

June 19, 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 8:30 a.m.

The Pledge of Allegiance was given.

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

Absent: Councilmember Debra J. Forstedt (excused)

The meeting was also attended by City Manager/City Attorney Jeffrey Wells, Police Chief Keith Kuretich, Municipal Engineer Brad Curtis, Community Development Director David Callahan, City Treasurer Jean Kinney, Light and Power Superintendent Doug Linton and City Clerk/PIO John Brennan.

---

**PROCLAMATION RECOGNIZING AND SUPPORTING THE GLENN MILLER SWINGFEST**

---

Mayor Terry McAlister read the proclamation in support of the annual event June 21-24, and presented a formal copy of the ordinance to Vernon Tryon of the organizing committee.

---

**PRESENTATION ON PROPERTY PURCHASE PROCESS FOR AIRPORT RUNWAY PROJECT**

---

Community Development Director David Callahan outlined the current status of surveys and appraisals for the property the city must buy to replace the runway at the Fort Morgan Municipal Airport.

Vernon Tryon, a member of the city's Airport Advisory Board, did a PowerPoint presentation on the history, uses and benefits of the city airport. He said the current runway has deteriorated and could not be rebuilt in its current location because it no longer meets Federal Aviation Administration specifications. City Manager/City Attorney Jeff Wells reiterated that the city does not have any other options.

---

**PRESENTATION TO COUNCIL BY STORMWATER AD HOC COMMITTEE**

---

Wells reviewed the history of the Stormwater Ad Hoc Committee, which had met for the last eight or nine months to investigate how the city could finance infrastructure improvements to address flooding during major storm events. He said the committee had approved a motion at its final meeting in May to recommend that the city create a stormwater utility.

Wells said the council could take that recommendation under advisement, or direct the staff to move ahead with a feasibility study on such matters as how to set up the utility, how and at what level to set fees, and other issues. He said the committee had fulfilled its assigned task and would no longer meet.

Council discussion followed, and the council consensus was to put the matter on a future council agenda with staff to provide information on various project options and funding mechanisms. No formal action was taken.

**COUNCIL ACTING AS THE LOCAL LICENSING AUTHORITY – PUBLIC HEARING ON AN APPLICATION FOR A NEW RETAIL LIQUOR STORE LICENSE FOR K & M LIMITED LIABILITY COMPANY, DBA RAILROAD DISCOUNT LIQUORS AT 420 E. RAILROAD AVE.**

Mayor McAlister reviewed the procedure to be followed during the public hearing, and City Clerk/PIO John Brennan affirmed that notice of the hearing had been properly published and posted on the property. Brennan reviewed the application, noting that it had been filed with the city on April 23, 2012, and accepted by the council on May 15. Since that time the applicant had undergone background investigations and provided the city with petitions supporting the approval of the license, as well as evidence of alcohol vendor training, all of which Brennan said would be entered into evidence.

Police Chief Keith Kuretich said his background investigation of the applicant revealed no issues, but he noted that the police and other city departments would have to do a final inspection of the premises after required renovations and improvements are complete.

Edward Zorn, an attorney representing the applicant, Kidane Mesgena, said the results of the petition effort showed residents to be overwhelmingly in favor of the liquor license approval. If approved, Zorn said, the license would be the only liquor license in the city east of Main Street and south of Platte Avenue.

He said Mesgena took liquor laws and regulations very seriously and would make sure that his employees followed these, especially regarding underage drinking, drinking and driving, and people who have developed a dependency on alcohol. Zorn also said the applicant planned to add in-store security for the safety of employees and customers.

Although Mesgena was a resident of Greeley, Zorn said, Mesgena planned to move to Fort Morgan upon approval of the license and opening of the store. Zorn also noted that the business would fill a vacant retail space with a necessary and viable business for the community.

Several council members asked questions about the premises and the proposed operation, and the insurance coverage held by the applicant.

McAlister then read the guidelines for public comment and asked if anyone wanted to speak on the matter. Tamara Gutierrez of 426 Howell Avenue in Brush, the manager of a Fort Morgan retail liquor store, said the city did have a couple of liquor stores in the area described by Zorn. Gutierrez said she was concerned about how close the proposed store was to Baker Central School, and whether Fort Morgan could support another liquor store.

McAlister asked whether the location was a sufficient distance from Baker school, and Brennan confirmed that it was. Wells noted that not all of the liquor stores referred to by Gutierrez were inside the city limits.

Asked about written comments provided in advance of the hearing, Brennan noted one letter received from another business owner, opposed to the granting of the new license, and said that letter would be entered into evidence.

After several council comments, Councilmember Ron Shaver made a motion to close the public hearing, which was seconded by Councilmember Scott Bryan and approved on a vote of 6-0, with Forstedt absent.

Wells then advised the council that it must consider the needs of the neighborhood and desires of the adult inhabitants for the granting of the license. Noting that the council had heard some people voice objections to the license, he said it was up to the applicant to prove that the proposed establishment would meet those needs and desires. If the council felt the applicant had met that burden, the council should approve the license, and if not the council should deny

the license and state the reasons for denial. If the council felt it needed more evidence, it could defer action and ask for additional information.

Councilmember Brent Nation made a motion to approve the application for a new Retail Liquor Store license for K & M Limited Liability Company, dba Railroad Discount Liquors, at 420 E. Railroad Avenue. That motion was seconded by Councilmember Ron Shaver and approved on a vote of 5-1, with McAlister opposed and Forstedt absent.

---

## **SELECTION OF AN AIRPORT ENGINEERING SERVICES CONSULTANT**

---

Callahan said FAA-sponsored airports hire consulting engineers on a rotational basis, and the city was in the fourth year of a five-year contract with Armstrong Consultants. Because the runway replacement project was on the verge of getting under way in earnest, Callahan said staff felt it would be wise to rebid this contract now so the same firm would do the design and engineering work as well as the oversight of construction, rather than potentially changing engineering consultants in the middle of the project.

After reviewing the process used to seek statements of qualifications and experience from engineering firms, Callahan said the city had narrowed the candidates to a short list of two, including Armstrong, and decided that Reynolds, Smith and Hills Inc. of Denver would be the best possible choice.

Callahan noted that unlike most proposals, this one looked solely at qualifications and experience, and no costs were submitted. Those would be negotiated after the selection of a company, he said. Councilmember Bryan asked what would happen if the city did not agree with the prices submitted by RS&H, and Callahan said the city would presumably go out for another round of proposals, and would not be locked into anything until it signed an agreement with the company.

Shaver offered a resolution to accept the proposal from Reynolds, Smith and Hills Inc., which was seconded by Bryan and approved on a vote of 6-0 (Forstedt absent).

---

## **BIDS FOR WATER CONSULTING ENGINEERS**

---

Before the council took up this agenda item, Councilmember Nation stated that he would step down because he was a part of one of the teams being considered. Nation then left the room.

Wells described the need for the water consulting services because the city was updating its augmentation plan, and reviewed the bid process in which five firms submitted proposals. He said two bids came in much lower than the others, and were discounted from consideration after speaking with experts including the water attorney already retained by the city. He said the other three bids were relatively close, and staff was recommending the bid from Adaptive Resources Inc. because it was a local company with lower per-hour costs, considerable experience with this type of work and familiarity with the area.

Wells also noted that this expense was not anticipated and was not budgeted for 2012 and would be brought back to council as an amendment to the budget for this and other projects that have come up. The funding source would not be addressed at this time, Wells said.

Bryan offered a resolution to approve the bid from Adaptive Resources Inc. and its schedule of fees to provide water resource and engineering services. That resolution was seconded by Shaver and approved on a vote of 5-0, with Nation stepping down and Forstedt absent.

Nation then returned to the meeting.

---

**BIDS FOR PROFESSIONAL ENGINEERING SERVICES FOR AN ELECTRIC SYSTEM MASTER PLAN**

---

Light & Power Superintendent Doug Linton reviewed the purpose of the master plan and the bidding process followed, and recommended that the city accept the bid from Exponential Engineering of Cortez, Colo. Shaver offered a resolution to accept the bid from Exponential Engineering in an amount not to exceed \$75,000, which was seconded by Nation and approved on a vote of 6-0 (Forstedt absent).

---

**INTERGOVERNMENTAL AGREEMENT FOR AN EMERGENCY TIE-IN WITH THE MORGAN COUNTY QUALITY WATER DISTRICT WATER SYSTEM**

---

Wells said this agreement and the connection between the two water systems would help both entities in emergencies. He said the Quality Water board had already approved the agreement, and if council also approved it the city would execute the agreement and budget for the cost of engineering and construction of the connection in next year's budget.

Nation offered a resolution authorizing the mayor to execute the intergovernmental agreement for an emergency tie-in with the Morgan County Quality Water District water system. That resolution was seconded by Shaver and approved on a vote of 6-0 (Forstedt absent).

---

**INTERGOVERNMENTAL AGREEMENT FOR TREATMENT OF WATER FOR THE MORGAN COUNTY QUALITY WATER DISTRICT**

---

Wells explained that this agreement would also benefit both parties, which already share in the pipeline that supplies both with Colorado-Big Thompson water. The city would treat MCQWD water and provide it back to Quality Water, helping to assure the highest quality of water for the district's customers and generating revenue for the city for the treatment of the water.

Nation noted that the city's water treatment plant has ample capacity to do this without compromising the city's water quality or supply, and that the city would not be supplying any of its water to MCQWD, just treating water supplied by the district.

Nation offered a resolution to authorize the mayor to execute the intergovernmental agreement for treatment of water for the Morgan County Quality Water District, which was seconded by Shaver and approved on a vote of 6-0 (Forstedt absent).

---

**FOLLOW-UP ON BIDS FOR NEW CITY VEHICLES**

---

Wells reminded the council that it had deferred action on this purchase at its last meeting, until city staff could test-drive the vehicles being considered. He said that had been accomplished and staff had determined that the Ford Focus would work for the city's purposes. Wells said staff was recommending moving forward with the purchase of three 2103 Ford Focus sedans from Spradley-Barr of Greeley at the bid amount of \$15,329 per vehicle, which would be \$20,000 to \$25,000 below the amount budgeted for city administrative vehicles in 2012.

Wells noted that Spradley-Barr had promised to pick up and deliver vehicles to Fort Morgan for warranty work and repairs.

Shaver offered a resolution to authorize the purchase of three 2013 Ford Focuses from Spradley-Barr at the bid amount, which was seconded by Councilmember Lisa Northrup and approved on a vote of 6-0 (Forstedt absent).

---

**2013 BUDGET PREPARATION CALENDAR – SELF-INSURANCE FUND, LIABILITIES, RISKS AND COSTS FOR 2013**

---

Human Resources/Risk Management Director Michael Boyer described the city's self-insurance fund and the things covered by it, which include employee health insurance costs. He said the city was under its expected costs so far in 2012, and recommended splitting the difference between expected and maximum cost projections for budget purposes for 2013. Wells said that projections would be used in the city's budget preparation for 2013. No formal action was taken.

---

**CONSENT AGENDA BY RESOLUTION**

---

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 May
- B. Approval of the minutes of the June 5, 2012 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.

Councilmember Nation offered a resolution to approve the Consent Agenda as presented, which was seconded by Councilmember Joe Segura Jr. and approved on a vote of 6-0.

PASSED, APPROVED AND ADOPTED this 19th day of June 2012, the vote upon roll call being as follows: Ayes: Mayor McAlister; Councilmembers Bryan, Nation, Northrup, Segura and Shaver. Nays: none. Absent: Forstedt.

---

**PUBLIC COMMENT / AUDIENCE PARTICIPATION**

---

None.

---

**REPORTS BY OFFICIALS AND STAFF**

---

Wells referred to reports of a disagreeable smell in the city water and said staff was working to find the cause and hoped to eliminate it quickly.

Callahan provided a report in answer to a question from Councilmember Segura at the previous meeting about the absence of the food concessionaire during a weekend youth baseball tournament. He said the problem was a one-time instance caused by a family emergency and it would not happen again.

Municipal Engineer Brad Curtis reviewed ongoing city construction projects and briefed the council on a pilot recycling program to be started by Morgan County on July 1 at the county landfill.

Police Chief Keith Kuretich briefed the council on activities of the department related to a statewide ban on the use of fireworks, and said officers were contacting any users of fireworks they find.

---

**BIDS, MEETINGS AND ANNOUNCEMENTS**

---

Brennan announced current bids and upcoming meetings. McAlister asked Wells to report on an issue with the Platte Avenue Lateral irrigation canal, and Wells explained that installation of

wiring for new traffic signals at Platte Avenue and Sherman Street had caused a break. He said the problem was resolved quickly and was an example of how things can be done well when everyone works together.  
The regular portion of the meeting concluded at 10:57 a.m.

---

## **EXECUTIVE SESSIONS**

---

Councilmember Lisa Northrup then made a motion to proceed to the first of two scheduled executive sessions, which was seconded by Councilmember Brent Nation and approved on a vote of 6-0, with Councilmember Debra Forstedt absent. Mayor Terry McAlister announced that following the first executive session the council would then proceed to a second scheduled executive session.

The first 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: Economic incentives.

This first executive session began at 11:06 a.m. and concluded at 12:04 p.m., and was attended by the mayor and the five councilmembers present (Forstedt absent) along with City Manager/City Attorney Jeff Wells, Community Development Director David Callahan, Nicholas Erker, Mike Erker and Brad Lebsack.

At the conclusion of the executive session the council returned to the open meeting, where Northrup reported that the council had met in executive session for the purpose stated on the meeting agenda, to discuss negotiations related to economic incentives, and staff was instructed to proceed with negotiations.

The council then convened the second scheduled executive session, which 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 purchases.

This second executive session began at 12:07 p.m. and concluded at 12:12 p.m., and was attended by the mayor and the five council members present (Forstedt absent) along with City Manager/City Attorney Jeff Wells.

Following the executive session the council returned to the open meeting, where Northrup reported that the council had met in executive session for the purpose stated on the meeting agenda, to discuss negotiations related to water purchases, and staff was instructed to proceed with negotiations.

Mayor McAlister adjourned the June 19, 2012 regular meeting at 12:13 p.m.

/s/ Terry L. McAlister  
Mayor

/s/ John J. Brennan  
City Clerk