



ASSOCIATED GOVERNMENTS  
OF NORTHWEST COLORADO

MINUTES

AGNC BOARD OF DIRECTORS & MEMBER MEETING

October 20, 2021

9:00 am to 1:00 pm

**ZOOM:** <https://us02web.zoom.us/j/2510562431> Password: 2462

**PHONE:** +1 (669) 900-6833 Meeting ID: 251 056 2431 Password: 2462

**Call to order** – Mike Samson, Chairman, called the meeting to order at 9:07 am. Mike introduced himself and asked everyone in the room and on the Zoom call to do the same. Jeff Comstock served as the voting alternate for the Moffat County and Bill Carlson served as voting alternate for Mesa County.

**Approval of Minutes** – Cody Davis made a motion to approve the August minutes. Chris Nichols seconded the motion. The motion passed.

**Financial report:** Bonnie Petersen provided an overview of the financials for September. Total income significantly ahead of budget due to invoicing EDA for grant reimbursement funds. Year to date, revenue exceeds budget due largely to grant receipts. Expenses for the month were reflective of the budget for the month and year to date expenses exceed budget largely due to expenses associated with grant work conducted throughout the year. Standard budget expense items remain within the amounts budgeted for the year. Net income for the month was negative but much less so than budgeted for the month. Year to date, net income is positive; the budget anticipated a negative net income at this time of the year. Staff is optimistic that AGNC will end the year with a positive net income. The check register reflected normal expenditures and the accounts receivable aging summary was reviewed. The status of the invoice to Routt County for administration costs was also reviewed once again. Routt County’s new manager, Jay Harrington, talked with Chairman Samson and Bonnie Petersen to discuss the invoice. It sounds as if the county may be amenable to paying the AAoA local “fair” share portion of the invoice and there is an effort taking place to create a local economic development organization who may take on the responsibility of providing funding for AGNC economic development administration activities. Jay asked if AGNC would increase the administration fees for Routt County contribution projects to cover the EZ administration costs. It is unclear if AGNC has the ability to charge one county a different amount than others in the zone. The Governor issued an Executive Order to realign the planning and management districts dated October 18, 2021. The EO moves Routt County out of Region 11 and back into Region 12. Because AAoA contracts run through the fiscal year for AAoA services, the transfer of AAoA activities will move after June 30, 2022.

Jeff Comstock moved to approve the financial report; Chris Nichols seconded the motion – motion passed.

**Presentation of proposed 2022 Budget:** Bonnie Petersen reviewed the proposed AGNC 2022 budget for the board. The budget remains largely unchanged with two items highlighted. First, the Executive Committee is recommending that Tiffany Pehl’s title be changed to Deputy Director reflecting additional duties she will take on over the next year and the budget reflects the additional compensation and related expenses for those duties. Second, the office supply line item was increased to reflect the anticipated need for updated office equipment in the next year. The budget also reflects anticipated grant funding amounts for 2022 and has incorporated contra-accounts that reflect expenses associated with the grants to avoid double counting expenses to be paid through the grants. It was noted that the budget is fairly conservative as it relates to some income components due to the variability that can be experienced in categories related to contribution project administration fees as well as ED Summit sponsorships, registrations, etc. The last several years have reflected a negative net income figure for the AGNC budget but staff efforts have resulted in every one of those years ending with a positive net income. There were no questions or comments regarding the proposed budget.

Chris Nichols made a motion to approve the proposed 2022 budget; Keely Ellis seconded the motion. Motion passed unanimously.

### **Project and Committee Reports:**

#### **Area Agency on Aging**

Heather Jones provided an update on AAoA. She noted that with planning region modification she has discussed the transition with Region 12 and they have agreed that in order to avoid service disruption and to have minimal affect for seniors the two organizations will shoot for a July 1, 2022 transition. She noted that there was no effective date in the Governor's EO. Heather will contact the service providers she works with to let them know of the change. The State Ombudsman audit program was in NW Colorado yesterday. The State Unit on Aging met regarding SB290 and finalized new policies and procedures related to that bill. AAoA may receive carry over funds earlier than 2022 they could possibly be received in November which will help providers. AAoA had to cut about \$500,000 in funds from the budget but these funds may help provide funding to providers. State Unit on Aging is considering an audit of the NW program in January of 2022. AAoA has completed an older adult needs assessment and results are available at this online link [https://northwestcoloradohealth.org/what\\_we\\_do/preventionservices/northwest-colorado-aging-services-coalition.html](https://northwestcoloradohealth.org/what_we_do/preventionservices/northwest-colorado-aging-services-coalition.html). AAoA held a Senior Law Day in Garfield County on 10-15-21; the event was well attended and received. Colorado legal services started a virtual law series October 8<sup>th</sup> and it will continue through November 19, 2021. The organization is working with the Alzheimer's association to provide an education series on living with Alzheimer's. Bonnie noted that AGNC member local "fair" share costs will be different given the new census numbers and the realignment of the planning region; those new costs will be reflected on member invoices when they are sent in December. Heather's report for the month is included in these minutes as Attachment A.

**Legislative Update** – Dianna and Richard Orf, Orf & Orf – Noted that they would have a better idea after the 28<sup>th</sup> what bills may be brought forward as a result of interim committee meetings. It is expected there will be three bills dealing with water speculation. A bill is being considered to determine headwaters of tributaries, there are concerns this would turn current water law on its head. Public testimony will be taken on the 27<sup>th</sup>; members asked if we could put together impromptu legislative issues call to discuss some of the bills, we may want to provide testimony for. The Orfs will put together a brief and have a call with AGNC on the 25<sup>th</sup> or 26<sup>th</sup> to outline concerns at that point. Tax oversight committee is considering a bill to change tax classification on short term rentals categorizing rental properties as those that rent less than 30 days and those that rent more than 30 days which could impact local tax revenues. There are a lot of competing property tax issues being considered. Question came up about how working from home would impact the value of commercial office space resulting in lower revenue. IRS has statues in place for home offices would that apply across the board? What is state going to do with stimulus money; they have a committee and subcommittee looking at that. On Monday one of the committees considering how ARPA funds may be spent met and discussed issues; AGNC, CCI, and CML testified. The Orfs had a chance to talk with committee members about the chronic issue of matching funds for obtaining relief funds. Advice regarding these funds has been don't spend the money too fast but state is trying to spend money as quickly as possible. There has been some discussion about using general fund money to repay funds that have been raided in the past. It is important to note that a lot of local governments would not be in these financial straits if funding hadn't been taken years ago. Special districts are in a different situation as they would not receive direct funding. Finally got bill language on greenhouse food production and that issue merits further discussion. The legislative report is attached at Attachment B at the end of these minutes.

**Economic Development Coordinator** – Karl Paulson provided an overview of AGNC's ED efforts over the past month which included:

- Organizing BBB Challenge opportunity for AGNC members in conjunction with Region 10. The application was submitted Monday October 18<sup>th</sup> with 8 projects totaling \$80 million.
- Projects included. An estimated \$12 million in middle mile broadband expansion across both regions; and air cargo ramp at the GJ airport; a Delta County industrial park expansion. Also included was a NW Colorado business park in Hayden; a NW Colorado Innovation Center to be located in Craig and a Craig hydrogen facility. We received 53 letters of support including letters from senators and local elected officials. We are the only application in Colorado from coal impacted communities. We feel optimistic about Phase I which would provide some implementation planning funds. By mid-March 2022, applications need to be in for Phase II – if the region receives any funding for projects in Phase II, 80% will come from federal money/communities will have to come up with 20%. Karl reviewed other Colorado BBB projects are we are aware of.
- AGNC is talking to EDA about potential for EAA applications for grant funds; if we find projects for that portion of the ARPA funds, applications will have to be submitted by the first of January.
- Last week held a call with Lisa Jones discussing how to coalesce people around bringing industry from the Front Range to see assets in an attempt to get people to our region to see if we can grow industry in rural Colorado.
- Talked with Rangely about EAA grant for trails assistance would include all our counties.
- EDA awarded a grant to CMU for health care equipment \$1.1 million in support of their PA and therapy program.
- We are strategizing with elected officials to use state funds for matching across the state – talked with other stakeholders who are supportive as well.
- Sat in on EDA Peer Review.
- We are continuing our strategy for remote jobs with FlexJobs; on our way to providing coupon codes for people to work online in our region. Likely ready to go by end of November.
- Explored USDA grant for Palisade clinic – thought getting close but USDA determined it did not meet the criteria.
- Attended DOE I-West decarbonization event – take away was presentation from Will Toor as he laid out vision of elimination of all greenhouse gas.
- Plan to attend EDCC conference in Steamboat Springs from the 20<sup>th</sup> through the 22<sup>nd</sup>.

It was noted that this is the state’s attempt to eliminate greenhouse gas. The next step is to go for land use regulations across the state. We can expect to see a significant legislative push along the lines of electrifying everything. We are likely to see bills that will tie land use to funding from the state, etc.

Gary Moyer testified at rule making committee regarding transportation plans for reduction of GHG. The state says that by 2050 transportation won’t be an issue anymore because we will be predominantly using electric vehicles but there is no plan to produce the electricity needed to power those vehicles.

**Natural Soda Update** – Kirk Daehling, President, Natural Soda, LLC provided an overview of Natural Soda operations – they have been producing baking soda since 1991. The company is unique in the industry as it is the only supplier of baking soda; they are mining nahcolite. They are producing 250,000 tons per year as of 2014. Meeker is where most of their employees live. They have sufficient water rights to operate forever and are number 2 in the industry behind Church and Dwight although they still sell more into the market than them. The company has 77 employees; payroll/benefits total \$10million per year. Property taxes paid are paid to Rio Blanco County and they generate \$1million per year in royalties. USGS estimates 43 billion tons of nahcolite is present in the deposit; NS leases in are in the center of the resource and about 5.1 billion tons are available under NS lease. They are the only producer of baking soda from nahcolite – they export about 10% now. Exports go to Asian countries as well as Australia and New Zealand. A closed loop solution mining system is used which provides a low environmental footprint and impact. There is zero discharge for water, and they do a lot of heat recovery which helps with low-cost production. Transportation logistics present one of the main challenges it is a limiting factor as far as expansion for the company. The company has toyed with doing an

additional expansion to add 100K tons of capacity; the factors to consider include how saturated is the market; does price deteriorate if you add a lot more product. Natural Soda is owned by a private equity company whose goal is to buy low, sell high and pay back equity holders. There is not a lot of appetite for dropping capital in right now. The company has received an unsolicited bid they need to work through; if it goes forward then the ownership structure might change things. One big growth area for bicarb relates to health care. There are different requirements between food grade and injectable products. They are watching for any legislation that is impeding operation – one thing that came down at end of last year is that government reduced royalty rate for this product from 5% to 2% encouraging competitiveness in global soda ash and bicarbonate products. That royalty rate is under some threat. Last year royalty payment was \$2.5 million, this year it is \$1 million due to lower royalty. That reduction helps the company to keep and hire employees by maintaining market share that might otherwise be lost. WOTUS is threatening other producers. What is heat source – plant uses 3 to 3.5 megawatts of power provided by White River electric – price is a bit high when compared to competitors. Natural gas consumption is roughly 2500 dekatherms a day – natural gas prices have been a concern – there is not much drilling in the Piceance basin right now, the company would like to see that availability to local resource be resumed. Mr. Daehling offered to arrange for a tour of the facility for AGNC members; Chairman Samson said we will probably try to set up another tour.

**Wolf Creek Reservoir Presentation** – Wade Haerle, Vanoco-PSI, Principal provided an update on the Rio Blanco Water Conservancy District Wolf Creek Reservoir project. The reservoir will provide an opportunity to store west slope water on the west slope. A water right in the amount of 66,720-acre feet of water was granted for the project in January. The district will only build what the river can handle; the project will provide long term benefits for the environment and for the state. Kenney Reservoir originally had a capacity of 13,800 AF but is now down to 3,400 AF due to silt. 2/3 of the new storage will be situated in Moffat County. The Wolf Creek project is well thought out and is a project identified in the statewide water plan. Everybody across the state has been working on the coordination of this project. Users Town of Rangely, augmentation; junior water rights would be able to purchase, trade and store water rights. Mitigation for environmental impacts; hydropower generation, recreation, wildlife. The district can build it in stages by moving the spillway across the dam. Cost of the project is \$2,200/acre foot to construct which makes it a very cost-effective project. The project developers are trying to avoid conflict with private property owners. The State of Colorado owns a prime piece of ground by the site that could be developed into a state park – park would be in Moffat County. Agriculture impact is tremendous within the project, but those numbers have been left out. There is a potential of close to 90K acres of ag land opening up; the project opens almost 2/3 more ag land in Rio Blanco County. Crops would be alfalfa; value added. PBO looks into future – here are future activities can reasonably see – mitigations to be done – with PBO do not have to do Section 7. Need management tool to do PBO – Wolf Creek does that. Once built it becomes the management tool for the White River to recover endangered fish. Construction phase would require 300 jobs in the short term. Spending per year would be \$535 million; \$19 million would be sales tax revenue. The project would create 360 new jobs for the first 30 years without counting the Ag component. The project has fully defensible numbers should it go to court. Have financial partner through the River District which is considering a request for funding; the district expects a vote today. State is becoming bigger partner; district is looking for further support. Last week consultants were all in project area – at point now where they are fine tuning footprint – want to hand plan to BLM in February 2022 – looking for one Record of Decision to streamline permitting. A lot of NEPA reforms under prior administration once have agreed to application there is a set amount of time – 2 years – nobody is trying to change that. Al apologizes he could not attend today.

### **Federal Delegation Updates**

Hogan Peterson from – Congresswoman Boebert's staff provided an update on items being considered including big budget measures and appropriations requests. Important to participate and engage on matters important to district. Big infrastructure bill – 120 amendments offered by Congresswoman – few accepted.

Other legislation being worked on includes protecting financial privacy act addresses a proposal by administration to monitor account in excess of \$600 – that would be the majority of accounts in America – the bill would prohibit IRS implementation. Yesterday they saw a change in the amount in a bank account – won't be \$600 but are looking at other amounts – the amount was changed due to push back. Rural broadband legislation – standalone legislation primary sponsor Congressman Curtis. Broadband on public lands is onerous – bill allows one agency to take the lead and receive deference from duplicative agencies to reduce number of permits needed. Tribes have indicated they could benefit greatly. What is happening with 30X30? Who is behind it and how do we fight it? Most recent reversal of Bears Ears against stakeholder concerns. Language in Bears Ears is that land is now protected; an indicator of what counts as protection. Even though land is held in public trust – proponents of 30X30 don't believe that it is conserved – recreation is not good unless it is their preferred recreation. Promoting the concept are those that believe all land must be managed by federal government – making sure that land is not managed by those closest to it. People living closer to the land are better stewards of the land, but this administration disagrees. Need to codify decisions – stroke of a pen can be reversed – need to get Congress to codify. Did not want BLM HQ to be swinging back and forth – needs to be codified without that will have short term victories.

Brandon Bainer provided a Farm Bureau update – he would like to attend meetings to keep members up to date. FB working on efforts at federal and state legislatures. SB87 – ag labor bill was passed, and FB is trying to get as many comments as possible into Dept. of Labor for benefit of ag producers. Working with CPW to have a role in wolves. FB worked against Amendment 16 which was struck down by Supreme Court. FB federal lobbyist is working on 30X30; have been involved in local meetings and discussions on 30 X 30. FB encourages that communities fight with everything we have. FB involved in how labor bill will turn out partnering with cattlemen's think something may be developed that is workable in the end. Most people in ag did not have a problem paying minimum wage – have to do that anyway. Overtime rules are of concern – workers are concerned with overtime rule – impacts earnings ability in short season. Will continue to work on that issue.

#### **Administrative Update Bonnie Petersen Bonnie Petersen -- Administrative Update**

- Chairman Samson, Jeff Comstock and Bonnie provided an overview of the Energy Summit attended in Vernal, UT.
- A grant was obtained from CHFA for grant writing related to the Build Back Better (BBB) application made in conjunction with Region 10. The grant for \$5,000 is available to help with Phase II applications should the regions be successful in the bid for Phase I.
- Grant applications have been made for a number of entities: A REDI grant was requested to fund a grant writer for the region in order to take advantage of the many grant opportunities now available; we may hear about award status by the end of November. A grant in the amount of \$50,000 was applied for through the EDO opportunity set up through OEDIT and managed by EDCC; we should know if this funding will be received sometime around the end of October. The EDA BBB Phase I grant was applied for in conjunction with Region 10; we should hear about awards in mid-December.
- AGNC was required to participate in a Peer Review as part of the compliance requirements for the EDD. This review is normally done every 3 years but was required this year as EDA made changes to timing. The "Peer" was an EDD in Nebraska and the review was completed on October 7, 2021. We received notice from EDA that this requirement is complete and were complemented regarding innovative thinking related to our coal to products study currently underway.
- AGNC received favorable comments on the CEDS update from EDA although they asked additional content relating to the pandemic be added to the document.

**New Business:** *Next Meeting November 17, 2021, CNCC, 2801 W. 9<sup>th</sup> Street, Craig, CO, 81625*

**Adjournment – Meeting adjourned at 1:20 pm.**

**Attendance:**

Keely Ellis, Town of Rangely  
Heather Jones, AAoA  
Grady Hazelton, Town of New Castle  
Mike Samson, Garfield County  
Tony Bohrer, Moffat County Commissioner  
Bill Carlson, Town of Palisade  
Jeff Comstock, Moffat County  
Cody Davis, Mesa County Commissioner  
Anna Stout, City of Grand Junction  
Jeanne Caldwell, Town of Rangely  
McKenzie Webber, Rangely Chamber  
Shannon Scott, Craig Economic  
Development  
Larry Elarton, Town of Dinosaur  
Wade Haerle, Vanoco-PSI  
Kirk Daehling, Natural Soda

Melonie Matarozzo, Town of Collbran  
Gary Moyer, Rio Blanco County  
Chris Nichols, City of Craig  
Dianna Orf, Orf & Orf, P.C.  
Richard Orf, Orf & Orf, P.C.  
Lisa Piering, Town of Rangely  
Dana Hlavac, DOLA  
Karl Paulson, AGNC  
Tiffany Pehl, AGNC  
Bonnie Petersen, AGNC  
Hogan Peterson, Rep. Boebert's Office  
Amy Provstgaard, Town of Battlement  
Mesa  
Cheryl McDonald, Colorado Welcome Cntr.  
Perry Will, State Representative  
John Bristol, Steamboat Chamber of  
Commerce

## ATTACHMENT A



Updates from AAA 10/20/2021:

- The State Long Term Care Ombudsman is auditing the program 10/19/2021.
- SB290- The SUA and the AAAs reviewed the policy and procedures and voted on them 10/18/2021.
- The AAA might receive our Federal carryover funds in November. There is also discussion about AAAs receiving our ARPA funds in November as well.
- The State Unit on Aging is looking to audit the AAA at the end of January 2022
- The NW Colorado Aging Coalition recently published their older adult needs assessment results: [https://northwestcoloradohealth.org/what\\_we\\_do/preventionservices/northwest-colorado-aging-services-coalition.html](https://northwestcoloradohealth.org/what_we_do/preventionservices/northwest-colorado-aging-services-coalition.html)
- Garfield Senior Law Day was held 10/15/2021
- Senior Law Day Virtual Fall Series (Friday, 10/8-11/19, 10am-11am) • Living with Alzheimer's Series

## ATTACHMENT B



### Associated Governments of Northwest Colorado (AGNC) Government Affairs Report October 20, 2021

Legislative Interim committees are finishing up their work next week in order to make recommendations for bill introductions in January. Bills discussed below are draft only – with no recommendations made. Other legislative topics are not available in written form – they are discussed in concept only as gleaned from legislators’ websites and public discussions.

#### Water Resources Review Committee

A bill to prohibit investment speculation in water rights

A bill requiring an affidavit that agricultural water rights purchased are not for purposes of investment speculation.

A bill requiring the State Engineer to identify by rulemaking the headwaters of rivers and tributaries in Colorado

A bill to expand purview of Water Resources Review Committee to include Agriculture.

A bill identifying efficiency practices that do not constitute an abandonment of a water right and allows water efficiency savings to be transferred to the Colorado Water Conservation Board to be used for instream flow use purposes.

A bill extending the time to intervene in a proceeding related to the withdrawal of groundwater from 30 to 45 days.

A bill create the groundwater compact compliance and sustainability fund to help finance groundwater use reduction efforts in the Rio Grande river basin and the Republican river basin, such as efforts to buy and retire irrigation wells and irrigated acreage in the river basins.

Although not the subject of an interim committee proposal, interest has been expressed by the American Whitewater Association to amend the Recreational Instream Channel Diversion statute to remove the requirement for construction of in-channel structures that enhance the recreational experience. There are obviously many considerations to this proposal although it is not currently in legislative form.

#### Task Force on Economic Recovery and Cash Fund Relief

The group continues to meet along with its subpanel to discuss recommendations for use of the state’s portion of American Recovery Plan funding. Counties (CCI), Cities (CML) and Special Districts have appeared before the committee to outline the impacts resulting from COVID 19 that could be addressed by the federal money. Some ideas put forward include using General Fund money offset by the federal fund expenditures to repay the Energy Impact money swept in previous sessions; use to enhance programs for water and sewer projects, particularly for small communities; make strategic investments in the state (a one-time opportunity). We have talked with some committee members about using excess General Fund to provide matching money to local government to support grant applications. The State Chamber of Commerce is pushing for the ARPA funds to fill a deficit in the state Unemployment Insurance Trust Fund which was \$1.1 billion in deficit a year ago. Money was loaned to Colorado by the federal government and the interest payment is \$63,000 per day. Because of the deficit, employer premiums to the Unemployment Insurance Trust Fund are projected to increase a minimum of 73%. The subpanel is requesting additional meeting dates; it currently is required to make recommendations prior to hearing all testimony that may come before the panel. That report is due in draft on November 8.

A draft bill on Controlled Environment Agriculture Facilities is being reviewed by AGNC as part of its continued discussion on property tax implications.



### Bills in concept stages

- We understand there will be legislation to require employers to provide their employees with alternatives to single occupancy vehicles for commuting to work in an effort to reduce emissions from vehicle.
- There is draft legislation to provide tax incentives to employers who provide alternative modes of transportation to their employees.
- In addition to pushing for more electric passenger vehicles, the legislature will encourage and incentivize electrification of light duty trucks and additional charging stations.
- There will be increased efforts to electrify new building heating systems and retrofit older buildings to replace natural gas, subsidizing homeowners to replace their heating systems.
- There may be a push to close fossil fuel power plants (including gas) earlier than scheduled.
- There will likely be a recommendation to make the Air Quality Control Commission a full-time professional body similar to the Oil and Gas Conservation Commission.
- There may be continued emphasis on forest management to reduce wildfires and their impacts on air quality.
- There will be (this year or next) recommendations from a task force to set standards for greenhouse gas emissions from buildings (heating and cooling systems).