



ASSOCIATED GOVERNMENTS
OF NORTHWEST COLORADO

MINUTES

AGNC BOARD OF DIRECTORS & MEMBER MEETING

July 15, 2020

*Moffat County Fairgrounds Pavilion
640 E. Victory Way, Craig, CO 81625*

9:00 am to 11:30 am

Call to order – Ray Beck, Chairman, called the meeting to order at 9:03 am. Introductions were made.

Approval of Minutes – Mike Samson moved to approve the minutes from the June 2020 meeting; Chris Nichols seconded the motion, the motion passed.

Financial report: Bonnie Petersen provided an overview of the financials for June 2020. Total cash position at the end of June was \$827,080.23. Revenue was slightly less than budget for the month but continues to exceed budget year to date. Expenses were less than budgeted for the month and continues to be less than budgeted for the year. Net income for the month was negative, year to date net income is less negative than projected by the budget. A motion was made by Chris Nichols to approve the financial report; motion was seconded by Mike Samson, motion passed.

2019 Audit Review – Paul Miller provided an overview of the 2019 audit; he noted that in his opinion, he did not find anything that would be considered misleading. He noted that AGNC is a small organization that does not have the ability for segregation of duties and pointed out that is where the board comes in to review financials. The board needs to ask questions if they see anything that concerns them. Paul reviewed the core components of audit and the notes, as well as budget actuals for 2019. AGNC audit must be a single audit and pages 18-21 of the audit document are the reports that apply to the federal funds that drive the single audit requirement. Paul stated that he didn't find anything that would cause issues with the federal funds. AGNC passes 100% of the AAoA funds through to another agency. AGNC is still responsible for sub recipient monitoring we are responsible for making sure funds are spent according to program guidelines. CEFA schedule of federal funds \$831,773 would be on CEFA we also had a small amount of federal funds - will send CEFA sent out to add to audit. CEFA reports all the federal funds AAoA receives federal and state funds - state funds not shown on CEFA. Last year we also had a small amount of funds from EDA. Aging cluster gets testing which is sub-recipient monitoring. Questions to Bonnie or Tiffany to get resolved. The CEFA information was missing from the report and the audit need to be submitted by 7-31-2020 or we must file for an extension. Members were not comfortable approving the audit without the CEFA information; Paul will send the information for review and the board will look at it for approval later in the meeting.

Project and Committee Reports:

AAoA - Heather Jones said she would investigate why AAoA is delinquent in paying the admin fee. There has been an increase year over year for meals - less than earlier in the year. Information and assistance services have seen a 53% increase year over year - higher rate than

normal. Extensions have been sent out to AAA partners for this year. Next contracts will be 10 month contracts. Heather has been appointed as an alternate to the aging policy committee as representative for the Western Slope. ADRC will be able to participate in Medicaid Federal Financial Participation - will provide some matching funds as a result of participation. Agencies have been missing out on funding since Colorado has not participated in the past. Legislation updates; there was supposed to be a \$1 million increase in the dental program but that was suspended due to budget issues. There is no suspension of property the tax exemption which helps seniors and veterans; this is a big win for adults across the state. You can see Heather's report at the end of these minutes as Attachment A.

Legislative report –Today is the last day for the Governor to sign bills or veto bills - if nothing is done, bills go into effect automatically. He wrapped up a number of bills yesterday, he signed the employer sick leave bill. The bill applies to all employers except the federal government; local governments can opt out. Employers can opt out if they already provide the same thing. For every 30 hours worked employees collect 1 hour of sick leave. The leave can be used for employees or family members. Employees can use up to 6 days per year - Department of Labor oversees this directive. Perry Will noted that an employer can't ask questions for the first 3 days but can ask for doctor's note - if use of the time is found to be fraudulent, it can result in disciplinary action. The small business exemption appears to be repealed in 2022. During a pandemic the sick leave is 80 hours. There are some limitations for seasonal workers - ski areas received a carve out. An employee with 6 months or less service can receive a lower amount of sick leave that can be used. The sick leave accrues immediately at the rate of 1 hour earned for 30 hours worked. The leave can be used for mental health issues, domestic abuse, doctor appointments, etc. The leave can be accrued year to year but the maximum an for employee use is 48 hours. Richard and Diana Orf provided an overview of approved and potential ballot measures as part of the next agenda topic.

2020 Ballot Initiatives Approved & Proposed – Orf & Orf, Andrew Dunkley, PAC/WEST Patrick Pratt, Coloradans Protecting Wildlife all provided information regarding ballot initiatives being brought forward for voter consideration in 2020. The requirement is that 124,632 verified signatures must be collected by 8-3-2020. Proponents usually bring petitions in with 20% more to account for duplicate signatures and other disqualifying items. The Secretary of State does a random sample of the signatures to verify that the requirement has been met and the signatures are valid; this must be completed by 9-2-2020 or it will be deemed sufficient. The Supreme Court said signatures could not be collected electronically in response to a request by the Governor that signatures be allowed to be collected electronically due to the pandemic. Proponents are putting all initiative petitions on one table in high traffic areas just collecting signatures on anything they can.

- The National Popular Vote will be on the ballot. There are three organizations pushing for approval; one is opposing it. AGNC took a strong position opposing the bill passed by the legislature; this ballot initiative would overturn the legislative action.
- The Cigarette Tobacco and Nicotine Tax measure is a statutory change referred by the State legislature via HB20-1427. It increases taxes by \$294,000,000 through taxes on tobacco and related products. The increased tax funding will be used primarily to fund public schools offsetting revenue cuts resulting from the pandemic as well as enhance the funding to make voluntary preschool free; then the funds may be used for programs that reduce the use of tobacco and nicotine products. A portion would also go to the earned income tax credits.

- A constitutional change referred to voters by the legislature via HCR20-1001 would reduce the required period of a charitable organizations continuous existence before obtaining a charitable gaming license for bingo and raffles.
- The legislature referred a constitutional amendment to the voters via SCR20-001 that would repeal the Gallagher Amendment in its entirety changing the way property taxes are managed in the state. SB20-223 was passed, in the event the ballot measure passed, to establish a statutory moratorium on changing the ration of valuation for assessment for any class of property.
- Initiative #76, if passed, would require through a constitutional amendment, that in order to vote in any election, you must be a United States citizen.
- Initiative #107 is a statutory change to require CPW to introduce gray wolves in designated lands west of the continental divide.
- Initiative #120 is a statutory amendment that would prohibit later term abortions for fetuses with a gestational age of at least twenty-two weeks.

Petitions are still circulating for the following potential ballot measures:

- Statutory amendment prohibiting state and local governments from restricting or limiting the installation and use of natural gas in homes and businesses.
- A constitutional amendment requiring that s summary of qualifying economic impact for an initiative placed on the ballot preceding the initiative's ballot question.
- Fair and Just tax initiative #27a amends the constitution to increase state taxes by \$2 billion by changing the income tax structure to be a graduated income tax for all filers.
- Paid Family and Medical Leave Insurance is a statutory amendment circulating. The measure requires the creation of a paid family and medical leave program in Colorado with a maximum of 12 weeks and an additional 4 weeks for pregnancy or childbirth complications. The measure requires a premium of 0.9% of employee wages up to a cap of 1.2% - and requires the employer to pay up to 50% of the premium amount and the balance to be paid by the employee.
- A measure like an initiative from 2018 requiring 2,500-foot setbacks for oil and gas has been proposed. It is unclear if the proponents are collecting signatures or not currently.

Andrew Dunkley, with PAC/WEST noted that measure #174 is the same as proposition #112 in 2018; it is his understanding that the Colorado legislative council is not working with the proponents. In working with the SOS, it sounds like they are not moving forward with signature collection, either.

Andrew provided an update on measures 284 and 304. Measure 284 provides for consumer choice for natural gas. The administration and legislature have been working on an effort trying to ban natural gas in new construction. The ballot measure says that consumers can choose whatever energy source they want to use but it is up to them. The measure does nothing to inhibit those that want to use renewable energy. Signatures collected are at about 140K will the proponents expect to hit 200K done properly. The impact of a measure to eliminate natural gas in new construction is a significant hit to lower income families, proponents are working with energy outreach Colorado.

Measure 304 is a fiscal impact measure – the state currently provides a fiscal impact statement, but it is not read by the majority of Coloradans. The legislative council provides the impact of a measure on state budget and that is the only information they provide. The initiative requires a dynamic model of the bill, the study must be prepared by the proponents - leg council will place

the summary in the ballot title. If passed, the impact would be shown right on top indicating what the bill would cost in terms of jobs and tax increase, etc. Not a mandate - just a way to see the true cost of what is being voted on. Either side, for or against, could commission an analysis – the leg council would determine if it is a legitimate analysis. If more than one study were submitted council will summarize the information in a range.

Patrick Pratt with Rethink Wolves, a component of Coloradans Protecting Wildlife provided an overview of Initiative #107. The group has a robust committee that includes Ag, RMEF, etc. The organization operates nationally doing natural resources work; they have a 91%-win rate. The goal is to make sure wildlife management is left to the experts not through ballot box management. Language for blue book is being finalized now. The measure calls for the state to introduce wolves to lands west of continental divide no later than 12-31-2023; extensive studies are usually done in situations like these but there is no time here for that to take place. It assists farmers and rancher with depredation but if expenses exceed revenue then the state has to backfill; the revenue to pay for depredation is not guaranteed as it pays out of license fees. There was a legislative push this year that failed. Nobody liked the bill, so it died. We may or may not see in legislation in future sessions. The reintroduction fight has been going on for years. The real target is the front range, so messages are targeted to the Front Range. This would set a precedent nationally that we need to rely on experts. CPW knows how to successfully introduce wildlife and has opposed forced introduction 4 times, it is not the right thing for Colorado. Wolves are already expanding; they already live in Colorado and there have been multiple sightings this year. They are coming to Colorado naturally and doing so successfully. Forced reintroduction is unnecessary and will cost taxpayers \$6 million dollars – it's not the best way of spending Colorado's limited funds. Any new wolves introduced would cause conflicts. Colorado just cannot support a large wolf population. The wolves to be introduced are not native to Colorado, they are more aggressive than the species native to CO. The new balance being touted will not last as it is not accurate based on science or experience. The Yellowstone example is not totally accurate. If the real intent is to bring down elk and deer herds then introduce wolves in the Rocky Mtn. National Park. One wolf was sighted in Larimer County. Potential legal avenues to pursue are being considered by some. The goal is to make sure the initiative does not pass. Perry Will noted that part of message could be used to point out that if someone is truly a wolf lover, reintroduction is not fair to species; with 5 million people in state it will have conflict. It is a good point not sure can persuade true wolf lovers will see components of that in messaging for those who have not made up their minds.

Update from Just Transition – Wade Buchanan Just Transition (JT) director provided an overview of the work the group has done to date. Their charge is to come up with state plan to assist communities and workers through a transition from coal. The office has no authority but must determine whether and when it happens how they can help communities and workers who have fueled our state in the past. There are 5 mines and seven power plants impacted. JT has been meeting for about 1 year - had series of public meetings in NW Colorado first week in March had planned other outreach but could not due to COVID. JT will submit a draft plan on August 1st; it goes to cabinet members labor and DOLA directors. Handout recommendations as they now stand. The draft is very much informed by conversations in NW Colorado. Some companies in southern Colorado have committed to no job losses through the transition. It is a more challenging concept in the NW part of state. The effort will work to identify retraining, help with job searches and relocation support. The group is likely to recommend a relocation stipend. Supports for income if a worker is in a job that does not pay as well as former job - wage differential benefit. These are big ticket items - estimates seen are somewhere north of \$10 million per year for each year of transition. Questions were raised about where money will come

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from. Eligibility - any displaced worker would have access to first one - all others would work at location at the time closure is announced. Communities similar sort of process starting at front end around community transitional plans to make sure communities have capacity to drive the transition bus and support to do planning and support themselves. The effort has to be bottom up and the state has to be a partner. Alignment of state programs with local plans and renewed investment in key infrastructure. High budget implication - how do we deal with loss of workers and large property taxpayers. Final recommendations - establishing investment intermediaries to attract private capital to align with local plans. Last recommendation - figure out what sorts of tax policy changes and options we have for both, assisting local communities and making the state a full partner. The advisory group will finalize recommendations this afternoon and submit the draft August 1st then finalize the plan by end of year. Where is the money coming from? The good news is we have a little bit of time – does not mean we can sit on our hands or not get busy planning. Property tax loss does not happen for a while. Do not yet have date for the closure of the Hayden facility but it is a looming challenge. We have a little bit of time to figure that out. Hopefully by end of year with final plan will have a little bit of clarity around funding. The big dollars for replacing property tax base are not required until the closure takes place. There is a lot of work to do and challenges around where that is going to come from. Doug Monger - the functional obsolescence - the taxes are already ratcheting down, and local governments have already cut 20-30 percent of property tax due to functional obsolescence; it's not true that we won't see that until closure. Governments started seeing the obsolescence coming in as result of environmental issues. John Justman noted that seeing as how environmental organizations are driving job losses the state should tax their contributions to help pay for the transition. Wade noted that if we need the ability for guarantees in the process, it is something we can investigate. We have a lot to think about and a lot more to do, we do not have a lot of answers. Wade noted that he did not mean to say don't worry until it happens. How do we set up incentives to encourage business locations here?

AGNC Letters of Support – the Executive Committee authorized the provision of a letter of support for a broadband project Region 10 will apply for EDA funds to build. The project provides a transport facility that will connect to the THOR project and ultimately end up on the Front Range to deliver more cost-effective broadband. The project envisions a splice point in Palisade, De Beque, Parachute, Rifle and Glenwood Springs which would make access to the less expensive service available in the AGNC region. If not already done, it could provide an access point for Craig in Rifle. Peter Brixius questioned why AGNC would support a project from another region when it will tap the same funds Craig will apply for. It was pointed out that this is a way for the AGNC region to obtain services and mitigate some of the major costs associated with placing infrastructure for some of the smaller communities. A request was made for the board to ratify the action of the Executive Committee; the discussion died for lack of a motion.

AGNC prepared a letter in support of Wm. Perry Pendleton's appointment as BLM director for the board's consideration. Gary Moyer moved to approve the letter of support; Mike Samson seconded the motion. During discussion members noted that they don't think confirmation will happen. Members were supportive of his appointment in the event a confirmation hearing is held and directed that the letter be sent. The motion passed.

Chairman Beck had to leave the meeting to join the Just Transition Advisory call. He left the meeting approximately 1:00 pm; Vice-Chairman Mike Samson presided over the remainder of the meeting as Acting Chair.

Federal Delegation Updates

George Rossman from Congressman Tipton's provided an update. George Rossman said thank you to AGNC for its continued support of the Congressman. The House is back in session. RAFTA is doing a couple of grant proposals and the Congressman sent a letter of support for the grants. The House is still working on some appropriation bills it's anyone's guess if that will happen. The Congressman signed onto coronavirus relief act.

Hogan Peterson provided an update from Senator Gardner's office - Betsy is out ill. The Senator has successfully gotten the Great American Outdoors Act passed out of the Senate; the House vote on the outdoors act should happen on the 22nd. The bill provides funding for deferred maintenance; the Senator was in Western Colorado recently and visited the Black Canyon and the Colorado National Monument. During this tour, the Senator asked to be taken to locations that need help. On the tour, he saw that culverts have not received maintenance since FDR was president and many other deferred maintenance items. The LWTC funding Gardner asked to highlight that this is for access rather than expansion. The LWTC authorizes funding to consolidate contiguous parcels. The Act helps fund municipal projects as well. 14 projects in Moffat 17 in Routt. Senator Gardner's Airwaves Act would take a percentage of the new broadband auction revenues and dedicate them to rural broadband in an effort to overcome the divide in service between urban and rural areas.

Representative Will stated that it is an honor and privilege to serve his constituents. He noted that AGNC is well represented by Orf's at the Capitol. He reviewed some of the bills that passed in the 2020 session including SB100 on the death penalty – the governor commuted sentences for those in jail and sentenced. SB163 on immunizations came back from 2019; there are concerns that children receive 43 vaccinations by the age of 12. The police bill is an assault on our law enforcement. There is a lack of respect among the legislators and it is terrible that defacing the capitol is being allowed. CSP did a great job protecting the Capitol when protestors were shooting at it and defacing it. Representative Will is acting as a voice for rural Colorado in an urban dominated legislature – he is pleased to stand up for rural areas.

It was asked if there is a timeline for implementation of the police bill and whether the legislature will pull back some of the cost measures in that bill. There is a grace period on implementation for smaller departments. There is no expectation that there will be any pull back on cost measures. Richard asked that communities collect data on the costs so the information can be used with legislators. Revenue projections are crashing in Rio Blanco county and it is not temporary so this measure will create a hardship in that county. Diana noted that Greenwood Village near Denver decided they wanted to indicate to police that they support them; the council there passed a resolution stating their support for their police department and that, in all cases, they would find the officers acted in good faith and will indemnify them in law suits; Westminster did something similar. Now these communities are facing criticism as trying to do an end run around the bill, so some legislators are talking about doing legislation to keep the communities from doing that. If AGNC communities want to do something similar, don't say the community will always find that the officer acted in good faith without looking at the facts. Rangely is looking at this from a municipality level as well. Some communities have removed car cameras as they double the work and expense for data management. Grant money from DOLA for body cams may be available; there is a scramble to find funding for the data management. Colorado is the first state to pass legislation like this, but others are looking at it.

Administrative Update

Bonnie Petersen provided an Administrative Update on the following topics:

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- ED Summit – In May, the board postponed a decision on whether to host the annual AGNC ED Summit until July 1st. Staff has been working to secure sponsors and speakers for the event. Sponsorship from EDA and DOLA funding would help with some of the costs but no other sponsors have come forward. Many speakers for the event would be state employees and the state has a travel ban in place for all employees until after Labor Day which is after the planned date of August 28th. The board was asked if they would like to try to move the date into September and pursue speakers at that time. Acting Chair Samson suggested that AGNC let the event go for the year given all the unknowns around planning the summit and the regulations related to COVID. Members in attendance all agreed this was a prudent step for 2020.
- Audit vote – The CEFA information for the audit was sent to board members electronically during the lunch break. Acting Chairman Samson asked if everyone had a chance to look it over. Chris Nichols moved to accept the audit as presented and with the delivery of the CEFA information; Gary Moyer seconded the motion; motion passed.
- BLM is in the process of updating the NEPA process and has requested a quote from AGNC regarding the finalization of the changes. A quote is being prepared for Chairman Beck and will be submitted this afternoon.

New Business: *Next Meeting Ute Water Conservancy District, 2190 H ¼ Road, Grand Junction, CO 81505*

Adjournment – Meeting adjourned at 1:33 pm.

Attendance:

Ray Beck, Moffat County	Bonnie Petersen, AGNC
Mike Samson, Garfield County	Hogan Peterson, Senator Gardner’s Office
Tiffany Pehl, AGNC	John Justman, Mesa County
George Rossman, Congressman Tipton’s Ofc.	Doug Monger, Routt County
Heather Jones, AAoA	Diana Orf, Orf & Orf, P.C.
Grady Hazelton, Town of New Castle	Richard Orf, Orf & Orf, P.C.
Chris Nichols, City of Craig	Patrick Pratt, Rethink Wolves
Keely Ellis, Town of Rangely	Chris Nichols, Town of Craig
Jeff Comstock, Moffat County	Jeannie Caldwell, Town of Rangely
Makala Barton, Rio Blanco ED	Drew Kramer, Tri-State
John Bristol, Routt Chamber ED	Jessica Valand, Colorado Workforce
Rep. Perry Will, HD 57	Andrew Dunkley, PAC/WEST
Gary Moyer, Rio Blanco County	Don Cook, Moffat County
Wade Buchanan, Dept. of Just Transition	Carly Thomson, Rio Blanco County
Christina Oxley, Colorado Workforce	5 unidentified Zoom participants
Peter Brixius, City of Craig	
Kimberly Bullen, DOLA	
Paul Miller, AGNC Auditor	

ATTACHMENT A



Comparing May 2019 vs May 2020

- 28% increase (15,253 to 18,730) in meals across the region
- 53% increase in information and assistance calls (ADRC)

Updates from AAA:

- 2 month extensions have been sent out to AAA Providers
- Will be working on new contracts for 9/1/2020-6/30/2021
- Appointed as an alternate to the Aging Policy Advisory Committee (APAC)
- Our ADRCs are looking at participating in the Medicaid Federal Financial Participation (FFP)
 - Receive Medicaid FFP for ADRC functions of outreach, information & assistance, application assistance
 - Provide some sustainability in funding

Legislative Updates:

- Suspension of a planned \$1 million increase in the Senior Dental Program
- No suspension of the Senior and Disabled Veteran Property Tax Exemption