

July 21, 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 7:00 p.m. (scheduled for later start).

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

The meeting was also attended by City Manager Jeff Wells, Police Lt. Jared Crone, City Treasurer Jean Kinney, Community Services Director Josh Miller, Engineering/Public Works Director Brad Curtis, Water Resources/Utilities Director Brent Nation, Human Resources/Risk Management Director Michael Boyer, Management Intern Chelsea Gondeck, City Attorney Jason Meyers, Wastewater Treatment Plant Superintendent Mike Hecker, Water Treatment Plant Superintendent Al O'Canas, Water Distribution/Wastewater Collection Department Superintendent Erik Sagel and City Clerk/PIO John Brennan.

PRESENTATION ON 2015 KIDS COUNT REPORT AND KIDS AT THEIR BEST FREE LUNCH PROGRAM

Jodi Walker, executive director of Kids at Their Best, reviewed a PowerPoint presentation including statistics on Morgan County children and poverty, and the programs offered to help these children by her nonprofit organization, including a summer lunch and education program. In answer to a council question Walker said the statistics came from the Colorado Children's Campaign's 2015 Kids Count report, and she said she would send copies of the final report to the council when it was released. No action was taken.

NEW HANGAR LEASE WITH KYLE SCOTT AT THE FORT MORGAN MUNICIPAL AIRPORT

Engineering/Public Works Director Brad Curtis reviewed this item, with a new lease required because the hangar had to be rebuilt after it was destroyed in a storm. Councilmember Ron Shaver offered a resolution to authorize the mayor to execute the new hangar lease with Kyle Scott at the Fort Morgan Municipal Airport, which was seconded by Councilmember Christine Castoe and approved unanimously.

RESOLUTION AUTHORIZING STAFF TO GRANT ADMINISTRATIVE APPROVAL FOR HANGAR LEASES AT THE FORT MORGAN MUNICIPAL AIRPORT

Curtis said this was a proposed measure that would streamline council agendas by allowing city staff to grant approval for routine hangar leases at the airport. There had been a number of these presented to council recently, reflecting growth and activity at the airport, he said, and this measure would alleviate the need for council review unless unusual circumstances existed, similar to a measure enacted several years ago allowing administrative approval for routine liquor license renewals. Curtis said the Airport Advisory Board supported this measure.

Shaver offered a resolution to approve the Resolution authorizing staff to grant administrative approval of airport hangar leases under certain conditions. That resolution was seconded by Councilmember Joe Segura Jr. and approved unanimously.

REQUEST TO INCREASE EXPENDITURES FOR THE OUTPOST SEWER LIFT STATION CONVERSION PROJECT (DOLA EIAF 07494)

Curtis said certain ground conditions had been encountered during this project, which involved boring under Interstate 76 to install a new gravity-fed sewer line, and several additional changes had come up since the memo included in the council meeting packet had been written.

Curtis reviewed the background of this project, which had been bid and approved by the council for expenditure of up to \$310,000 of the \$350,000 budgeted. Recent developments revealed conditions including ground contamination and rock in the boring area and made it necessary for staff to request an additional \$200,000 in funding beyond the original budgeted amount. Curtis said staff was now asking for authority to expend up to \$550,000 on the project, with the alternative being to abandon the project.

City Manager Jeff Wells said the city did its normal due diligence in advance of the project but that unforeseen issue do come up from time to time with such projects that involve underground work. He said staff felt it was important to complete the project, without which further growth and economic development in the area could not happen. Water Resources/Utilities Director Brent Nation noted that it cost the city approximately \$40,000 a year just to maintain the lift station that this project would replace.

In answer to council questions, staff estimated that \$240,000 would come out of Wastewater Fund reserves to complete the project, but staff would seek grant and emergency funding to try and offset some of that cost. The council consensus was that the project was needed and would have to be done eventually. Nation also said other planned 2015 projects could be curtailed to help with the costs.

Castoe offered a resolution to authorize increased expenditures up to \$550,000 for the Outpost Sewer Lift Station Conversion Project (DOLA EIAF 07494), which was seconded by Shaver and approved unanimously.

PURCHASE OF DENVER INTERNATIONAL AIRPORT SURPLUS EQUIPMENT AND APPROVAL OF GRANT FUNDING FOR A RUNWAY SWEEPER AT THE FORT MORGAN MUNICIPAL AIRPORT

Curtis explained that DIA offered its surplus equipment for sale to smaller airports and the Colorado Department of Transportation provided grant funding to help with these purchases. As a result, he said, the city could buy a 22-foot high-speed runway sweeper worth approximately \$250,000 for \$20,000, and with the grant funding the total cost to the city would be just \$4,000. The city would have to pay transportation costs to have the sweeper trucked to the city airport, which would bring the city's cost to about \$10,000.

Councilmember Lisa Northrup offered a resolution to approve the purchase of the runway sweeper at a cost of \$10,000 including transportation costs and to accept the CDOT Division of Aeronautics grant for \$16,000. That resolution was seconded by Segura and approved unanimously.

RESOLUTION AUTHORIZING THE MAYOR TO SIGN A DEVELOPMENT AGREEMENT WITH FORT MORGAN SUNDOWNER LLC

Wells said city staff was putting the final touches on this development agreement, which would provide city incentives to the company that planned to build a Best Western motel on the old

Outpost site. The firm would build the project within 18 months, and this agreement would formalize the development credits offered as economic development incentives.

Northrup offered a resolution to approve the Resolution authorizing the mayor to sign the development agreement with Fort Morgan Sundowner LLC, which was seconded by Shaver and approved unanimously.

PRESENTATION ON SLUDGE TREATMENT OPTIONS

Nation said the city had been using an outside firm for years to treat and haul the sludge produced at the wastewater treatment plant, but after recent consolidations in the industry the company had quadrupled its prices, prompting the city to look for alternatives. A study by the city's wastewater consultant had developed four alternatives for in-house treatment of sludge, and an expandable dewatering screw press had been chosen as the best of those options.

Nation explained that the city would have to pay for one more treatment by the outside firm at the much higher cost before the screw press could be acquired and installed, and the equipment itself would cost approximately \$200,000, for a total expenditure of more than \$400,000. He said staff was not asking for approval of this expense at this time, and only sought permission to move toward this solution by seeking bids for the screw press equipment, with the final financial package to be brought back to the council in the future.

Castoe offered a resolution authorizing staff to move forward with the bidding process for the expandable screw press for the Wastewater Treatment Plant, which was seconded by Shaver and approved unanimously.

PRESENTATION ON VOLUNTEER PROJECTS INITIATIVE

Human Resources/Risk Management Director Michael Boyer reviewed the city's plans for volunteer projects to be done by city employees, in response to a council goal of reaching out to the community and community involvement by city employees. The city had solicited nominations of residents who could not do things like painting, yard work and other property maintenance due to age or disability, but after receiving only one nomination staff had identified a couple of city areas that were in need of sprucing up. He said city employees would volunteer their time to help with these beautification projects on the morning of Aug. 8.

No formal action was taken.

DISCUSSION OF PROCESS FOR FILLING CITY COUNCIL VACANCY IN WARD 2

Wells said the council could fill the vacancy created by the departure of former councilmember Damon Mussman in any of a number of ways, and he had outlined some options for the council in a memo included in the meeting packet. Council and staff discussion followed about which would be the best way to fill the position, with several council members noting that the time frame for filing as a candidate in the November election began in less than two weeks anyway and waiting until the election might be the best solution.

After further discussion, a consensus emerged to wait for the candidate filing period to unfold, and if there were only two or fewer candidates for the two Ward 2 seats the council could appoint one of those candidates to fill the seat until their elected term began in January 2016. If there were three or more candidates for the two seats, however, the council would not appoint and would instead allow the election run its course. That process was the direction by council, but no formal action was taken.

SECOND READING AND PUBLIC HEARING ON ORDINANCE 1176, AMENDING SECTION 300 OF CHAPTER 4 ARTICLE 7 OF THE FORT MORGAN MUNICIPAL CODE REGARDING THE DISPOSITION OF REAL PROPERTY

Mayor McAlister reviewed the format to be followed during the public hearing, and City Clerk/PIO John Brennan confirmed that proper legal notice of the hearing had been published. City Attorney Jason Meyers said the ordinance was the same as presented on first reading and would allow the city council more flexibility in selling real property and taking advantage of economic development opportunities.

No public comments were received either during the hearing or in advance, and no council comments were offered. Castoe made a motion to close the public hearing, which was seconded by Shaver and approved unanimously.

Wells explained the council's options for action on this legislative measure. Northrup offered a resolution to approve the second and final reading of Ordinance No. 1176, Amending Section 300 of Chapter 4 Article 7 of the Fort Morgan Municipal Code, and authorization to publish by title only. That resolution was seconded by Castoe and approved unanimously.

2016 BUDGET CALENDAR – PRESENTATION OF 2016 BUDGET EXPENDITURES FOR THE WATER AND SEWER FUNDS

Water Distribution/Wastewater Collection Superintendent Erik Sagel, Water Treatment Plant Superintendent Al O'Canas, Wastewater Treatment Plant Superintendent Mike Hecker and Water Resources/Utilities Director Brent Nation reviewed the proposed expenditures for the 2016 budget for these departments and answered council questions. No formal action was taken.

CONSENT AGENDA BY RESOLUTION

Brennan presented the Consent Agenda for Council consideration as follows:

CONSENT AGENDA

- A. Approval of the disbursements and payroll for June
- B. Approval of the minutes of the July 7, 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.

PUBLIC COMMENT / AUDIENCE PARTICIPATION

None.

REPORTS BY OFFICIALS AND STAFF

Wells said staff was working with the community band shell committee to resolve some issues with the facility after the contractor failed to complete all of the required work according to the

project specifications. Wells also noted some positive developments regarding electric rates and said the new executive director of the Municipal Energy Agency of Nebraska would visit Fort Morgan soon to establish a relationship with the council.

Community Services Director Josh Miller announced that the city's final Party in the Park event of 2015 would be held July 30.

Curtis noted that the president had recently signed a federal disaster declaration for Colorado related to the damaging rain storms of May and June, so the city should be able to recover some of its costs for damage from those storms.

Nation reminded the council of the public hearings later in the week regarding the Northern Integrated Supply Project, and the opportunity to submit written comments until Sept. 3.

BIDS, MEETINGS AND ANNOUNCEMENTS

Brennan announced current bids and upcoming meetings.

Mayor McAlister adjourned the July 21, 2015 regular meeting at 9:17 p.m.

/s/ Terry McAlister

Mayor

/s/ John Brennan

City Clerk