



ASSOCIATED GOVERNMENTS
OF NORTHWEST COLORADO

MINUTES

AGNC BOARD OF DIRECTORS & MEMBER MEETING

June 27, 2018

Colorado Mesa University, 1100 North Ave., Grand Junction, CO

11:30 am to 3:00 pm

Lunch served 11:30 - Pledge of allegiance

Call to order and introductions– Chairman, Ray Beck Called the meeting to order at 11:52 am; introductions were made.

Approval of minutes: Mike Samson made a motion to approve the minutes from the May 16, 2018, meeting as presented; Si Woodruff seconded the motion; motion passed.

Financial report: Bonnie Petersen presented the financial report – total funds in checking and savings accounts at the end of May 2018 was \$439,039.87. Income for May was lower than projected budget and year-to-date revenue is lower than the budget projection; receipt of grant reimbursements, when received, should address this situation. May expenses were higher than budgeted but year to date expenses are lower than budgeted. Year to date net income is better than projected budget and remains in negative territory. As of June 19, 2018, accounts receivable totaled \$65,494.69. Mike Samson moved to approve the financial report; Si Woodruff seconded the motion; motion passed.

Project and Committee Reports:

Area Agency on Aging – Bonnie met with Dave Norman and Tracey Garchar of Mesa County Department of Human Services. Tracey will begin a search for Dave’s replacement once he receives a letter from Dave indicating his intention to retire and providing a timeframe for the beginning of his retirement. Tracey will identify top candidates for the position and Bonnie will be included in the interviews of the finalists. Dave has made provisions in this year’s budget to allow for Dave to consult with the new AAOA director to ensure a smooth transition.

Dinosaur Welcome Center – Cheryl provided a written update for the DWC; see attachment A. Chairman Beck, Cheryl, Tiffany and Bonnie will meet with Cathy Ritter on July 6th in Dinosaur to discuss the center and CTO’s strategy regarding welcome centers. Visitation in May was 2,502 an increase of 973 visitors from June of 2017; this is a 39% increase.

CEDS Update - Tiffany Pehl updated the group on the progress of the regional Comprehensive Economic Development Strategy development. The application has been submitted in advance of the CEDS completion. The final two regional meetings are planned for July 25 and August 10. August 10 will begin the 30-day comment period for the CEDS document; comments will be reviewed and responded to at the conclusion of the public comment period and that should provide adequate time to submit the CEDS by the end of September. Once AGNC has been notified that they have been approved for the EDD designation, an application for a three-year grant will be completed and submitted for funding to administer the EDD.

Pattie Snidow with USDA was in attendance and provided an update on changes in her position. Pattie has been assigned for 120 days to national office in D.C. and will be an opioid specialist. She has been working on a remote group and will be assigned to work face-to-face with the national group; she reports to D.C. on July 16, 2018. She will be working with Betty Ann Brice and she hopes to come back occasionally to help AGNC and Region 10 with projects she has been working on. Chairman Beck presented Pattie with an eagle statue thanking her for her contribution to AGNC’s work.

Legislative Up Date – Dianna Orf joined via conference call and reviewed the written report provided. The written report can be found as attachment B at the end of these minutes.

Federal Delegation Updates:

George Rossman from Congressman Tipton’s office noted that these are challenging times in the House, the immigration vote is scheduled for today and it has been changed multiple times. The Veteran’s bill passed the House unanimously providing benefits for the blue sailors. Under the recently introduced Federal Leasing Act a portion of new revenues will go to states for education. The House is working on the defense appropriations bill. While George was reporting, the Immigration vote was taken and the bill failed in the House.

Shannon Wadas from Senator Bennet’s office indicated that the Farm bill passed the Senate agriculture committee- and a handout was provided outlining the provisions of the bill. The Senator is also working on an Energy Jobs for Our Heroes Act for veterans exclusive to low and zero emissions jobs.

Betsy Bair from Senator Gardner’s office reported that the Senator could not get an amendment on the NDAA in the Senate but an amendment did get on the House NDAA bill; a rule prohibited exact amendments from both houses. The Farm Bill is being discussed now. Hops growers are dealing with mold and fungus; the bill is directing USDA to work with providers to find solutions. The Farm bill may be done this week. Jason Dunn may be a nominee for Attorney General; he is a Colorado native. Pacific and cyber security is a new office created to look at long-term safety of our grid. The Commerce Committee is in full mark up today – Senator Gardner started a 100 day push to get Land and Water Conservation funding done. The Senator worked on the safe school act and the DOJ just released \$25 million in grants for school districts who can apply for that – the funds can be used for many things. Supreme Court Justice, Anthony Kennedy, announced that he will retire effective July 31st.

2017 Audit Review – Paul Miller provided an overview of the 2017 AGNC audit. Paul noted that his opinion is his product in an audit and he noted that he did not find anything in AGNC’s transactions to think they were materially incorrect. The MD&A compares this year to last year and, because the AAoA federal funds are in excess of \$750,000 this year, a single audit is required. There was not a lot of change the net position increased in 2017. The footnotes explain county policies and procedures, budget process, assets infrastructure compensated absences which are fairly well under control. The meat of statements are found on page 16 showing budget to actual. Management takes place on month to month basis. There were no deficiencies identified in internal control and, in the opinion of the auditor, AGNC has complied, in all material respects, with the types of compliance requirements outline in the audit document. However, the audit does not provide a legal determination of AGNC’s compliance. If there are any questions, get them to Bonnie and she can forward them to Paul. The audit will be sent through the clearing house so the feds can use the audit reports to do desk reviews versus going to the field to sample audits. John Justman moved to approve the 2017 audit; Andy Key seconded the motion, motion passed. The audit is available for inspection at the official AGNC office.

Transportation Priority Project List for NW Colorado – Mark Rogers and Dave Cesark from CDOT provided an overview of the ballot initiatives being considered as well as the project list that may be funded in NW Colorado should any initiatives pass. SB18-001 provides two years of general fund transfers for \$451.5 million to CDOT and authorizes a ballot initiative for \$2.3 billion in bonds if 2018 ballot initiatives fail. The bill retains the first year of SB17-267 but future years depend on the outcome of ballot initiatives. Ballot initiative #153 will be on the ballot in 2018 and calls for a 20-year sales tax increase of 0.62%. CDOT would receive 45% of the funds generated; local governments would receive 40% of funds generated and multimodal transportation would be funded at 15% of the generated revenues. Ballot initiative #167 would be funded 100% by state from the General fund and/or CDOT and would rescind years 2-4 of SB17-267 for a loss of \$1.5 billion in highway funding. If both 2018 ballot initiatives fail, then in 2019 an initiative from the General Assembly will be on the ballot providing bond proceeds of \$2.337 billion with debt service up to \$3.25 billion; 85% would fund state highway projects and 15% would go to the multimodal fund. If the 2019 initiative passed then years 2-5 of SB17-267 will be rescinded. Staff recommendations for SB18-001 general fund guidelines are to move forward with

SB267 projects despite the uncertainty – preconstruction on projects are in development and construction on projects ready to proceed. Maintain the schedule on the I-25 gap project; make a significant commitment to asset management – support transition from RAMP and begin projects today that will improve the condition of the current system. Maintain commitment to ADA improvements and consider year 1 of SB267 as well. The Region 3 Project Development list was reviewed showing the projects that would be Tier 1 and Tier 2 projects in the region should the ballot initiatives pass. These program lists are developed from the Transportation Planning Regions (TPR) in each of the regions. Concerns were raised that rushing to spend funds could lead to poor craftsmanship and too much reliance on consulting firms that don't understand the complexities of building lasting infrastructure in Colorado. Mark noted that Region 3 has a good deal of engineering already done and that if funding becomes available, the region will be well situated to get projects completed – not all regions in the state are as well situated. A question was asked about the interchange at 29 Road in Mesa County – Mark noted that a project of that nature needs to be a local project and needs to be driven by the county and municipalities in the region.

WRAP UP:

Administrative Update:

- A meeting will be held in July with Professor Eddings to discuss a pilot project for new uses for coal and there will be presentations done in Craig and Steamboat Springs. It is expected that a resolution supporting new uses for coal will be presented at the July AGNC meeting.
- Chairman Beck, Bonnie Petersen and others will be meeting with CTO in Dinosaur on July 6, 2018, to discuss CTO's recommendations regarding the Dinosaur Welcome Center.
- There will be an EDCC regional meeting in Craig on July 11, 2018, anyone interested should plan to attend.
- AGNC will attempt to have a meeting with Governor Hickenlooper regarding the sage grouse plan for NW Colorado prior to comments being due. The sage grouse mapping is moving forward and we hope to wrap that up once some issues are addressed and finalized.
- The August meeting is on the 15th of the month and NW Colorado legislators have been invited to join us to discuss 2019 legislative issues.
- Bonnie attended a West Slope COGA meeting and was asked if AGNC might take the lead on the discussion regarding the abatement issue raised late in the 2018 session. She will work with Representative Rankin to determine where that discussion is and if it is appropriate for AGNC to facilitate the discussion.

New Business:

Next Meeting will be July 18, 2018, New Castle Community Center, 423 W. Main St., New Castle, CO 81647

Meeting was adjourned at 2:21 pm.

Attendance:

Betsy Bair, Senator Gardner's Ofc.
Si Woodruff, Rio Blanco County
Jeff Rector, Rio Blanco County
Andy Key, Town of Rangely
John Justman, Mesa County
Ray Beck, Moffat County
Tiffany Pehl, AGNC
Bonnie Petersen, AGNC
Grady Hazelton, Town of New Castle
Mike Samson, Garfield County
Jeff Comstock, Moffat County

George Rossman, Cong. Tipton's Ofc.
Shannon Wadas, Senator Bennet's Ofc.
Janet Hawkinson, Palisade Town Administrator
Pattie Snidow, USDA
Robbie LeValley, Delta County Administrator
Roger Rash, Montrose County
Greg LeBlanc, City of Grand Junction
Don Suppes, Delta County
Roger Granat, Town of Palisade
ATTENDEES via Phone:
Dianna Orf, Orf and Orf

Attachment A

AGNC

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JUNE 2018

Visitation for May 2,502 up 973 visitors from last June.
Moffat County is in the process of redoing our outdoor information panels along the walkway.

The visitor center at the park entrance in Colorado is now open 7 days a week. The entrance fee for the Quarry side was raised to \$25.00 per car on June 1st. The Colorado entrance is still free.

Superintendent Mark Foust will be leaving for a new position on July 6th. No word as to who the new park superintendent will be.

An information site for wildfires has been setup in Colorado.com. You can access it by going to colorado.com/wildfireinfo.

All Colorado State Welcome Centers have been issued bike repair kits for visitors use.

Cheryl McDonald, Mgr.

Attachment B



Associated Governments of Northwest Colorado
Legislative Report
June 27, 2018

The legislature and regulatory agencies are commencing work on several issues resulting from legislation passed in 2018, some which passed and others will be carried over from unsuccessful bills. Of potential importance to AGNC are the following:

Regulation of TENORM. SB 245 removed a statutory prohibition that had long prevented the CDPHE from regulating disposal of technologically enhanced naturally occurring radioactive materials, such as waste from oil/gas drilling and residuals from water treatment. These wastes contain minute concentrations of uranium or other radioactive materials and SB 245 established a stakeholder process, to be followed by rulemaking, that will set levels of radioactivity at which disposal in specially engineered sites will be required. Wastes below that level may continue to be placed in solid waste disposal facilities (such as county landfills) with other municipal and industrial solid waste. The initial stakeholder process kicks off on July 11, to be followed with meetings on July 31, August 22, and September 6. Stakeholders will discuss exempt levels, regulatory levels for disposal, regulatory levels for beneficial use, and regulatory limits for licensing under the Radiation Control Act. A report will be prepared by a contractor following the stakeholder process; that report must be presented to the legislature by Dec. 31, 2019. A rulemaking to set appropriate levels for various activities must be completed by December 31, 2020. The process and final regulations may impact oil/gas, water treatment and water providers, mining, and disposal sites.

Community Agreements with Electric Utilities. HB 1428 was ultimately killed by its Senate sponsor, Sen. Cooke who believed the subject was too complex to be addressed in the final week of the session. However, he expressed interest and intent to establish a stakeholder group to continue discussing the issues over the interim. At its core, the bill authorized regulated utilities (Xcel and Black Hills) to enter into agreements with individual communities that wish to meet various energy goals (e.g. higher percentages of renewable energy, reduction of GHG, smart grid applications, etc.) and adjust the electricity supplied to that community accordingly provided there is no cost shift to customers in other communities who are not part of the agreement. Another potential concern is that if several communities demanded 100% renewable-sourced electricity, not only could that raise costs for everyone else in the system, but it could skew the overall mix of generation sources (only so much capacity on a system's transmission lines). If these discussions do, indeed, get started we will keep you informed.

Property Tax Refund Interest. Although HB 18-1387 was killed by its sponsors in order to craft amendments agreeable to both industry and local government, the issue remains a high priority and it appears there will be stakeholder discussions to seek mutually agreeable legislation in 2019. This is a top priority and we will engage in relevant discussions as well as alerting the AGNC community.

California Vehicle Standards. Last week the Governor issued an Executive Order directing state agencies to begin rulemaking on adoption of California vehicle standards. This effort has been underway for some time between the Governor's office and the Air Commission and according to staff in May they are "ready to go" to meet the December target for having a rule adopted. The Commission has been advised that it does not require additional legislative authority to adopt the rules, just proceed with its rulemaking procedure. Accordingly, the Commission will bring forth a proposal at its August meeting. No doubt there will be legislative discussion, regardless of whether legislative authorization is required and depending on the outcome of the November election that discussion could get quite heated.

Interim Committee Activities. Committees that meet during the legislative interim, including the Water Resources Review Committee, the Transportation Legislation Review Committee, and the Opioid and other Substance Disorders Study Committee have announced their meeting schedules, but not specific agendas. We will be following those activities and report back as their discussions affect the AGNC region.

Severance Tax Picture Brightens. Reports given to the Water Resources Review Committee and to the Joint Budget Committee last week projected to increase during FY 2018-19 and decrease again FY 2019-20. Oil prices are projected to stay above \$50 bbl through 2020 with natural gas prices reaching as high

as 3.39 mcf in 2020. Revenue from coal severance tax is dependent on production, which is projected to decline, rather than price. Oil and natural gas account for approximately 95-97% of the severance tax collected. Impacts of refunds resulting from the BP America decision will continue through 2019, but the amount is still unclear and depending on how many companies amend their previous returns in order to claim a refund.