

November 6, 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.

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, City Treasurer Jeanne Kinney, Community Development Director David Callahan, Water Resources/Utilities Director Brent Nation, Human Resources/Risk Management Director Michael Boyer, Golf Professional Tyler Tarpley, Cemetery Sexton Larry Carr, Parks Superintendent Doak Duke and City Clerk/PIO John Brennan.

APPROVAL OF THE MINUTES OF THE OCTOBER 16, 2012 CITY COUNCIL MEETING

City Clerk/PIO John Brennan said a draft of the Oct. 16, 2012 minutes had been included in the council packets. Councilmember Debra Forstedt offered a resolution to approve the minutes as presented, which was seconded by Councilmember Scott Bryan and approved unanimously.

APPOINTMENT OF MEMBER TO RECREATION AD HOC COMMITTEE

City Manager Jeff Wells explained that an additional application for the Recreation Ad Hoc Committee had been received the day after the council appointed the initial members to that committee on Oct. 16, and recommended accepting the application and appointing Oneida Petrino to the committee. Councilmember Lisa Northrup made a motion to appoint Petrino to the Recreation Ad Hoc Committee, which was seconded by Forstedt and approved unanimously.

RESOLUTION DESIGNATING BRENT NATION AS THE CITY'S ALTERNATE REPRESENTATIVE TO THE MUNICIPAL ENERGY AGENCY OF NEBRASKA MANAGEMENT COMMITTEE

Wells said this action was requested because of the recent hiring of Brent Nation as the Water Resources/Utilities Director for the city. If Wells was unable to attend a MEAN management committee meeting, this would allow Nation to attend and vote on behalf of the city, Wells said. Councilmember Ron Shaver offered a resolution designating Brent Nation as the city's alternate representative to the Municipal Energy Agency of Nebraska management committee, which was seconded by Northrup and approved unanimously.

RESOLUTION DESIGNATING BRENT NATION AS THE CITY'S ALTERNATE REPRESENTATIVE TO THE MUNICIPAL ENERGY AGENCY OF NEBRASKA BOARD OF DIRECTORS

Wells said this was a similar measure to the one just passed, and would formally designate Nation as the alternate on the MEAN board of directors. Bryan offered a resolution designating Nation as the city's alternate to the MEAN board of directors, which was seconded by Forstedt and approved unanimously.

LOCAL HISTORIC LANDMARK DESIGNATION FOR CITY HALL AND THE ARMORY RECREATION CENTER

Community Development Director David Callahan said the city's Historic Preservation Board was seeking council approval to move ahead with designation of these two city-owned properties as the first local historic landmarks since the creation of the preservation board. He noted that both sites were already listed on the national and state historic registers.

Some council members questioned whether this designation would impose any restrictions or limitations on the sale or modification of the properties, and Callahan said it would not, but the city could revoke its local historic designation if a property was changed and no longer met the historic standards.

The council gave direction to staff to move forward with the designation of the properties, but no formal action was taken.

COUNCIL ACTING AS THE LOCAL LICENSING AUTHORITY – PUBLIC HEARING ON AN APPLICATION FOR A NEW HOTEL & RESTAURANT LIQUOR LICENSE FOR EL ROBLE INC. DBA CASA PATRON

Mayor Terry McAlister reviewed the format for the public hearing, Brennan confirmed that proper legal notice of the hearing had been published, and Police Chief Keith Kuretich confirmed that notice had been properly posted on the property.

Brennan reviewed the application, which had been received Sept. 5 and formally accepted by the council on Oct. 2, and noted that the applicants had submitted petitions with 176 signatures in favor of the application and 15 opposed. No other comments, written or oral, had been received by the City Clerk's Office in support of or opposition to the issuance of the license, he said. Kuretich reported that the background investigation of the applicants by his department revealed no issues.

Erika Kaiser, an attorney representing the applicants; Gabriel Gomez, one of the partners in El Roble Inc.; and Susan Duffy Schwall of Liquor Licensing Professionals, the firm that did the petitioning for the applicant, were all sworn in by Brennan.

Schwall explained the process of petitioning, noting that 254 people were contacted out of 526 attempts over two days, with a focus on businesses one day and residents the following day.

Kaiser questioned Gomez about the company and his position as vice president and operating manager of Casa Patron, as well as other liquor establishments owned by the same parties involved in this venture and relatives of those parties. Gomez said he was not involved with other restaurants owned by these parties when liquor violations were discovered at some of those establishments. He said he was familiar with Colorado liquor laws and planned to train all employees in these laws and rules before opening the establishment. Gomez said he would hire local people and bring experienced servers from other establishments to train them.

Gomez said Casa Patron would have a service bar and alcohol sales would account for approximately 10 to 12 percent of total sales. He said the same ownership group owned the building and would be making improvements to the building and the parking area. Hours of operation would be approximately 11 a.m. to 11 p.m., and a mariachi band may play one day a week, Gomez said.

Council members and Wells questioned Gomez about whether there would be dances at the establishment, past violations at other establishments and the measures taken to correct them,

whether he would be at the Fort Morgan location full time, and whether liability insurance would be in place.

No public comments were received during the hearing.

Forstedt made a motion to close the public hearing, which was seconded by Shaver and approved unanimously.

Wells then reviewed the licensing authority's options, which included approval, denial with a stated reason, or continuation of the hearing to a later date pending more information.

Shaver made a motion to approve the application for a new Hotel and Restaurant Liquor License – Malt, Vinous and Spirituous Liquors, for El Roble Inc., dba Casa Patron, at 1215 W. Platte Avenue. That motion was seconded by Bryan and approved unanimously.

APPROPRIATION FOR GOLF COURSE DRIVING RANGE IMPROVEMENTS

Golf Professional Tyler Tarpley said the driving range at Quail Dunes, the city golf course, was in need of improvements because of irregular terrain and poor turf. He said the Douglass Fund committee and the Fort Morgan Men's Golf Association had recognized this problem and donated about \$8,000 to make the necessary improvements. Tarpley said about \$4,000 would be spent this year on grading work and the other \$4,000 in the spring on turf installation, with the work being done in-house by city staff. He asked for council approval to accept the donations and appropriate the money to this project.

Councilmember Joe Segura Jr. offered a resolution to authorize the acceptance of the donations and the expenditure of the money for driving range improvements, which was seconded by Shaver and approved unanimously.

Wells noted that staff would return to the council in 2013 for further authorization of the expenditure that would affect that year's budget.

COUNCIL ACTING AS THE BOARD OF DIRECTORS OF THE CITY OF FORT MORGAN ELECTRICITY DISTRIBUTION ENTERPRISE – PUBLIC HEARING OF ORDINANCE NO. 1130 E, AMENDING ELECTRIC RATE SCHEDULE NM FOR NET METERING PURPOSES

McAlister reviewed the format to be used to conduct the hearing, and Brennan confirmed that proper public notice of the hearing had been published. Wells reviewed the ordinance, which would change the way rebates would be paid for electricity returned to the city's power grid by customers.

No public comments were received.

Forstedt made a motion to close the public hearing, which was seconded by Shaver and approved unanimously.

Wells then advised the council that all requirements for passage of the ordinance had been met, and all that remained was council approval on second reading. Shaver offered a resolution approving the second reading of Ordinance 1130 E, Amending Electric Rate Schedule NM for net metering purposes. That resolution was seconded by Forstedt and approved unanimously.

RESOLUTION ADJUSTING ELECTRIC RATES

Wells explained that this resolution would return electric rates to a level close to that of a year ago, when the city drastically lowered the electric rates for the purpose of returning overcollected revenues to ratepayers. He said the city had done regular adjustments to its utility rates to avoid such situations until about 2008, when decisions were made by previous city administrations to change this practice. As a result the city did not adjust its rates for about three and a half years. He said regular rate studies would be done and regular adjustments made to rates in the future.

Shaver offered a resolution to approve the Resolution adjusting electric rates and the attached schedule of rates, which was seconded by Northrup and approved unanimously.

PRESENTATION BY CEMETERY STAFF ON BASIS FOR WEEKEND BURIAL FEES

Wells said a question had been raised by the council at an earlier meeting about the \$1,000 difference in burial fees on Saturdays as opposed to weekdays, and he had asked the staff to do some research to answer this question.

Cemetery Sexton Larry Carr said he researched fees at some other cemeteries and found that Fort Morgan's weekend burial fee was higher than most. He said the Fort Morgan cemetery was also the nicest and best kept in the area, and if the city wished to maintain those standards some revenues would need to be raised. He said raising the weekend burial fee was seen as a way to impose a higher fee on something that was optional and would not affect all cemetery patrons.

Bryan said he had averaged the numbers from Carr's survey and found Fort Morgan's fees to be lower than all of the others for everything but weekend burial and infant burial lots. Northrup agreed, saying she thought Fort Morgan's prices were very competitive.

Council discussion followed about the wide discrepancy between weekday and Saturday burial fees, and the fairness of this. Don Heer of Heer and Dahl Mortuary of Fort Morgan spoke to the council about the work involved in burial setups and the variations among cemeteries on fees and policies. Heer said it was not unusual for cemeteries to have extra charges on weekends.

Councilmember Joe Segura Jr., who had initially raised the question about the fee difference, said he still wondered whether such a large differential was appropriate. Wells said the extra \$1,000 was an arbitrary number and the council could change it. He said if that was the sentiment of the council it would be best to take action now because the approval of the 2013 Schedule of Fees was coming up next on the agenda.

Municipal Engineer Brad Curtis said the staff had looked at the frequency of weekend burials and revenues and felt that lowering the fee from \$1,700 to \$1,400 would be safe and would not have a dramatic impact on the cemetery budget. He said this would also be in line with the doubled fees for weekends that are common at other cemeteries.

Several council members said they felt a weekend fee of \$1,400 would be a sensible solution. As this agenda item was a presentation only, no formal action was taken, and Wells said the amendment to the fee schedule could be done when action was taken on that agenda item.

RESOLUTION ADOPTING THE 2013 SCHEDULE OF FEES

Wells told the council that the Schedule of Fees had traditionally been adopted as part of the annual budget ordinance, but that made it difficult to adjust fees quickly enough when that became necessary. Staff was asking for a procedural change with this resolution, Wells said, which would allow adjustments to fees by council resolution rather than by ordinance, making it easier to implement new fees, adjust fees to meet actual costs or change fees based on new laws or regulations.

Discussion followed on golf course fees, which would not be changed for 2013 under the fee schedule as presented, and the percentage of the local population that utilized the golf course.

Forstedt offered a resolution to approve the Resolution adopting the 2013 Schedule of Fees, with the amendment discussed earlier in the meeting to lower the weekend burial fee from \$1,700 to \$1,400. That resolution was seconded by Northrup and approved unanimously.

FIRST READING OF THE 2013 BUDGET ORDINANCE

Wells told the council that approval of this ordinance would authorize the city staff to undertake all of the policies and projects that had been discussed in the budget preparation process over the course of the year. He said the budget was balanced, with most funds balanced using anticipated revenues and a few using reserve funds. He said staff would monitor the budget throughout the year.

City Treasurer Jeanne Kinney said the projected revenues for 2013 exceeded proposed expenses by about \$2 million, but expenditures could not go over the budgeted amounts without council approval even if revenues came in higher.

Shaver offered a resolution to approve the first reading of the 2013 Budget 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. That resolution was seconded by Forstedt and approved unanimously.

DISCUSSION AND POSSIBLE ACTION ON CLOSING CITY OFFICES ON THE DAY AFTER THANKSGIVING, NOV. 23

McAlister noted that the council has been closing city offices on the day following Thanksgiving for a number of years, and granting city employees the day off. Forstedt made a motion to close city offices on Nov. 23 and give city employees the day off. That motion was seconded by Northrup and approved unanimously.

PUBLIC COMMENT / AUDIENCE PARTICIPATION

None.

REPORTS BY OFFICIALS AND STAFF

Wells reported that he had received a letter from a Denver attorney representing the Longacre family, whose property the city had offered to purchase for a runway replacement project at the Fort Morgan Municipal Airport. The city had not received any response or counter-offer from the family, and the letter said the city must work through the attorneys.

Wells also told the council that Brent Nation had begun work as the Water Resources/Utilities Director for the city. He said the city did an extensive search and believed Nation was the most qualified person for the position, and he was doing a good job.

BIDS, MEETINGS AND ANNOUNCEMENTS

Brennan said no bids were currently open and announced upcoming meetings. He also mentioned a news release recently issued by the city and published by the Fort Morgan Times, about current vacancies on city advisory boards and commissions and other openings that would occur with the expiration of terms at the end of the year.

Mayor McAlister adjourned the November 6, 2012 regular meeting at 8:01 p.m.

/s/ Terry L. McAlister
Mayor

/s/ John J. Brennan
City Clerk