

July 17, 2012

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 6:00 p.m., noting that the members of the council had gathered at 5 p.m. at the City Complex for a tour of several departments related to development of the budget, as was published with the meeting agenda.

The Pledge of Allegiance was given.

Roll Call: Present: Honorable Mayor Terry L. McAlister
Councilmember Scott Bryan
Councilmember Debra J. Forstedt
Councilmember Brent M. Nation
Councilmember Lisa Northrup
Councilmember Joe Segura Jr.
Councilmember Ronald Shaver

The meeting was also attended by City Manager/City Attorney Jeff Wells, Police Chief Keith Kuretich, Municipal Engineer Brad Curtis, Community Development Director David Callahan, City Treasurer Jean Kinney, Light and Power Superintendent Doug Linton, Assistant City Attorney Jerrae Swanson, Inventory Control/Building Maintenance Superintendent Doug Hofman, Water Distribution/Wastewater Collection Superintendent Mitch Church, Utility Billing Manager Connie Musgrave and City Clerk/PIO John Brennan.

PRESENTATION ON PROPERTY PURCHASE PROCESS FOR AIRPORT RUNWAY

Community Development Director David Callahan reviewed the last briefing he provided to the council on this project, and said the property appraisals were now under way and expected to be completed by the end of the month. He also told of upcoming conference calls with officials of the Federal Aviation Administration and the city's new airport consulting engineers to ensure that the transition to the new engineering firm would go smoothly and not cause any delays or difficulties with the runway project.

PRESENTATION BY ONEMORGAN COUNTY AND REQUEST FOR LETTER OF SUPPORT

OneMorgan County Executive Director Brenda Zion explained the request for a letter from the city to accompany a grant application, which if successful would fund the creation of a local Human Relations Commission. She described the functions of such a commission and how it would be established, and answered questions from the council. Councilmember Debra Forstedt made a motion to authorize the mayor to sign the letter of support, which was seconded by Councilmember Scott Bryan and approved unanimously.

LOCAL LICENSING AUTHORITY – PUBLIC HEARING ON AN APPLICATION FOR A NEW RETAIL LIQUOR STORE LICENSE FOR JOVI'S LIQUOR AT 625 E. BURLINGTON AVENUE

Mayor Terry McAlister outlined the procedure to be used for the public hearing, and City Clerk John Brennan and Police Chief Keith Kuretich confirmed that proper public notice and posting of the property had been done. Brennan introduced the applicants, Veronica Carrera-Chavez and Ricardo Carrera, and reviewed the application process and the documentation submitted by the applicants to establish the needs and desires of the neighborhood. Kuretich reviewed his report

on the background investigations of the applicants, and the applicants spoke to the council about their backgrounds, qualifications and reasons for applying for the license. After several questions from City Manager/City Attorney Jeff Wells and the council, and public comments by Martha L. Gonzales of 628 Circle Drive in Fort Morgan, who spoke in support of the applicants as the accountant for the business, Forstedt made a motion to close the public hearing, which was seconded by Councilmember Brent Nation and approved unanimously.

Wells then advised the council of its options for taking action, which included approval, denial or continuation of the public hearing. Councilmember Brent Nation made a motion to approve the new Retail Liquor Store License – Malt, Vinous and Spirituous Liquors, for Veronica Carrera-Chavez and Ricardo Carrera, dba Jovi's Liquor, at 625 E. Burlington Ave. That motion was seconded by Councilmember Lisa Northrup and approved unanimously.

BIDS FOR SENSUS IPERL WATER METERS

Inventory Control/Building Maintenance Superintendent Doug Hofman reviewed the bid process and results for this purchase, and recommended acceptance of the only bid received, from Dana Kepner Co. of Denver. After some questions from the council were answered by Hofman and Water Distribution/Wastewater Collection Superintendent Mitch Church, Councilmember Bryan offered a resolution to accept the bid for unit prices from Dana Kepner Co. at the costs and quantities listed in the staff memo. That resolution was seconded by Forstedt and approved unanimously.

FIRST READING OF AN ORDINANCE AMENDING CHAPTER 15, "GARBAGE AND REFUSE," OF THE FORT MORGAN MUNICIPAL CODE (2010)

Assistant City Attorney Jerrae Swanson explained that when the City Council approved the adoption of revisions to the nuisance code in Chapter 6 of the municipal code, there were some conflicts and redundancies with Chapter 15 in the language of the new nuisance code. This ordinance, Swanson said, would eliminate those conflicts and also clarify the penalty provision for violations of the code.

Forstedt offered a resolution to accept the changes in language as presented and approve the first reading of Ordinance 1129, Amending Chapter 15, "Garbage and Refuse," of the Fort Morgan Municipal Code (2010), which was seconded by Councilmember Ron Shaver and approved unanimously.

PROPOSAL FOR THE CITY TO TAKE POSSESSION OF RAINBOW BRIDGE FROM THE COLORADO DEPARTMENT OF TRANSPORTATION

Municipal Engineer Brad Curtis said the city had entered into a lease agreement with CDOT in 1990 for use of the bridge, which was supposed to be renewed every five years, but that had not been done. After discovering this and contacting CDOT, city staff learned that CDOT no longer had any need for the bridge as an emergency route for crossing the South Platte River, and was willing to convey the bridge to the city. After review by all applicable city departments, city staff was recommending that the city take possession of the bridge, which would allow the city to control use of the bridge and also prevent CDOT from blocking off access to the bridge. The city would be responsible for maintenance of the bridge, but that was already the case under the 1990 lease, Curtis said.

Taking control and possession of the bridge would require annexation of the property, which would involve an estimated cost of about \$6,000 for surveying, Curtis said. At this time staff was only asking for approval to move forward in starting the process of conveyance, and annexation would be a separate issue that would come to the council in the future for separate approval.

After some discussion of the potential risks, liabilities and costs of taking possession of the bridge, Councilmember Lisa Northrup offered a resolution authorizing staff to move forward with the conveyance of the Rainbow Bridge to the city, which was seconded by Councilmember Joe Segura Jr. and approved unanimously.

DISCUSSION AND POSSIBLE ACTION ON THE EFFECTIVE DATE OF A SEWER RATE INCREASE APPROVED BY COUNCIL ON JULY 3, 2012

Wells explained that the resolution for approval of the sewer rate increase, which the council passed on July 3, did not include a start date for the new rates, so this was a housekeeping matter to clarify for the record the effective date of the new rates. Wells noted that the council had discussed both July 1 and Aug. 1 as possible start dates, and the decision would be up to the council.

After several council members said they did not feel the new rates should be made retroactive to July 1, Councilmember Shaver offered a resolution to put the sewer rates into effect Aug. 1, 2012. That resolution was seconded by Forstedt and approved unanimously.

DISCUSSION AND POSSIBLE ACTION ON PAYOFF OF WATER RESOURCES PROJECT 1994A LOAN

City Treasurer Jean Kinney told the council she had been contacted by the bondholder about possibly paying off this debt in the water fund early. The city would have to pay the remaining balance of about \$444,000 on this bond series, which was issued to finance the city's participation in the Colorado-Big Thompson water project, but by doing so the city would save nearly \$35,000 in interest payments. The money to pay off the bonds would come from the water fund reserves, Kinney said, and the savings would represent a better return than most other investments at this time.

Wells pointed out that while this would deplete the water fund reserves by about 10 percent, the city would also save the money otherwise used to pay this debt service, which could be used to rebuild those reserves. With other water projects and expenses on the horizon, he said, it would be better in the long run to get this debt off the books.

Councilmember Shaver offered a resolution authorizing staff to gather all of the pertinent information needed to submit and pay off the 1994A bonds from the C-BT project. That resolution was seconded by Nation and approved unanimously.

REVIEW OF DRAFT 2011 FINANCIAL AUDIT

Kinney briefed the council on the draft audit prepared by Holscher, Mayberry & Co., noting that the draft was not complete but would give the council a sense of the format and what to expect when the final audit was presented to the council by auditor Tim Mayberry at the Aug. 7 meeting. No formal action was taken.

2013 BUDGET PREPARATION CALENDAR – BUDGET AND CAPITAL EXPENDITURES FOR THE ELECTRIC FUND

Wells noted that the electric fund includes numerous departments, and several department heads were available to review their proposed budgets and capital expenditures for 2013. Light & Power Superintendent Doug Linton, Utility Billing Manager Connie Musgrave, Network Administrator Nelson McCoy, Inventory Control/Building Maintenance Superintendent Doug Hofman and Municipal Engineer Brad Curtis each spoke to the council and answered questions

about their proposed expenditures for staff, equipment, supplies and projects. No formal action was taken.

CONSENT AGENDA BY RESOLUTION

City Clerk/PIO John Brennan presented the Consent Agenda for Council consideration, said Consent Agenda being in words, letters and figures as follows, to wit:

CONSENT AGENDA

- A. Approval of the disbursements and payroll for June
- B. Approval of the minutes of the July 3, 2012, City Council regular meeting
- C. Second Reading and final approval of Ordinance No. 1128, rezoning property from the Industrial to the General Business (B-2) zoning district (**Case SD-12-002 Colorado State Minor Subdivision and Rezoning**)

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.

Councilmember Nation offered a resolution to approve the Consent Agenda as presented, which was seconded by Shaver and approved unanimously.

PASSED, APPROVED AND ADOPTED this 17th day of July 2012, the vote upon roll call being as follows: Ayes: Mayor McAlister; Councilmembers Bryan, Forstedt, Nation, Northrup, Segura and Shaver. Nays: none.

PUBLIC COMMENT / AUDIENCE PARTICIPATION

Joshua Seaman of Morgan County Road T.9 in Brush spoke to the council about the need for repairs to the Fort Morgan skate park. He outlined what he believed were the needed improvements and the benefits of each for the city and its residents and businesses, and presented copies of signatures from residents, business owners and others who shared in these opinions, Seaman said.

Several council members thanked Seaman for coming to speak about the issue. Wells noted that because this was not an agenda item for this meeting the council could take no action on it, but now that the issue had been raised it could be considered during the budgeting process. He said city staff was already aware of needs at the skate park and was working on solutions.

REPORTS BY OFFICIALS AND STAFF

Wells told the council about the success of the recent BobStock free concert at City Park, which he said was the result of many local businesses, other entities and the city working together.

BIDS, MEETINGS AND ANNOUNCEMENTS

Brennan announced current bids and upcoming meetings. Mayor McAlister then read a letter from David Frick of the Morgan County Rural Electric Association, thanking the city for its help in making repairs and restoring power after the Last Chance fire south of Brush. McAlister said this

was an example of the good relationships the city has been building with neighboring governments and other entities.

EXECUTIVE SESSION

The regular meeting concluded at 8:18 p.m., and Forstedt made a motion to convene a scheduled executive session. That motion was seconded by Nation and approved unanimously. 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: City Manager contract.

The executive session began at 8:34 p.m. and ended at 9:32 p.m., and was attended by the mayor and council members along with Wells.

Following the conclusion of the executive session, the council returned to open session where Forstedt reported that the council had met in executive session for the purpose stated on the agenda, and that representatives of the council would report back on progress at a later date.

Mayor McAlister adjourned the July 17, 2012 regular meeting at 9:35 p.m.

/s/ Terry L. McAlister
Mayor

/s/ John J. Brennan
City Clerk