

August 21, 2018

The City Council of the City of Fort Morgan, Colorado, met this day in the Council Chambers of City Hall. 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 Allison Howe  
Councilmember Kevin Lindell  
Councilmember Dan Marler  
Councilmember Lisa Northrup  
Councilmember Doug Schossow

The meeting was also attended by Acting City Manager/City Clerk/PIO John Brennan, City Attorney Jason Meyers, Chief of Public Safety Paul Schultz, Public Works Director Steve Glammeyer, Water Resources/Utilities Director Brent Nation, Human Resources/Risk Management Director Susan Kurk, Economic Development Specialist Jeni Elrick, Management Intern Daniella Cabrera, Community Services Director Ty Hamer, Fire Marshal John Zink, General Accounting Manager Chris Bostron, General Accountant Connie Musgrave, Engineering in Training Derrick Mills and Court Administrator Amanda Dunn.

**COUNCIL ACTING AS THE LOCAL LICENSING AUTHORITY – RENEWAL OF LIQUOR LICENSE FOR ACAPULCO BAY WITH A VIOLATION**

City Clerk/PIO/Acting City Manager John Brennan reviewed the application submitted for renewal which contained a violation that occurred in December 2017 related to the selling of alcohol to an underage person and allowing a 17-year-old employee to participate in the selling of alcohol. As a result of the violation, the state Liquor Enforcement Division imposed a 15-day suspension, with seven of those days being active suspension and eight days being held in abeyance. The applicant and the LED reached a stipulated agreement in which the applicant agreed to pay a fine in lieu of active suspension of the liquor license. Brennan said that prior to this violation, Acapulco Bay had been cited for keeping inadequate records of liquor store purchases in 2013 and for sale to a minor in 2009.

Esmeralda Flores, the manager of the establishment representing the licensee, stated in response to a council question that all new hires are advised of the policies regarding selling and/or serving alcohol and they have a board that indicates the required date of birth for patrons to obtain alcoholic beverages. Flores stated that prior to each shift employees are reminded to check ID's of any individual who appears to be under the age of 30. Some council discussion of training followed.

Councilmember Lisa Northrup offered a resolution to approve the renewal of the application for a Hotel and Restaurant license (Malt, Vinous and Spirituous liquors) for Acapulco Bay at 204 Main St. with a state violation. That resolution was seconded by Councilmember Clint Anderson and approved unanimously.

**FIRST READING ON AN ORDINANCE AMENDING THE FORT MORGAN MUNICIPAL CODE AND THE BYLAWS OF THE HISTORIC PRESERVATION BOARD**

Economic Development Specialist Jeni Elrick said this ordinance would expand the number of members permitted on the Historic Preservation Board and resolve a disparity between the

Municipal Code and the board's bylaws. The new bylaws would require at least five members on the board and not more than nine members. She noted that a request to appoint two members to the board at this meeting would be contingent upon approval of this ordinance on second reading at the next council meeting.

Northrup offered a resolution to approve the Ordinance amending the Fort Morgan Municipal Code and the bylaws of the Historic Preservation Board, and to schedule a public hearing on the ordinance for Sept. 4. That resolution was seconded by Anderson and approved unanimously.

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#### **APPOINTMENT OF NEW AND RETURNING MEMBERS OF THE HISTORIC PRESERVATION BOARD**

Councilmember Anderson said the Historic Preservation Board met Aug. 9 and reviewed two applications for the board, one a new application from Andrea Hill and the other an application for an additional term from current board member Lyn Deal.

Anderson offered a resolution appointing new member Andrea Hill and returning member Lyn Deal to the Historic Preservation Board, which was seconded by Councilmember Kevin Lindell and approved unanimously.

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#### **BIDS FOR INSTALLATION OF CONCRETE PADS FOR THE SANITATION DEPARTMENT**

Sanitation Superintendent Bob Evins requested that the bid from Buchanan Construction be accepted for installation of concrete pads for city dumpsters. Northrup offered a resolution accepting the bid from Buchanan Construction in the amount of \$24,000 for the installation of concrete dumpster pads. That resolution was seconded by Councilmember Allison Howe and approved unanimously.

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#### **CHANGE ORDER IN CONTRACT WITH BOHANNAN HUSTON FOR ROAD DESIGN AT CENTREPOINTE PLAZA**

Public Works Director Steve Glammeyer said this change order for engineering work was required because the city requested that a proposed roundabout intersection in CentrePointe Plaza be replaced with a regular four-way intersection to reduce costs. He said the city was only weeks away from receiving a full set of construction drawings and the project could still commence this fall.

Northrup offered a resolution approving the change order in the contract with Bohannan Huston for road design at CentrePointe Plaza. That resolution was seconded by Lindell and approved unanimously.

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#### **RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A REVISED INTERGOVERNMENTAL AGREEMENT WITH THE 911 AUTHORITY BOARD**

Chief of Public Safety Paul Schultz said this was a routine renewal of an Intergovernmental Agreement between the Fort Morgan Police Department and the Morgan County Communications Center that had been in effect since 1984. There were no substantive changes and the agreement has been reviewed by the City Attorney's Office, he said.

Howe offered a resolution to approve the Resolution authorizing the mayor to execute a revised Intergovernmental Agreement with the 911 Authority Board. That resolution was seconded by Northrup and approved unanimously.

**UPDATE ON INITIATIVE FOR SELF-COLLECTION OF SALES TAXES AND REQUEST TO PURCHASE A NEW CASELLE MODULE TO HANDLE SELF-COLLECTION**

General Accountant Connie Musgrave reviewed the project plan for this initiative, noting that some steps had already been completed. This would change the city's status from state-collected, where the state Department of Revenue collected the city's sales taxes, to self-collected, where businesses remitted their local sales taxes directly to the city. This would eliminate the lag time for the city to receive its tax revenue back from the state.

Musgrave requested Council approval to purchase the sales tax collection software module through Caselle for \$12,745, which included importing the city's vendor data into the module. She said there would be no request for additional staff at this time and research had shown it takes one person about 20 hours a month to process sales tax for a city the size of Fort Morgan. Some council and staff discussion of the initiative followed, including the time burden on businesses to file separate returns with the city and the state, the benefits to the city of this change, and the recourse for the city against businesses that fail to remit their sales taxes.

City Treasurer Jean Kinney explained that the city would get a one-time bump in cash flow. She also said the request for the new software module was being made now so it could be implemented and tested and that experience would help determine how the ordinance implementing self-collection was written.

Northrup offered a resolution approving the purchase of a new Caselle module to handle self-collection of sales tax for a total amount of \$12,745. That resolution was seconded by Lindell and approved unanimously.

**RESOLUTION ACCEPTING SALARY SURVEY RESULTS AND APPROVING THE NEW SALARY GRADE PLAN TO BE EFFECTIVE JANUARY 1, 2019, AND APPROVAL OF EXPENDITURES TO MAKE THE PAY ADJUSTMENTS AND MERIT INCREASES UNDER THE PLAN**

Director of Human Resources/Risk Management Susan Kurk reminded the council that it had given the go-ahead at the previous meeting to move forward with the salary plan, and this resolution would formalize that.

Northrup commended Kurk for her work on the plan and Mayor Shaver questioned whether this plan will do away with "compression" in salary grades. Kurk said it was a good step toward resolving that issue. She said she plans to distribute memos to employees and conduct one-on-one meetings with directors and employees to inform them of the coming changes.

Howe offered a resolution to approve the Resolution accepting the salary survey results and approving the new salary grade plan to be effective January 1, 2019 and approval of expenditures to make the pay adjustments and merit increases under the plan. That resolution was seconded by Lindell and approved unanimously.

**RESOLUTION EXTENDING THE EXISTING CONTRACT FOR FINANCIAL AUDITING SERVICES**

Kinney said she would like to remain with the city's current auditor for another year as there are a lot of financial changes going on this year and she is not comfortable switching auditors at this point. She said she would put the auditing contract out for bid the following year.

Northrup offered a resolution approving the Resolution authorizing the mayor to execute the amendment between the City of Fort Morgan and Anton Collins Mitchell for an extended term. That resolution was seconded by Anderson and approved unanimously.

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**2019 BUDGET CALENDAR – 2019 CAPITAL FUND BUDGET**

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The council continued a discussion begun at the previous meeting about the 2019 budget expenditures for the Capital Improvement Fund. Brennan had presented two options to Council, one using substantial funding from reserves and the other including cuts to the capital project list with minimal reserve spending, and was asked to bring back information to this meeting about the levels of reserves and how much money was replenished in the reserve funds for each of the last 10 years. Council and staff discussion followed about these reserve fund levels and the city's financial state, and how the city's conservative approach to budgeting generally resulted in money being put back into the reserves each year.

Council then turned its attention to the two versions of the proposed 2019 capital Improvement budgets, and discussed specific projects that were proposed for removal from the list in the version intended to avoid use of reserves. After reaching consensus that the largest of these projects were priorities that should remain in the budget for 2019, the council gave direction to staff to stay with the "no-cut" version of the Capital Improvement Fund budget. No formal action was taken.

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**2019 BUDGET CALENDAR – GENERAL FUND PRESENTATIONS**

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Brennan presented the proposed 2019 budgets for Mayor and Council, City Manager, City Clerk and General Government, Bostron presented highlights of her proposed 2019 budget for the Finance department, City Attorney Jason Meyers reviewed the budget for the City Attorney's Office, Glammeyer presented highlights of his proposed 2019 budget for the Airport, Kurk presented highlights of her proposed 2019 budget for Human Resources/Risk Management, and Kinney reviewed the Perpetual Care Fund budget. Each presenter also told the council of innovative things they had done in their departments in the preceding year and hoped to do in the future. No formal action was taken.

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**CONSENT AGENDA BY RESOLUTION**

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Court Administrator Amanda Dunn 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, 2018 City Council regular meeting
- C. Approval of the minutes of the August 15, 2018 City Council special 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.

Howe offered a resolution to approve the Consent Agenda as presented, which was seconded by Lindell and approved unanimously.

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**PUBLIC COMMENT / AUDIENCE PARTICIPATION**

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None.

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**REPORTS BY OFFICIALS AND STAFF**

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Brennan reported that the city had hosted a “Sustainovation” training put on by CCCMA and presented by Nick Kittle. Brennan also announced that the park closure signs had been received and would be put up over the next few days.

Nation distributed maps to the council showing the areas of the city where fiber-optic installation had been completed and was now available to connect to homes, which had already begun. Nation also said he had received the preliminary replat for the subdivision south of the new middle school, so there was some progress on that housing project.

Schultz announced that the Tip-a-Cop program was a success and the Police Department was able to raise \$1,300 in a matter of 2½ hours that will go to the Special Olympics. Schultz was also able to secure a grant to sponsor a trip to Lakeside Amusement Park for local ESL students.

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**BIDS, MEETINGS AND ANNOUNCEMENTS**

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Dunn announced current bids and upcoming meetings.

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**EXECUTIVE SESSION**

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The regular portion of the meeting ended at 8:06 p.m., and Mayor Shaver announced that the next item on the agenda was a scheduled executive session. Northrup made a motion to convene this executive session, which was seconded by Lindell and approved unanimously. The executive session had been published as follows:

**EXECUTIVE SESSION** for discussion of a personnel matter under C.R.S. Section 24-6-402(4)(f) and not involving: any specific employees who have requested discussion of the matter in open session; any member of this body or any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees; AND THE FOLLOWING ADDITIONAL DETAILS ARE PROVIDED FOR IDENTIFICATION PURPOSES: City Attorney position.

The Executive session began at 8:22 p.m. and ended at 9:58 p.m., and was attended by the mayor and council along with City Attorney Jason Meyers. At the conclusion of the executive session the council returned to the regular open meeting, where Northrup reported that the council had met in executive session for the purpose stated on the agenda. Northrup made a motion to finalize a contract with the city attorney, which was seconded by Lindell and approved unanimously.

Mayor Shaver adjourned the Aug. 21, 2018 regular meeting at 9:59 p.m.

*/s/ Ronald Shaver*  
Mayor

*/s/ John Brennan*  
City Clerk