

March 1, 2016

The City Council of the City of Fort Morgan, Colorado, met this day in the Council Chambers of City Hall, after completing a tour of the Library/Museum and the Recreation Center. The Honorable Mayor Ron Shaver called the regular meeting to order at 6:00 p.m.

The Pledge of Allegiance was given.

Roll Call: Present: Honorable Mayor Ron Shaver
Councilmember Clint Anderson
Councilmember Christine Castoe
Councilmember Kevin Lindell
Councilmember Dan Marler
Councilmember Lisa Northrup
Councilmember Joe Segura Jr.

The meeting was also attended by City Manager Jeff Wells, Police Chief Darin Sagel, City Treasurer Jean Kinney, Water Resources/Utilities Director Brent Nation, Community Services/Economic Development Director Josh Miller, City Attorney Jason Meyers, Management Intern Chelsea Gondeck, Human Resources/Risk Management Director Michael Boyer, Water Distribution/Wastewater Collection Superintendent Erik Sagel, Gas Superintendent Tony Behrends, Fire Chief Mark Frasco, Parks Superintendent Doak Duke, Golf Professional/General Manager Ty Hamer and City Clerk/PIO John Brennan.

APPROVAL OF MINUTES – FEBRUARY 16, 2016 CITY COUNCIL REGULAR MEETING

Councilmember Christine Castoe offered a resolution to approve the minutes of the Feb. 16, 2016 City Council regular meeting as presented, which was seconded by Councilmember Lisa Northrup and approved unanimously.

PRESENTATION OF VIETNAM VETERANS MEMORIAL FLAG AND DONATION FOR FLAGPOLE AT CITY CEMETERY

Betsy Porter of the Fort Morgan chapter of the Daughters of the American Revolution told the council that her organization had received a Vietnam Veterans Memorial Flag last year and approached the city about an appropriate place to display it. It was determined that the existing flag display at the city cemetery could accommodate an additional flagpole, and the DAR had \$700 to donate toward the cost of that pole, Porter said. Porter and several other DAR members showed the flag and then presented it along with a check for \$700 to Mayor Ron Shaver. Porter said the DAR chapter hoped to work with the local Veterans of Foreign Wars chapter to raise the flag on the new flagpole as part of the VFW's annual Memorial Day observance at the cemetery.

RECOGNITION OF MATT UNDERWOOD AS EMPLOYEE OF THE QUARTER

City Manager Jeff Wells said Cemetery Foreman Matt Underwood was chosen as the Employee of the Quarter for the fourth quarter of 2105. Many nice things had been said about Underwood in his multiple nominations for this award, Wells said, but what stood out was praise for his leadership and willingness to go above and beyond. Wells presented Underwood with a framed photograph of himself like the one displayed in the lobby of City Hall, a certificate of appreciation and a gift card.

Parks Superintendent Doak Duke said Underwood had been a great asset to the city organization, and presented him with an engraved multi-use tool. Underwood then spoke to the council, saying he would not even be nominated for this award if not for the cemetery employees, and he was also fortunate to have great supervisors who gave clear direction and expectations.

REVISION TO THE BYLAWS OF THE FORT MORGAN VOLUNTEER FIRE DEPARTMENT

Fire Chief Mark Frasco explained that this bylaw revision would change the retirement age for firefighters from 55 to 59, and was being proposed because it would allow firefighters to take a leave from the department if necessary due to life situations and still be able to complete their 20 years of service required for a pension before the mandatory retirement age.

Castoe offered a resolution to approve the revision to the Fort Morgan Volunteer Fire Department bylaws to change the mandatory retirement age from 55 to 59. That resolution was seconded by Northrup and approved unanimously.

APPROVAL OF THE 2017 BUDGET CALENDAR

Wells said the Council Rules of Procedure required him to submit a proposed budget calendar for development of the next year's budget by the first meeting in March. Wells reviewed the proposed calendar and the process to be followed during the course of the year to create and approve the 2017 city budget.

Castoe made a motion to accept the 2017 budget calendar as presented, which was seconded by Councilmember Kevin Lindell and approved unanimously.

BIDS FOR A WATER VALVE EXERCISER FOR THE WATER DEPARTMENT

Water Distribution/Wastewater Collection Superintendent Erik Sagel explained the purpose and need for this equipment, which would save manpower and time needed to ensure that water valves did not become corroded and stuck in place. He recommended acceptance of the only bid received, from Intermountain Sales Inc. of Englewood, Colo., in the amount of \$59,608.75, and requested additional funding for options and items to complete the trailer for city use, with the total cost not to exceed \$62,000.

Northrup offered a resolution to accept the bid from Intermountain Sales Inc. for a Wachs UMT-2 valve maintenance trailer and options with the total expenditure not to exceed \$62,000. That resolution was seconded by Castoe and approved unanimously.

“MEAN 101” PRESENTATION

Carol Brehm of the Municipal Energy Agency of Nebraska, one of the city's wholesale electric power suppliers, conducted a PowerPoint presentation providing an overview of MEAN and the services and benefits provided to the city by the member-owned organization. She noted that Wells was a member of the Board of Directors and the Management Committee for MEAN and had been very active in moving the organization forward. Wells said utilities are extremely important to the city and the relationship with MEAN had improved since a change in leadership, and the organization was unique in allowing member representation and influence.

RESOLUTION CANCELING THE LEVELIZED PURCHASE PLAN WITH THE NATIONAL PUBLIC GAS AGENCY

Water Resources/Utilities Director Brent Nation said the city had been participating for a number of years in the levelized purchase plan, which provided some rate stability to avoid price swings caused by volatility in the natural gas market. This required payment of a premium, however, and the city had paid a total of more than \$900,000 in premiums over the years. Nation said the gas market had stabilized and remained relatively flat for several years, and an analysis by rate consultant McFadden Consulting Group had determined that since 2007 there had only been one month where the city realized a benefit from participating in the levelized plan. Gas Superintendent Tony Behrends said he and McFadden had been looking at this issue for the last couple of years and believed the city could save substantial money on gas purchases by withdrawing from the plan.

Wells said the city got into the program when the gas market was seeing major price swings, and this program acted as a sort of insurance against that. Wells said the city should consider putting a percentage of the savings from withdrawing from the plan into reserves to protect against price volatility in the same way. Nation said staff was asking for approval to begin the process of withdrawal from the levelized purchase plan, which would take approximately a year to complete. Some council and staff discussion of the process followed.

Northrup offered a resolution to approve the Resolution authorizing the City of Fort Morgan to withdraw from the Levelized Purchase Program with the National Public Gas Agency. That resolution was seconded by Councilmember Joe Segura Jr. and approved unanimously.

PUBLIC COMMENT / AUDIENCE PARTICIPATION

None.

REPORTS BY OFFICIALS AND STAFF

City Treasurer Jean Kinney told the council that the five employees in the Utility Billing Department had completed a customer service certification program.

Management Intern Chelsea Gondeck updated the council on the Comprehensive Plan process. Wells noted that his monthly written report was in the council meeting packets, and the format of the report had been changed. He asked the council members to provide any feedback they might have about the content and format of the report.

BIDS, MEETINGS AND ANNOUNCEMENTS

Brennan announced current bids and upcoming meetings.

EXECUTIVE SESSION

The regular portion of the meeting ended at 7:27 p.m., and Mayor Shaver announced that the next item on the agenda was a scheduled executive session. Councilmember Kevin Lindell made a motion to convene that executive session, which was seconded by Councilmember Christine Castoe and approved unanimously. The 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: Golf cart lease/purchase.

The executive session began at 7:37 p.m. and ended at 8:27 p.m., and was attended by the mayor and council along with City Manager Jeff Wells, Community Services/Economic Development Director Josh Miller, Golf Professional/General Manager Ty Hamer and City Attorney Jason Meyers. On the advice of the City Attorney the recording of the executive session was turned off at 7:50 p.m. because the discussion constituted a privileged attorney-client communication. The recording was turned back on at 8:03 p.m.

At the conclusion of the executive session, the council returned to the regular open meeting, where Castoe reported that the council had met in executive session for the purpose stated on the agenda. Castoe made a motion to direct staff to proceed with negotiations as discussed in the executive session, and to direct staff to provide council with financing options including a loan from the electric fund. That motion was seconded by Lindell and approved unanimously.

Mayor Shaver adjourned the March 1, 2016 regular meeting at 8:28 p.m.

/s/ Ronald Shaver
Mayor

/s/ John Brennan
City Clerk