



ASSOCIATED GOVERNMENTS
OF NORTHWEST COLORADO

MINUTES

AGNC BOARD OF DIRECTORS & MEMBER MEETING

March 20, 2019

Garfield County Commissioner's Room, 108 8th Street, Glenwood Springs, CO 81601

9:00 am to 1:30 pm

Pledge of allegiance

Call to order – Ray Beck, Chairman:

Introductions were made and it was noted that Gary Moyer will serve as alternate for Jeff Rector and Lisa Piering will serve as alternate for Andy Key. Doug Monger joined the meeting via conference call.

Approval of Minutes – Mike Samson moved to approve the minutes; Tim Redmond seconded the motion; motion passed.

Financial report – Bonnie Petersen reviewed financials for February 2019. Revenues for the month are slightly below budget but ahead of budget year to date. Expenses are under budget for the month as well as year to date. Net income for February was slightly better than budget and year to date net income is ahead of budget at (\$2,724.53) vs. a budget (\$8,218.83). Mike Samson made a motion to approve the financial report; Chris Nichols seconded the motion; motion passed.

Project and Committee Reports:

Area Agency on Aging – Heather Jones - Every four years a state plan must be submitted, and Heather reviewed the 2019 - 2023 plan. Several public input meetings were held to discuss needs across the region. Per the plan, half of funding goes out to nutrition programs and the balance supports funding for councils on aging and other programs throughout the region. New needs were identified relating to behavioral health; lack of workforce to provide elderly services; pre-retirement planning. Heather outlined demographic changes in the noting that there the number of people 65 and older will increase by 12% and those 75 and older are expected to increase between 21% and 35% in various areas. The plan will focus on maintaining core services in next four years it is expected that the 75+ population will likely use more than one core service. AAoA will be piloting an aging mastery program. This region has not used interns but Heather plans to collaborate with higher ed institutions to implement an intern program. Mesa and LaPlata counties have the highest suicide rates – Montrose county has had an uptick as well. Colorado is higher than national averages. Homestead funds for 3 years have been authorized from the JBC. Heather reviewed her plans for technology implementation; administration funding will be used and not an actionable item for the AGNC board; Mesa County will oversee the procurement of the software. The four-year plan requires approval by the AGNC board; however, the board members requested more time to read through the plan. The board directed staff to conduct an email vote of the board members no later than March 27, 2019, to meet the deadline for submittal of the plan. NOTE: The board was canvassed via email for approval of the four-year AAoA plan and was approved.

Dinosaur Welcome Center – Cheryl McDonald reported that the welcome center opened on March 1st and reviewed hours of operation. The bathroom remodel is complete; thanks to Rio Blanco County for providing the materials and Moffat County for the installation. There will be designated parking spaces for veterans at the center. The yearly managers meeting will be the week of April 15th in Colorado Springs. (Cheryl’s full written report can be found as Attachment A at the end of these minutes.)

3rd Congressional District Update – Congressman Tipton joined the board meeting in person and provided an overview of items he is working on for the benefit of the 3rd Congressional District. He continues to advocate for responsible energy development in support of an “all of the above” energy portfolio. He continues to advocate for Jordan Cove and has met with the general counsel of Japan. In that country, nuclear is problematic and there are challenges with renewables as there are no prevailing winds in Japan, there are geographic problems for solar, so they want to use LNG. Nobody will do responsible development of energy resources better than the US. Once completed, Jordan Cove may be able to supply LNG to the Korea’s and China. Geopolitical stability can be promoted through LNG - CO2 emissions in the US are declining and China and India need help to clean up their environment. The Congressman continues to advocate for water protection; introduced bi-partisan support on protecting water rights act. He is watching movements on ESA and EAJ, etc. Garfield had invested significant resources to identify sage grouse habitat, but the BLM identified broad areas; the mapping project helped with that issue and now the Local Act has been introduced to allow for local input. The Congressman senses that the chances are good for David Bernhardt’s confirmation as Secretary of the Interior; it will be the first time someone from the West Slope will be serving as SOI; the Congressman noted that he is one of smartest people we know; he understands the mission of DOI and supports multiple use. The Western Caucus, which the Congressman serves as Vice-Chair, has a series of bills that will be re-introduced in this Congress; one requires using real science in terms of species management and another asks for target numbers on species recovery, so we know when we win. Bring common sense into reinvigorating species. During a visit to DC with NACo, some of AGNC’s commissioners met with Takeshi Soda, with METI, who commented that AGNC members should talk to Vice President Pence who oversees international trade to enlist his help on Jordan Cove. Tipton’s office will help - thinks Senator Gardner has reached out to VP. Soda will probably become Japan’s economic minister. Funds at capitol are being diverted into priorities rather than infrastructure at the state level; the question was asked if is there a federal opportunity for infrastructure bill. Funding is difficult expect more bite size pieces - want road and bridges up to snuff - need to build super highway for internet - had a couple of pieces of legislation to provide loans and facilitation of clearing hurdles for build out. Not likely to see big comprehensive bill. The Congressman noted that immigration issues continue to be an issue – we need to be able to adjust labor visas to meet local needs – we all recognize the price we pay when it comes to trafficking and drugs - oftentimes people work hard to make sure nothing is done. The Congressman believes it can be fixed as there are good ideas in the works, but we need to secure the border. We welcome immigration, we need it, but must be legal. This Congress is just starting to ramp up - last session majority of bills were bi-partisan - public did not hear about it. there is more cooperation than the public hears about. Congressman Tipton will advocate for e-verification; it has some holes, but they can be addressed. One catch with the system, though, it can’t hold employers liable for using e-verify; the system can have an error and we need to not hold employer responsible for e-verify mistakes.

Opportunity Zone Fund – Shawn Bertini, Four Points Funding explained that Four Points is an angel funding syndicate that is a pipeline for opportunity zone (OZ) deals. They have made six investments in the state; one of those is in the Roaring Fork Valley. He reviewed the genesis of the creation of OZ's and how they were designated in Colorado as well as the tax benefits for investors in OZ's. He noted that the bill creating the OZ's was rushed and that there is not much clarity around the rules so far. Successful investments are more likely to be tied to property. The intent of the OZ is to infuse money into distressed areas. Shawn outlined the requirements for investors and funds like this to be compliant with the guidance provided thus far as well as the returns investors will expect when making investments. It will be harder to attract capital for smaller projects as investors are looking for substantial rates of return. When asked about the first steps a community needs to take to begin attracting investors, it was noted that a community prospectus needs to be prepared outlining potential projects. The OEDIT site is a starting point to begin getting visibility with potential investment groups. Four Points is also looking at events like this meeting and the OEDIT site. If a community wants to attract outside capital, it needs to package potential projects and identify the stacked benefits for investor review.

Colorado Drought Contingency Plan/WOTUS – Andy Mueller, Executive Director, Colorado River District Colorado Drought Plan provided an overview of the Colorado River Basin, the genesis of the River District and the district's responsibilities. The district has no regulatory authority, it is an advocacy organization charged with protecting Colorado's share of the river. There are 480,000 people within district and the remainder of the basin is covered by SW water district. The district is funded exclusively by property tax mill levy; over the years the mill has dropped reducing the revenue used to fund operations. There are currently 23 employees at the district, by end of year it will have 21 due to budget concerns. Amendments to constitution have had significant impact to funding. In contrast, Denver Water has thousands of employees, Colorado Springs also has thousands of employees all focused on west slope water. The district negotiates with all entities on the river - from West Slope perspective, it has been effective and now the board is contemplating a ballot initiative. While last year was extremely dry, from October 2018 through February 2019, our river basin has seen snow levels from 130 to 150% of average; March may be in the range of 200 to 300%. It will take about 12 inches to replenish ground water. This year it is predicted that 9 to 10 million-acre feet (maf) will flow into Lake Powell - last year, 5 million-acre feet went in and 9 million-acre feet were released; this year will release 9 million. Powell is about 38% full; it would take 11 years if every year were like this year to completely fill it. Andy explained the purpose and the amount of water needed to keep Lake Powell functional; he explained the compact requirements for water delivery and the unaccounted-for amounts of evaporation and its impact on the overall system. He noted that we don't have enough water to manage through a drought like 2000 to 2005. Over the years, we have seen 2 degrees of warming in Colorado; the increase in temperature has had an impact on our snowpack. But while ours has declined, it is nowhere near 40%, we see that level of decline in coastal mountains. Fall and spring precipitation falls as rain and is less efficient. We see dust on snow and earlier snow melt which creates problems for ditch flows - soils also have greater evaporation. For every degree of warming, there is a 3 to 4 % decline of water in the rivers. Temperature has 5-fold effect on runoff. The use of Colorado river water and senior versus junior water rights in relationship to the 1922 compact were explained. The reality is that east slope M&I rights are post compact water but if M&I do not have water, they can condemn water to supply their needs. If they are heading toward compact violations, water users will act - they will acquire pre-compact water to go down river and get augmentation credit; we don't want them to have that incentive ever. The Lower basin has a plan with one hold out, Imperial Irrigation District. All three states agreed to the drought contingency plan (DCP) - they will conserve water and leave water in Lake Mead - up to 1.1 maf at lowest level. This is a good

start, but the overuse is 1.3 maf and they are not making up for the overuse, so it keeps the system in constant state of crisis. Upper states have agreed to operate upper reservoirs and will release water to Powell to keep electrical generation they will use techniques such as cloud seeding, phreatophyte removal, and demand management. We don't want calls to take all water from West Slope. Signed agreement on deadline date, it requires federal legislation. Need approval to keep water in Lake Mead and authorization to bank water in reservoirs and lake Powell to protect the water banked there. Hearings coming up in house and senate later this month. Lower basin will cut back on use - upper basin agreeing to study how and if we can implement a demand management procedure. Key is avoiding a mandatory curtailment. East slope broached voluntary and compensated use - would have statewide fund to prevent permanent dry-up in our basins. The Grand Valley has pre compact water rights - last year they could not have finished crops without release from reservoirs; they depend on water every year from the reservoirs and those reservoirs are post compact. Water banking will be voluntary, temporary and compensated. Nobody wants to see mandatory curtailment and West Slope users want water coming from the Front Range and the West Slope in proportionate amounts. The district will be dealing with language statewide over the next year and doing a secondary impact study. Also, the district will be looking at 3rd phase of risk study - the district needs to work through these issues for the West Slope.

WOTUS – Chris Treese provided an update on the Waters of the US (WOTUS) rulemaking. The rulemaking is an attempt to define jurisdiction of the clean water act and impacts activities related to everything that may have an impact on waters and water quality in the country. EPA and Army Corps have primary responsibility but much of that responsibility has been delegated to Colorado CDPHE and water quality control commission. Five major Supreme Court decisions have impacted definition of WOTUS and left it up to agencies to define activities. 1985 rules were subject to Supreme Court decision. 2015 Obama rule adopted then litigated - CO is one of 28 states involved in the stay rule; although the Attorney General will withdraw Colorado from that suit so that removes the stay for Colorado. The Trump administration asked for revisions to that rule making which began in late 2018 - there are improvements and additions.

1. Rule makes clear what is and isn't WOTUS - ground water, ditches, canals and other man-made conveyances. The following are not WOTUS:
2. Artificially created wetlands
3. Artificial lakes and ponds
4. Water field depressions created as an incidental activity - gravel pit ponds, etc.
5. Storm water control features (original intent was to create all waters of US as fishable and swimmable.)

Adjacent wetlands, ephemeral and intermittent are newly defined in 2018 rule. Perennial wetlands, uplands. Ephemeral and intermittent streams are not included, all manmade conveyances are not covered - washes likely intermittent. If finally promulgated, the rule will certainly be litigated. Water users seek certainty - will end up with litigation. Want cost effective, science-based use of water Improvements could be made - would like to see a clear exclusion for ditches in the rules. The river district plans to submit comments - working through the 188 pages that refine and replace 2015 rule.

Federal Delegation Updates

Mathew Kierkegaard for Senator Bennet provided a fact sheet regarding a rural infrastructure bill the Senator is working on; they want to hear from AGNC how we can make this bill workable for rural communities. The bill is looking at project scoping and helping to understand bundled
PO BOX 593 GRAND JUNCTION, CO 81502 PHONE 970-665-1095 WWW.AGNC.ORG

projects and how to get them funding. It is looking at creating a liaison, task force, etc. to help rural communities. Need USDA funding to work with other funds. Matching funds are difficult to find and funds from one federal agency cannot be used to match other federal funding. Davis Bacon wages in rural areas are a significant hinderance in making projects affordable and does not help with local employment matters.

Betsy Bair for Senator Gardner reported that the largest public lands package ever has passed the house and senate, the Senator was at the signing with President Trump last week. The bill provided for the permanent reauthorization of the LWCF. Crag's land exchange in Colorado Springs was done; every bill had support of land owners or communities. Minturn municipal water ditch was included in wilderness so they could not work on head gate or ditch, the bill corrected that situation. Extension of endangered fish recovery program to 2023 and funding for the program was included. There was an internment camp in Colorado that house Japanese during WWII; a study is being done to determine if it can be made into a national monument. Avalanches raised concerns about landslides so the Senator just introduced a landslide preparedness act that will put funding behind mitigation for slides. Also introduced was a FERC permitting bill that calls for timely review of infrastructure applications; they have 13 permit applications pending, this will help them streamline the process. Senator Gardner was ranked the 5th most bipartisan senator to get legislation through the process; he received the Luger award recognizing this. The Senator met with Acting Secretary Bernhardt regarding the BLM west move, Jordan Cove, Aquatic nuisance species, southern Ute request. The office is receiving questions on Senator Bennet's CORE act, Senator Gardner would love to hear thoughts on the legislation from this region. PILT was funded but SRS was on the chopping block and not funded; there may be a new effort (funded by timber sales) through years funding mechanisms and matrix were changed. Think PILT will be fully funded. The Senator felt the BLM conversation went very well. It is anticipated that 300 might move with HQ; they would not come all at once - several close to retirement so there may be a need to hire people to replace those leaving. Had meeting with CMU to show that education needed for potential replacements is already available in Grand Junction.

Administrative Update - Bonnie Petersen Administrative Update

- Testified on SB19-181
- SB19-042 National Popular Vote signed by Governor
- Three teams signed up to participate in the Coal Communities Challenge Conference May 1-3 in Denver.
- A letter of support for David Bernhardt's nomination was sent to the President and copied to our federal delegation.
- Meeting with Zach Pierce – do we want the Governor to meet with us; if so, when?

New Business:

Mike Samson provided an update on the NACo trip to Washington, D.C. - Through meetings with the METI representative, Takeshi Soda, attendees received guidance to talk with VP Pence about Jordan Cove. The Japanese government wants US energy resources to stabilize energy for nation. Met with interior as a large group and the next day the 5 AGNC counties met with David Bernhardt separately. The group delivered letters of support to the President supporting the nomination of Bernhardt; David was to deliver them personally to the President. When asked David about moving the BLM HQ to Grand Junction; he noted that he must be confirmed first. The group went to the White House later and met with the White House Intergovernmental Liaison. The last meeting was at the Senate building where they met with

both senators and finally met with 3 of Colorado's 7 representatives. Conference itself had sects of commerce - Kelly Anne Conway spoke. Networking opportunities at this conference are great.

Next Meeting will be April 24, 2019, Colorado Northwestern Community College, 500 Kennedy Dr., Rangely, CO 81648.

Adjournment – Meeting adjourned at 1:50 pm.

Attendance:

Kimberly Bullen, Dept. of Local Affairs
Si Woodruff, Rio Blanco County
Chris Nichols, City of Craig
Heather Jones, AAoA
Jacob Brey, CPW
Matthew Kireker, Senator Bennet's Ofc.
Jeff Comstock, Moffat County
Ray Beck, Moffat County
Chris Oxley, CDLE
Brandon Bainer, Congressman Tipton's Ofc.
George Rossman, Congressman Tipton' Ofc.
Shawn Bertini, Four Points Funding
Gina Rice-Long, Rifle Chamber of Commerce
Tiffany Pehl, AGNC
Kevin Bachelder, Garfield County
John Justman, Mesa County
Tim Redmond, Town of Hayden
Melody Harrison, Town of New Castle
Amy Provstgaard, Battlement Mesa
Doug Monger, Routt County (via conference)

Lisa Piering, Town of Rangely
Peter Brixius, City of Craig
Grady Hazelton, Town of New Castle
Kris Melnikoff, Town of Collbran
Betsy Bair, Senator Gardner's Office
Karen Harkin, CHFA
Merrit Linke, Grand County
Chris Trees, Colorado River District
Scott Tipton, Congressman, 3rd CD
Mike Samson, Garfield County
Andy Mueller, Colorado River District
Makala Barton, Rio Blanco ED
Bonnie Petersen, AGNC
Tom Jankovsky, Garfield County
Gary Moyer, Rio Blanco County
Duncan McArthur, City of Grand Junction
Carolyn Tucker, CDLE
Fred Jarman, Garfield County
Dave Reynolds, Town of New Castle



Thank you to our lunch Sponsor!

ATTACHMENT A

AGNC REPORT
March 2019

Center hours are 9-5 seven days a week.

Bathroom remodel is done and looks great. Thanks to Rio Blanco County for the materials and to Moffat County for doing the install.

We will have a new designated parking space for veterans. I am hoping to get all the Welcome Centers involved in this project.

Our yearly managers meeting will be held the week of April 15th in Colorado Springs.
REMINDER:

Please let us know of your special events so I can advertise it on our sign board.

Cheryl McDonald, Mgr.
Colorado Welcome Center