patching and other paving jobs. He said most of the funding would come from the capital improvement fund, and would include revenues from the state Highway Users Tax Fund. This project was over the amount budgeted for the Ensign Street project alone, but the additional cost would be offset by savings in the irrigation ditch bank stabilization project that was under budget by about \$40,000.

Mussman offered a resolution to accept the bid from McAtee Construction to complete both the Ensign Street and Euclid Street projects with the total cost not to exceed \$730,000, and also

approve the unit pricing from McAtee for trench patching and other paving work. That resolution was seconded by Castoe and approved unanimously (6-0, Shaver absent).

2015 BUDGET CALENDAR – PRESENTATION OF THE SELF-INSURANCE FUND, LIABILITIES, RISKS AND COSTS FOR 2015

Wells started by explaining the process of forecasting the state of this fund, with each city department and fund paying into the fund for their proportional share of the anticipated costs. This is done early in the budget process, he said, so the other departments have numbers to work with in developing their own budgets. Human Resources/Risk Management Director Michael Boyer then reviewed the process of assessing risks and projecting costs, which he said is tricky because you don't know what is going to happen in a given year. The floods of 2013, for example, will likely cause property & casualty insurance premiums to go up, so Boyer was proposing an increase in the budget for that.

Overall, Boyer said, staff was asking for an increase of 3.4 percent in the Self-Insurance Fund. Wells then said the council would see the projections for this fund again as part of the budget process. No formal action was taken.

CONSENT AGENDA BY RESOLUTION

Administrative Assistant Jill Westhoff-Curtis presented the Consent Agenda for Council consideration as follows:

CONSENT AGENDA

- A. Approval of the disbursements and payroll for May
- B. Approval of the minutes of the June 3, 2014 City Council regular meeting

Councilmember Northrup offered a resolution to approve the Consent Agenda as presented, which was seconded by Castoe and approved unanimously (6-0, Shaver absent).

PUBLIC COMMENT / AUDIENCE PARTICIPATION

Lisa Pray, on behalf of several members of the Community Relations Commission work group, stated that the proclamation approved and read by the council earlier in the meeting was not the one the CRC work group had spent a year developing, and was a serious departure from the original proclamation in its intent and purpose. Pray noted that several other area entities had adopted the original proclamation, and the members of the HRC work group she represented felt it was important that all local entities adopt the same proclamation regarding the community's shared values. She asked that the council reconsider adopting the original proclamation as well as the one read earlier in this meeting.

Northrup said it was her understanding that the HRC work group was to bring back a modified version of the proclamation that reflected changes suggested by the council in earlier discussions of the matter. Northrup said she felt that the approved proclamation did reflect the intent of the original and she stood behind it as a city council member.

REPORTS BY OFFICIALS AND STAFF

Wells highlighted a couple of areas from his written monthly report to the council, which was included in the meeting packets, including the number of workers' compensation claims for the fire department and how the staff was working to alleviate that type of claim.

Wells said the Brush Rodeo Appreciation Dinner was scheduled for the evening of July 1, the same date and time as the next city council meeting, and asked if the council might want to consider starting its meeting earlier that day so council members could attend. He said the city was a longtime supporter of the rodeo and many members regularly attended this dinner to demonstrate that support. Several council members said they favored changing the meeting time, and McAlister said it would be great if all council members could attend the rodeo dinner. The council agreed by consensus to change the starting time of the July 1 council meeting to 4 p.m.

Wells also reviewed some of the community events coming up for the summer.

BIDS, MEETINGS AND ANNOUNCEMENTS

Westhoff-Curtis announced current bids and upcoming meetings.

Mussman commented on the work to complete the fencing on the youth ballfields at Riverside Park.

Mayor McAlister adjourned the June 17, 2014 regular meeting at 10:01 a.m.

Mayor

City Clerk