

August 21, 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 City Council and staff gathered at 5:00 p.m. at the city's wastewater treatment plant for a tour of the facility related to development of the 2013 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 Lisa Northrup
Councilmember Joe Segura Jr.
Councilmember Ronald Shaver

The meeting was also attended by City Manager Jeff Wells, Police Chief Keith Kuretich, Municipal Engineer Brad Curtis, Community Development Director David Callahan, City Treasurer Jean Kinney, Recreation Coordinator Jane Perkins, Golf Professional Tyler Tarpley, Water Treatment Plant Superintendent John Turner, FMPD Lt. Darin Sagel and numerous other FMPD officers, Executive Legal Assistant Sharon Velder, Wastewater Treatment Plant Superintendent Mike Hecker, Water Distribution/Wastewater Treatment Superintendent Mitch Church and City Clerk/PIO John Brennan.

SWEARING-IN OF TWO NEW FORT MORGAN POLICE DEPARTMENT OFFICERS

Mayor Terry McAlister administered the oath of office to the two new officers, Jessica Schlagel and Mark Burke. Police Chief Keith Kuretich then briefly informed the council about the backgrounds of the two new officers.

REQUEST FOR IN-KIND SERVICES AND WAIVER OF FEES FOR THE FALL HARVEST CAR SHOW

Recreation Coordinator Jane Perkins presented information on the request, which would waive fees and damage deposits totaling \$2,800 for the annual event. Several council members remarked about how many people the car show brings to the city, and the resulting positive impact on local businesses.

Councilmember Ron Shaver offered a resolution to approve the waiver of fees and deposits totaling \$2,800 for the Fall Harvest Car Show, which was seconded by Councilmember Scott Bryan and approved unanimously.

PRESENTATION ON AIRPORT RUNWAY PROJECT

City Manager Jeff Wells noted that several members of the city's airport advisory board as well as residents of the area in which the city plans to expand the airport were in attendance.

Community Development Director David Callahan told the council the appraisal of the properties the city needs to acquire for this project had been completed, and a review appraisal was under way and should be finished by the end of the month. Callahan said he had met with the city's new airport consulting engineers, RS&H, as well as representatives of the Federal Aviation Administration to help ensure a smooth transition to the new firm as the runway project

proceeded. He said the process of acquiring grants for all property acquisition and project design was proceeding on schedule.

McAlister asked if anyone in the audience wished to speak, and Patrick Shelkin, an attorney for the Longacre family that owns some of the property the city needed to acquire, asked when he and the family would receive copies of the property appraisal and other documentation. Wells said as soon as the appraisal process was complete all of the information would be forwarded to the attorney and his client. Callahan also said he would forward copies of any new information based on the meeting with RS&H and the FAA to the attorney and client by e-mail. No action was taken.

PRESENTATION ON PROCESS AND PROCEDURE FOR FILLING A CITY COUNCIL VACANCY FOR WARD 1

Wells reviewed the charter requirements and the processes used to fill past council vacancies. He said the council could decide on some details of the process at a later time, but staff was looking for direction on when to put out a call for applications and the length of time the council would like to leave the application process open. Wells also asked council to discuss whether to make a decision on the process now or defer action on that until a later date.

McAlister said he believed the council as a whole wanted to get the process started as quickly as possible, and he would like to see a 30-day window to accept applications, which could be extended if no applications were received within that time. The council agreed by consensus to direct staff to publicize the opening beginning immediately and set the initial deadline for applications at about 30 days. No further action was taken.

DISCUSSION WITH REPRESENTATIVES OF CABLEVISION

Wells briefed the council on Cablevision, which was the successor to Bresnan Communications and has a cable television franchise agreement with the city. He said some concerns had been raised by residents to both staff and council members regarding cable TV service issues with the company, and he had asked Cablevision to send representatives to Fort Morgan to hear those concerns from city officials and the public.

Wells then introduced Melissa Shannon, area director for government affairs, who provided the council with some background on the company and its services and introduced several other company representatives. Shannon said Cablevision had made numerous enhancements to its system and invested in new technology since acquiring Bresnan in late 2010. She acknowledged that these changes had caused some customer confusion and frustration and said the company was currently finishing a comprehensive technical assessment of its local system and working diligently to resolve the issues.

Councilmember Joe Segura Jr. and Mayor Terry McAlister described their own dissatisfaction with their experiences with the company, and McAlister said he had received a couple of calls from other residents who wanted the company to know they were upset with the service. McAlister also said he felt the company had raised its prices without adding to the service, and was focusing on high-definition and other premium services instead of offering an affordable basic package for local residents.

McAlister then asked if anyone in the audience wished to address the Cablevision representatives. Karen Rider and Nancy Lockwood both said they were extremely disappointed in the company's service as well as its response to service requests. The Cablevision representatives offered to meet individually with any residents who desired to do so, and Shannon gave the company's service phone number and her cell phone number and encouraged people to call.

McAlister said he felt the company had been given the input and direction it needed, and encouraged the company to improve its services.

PUBLIC HEARING ON AN APPLICATION FOR A MINOR SUBDIVISION (CASE MS 12-005)

McAlister opened the public hearing and Callahan reviewed the request, which would resolve an encroachment that exists between two homes on what was originally platted as a single lot. He said this was a common situation in Fort Morgan, and in this case had been in existence for many years with no dispute between the property owners. Callahan said the city Planning Commission had reviewed the case and recommended approval with conditions outlined in the staff memo.

No public comments were received, and Councilmember Debra Forstedt made a motion to close the public hearing, which was seconded by Shaver and approved unanimously.

Wells then advised the council of its options for taking action on the request, which included approval without conditions, approval with conditions or denial. Forstedt then offered a resolution to approve the request for a minor subdivision subject to Alternative Condition No. 2 as presented by staff, which said the Council would require that a plat note be added to advise future owners of the uncertainty of the location of existing utilities, and/or require blanket easements, covering the entirety of each lot, to allow for continued maintenance and replacement of existing lines.

Wells then said situations like this one are quite common and can be cumbersome to bring before the council for public hearings, and that the council may want to consider authorizing staff to resolve these issues administratively.

John Clatworthy, a real estate representative who was working on the sale of one of the subject properties, told the council that Morgan County does allow staff to make these decisions as long as they are uncontested and neighboring property owners are notified, and that this has streamlined the process and should be considered by the city. Wells noted that the council could not act on such a measure at this meeting but he would bring it back as a proposal for consideration.

ACCEPTANCE OF A \$125,000 COPS GRANT

Police Chief Kuretich reviewed the process of applying for this grant and said it had been awarded to the city, and would require \$71,507 in matching funds from the city to make a total of \$196,507 which would pay for one entry-level police officer for three years.

Bryan offered a resolution approving acceptance of the grant and authorizing the mayor to sign the related documents, and approving the additional funding through the city for the years as stated in the agreement. That resolution was seconded by Shaver and approved unanimously.

PRESENTATION ON STATUS OF COSTS AND REVENUES FOR QUAIL DUNES GOLF COURSE FOOD AND BEVERAGE OPERATION

Golf Professional Tyler Tarpley explained that the course was operating its food and beverage concessions in house this year and had underestimated the costs to provide the service. The course had spent just over \$17,000 so far, which had generated revenues of over \$31,000, he said. Staff was requesting an additional \$12,000 to continue the food and beverage operation for the rest of the golf season, which would generate further revenue with similar margins, Tarpley said.

Bryan questioned where the profit from the food and beverage operations went, and Wells explained that it was recorded as additional golf course revenue that would go toward reducing the general fund transfer to the course, which is done at the end of the budget year.

Shaver offered a resolution to approve the requested additional expenditure of \$12,000 for golf course food and beverage operations, which was seconded by Forstedt and approved unanimously.

PROPOSAL TO AUTHORIZE THE CITY MANAGER TO DEVELOP AND IMPLEMENT MINIMUM STANDARDS FOR THE FORT MORGAN MUNICIPAL AIRPORT

Wells said he was asking the council to authorize him to develop and implement minimum standards for the city airport, which would be done through a public process involving the city's airport advisory board and taking public input. He said the airport had minimum standards which date to 2004 but some deficiencies had been found in those standards and the airport board was already looking at ways to update and improve them.

Shaver made a motion to authorize the city manager to develop and implement minimum standards for the city airport, which was seconded by Northrup and approved unanimously.

BIDS FOR WATER TREATMENT PLANT FILTER MEDIA REPLACEMENT CONSTRUCTION SERVICES

Water Treatment Plant Superintendent John Turner outlined the bidding process for this item, and recommended accepting the lowest bid from Hydro Construction Co. of Fort Collins. Northrup questioned the wide range of prices among the bidders, and Turner said that was likely a function of the poor economy, which led some contractors to bid lower to keep people working.

Forstedt offered a resolution to accept the bid from Hydro Construction Co. in an amount not to exceed \$130,000, which was seconded by Shaver and approved unanimously.

BIDS FOR CITY VEHICLES

Wells explained that this purchase was re-bid because the dealer that was awarded the bid earlier in the summer had disputed the vehicle specifications and prices in its bid. Wells said staff was recommending that the council approve the purchase of two Toyota Corollas and one Toyota Camry from Ehrlich Toyota East of Fort Morgan.

He said another bidder had withdrawn its bid for Ford vehicles because it had quoted prices for the wrong vehicles, and several other dealers had also submitted bids on various vehicles. Wells said the benefits of choosing Ehrlich included having a dealership in the city to perform routine maintenance and warranty work, and a two-year free maintenance package included in the price. He said he was recommending one larger vehicle for those occasions when it would be necessary for passengers to ride in the back seat on long trips, and the cost of all three vehicles would be \$57,485, under the budgeted amount of \$70,000.

Some council discussion followed about the respective vehicles, and Wells affirmed that the staff was not recommending including an extended warranty in the purchase.

Northrup offered a resolution accepting the bid from Ehrlich Toyota East for two Corollas and one Camry at a total cost of \$57,485. That resolution was seconded by Shaver. McAlister said he would prefer to see the city purchase three of the less expensive vehicles to keep the total cost around \$50,000 rather than \$57,000. Northrup's resolution to accept the Ehrlich bid at \$57,485 was then approved unanimously.

PRESENTATION/ACTION ON FOUR MEMORANDA OF UNDERSTANDING

Wells explained that these four agreements were being presented as one action item, and he briefed the council on the MOU with the Outdoor Amphitheater/"Bandshell" Committee. He said

that MOU would dictate that the committee would do the fundraising for the project and turn the funding over to the city, which would then build, own and maintain the facility. McAlister questioned a clause in the MOU allowing free use of the facility by the Platte Valley Band, which would act as the fiscal agent for the fundraising, asking whether it was fair or legal to do this for one group and charge rental fees to others. Wells said he believed it was legal, and discussion of this issue and the city's policy for rental charges and fee waivers followed, during which Martha Bieber and David Bute of the Platte Valley Band spoke about the group's role and efforts in fundraising. Wells suggested the language could be changed to say that this courtesy exemption for fees would be given to the band group to the extent allowable by law, or the MOU could be approved subject to a legal review of the extent to which the rental exemption could be challenged under the law.

Callahan then reviewed the other three MOUs, with Caring Ministries for use of library services by its patrons, and with AARP and the Platte Valley Band for use of the city's Senior Center. Bryan then offered a resolution to approve and authorize the mayor to sign the four MOUs as presented, with the stipulation that the language in the bandshell MOU pertaining to the Platte Valley Band rental exemption be clarified as discussed. That resolution was seconded by Councilmember Joe Segura Jr. and approved unanimously.

DISCUSSION OF ALTERNATIVES FOR STORMWATER PROJECTS

Wells reminded the council of a recommendation made by the Stormwater Ad Hoc Committee for the creation of a stormwater utility to address the problem of periodic flooding in the city, and said the council had decided to defer action on that recommendation. Wells reviewed the utility option as well as other alternatives explored by the ad hoc committee, which included a tax that would require voter approval of at least two ballot measures, and a "pay as you go" plan to complete the needed infrastructure improvements in small phases over time using the existing city budget. Wells explained some of the potential benefits and drawbacks of each alternative, and asked the council for direction.

Discussion followed, with McAlister and several council members saying they did not feel residents supported any proposal that would involve a tax or fee to pay for the storm mitigation measures. Wells also noted the likelihood that the Environmental Protection Agency would impose new regulations and requirements for stormwater, and Municipal Engineer Brad Curtis described how phasing on a pay-as-you-go basis might work.

McAlister said he believed the council had had sufficient discussion but was not ready to take action on any of the options. The council consensus was to direct staff to compile more details regarding specific project ideas, costs and an outline of how a pay-as-you-go program might work. No formal action was taken.

PRESENTATION AND UPDATE REGARDING DEVELOPMENT OF ACOMA AVENUE

Curtis outlined the status of many issues surrounding the council goal to complete Acoma Avenue to link the east and west sides of the city south of the railroad tracks, including property, right of way, utility and other issues. He said the staff believed that if council wanted the road completed and opened to traffic, it should be largely unimproved, without paving and curb and gutter, until development is proposed in the area and clarifies what utilities and other improvements might be needed. Wells said the completion of the road would have to be considered in the context of other capital improvements needs. Curtis said the staff was simply asking for authorization to complete design plans for the road and a bridge that would be needed, which was already in the 2012 budget, and a decision could be made later in the budget process about whether to fund the actual construction next year. He said the design could be held and used later in the future if the project was not funded for 2013.

No formal action was taken.

ACCEPTANCE OF THE FINAL 2011 CITY FINANCIAL AUDIT

City Treasurer Jean Kinney said this final version of the audit was essentially the same document reviewed by the council at its last meeting, and only typographical errors had been changed. Forstedt made a motion to accept the final 2011 city financial audit, which was seconded by Shaver and approved unanimously.

2013 BUDGET PREPARATION CALENDAR — BUDGET AND CAPITAL EXPENDITURES FOR THE SEWER FUND

Water Treatment Plant Superintendent Mike Hecker and Water Distribution/Wastewater Collection Superintendent Mitch Church reviewed highlights of their department budgets and proposed capital improvement expenditures, and answered questions from the council. No formal action was taken.

CONSENT AGENDA BY RESOLUTION

City Clerk/PIO John Brennan presented the Consent Agenda for Council consideration as follows:

CONSENT AGENDA

A. Approval of the disbursements and payroll for July

B. Approval of the minutes of the August 7, 2012 City Council regular meeting

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

PASSED, APPROVED AND ADOPTED this 21st day of August 2012, the vote upon roll call being as follows: Ayes: Mayor McAlister; Councilmembers Bryan, Forstedt, Northrup, Segura and Shaver. Nays: none.

PUBLIC COMMENT | AUDIENCE PARTICIPATION

None.

BIDS, MEETINGS AND ANNOUNCEMENTS

Brennan announced current bids and upcoming meetings. Segura related a call he had received from a city resident who was upset about not being notified of an application and hearing for a new liquor store license just a block from her home. Segura said he understood that the city was following state statutes regarding notifications about such applications and hearings, but that it would not hurt for the city to do more, such as mailing notices to neighboring property owners. Wells said the city had the authority to adopt its own rules regarding these notifications and other liquor licensing regulations, as long as they do not conflict with state statutes.

Mayor McAlister adjourned the August 21, 2012 regular meeting at 9:20 p.m.

/s/ Terry L. McAlister
Mayor

/s/ John J. Brennan
City Clerk