

June 16, 2020

The City Council of the City of Fort Morgan, Colorado, met this day for a virtual meeting via computer link due to restrictions on public gatherings related to the Coronavirus (COVID-19) pandemic. 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 Lyn Deal
Councilmember Allison Howe
Councilmember Kevin Lindell
Councilmember Doug Schossow
Councilmember Brian Urdiales

The meeting was also attended by Acting City Manager Brent Nation, City Treasurer Jean Kinney, Deputy City Attorney Nina Williams, Interim Police Chief Jared Crone, Community Services Director Ty Hamer, Public Works Director Steve Glammeyer, Human Resources/Risk Management Director Susan Kurk, Economic Development Specialist Sarah Crosthwaite and Deputy City Manager/City Clerk/PIO John Brennan.

APPOINTMENT TO AIRPORT ADVISORY BOARD

Mayor Ron Shaver said the airport board had met the previous week to choose between two applicants for a vacancy on the board, and decided Reed Covelli would be the best fit because he was a longtime pilot and user of the airport who owned a hangar there. Councilmember Allison Howe made a motion to appoint Reed Covelli to the Airport Advisory Board, which was seconded by Councilmember Kevin Lindell and approved unanimously.

REQUEST FOR IN-KIND SERVICES AND FEE WAIVERS FOR THE MORGAN COUNTY FAIR

Community Services Director Ty Hamer said this was a request the city receives every year, asking that the fees for rental of picnic tables be waived for the county fair. Howe offered a resolution approving the waiver of fees and damage deposits totaling \$5,550 for 30 picnic tables for the Morgan County Fair, which was seconded by Lindell and approved unanimously.

REQUEST FOR IN-KIND SERVICES AND FEE WAIVERS FOR KIDS AT THEIR BEST

Hamer said this was a similar request that is made each year but is not usually brought to the council for approval because the waiver of fees is usually less than \$1,000. But this year, he said, Kids at Their Best was planning a longer program that would go over that threshold so council approval was needed. Howe offered a resolution to approve the waiver of fees totaling \$1,470 for picnic shelter use for Kids at Their Best, which was seconded by Lindell and approved unanimously.

PUBLIC HEARING ON A SPECIAL USE PERMIT FOR A SMALL GROUP HOME

Mayor Shaver reviewed the format to be followed during this public hearing, and Deputy City Manager/City Clerk/PIO John Brennan confirmed that proper legal notice of the hearing had been published. Public Works Director Steve Glammeyer reviewed the application and some

community feedback that had been received, and related how the applicant had responded to those concerns. Staff believed the application met the criteria and was recommended by staff and the Planning Commission for approval with the condition that the special use was non-transferable.

Liz Hickman, executive director of applicant Centennial Mental Health, outlined the organization's plans for the home, which would be a sober living facility for up to eight men. Hickman and Kirsten Zeglis, sober living program manager, and John Duhamel, substance use treatment director, answered numerous council questions about the plans for operation of the facility and the expected impact on the surrounding neighborhood, noting that Centennial staff had interacted with neighbors directly and felt the residents of the area fully supported the program.

No public comments were received, either during the hearing or in advance, and no council comments were offered. Lindell made a motion to close the public hearing, which was seconded by Councilmember Doug Schossow and approved unanimously.

City Attorney Nina Williams advised the council of its options for action, and Howe offered a resolution to approve Case 20-010 SU, a special use permit for a small group home at 230 W. Kiowa Ave., as was recommended by the Planning Commission, subject to the condition that the special use is personal to the applicant and may not be inherited. That resolution was seconded by Lindell and approved unanimously.

SECOND READING AND PUBLIC HEARING ON ORDINANCE NO. 1244, AMENDING THE 2019 BUDGET

Shaver outlined the procedures for the public hearing, and Brennan confirmed proper legal publication. City Treasurer Jean Kinney said this ordinance was similar to measures done in most years to adjust budgeted appropriations to reflect actual spending before the annual financial audit was finalized.

Councilmember Brian Urdiales asked for a breakdown of the adjustment contained in the ordinance, which totaled \$7.1 million, and Kinney reviewed the spending which was almost entirely for infrastructure in the CentrePointe Plaza development. Much council and staff discussion followed about the budget adjustments, the use of city reserves, the level of reserves and the accounting processes followed. Acting City Manager Brent Nation said he would send more detailed information on the expenditures to the council the following day.

No public comments were received, either during the public hearing or in advance, and no council comments were offered. Lindell made a motion to close the public hearing, which was seconded by Schossow and approved unanimously.

Williams advised the council of its options for action, and Howe offered a resolution to approve the second and final reading of Ordinance No. 1244, amending the appropriation of monies for the funds of the City of Fort Morgan for 2019. That resolution was seconded by Lindell and approved unanimously.

RESOLUTION APPROVING A PURCHASE AND SALE AGREEMENT FOR PROPERTY IN THE CENTREPOINTE PLAZA DEVELOPMENT

Nation said this resolution and the one that followed it on the agenda were both related to a proposed multi-family housing development at CentrePointe Plaza, and had been the subject of lengthy negotiations with the developer. The first step, outlined in this resolution, was to convey the property to the development group. Williams reviewed the course of the negotiations and the resulting agreement, and the expected process and timeline for the development. Urdiales questioned what protections the city had if the developer failed to follow through, and Williams said the proposed development agreement that was next on the agenda would protect the city.

Lindell offered a resolution to approve the Resolution approving a purchase and sale agreement for property in the CentrePointe development, which was seconded by Councilmember Clint Anderson and approved unanimously.

RESOLUTION APPROVING A DEVELOPMENT AGREEMENT FOR THE CENTREPOINTE SQUARE DEVELOPMENT

Nation said this development agreement also resulted from extensive negotiations, and staff was pleased with the end result. Williams noted the incentives included in the agreement and said the city was providing incentives to this project because housing was important for the city and council. She also outlined the phasing, claw backs and other elements of the agreement to protect the city's investment and interests.

Urdiales questioned a clause in the development agreement that allowed the developer to delay the start of ensuing phases of the project if occupancy was less than 90 percent in the preceding phase. Much council and staff discussion followed about this, with several council members noting that the provision was an appropriate risk-sharing measure. Shaver confirmed with several staff members and Williams that they were comfortable with the agreement as written.

Williams requested that the council approval of this resolution allow the attorney to negotiate possible revisions to paragraph 7d of the development agreement.

Lindell offered a resolution to approve the Resolution approving a development agreement for the CentrePointe Square development, and allowing the city attorney to negotiate further on paragraph 7d of the agreement. That resolution was seconded by Anderson and approved unanimously.

CONSENT AGREEMENT PERTAINING TO THE SOUTHERN WATER SUPPLY PIPELINE

Nation explained that this agreement was intended to clarify a vague provision in an earlier agreement among all of the participants in the pipeline that supply's the city's domestic water. This agreement specified that any interest charged on conveyance of right of way from the pipeline project would be simple interest and not compounded. Nation said all of the numerous municipalities and water districts involved in the pipeline were asked to get approval of this measure from their governing bodies.

Howe offered a resolution to approve the consent agreement pertaining to the Southern Water Supply Pipeline, which was seconded by Anderson and approved unanimously.

2021 BUDGET CALENDAR – REVIEW AND DISCUSSION OF REVENUES

Nation explained how the city staff went about projecting revenues for 2021 in light of the COVID-19 pandemic and the accompanying shutdown of much economic activity. Although Fort Morgan's sales tax and utility payment collections were unexpectedly strong for April, when the entire state was under a stay at home order for almost the entire month, Nation said staff still projected those revenues to be down 10 percent compared to the prior year in the expectation that some impact of the shutdown would eventually be seen. He said these forecasts would be revisited and could be revised after seeing another month or two of actual collections.

No action was taken.

CONSENT AGENDA BY RESOLUTION

Brennan presented the Consent Agenda for Council consideration as follows:

CONSENT AGENDA

- A. Approval of the disbursements and payroll for May
- B. Approval of the minutes of the June 2, 2020 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.

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

PUBLIC COMMENT / AUDIENCE PARTICIPATION

None.

REPORTS BY OFFICIALS AND STAFF

Glammeyer provided an update on the fieldhouse project, which began that week and was off to a very good and fast start.

Nation said the city was continuing to follow the guidance of the state and regional health departments regarding reopening of various facilities and services under COVID-19 guidance.

BIDS, MEETINGS AND ANNOUNCEMENTS

Brennan announced current bids and upcoming meetings.

EXECUTIVE SESSION

The regular portion of the meeting ended at 7:40 p.m., and Shaver announced that the next item on the agenda was a schedule executive session. Howe 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 to discuss the purchase, acquisition, lease, transfer, or sale of real, personal, or other property interest under C.R.S. Section 24-6-402(4)(a) AND THE FOLLOWING ADDITIONAL DETAILS ARE PROVIDED FOR IDENTIFICATION PURPOSES:
Terms of sale of property.

The executive session began at 7:45 p.m. and ended at 7:59 p.m. and was attended by the mayor and council along with Nation, Williams and Economic Development Specialist Sarah Crosthwaite. At the conclusion of the executive session, Howe reported that the council had met in executive session for the purpose stated on the agenda, and made a motion that the city approve the sale of the Old Fort Park property as discussed in executive session. That motion was seconded by Lindell and approved unanimously.

Mayor Shaver adjourned the June 16, 2020 regular meeting at 8:00 p.m.

/s/ Ronald Shaver
Mayor

/s/ John Brennan
City Clerk