

June 16, 2015

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 9:06 a.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, Community Services Director Josh Miller, Water Resources/Utilities Director Brent Nation, Human Resources/Risk Management Director Michael Boyer, Engineering/Public Works Director Brad Curtis, Management Intern Chelsea Gondeck, Assistant City Attorney Jason Meyers and City Clerk/PIO John Brennan.

**PRESENTATION ON MORGAN COMMUNITY COLLEGE / CARGILL WORKPLACE EDUCATION PROJECT ON IMMIGRANT STORIES**

City Manager Jeff Wells said the teachers and some students from this program were at the meeting to discuss their project, which was the publication of a book containing the stories of immigrants who had come to Fort Morgan to live. Wells said the class approached the city about the project and the city had donated \$600, which was enough to print 200 books. Teacher George O'Clair introduced colleagues Shelli Crandall and Rachel Nichols as well as two of the students whose stories were to be featured in the book, Younes El Ouayrharli and Oralea Tellez, who spoke briefly about their experiences and thanked the council for its support of the project.

Several council members commented on the worthiness and importance of the project, and complimented Cargill for its workplace education program.

**COUNCIL ACTING AS THE LOCAL LICENSING AUTHORITY – APPLICATION FOR LIQUOR LICENSE SPECIAL EVENTS PERMIT**

City Clerk/PIO John Brennan said this application had been submitted by BPOE Elks Lodge 1143 to host a beer garden during two special events at City Park, the Bobstock music festival in July and the Fall Harvest Car Show in September. The beer garden would be on the Elks Lodge property across from City Park, Brennan said, and the complete application and fees had been received and public notice posted on the property with no protests or comments received. Councilmember Lisa Northrup offered a resolution to approve the special event permits for the Elks Lodge 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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**NEW HANGAR LEASE AT FORT MORGAN MUNICIPAL AIRPORT**

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Engineering/Public Works Director Brad Curtis said this was a new hangar to be constructed at the airport, and the city's standard ground lease agreement would be used. Wells mentioned that with the new runway nearing completion there could be more growth seen at the airport, and staff might recommend that leases such as this one be approved administratively, as they are relatively routine and represent revenue rather than an expense.

Castoe offered a resolution to approve the new hangar lease for Bill Meyers at the Fort Morgan Municipal Airport, which was seconded by Councilmember Ron Shaver and approved unanimously (6-0, Musselsman absent).

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**RESOLUTION FOR TRANSFER OF FAA ENTITLEMENTS TO SALIDA**

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Curtis said Fort Morgan was part of a pool of municipalities with general aviation airports, and for many years that group had agreed to transfer their entitlements to Federal Aviation Administration funding to one member of the group each year so that it could be used to accomplish larger projects every few years than would be possible otherwise. Fort Morgan had been the beneficiary of such transfers for its runway project, he said, and this year the pool members were shifting their funding to Salida. Fort Morgan would have its turn at the group funding again in a few years, he noted.

Northrup offered a resolution to approve the Resolution authorizing the mayor to execute the agreement for transfer of entitlements for Fiscal Year 2015, which was seconded by Shaver and approved unanimously (6-0, Musselsman absent).

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**RESOLUTION APPROVING AN AMENDMENT TO THE CONTRACT FOR THE AIRPORT RUNWAY PROJECT**

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Curtis explained that this was an amendment to the city's contract with Reynolds, Smith and Hills Inc., the engineering consultant for the runway project, which was made necessary by delays in completion of the project by contractor McAtee Construction. The delays caused RS&H to incur additional expenses for site visits, inspections and engineering services totaling \$96,000, and this Resolution would allow the city to pay those expenses. Curtis noted that the cost would be offset by liquidated damages of the same amount that would be withheld from the payment to McAtee for its failure to complete the project as scheduled.

Shaver offered a resolution to approve the Resolution authorizing the mayor to execute Amendment 1 to Work Order No. 1 between the City of Fort Morgan and RS&H Inc. to authorize the additional fees of \$96,000. That resolution was seconded by Castoe and approved unanimously (6-0, Musselsman absent).

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**BIDS FOR 2015 HBP PAVING PROJECTS**

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Curtis reviewed the bid process for these projects, with two bidders submitting proposals. One of those bidders, McAtee Construction, would be unable to do the projects until 2016, so staff was recommending acceptance of the other bid from Martin Marietta. That bid was over budget, Curtis noted, so the council had options for excluding certain of the planned 2015 projects or approving the extra cost of approximately \$160,000 to complete all of the projects this year. That cost would either come out of capital reserves or possibly be offset by other capital projects that come in under budget, he said.

Discussion of the options as well as alternative ways of funding street repairs followed, with a council consensus emerging that the repairs were necessary and the amount over budget should be approved to allow all of the planned 2015 projects to be done.

Northrup then offered a resolution approving the bid from Martin Marietta in the amount of \$902,067.50 for the 2015 HBP paving projects, with total expenditures not to exceed \$925,000, and accepting the Martin Marietta on-call unit pricing. That resolution was seconded by Castoe and approved unanimously (6-0, Mussman absent).

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### **RESOLUTION AUTHORIZING AN EMERGENCY EXPENDITURE FOR STORM DRAINAGE REPAIRS AT THE INDUSTRIAL PARK**

Curtis reviewed the damage that had occurred to a storm drain line leading from the city's industrial park during the heavy rain storms in early May, noting that the original cost estimate for repairs had essentially doubled after the area had been excavated and the true extent of the damage was realized. Curtis said staff was asking for approval of up to \$100,000 for these repairs, to allow room in case further costs were incurred.

Northrup offered a resolution to approve the Resolution ratifying the emergency expenditures for storm water system repairs including materials purchases and contractor costs in an amount not to exceed \$100,000, which was seconded by Shaver and approved unanimously (6-0, Mussman absent).

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### **BIDS FOR THE WATER MAIN LINE REPLACEMENT ON WARNER STREET**

Water Resources/Utilities Director Brent Nation said this was one of several water main projects planned, but this one had been moved up on the priority list because of several breaks in the Warner Street water main the previous year. He reviewed the bid process for the contractor services portion of the project, with materials to be purchased separately, and recommended approval of the low bid from Ransom Boone Excavating of Fort Morgan, which was less than half the amount of the other bid.

Northrup offered a resolution to accept the bid from Ransom Boone Excavating in an amount not to exceed \$54,730, which was seconded by Castoe and approved unanimously (6-0, Mussman absent).

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### **RESOLUTION TO EXTEND THE CONTRACT FOR FINANCIAL AUDITING SERVICES**

City Treasurer Jean Kinney told the council that the auditing firm Anton Collins Mitchell had worked for the city for three years and the city had been very pleased with the company's services. Because it takes so long to establish a relationship with an auditing firm, Kinney said staff was recommending that the city retain ACM for an additional three years, subject to appropriations, rather than undertaking a new bid process.

Shaver offered a resolution to approve the Resolution authorizing the mayor to execute the amendment between the City of Fort Morgan and Anton Collins Mitchell for an extended term, which was seconded by Northrup and approved unanimously (6-0, Mussman absent).

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### **RESOLUTION ADOPTING THE 2013 NORTHEAST REGION HAZARD MITIGATION PLAN UPDATE**

Wells said this was a region-wide emergency preparedness plan that was updated every five years, and was a prerequisite to receive disaster relief funding from the Federal Emergency Management Agency and other entities.

Castoe offered a resolution to approve the Resolution adopting the 2013 Northeast Region Hazard Mitigation Plan Update, which was seconded by Shaver and approved unanimously (6-0, Mussman absent).

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**RESOLUTION CALLING FOR THE 2015 GENERAL MUNICIPAL ELECTION AND ADOPTING THE DRAFT 2015 ELECTION CALENDAR**

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Brennan said this measure was necessary to allow the city to move forward with holding the 2015 city election as part of a coordinated election with Morgan County in November. Approval of this resolution would formalize the city's participation in the coordinated election and trigger the creation of an intergovernmental agreement with Morgan County for the conduct of the election. Brennan said a copy of the draft election calendar for 2015 was included in the council meeting packets, with important dates and deadlines regarding the election, and staff was also asking for council approval of that draft election calendar.

Castoe offered a resolution to approve the Resolution calling for a General Municipal Election to be held in conjunction with the November 3, 2015 Morgan County Coordinated Election, and to approve the draft 2015 city election calendar. That resolution was seconded by Shaver and approved unanimously (6-0, Mussman absent).

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**2016 BUDGET CALENDAR – PRESENTATION OF THE SELF-INSURANCE FUND, LIABILITIES, RISKS AND COSTS FOR 2016**

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Human Resources/Risk Management Director Michael Boyer explained what the Self-Insurance Fund covers and the trends in costs for the past several years as well as the actions taken by city staff to try to keep pace with rising costs. He proposed a 3 percent increase on the expense side of the Self-Insurance Fund for 2016, and a 10 percent increase in current employee premiums to offset some of the 2016 expenses. These figures would be finalized as the 2016 budget continued to be developed in coming months, he said, and no formal action was taken.

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**CONSENT AGENDA BY RESOLUTION**

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Brennan 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 2, 2015 City Council regular meeting

All matters listed under the Consent Agenda are considered to be routine business by the Council and will be enacted with a single motion and a single vote by roll call. There will be no separate discussion of these items. If discussion is deemed necessary, that item should be removed from the Consent Agenda and considered separately.

Shaver offered a resolution to approve the Consent Agenda as presented, which 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 noted that his monthly written report was in the council meeting packets and directors were present to answer any questions.

He said he and Mayor Terry McAlister had met with the board of the local American Legion post the previous week, and the Legion board had relinquished maintenance responsibilities for Legion Field to the city under the trust agreement with the city. Wells said he was working with the Legion's attorneys to make this arrangement work so that the property would still be available to the public and also to the school district and local youth baseball leagues. Wells thanked the city Streets Department for its work in filling in a flooded area of the parking lot the preceding Friday in preparation for the annual Relay for Life event at Legion Field.

Community Services Director Josh Miller told the council that the city's mosquito control company, OtterTail Environmental, began mosquito spraying operations the previous night and this would continue weekly for the next several weeks as weather permitted. He said OtterTail representatives would come to the July 7 council meeting to report on the mosquito control program.

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**BIDS, MEETINGS AND ANNOUNCEMENTS**

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Brennan announced current bids and upcoming meetings. Councilmember Joe Segura Jr. said the recent Party in the Park event hosted by the city in City Park was a great success.

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**EXECUTIVE SESSIONS**

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The regular portion of the meeting ended at 10:42 a.m., and Mayor McAlister said the next item on the agenda was the first of two scheduled executive sessions. Castoe made a motion to proceed to this executive session, which was seconded by Shaver and approved unanimously (6-0, Mussman absent). This 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: Water transaction.

This executive session began at 10:50 a.m. and ended at 11:06 a.m., and was attended by the mayor and five councilmembers (Mussman absent) along with Wells, Assistant City Attorney Jason Meyers, Water Resources/Utilities Director Brent Nation and Legal Intern Elizabeth Davidson.

At the conclusion of the executive session the council returned to the regular open meeting, where Castoe reported that the council had met in executive session for the purpose stated on the agenda. Castoe made a motion authorizing the mayor to sign the C-BT management agreement between the City of Fort Morgan and the Morgan County Re-3 School District, which was seconded by Lindell and approved unanimously (6-0, Mussman absent).

Northrup then made a motion to proceed to the next scheduled executive session, which was seconded by Lindell and approved unanimously (6-0, Mussman absent). This 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: Sale of property.

This executive session began at 11:11 a.m. and ended at 12:03 p.m., and was attended by the mayor and five councilmembers (Mussman absent) along with Wells, Meyers, Davidson, Engineering/Public Works Director Brad Curtis, Community Services Director Josh Miller and Management Intern Chelsea Gondeck.

On the advice of the city attorney, the recording of this executive session was turned off at 11:31 a.m. because the discussion constituted a privileged attorney-client communication. The recording was turned back on at 11:44 a.m.

At the conclusion of the executive session the council returned to the regular open meeting, where Castoe reported that the council had met in executive session for the purpose stated on the agenda. Castoe made a motion to direct staff to prepare additional information related to the sale of property and bring it back to an executive session on July 7, which was seconded by Northrup and approved unanimously (6-0, Mussman absent).

Mayor McAlister adjourned the June 16 City Council regular meeting at 12:04 p.m.

/s/ Terry McAlister  
Mayor

/s/ John Brennan  
City Clerk