

November 23, 2010

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 special meeting to order at 7:00 p.m.

The Pledge of Allegiance was given.

Roll Call: Present: Honorable Mayor Terry L. McAlister
Councilmember Scott Bryan
Councilmember Sharol Lyn Deal
Councilmember Debra J. Forstedt
Councilmember Brent M. Nation
Councilmember James A. Powers

Councilmember Ronald Shaver was absent.

FIRST READING OF THE FISCAL YEAR 2011 BUDGET ORDINANCE AND SET THE PUBLIC HEARING DATE

A Resolution to approve on first reading the Fiscal Year 2011 budget ordinance and to publish in full and to set a public hearing for December 7, 2010, at 7:00 pm was made by Councilwoman Deb Forstedt, seconded by Lyn Deal and passed unanimously.

ORDINANCE NO. 1109

AN ORDINANCE LEVYING A TAX UPON THE TAXABLE PROPERTY IN THE CITY OF FORT MORGAN, COLORADO, AND APPROPRIATING MONIES TO THE SEVERAL FUNDS OF SAID CITY.

UPON AND PURSUANT to the estimate of the probable revenue and expenses submitted by the City Manager to the Council of the City of Fort Morgan, Colorado, and upon a budget made by the City Manager and submitted to said Council, and for the purpose of raising funds to defray all expenses of conducting the business of the government of the City and payment of all liabilities of the City falling due or accruing during the fiscal year ending December 31, 2011.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT MORGAN, COLORADO:

Section 1. There is hereby levied and assessed a tax of Thirteen and Two Hundred Fifty-Four Thousandths (13.254) mills upon each dollar of assessed valuation of all property within the City of Fort Morgan, Colorado.

Section 2. Of the monies arising from electric, water, gas, sewer, and sanitation charges, taxes, fines, licenses and all other sources of monies of the City of Fort Morgan, the City Council acting on behalf of the various departments and funds in the appropriate and necessary capacity, make the appropriations to the several funds of said City and GID for the purposes of operations, debt service and capital outlays as follows:

| Fund | Appropriation |
|---------------------------|----------------------|
| General Fund | \$ 8,918,895 |
| Capital Improvement Fund | \$ 2,975,700 |
| Golf Fund | \$ 646,845 |
| Conservation Trust | \$ 192,000 |
| Electric Fund | \$18,862,216 |
| Water Fund | \$ 6,451,433 |
| Gas Fund | \$ 5,739,083 |
| Sewer Fund | \$ 2,466,350 |
| Sanitation Fund | \$ 1,321,726 |
| Fiber Network Fund | \$ 0 |
| Perpetual Care Fund | \$ 15,000 |
| Self Insurance/Risk Mgmt. | \$ 2,668,750 |
| RiverviewGID | \$ 0 |
| Total | \$50,257,998 |

Section 3. This ordinance adopts herein by reference the Schedule of Fees and the 5 Year Capital Improvement Plan. The Schedule of Fees shall establish the approved fees to be charged by departments within the City of Fort Morgan, and the 5 Year Capital Improvement Plan shall serve as a guide to staff and City Council as the budgeted priorities for improvements within the City of Fort Morgan.

INTRODUCED, READ ON FIRST READING AND ORDERED PUBLISHED this 23rd day of November, 2010.

THE CITY COUNCIL OF THE CITY OF FORT MORGAN, COLORADO

[SEAL]

By: /s/ Terry L. McAlister
Mayor

Attest:

/s/ Yolanda L. Eurich
Deputy City Clerk

PASSED, APPROVED AND ADOPTED ON FINAL READING AND ORDERED PUBLISHED
this ____ day of December, 2010.

THE CITY COUNCIL OF THE CITY OF FORT
MORGAN, COLORADO

[SEAL]

By: /s/ Terry L. McAlister
Mayor

Attest:

/s/ Yolanda Eurich

Deputy City Clerk

STATE OF COLORADO)

COUNTY OF MORGAN) ss.

CITY OF FORT MORGAN)

CERTIFICATE

I, Yolanda L Eurich, the duly appointed, qualified and acting Deputy Clerk of the City of Fort Morgan, Colorado, do hereby certify that the foregoing Ordinance No. was, as a proposed Ordinance, duly and legally presented to the City Council of the City of Fort Morgan, Colorado, on the 23rd day of November, 2010. Said ordinance, as proposed, was duly read at length at said meeting, and thereafter the same was, on the 26th day of November, 2010, published in The Fort Morgan Times, a daily newspaper of general circulation published and printed in the City of Fort Morgan, Morgan County, Colorado. Said proposed ordinance was again taken up and read a second time at a regular meeting of the City Council held on the ____ day of December, 2010; that the above and foregoing Ordinance No. was duly and legally, passed, approved and adopted on said day of December, 2010.

/s/ Yolanda Eurich
Deputy City Clerk

DISCUSSION AND CONSIDERATION OF A RESOLUTION SETTING THE FISCAL YEAR 2011 WATER AND WASTEWATER RATES

City Manager Pat Merrill explained that the water rate increase for 2011 is the next step in the phasing in of rate increases to pay for debt on the city water system, capital improvements to the system and the cost of the city's participation in the Northern Integrated Supply Project. A Resolution to approve the fiscal year 2011 water rates as presented was made by James Powers, seconded by Brent Nation and passed unanimously. There will be no change in the wastewater rates.

**EXHIBIT A
TO RESOLUTION NO.**

**WATER RATES
EFFECTIVE JANUARY 1, 2010
RESIDENTIAL AND COMMERCIAL**

| | <u>Consumer Charge</u> (\$/month) | <u>Commodity Charge</u> (\$/1,000 Gallons) |
|--------------------------------------|--------------------------------------|---|
| <u>IN-CITY RATES:</u> | | |
| 3/4" Water Base Charge | \$35.83 | \$2.65 |
| 1" Water Base Charge | \$61.88 | \$2.65 |
| 1.5" Water Base Charge | \$134.51 | \$2.65 |
| 2" Water Base Charge | \$229.87 | \$2.65 |
| 3" Water Base Charge | \$51 1.56 | \$2.65 |
| 4" Water Base Charge | \$884.21 | \$2.65 |
| 6" Water Base Charge | \$1,993.32 | \$2.65 |
| 8" Water Base Charge | \$3,647.07 | \$2.65 |
| Industrial | \$.00 | \$2.65 |
| Well Water | \$.00 | \$1.10 |
| Irrigation: Parks, Cemetery, Schools | \$.00 | \$1.10 |

OUTSIDE CITY LIMITS:

Customers with meters: Double the In-City Rate and Base Charge (follow above chart X2).

RESOLUTION NO. _____

**INCREASING THE WATER RATES FOR THE
CITY OF FORT MORGAN, COLORADO**

WHEREAS, the continued water development for the City of Fort Morgan is in the best interests of the City; and,

WHEREAS, the projected revenues of the water rate study were completed in March of this year and presented to City Council on April 13, 2010, by The Engineering Company (TEC); and,

WHEREAS, the annual growth rate for the City since 2006 has increased by 0.3% or twelve (12) additional taps a year; and,

WHEREAS, a current projection of annual growth is expected to be 1.4% or an

increase of fifty-five (55) taps per year; and,

WHEREAS, the current annual payment for debt service is expected to increase by \$1,000,000.00 by the year 2015, due to the City’s participation in NISP, and the repayment of water bonds; and,

WHEREAS, an increase in the water rates would create additional revenue within the Water Enterprise Fund to allow for future infrastructure improvements, rate stabilization and major expansions that will benefit the customers; and,

WHEREAS, City Staff has analyzed the reserve fund and has recommended the increase of the water rates and tap fees; and

WHEREAS, pursuant to Section 18-3-10 of the Fort Morgan Municipal Code all water rents, rates and charges payable within the City are to be established by Resolution of the City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FORT MORGAN, COLORADO:

Effective January 1, 2010, for all utility bills generated on or after such date, the City hereby adopts the Water Rates (attached hereto as Exhibit A).

PASSED, APPROVED AND ADOPTED this day of 23rd November, 2010, upon a roll call vote of 6-0 by the Council of the City of Fort Morgan, Colorado.

Ayes: Mayor McAlister, Councilmembers Bryan, Deal, Forstedt, Nation, Powers

Nays: None

Absent: Councilmember Shaver

THE CITY COUNCIL OF THE CITY OF
FORT MORGAN, COLORADO

By: Terry L. McAlister

Mayor

ATTEST:

Yolanda L. Eurich
Deputy City Clerk

STATE OF COLORADO)
COUNTY OF MORGAN) ss

CERTIFICATE

CITY OF FORT MORGAN)

I, Yolanda Eurich, Deputy City Clerk of the City of Fort Morgan, Colorado, do hereby certify that the above and foregoing **Resolution** is a true, perfect and complete copy of the **Resolution** adopted by the Council of Fort Morgan, Colorado, and is identical to the original thereof appearing in the official records of the City of Fort Morgan, Colorado and that the same has not, since its adoption, been rescinded or amended in any respect.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the City of Fort Morgan this day of 2010.

[SEAL]

Yolanda Eurich
Deputy City Clerk

DISCUSSION AND CONSIDERATION OF A CONTRACT FOR SERVICES WITH NMPP FOR A COMPREHENSIVE RATE DESIGN STUDY FOR THE ELECTRIC ENTERPRISE

Manager Merrill explained the proposal, which would provide four years of consulting work on electric rates with a one-third discount on the cost because the city is a member of the Municipal Energy Agency of Nebraska.

A Resolution to authorize the Mayor to sign the contract for services with the Nebraska Municipal Power Pool for a comprehensive rate design study for the electric enterprise and expenditure of funds not to exceed \$11,800, and for the Mayor to sign the memorandum of understanding with MEAN, was made by Deb Forstedt, seconded by Scott Bryan and passed unanimously.

SLUDGE HAUL BIDS AND AGREEMENT

Water Resources Director Gary Dreessen presented information on the bids for hauling sludge from the city wastewater treatment plant.

A Resolution to approve the sludge haul bid from Parker Ag Services in the amount of \$.036 per gallon and authorize the Mayor to sign the contract was made by Jim Powers, seconded by Brent Nation and passed unanimously.

NECALG UPDATE

Larry Worth, executive director of the Northeastern Colorado Association of Local Governments, briefed the council on the activities of the organization and thanked the council members and city staff for their partnership with NECALG.

PUBLIC COMMENT/ AUDIENCE PARTICIPATION

None.

Mayor McAlister adjourned the Nov. 23, 2010 regular meeting at 8:00 p.m.

/s/ Terry L. McAlister
Mayor

/s/ John J. Brennan
City Clerk