



ASSOCIATED GOVERNMENTS
OF NORTHWEST COLORADO

MINUTES

AGNC BOARD OF DIRECTORS & MEMBER MEETING

June 21, 2017

9:00 am – 1:30 pm

Routt County Fairgrounds, 365 S. Poplar, Hayden, CO 81639

Call to order and introductions – Ray Beck, Chairman, led pledge of allegiance and then called the meeting to order at 9:09 am; introductions were made.

Approval of Minutes: Andy Key made a motion to approve the minutes as presented, Mike Samson seconded the motion; motion passed unanimously.

Financial Report - Bonnie Petersen presented the financial report noting:

- Sage Grouse, checking sub-account, only shows in the negative as funds have not been transferred, but the reimbursement has been received.
- A/R has outstanding payments from DOLA. Tiffany talked to Leslie and she said we should receive payment in about 10 days; should be in any day now.
- Clear Creek County has an outstanding balance. We had a meeting with the BOCC, but the ED board didn't show up. We are still working on this.
- AAoA payment was sent early, we are not overspent as it appears on the P&L.

Cari Hermacinski moved to approve the financials as presented, Mike Samson seconded the motion; motion passed unanimously.

2016 Audit Report – Paul Miller presented the audit for the 2016 fiscal year. Paul noted that the AGNC board should consider doing a budget for the sage grouse grant if it is going to continue for a couple more years to avoid legal issues from going over budget. It was noted that the sage grouse project is expected to be completed by the end of 2017. Tim Redmond moved to approve the audit as presented, Cari Hermacinski seconded the motion; motion passed unanimously.

Bonnie presented Paul Miller's audit proposal for the next 3 years. Mike Samson noted that Paul has done a great job for AGNC in his previous audits and his billing rate is a bargain. Cari Hermacinski moved to accept the proposal for 2 years and review again at the end of 2 years, Andy Key seconded the motion; motion passed unanimously.

DWC Update – Cheryl McDonald submitted a report which was attached to agenda – attached here. Bonnie advised the group AGNC is signing an intergovernmental agreement with CTO for the management of DWC for FY17-18. The funding covers DWC budget including a raise for Cheryl and for Linda to bring her wage up to minimum wage requirements. There was discussion regarding the Moffat County LMD funding the new sign for DWC. The LMD is unable to send the funds to the state for procurement of the sign and would like to have AGNC act as a passthrough agent for this purpose. Mike Samson moved to approve AGNC as a

passthrough agent for the Moffat County LMD funding the DWC sign, Cari Hermacinski seconded the motion; motion passed unanimously.

Government Relations – Dianna, Richard, and Ted Orf attended to give update:

- Yesterday, the economic forecast came out. Both economists and the state agreed the state is in period of economic expansion, albeit slowing down. We are in the 8th year of expansion, but at some point, the bubble will burst. The governor's economist advises to put any surplus in a reserve.
- The outlook regarding Severance Tax projects receipts to be \$150 million with an expectation that FML money will begin increasing to as much as \$94 million this FY.
- DOLA has been tasked with forming the Civil Asset Forfeiture Program Task Force. Irv Halter and Stan Hilke are to meet with the Governor to get the parameters of the task force identified. Hickenlooper wants the bill sponsors to determine how to backfill programs that were funded by forfeiture. The Governor said these programs must remain whole as part of his signing the bill. This will likely put DOLA and public safety in an adversarial position. There may be discussion about adjusting the cap later.
- Energy Office Bill - sponsors of the Senate bill resisted amendments so the bill failed. The Governor submitted a request for supplemental funding to keep the office going next year. The JBC is uncomfortable with the supplemental funding saying this is a major policy discussion that needs to be had and that the request should be brought back at a later time.
- State funding of county courthouses – this will be getting a vote, but we are not sure when. Committees will convene in July. Set your bar of expectations low on this.

Colorado Competitive Council (C3) – Nicholas (Nick) Colglazier, Director – Nick provided some background on himself and C3. The Denver Metro Chamber started C3 ten years ago attempting to create a recognized statewide business voice group. C3 would like to partner with groups like AGNC to generate some additional collaboration throughout the state so the entire state can be successful. C3 attempts to have investors from a variety of business sectors like biotech; health care; telecom; Ag and tourism. The investors are the funding group but the steering committee is a broad representation from across the state and includes Chambers and other groups like AGNC, ED groups. Nick reviewed some of the bills C3 took positions on last session including bills related to:

- Transportation,
- Telecommunications in an effort to be more aligned with needs from rural areas of state.
- Focus on business bills that impact business climate and ED capabilities - ED in rural CO has unique challenges. C3 wants to make sure state legislation sets the stage so people will bring business or grow business.
- C3 works a great deal with Orf and Orf.
- C3 moved the ball down the road over a couple of years with regard to construction defects. Mountain and resort communities are heavily impacted by that legislation. C3 worked to pass legislation this year on construction defects and there was also a favorable result from the Supreme Court requiring everyone (all owners) to agree to any lawsuit filings before an HOA could file a suit.
- Another big item C3 has been pushing for 2 or 3 years was the hospital provider fee (HPF); that came in form of a Christmas Tree. SB17-267 had a number of things added to it; many will be beneficial for rural CO. The transportation bonding approved in the bill requires that 25% of the funds be directed towards smaller communities.

- There was huge disappointment regarding statewide transportation issues. Kelly Brough, CEO of the Denver Metro Chamber is the biggest advocate for a statewide transportation solution. RTA's are not beneficial for rural areas as there are not enough people to levy taxes to fund local roads. HB17-1242 failed in the Senate. That failure was a great disappointment as the bill would have asked Colorado voters to consider raising sales tax to fund a statewide transportation solution. A statewide solution is needed to adequately aid rural CO; AGNC is part of the alliance looking at where we go from here.
- C3 opposed a secure savings program that required employers to enroll employees in a state run program. It is an issue but the solution is not in the best interest of tax payers. There was no guarantee enough money would be going in the fund to accomplish the goals. The employer would have been mandated to participate, but not the employee.
- The family leave bill was going to require all employers to provide mandatory maternity and family leave and pay a fee into a fund to pay for the leave; but there was no guarantee that fees would cover what was being paid out leaving tax payers and businesses on hook for coverage. There are market alternatives to cover things like maternity leave - mandates are not the best way to encourage employers to offer these types of opportunities.

Nick explained the business base camps C3 puts together each year. Representatives Rankin and Mitch Bush - participated in recent business base camps. The idea is to get freshman legislators and representatives from both parties to tour parts of the state outside their districts every year and to visit districts and see businesses and issues to enlighten them regarding things that happen outside their district so they realize everything they do impacts everywhere in the state not just their district. C3 tries to take 8 legislators each year – it is a great opportunity. Representatives Coram and McLachlan will participate from Western Colorado this year.

Roan Plateau Development Plan Update - Jeff Kirtland, from Terra Energy Partners, provided an overview of the history of natural gas development related to the Roan Plateau. As a result of the lawsuit settlement and the ensuing EIS development, Terra Energy Partners has developed a master plan to begin work at the base of the Plateau. The plan includes drilling 66 wells from 3 existing pads in the area. None of the pads are located on the surface of the lease area. As part of the litigation settlement, the NGO's involved in the lawsuit agreed not to pursue further legal action; however, there are many other NGO's that are not bound by that agreement. Comments are being taken until July 10, 2017. AGNC will prepare a letter of comment by 7/10/2017 regarding the Roan Plateau Plan presented by Terra Energy Partners. The proposal is all within Garfield County and it would be appropriate for individual counties to provide a comment letter, as well.

AAoA – Dave Norman called in with a request to sign a letter by AAoA organizations requesting the Governor include \$4 million in his budget to assist with senior programs. The increase is needed to help with the cost increases for food, labor, etc. Concerns were raised that the legislature should decide what is in the budget and this may be better left up to them without AGNC input. A case can be made for every issue of the day and, if AGNC lends its name to every issue that comes forward, it may diminish the influence of the organization. Members agreed with the concerns raised and agreed not to take action on this request, leaving it on the table to see how the legislature handles the issue.

Reports on Washington, D.C./Coos County Trips - Mike Samson gave an update on the Jordan Cove visit with Coos County officials. Michael Hinrichs with Veresen is working with the local governments to bring a Coos Bay delegation to Western Colorado. Don Cook shared his experiences on WIR and the Coos Bay trip. He noted that infrastructure in the Coos County area has been going downhill since the spotted owl issue killed the timber industry in the region. The Jordan Cove Project will rebuild infrastructure and revitalize the area.

Jeff Comstock reported on the CLUB20 D.C. Trip. AGNC had set up meetings in addition to the CLUB20 MEETINGS. We now have a liaison in the White House, Billie Kirkland, to serve county commissioners directly. Frank Moe is responsible for the connection made with Kirkland in the White House. We will be on the phone with him today about the secretarial order on sage grouse, Kirkland is working to get NW Colorado a seat at the table. In D.C. we met with Secretary Zinke and discussed sage grouse as well as reorganization of the DOI among other things. We also had a meeting with Greg Walcher, who feels there is a role for local government assertion regarding federal land management issues. The Western Congressional Caucus is focused on sage grouse, as well. This is the first trip where we heard a message from D.C. that local governments are important. Secretary Zinke said, "I have a problem in that I have BLM full of environmentalists and a Fish and Wildlife Service who won't talk to people." Ray Beck told us, "This is the first time I've heard at that level that they want to work with local government. CLUB20 had 33 people, 7 of those were local elected officials, and that sent a strong message." The White House will meet with commissioners throughout the nation and we are looking forward to that. We met with Tim Williams at DOI, a westerner from Las Vegas, who was very supportive of local governments. We met with Cheryl LeFleur, the FERC chair. FERC will need a quorum in order to get projects approved and they have two people going through the approval process now. We also met with Colorado delegates and discussed sage grouse, CRA, and wild horses. This was one of most encouraging trips taken as an organization. We will have a call with Zinke and Kirkland this afternoon to send the message that local governments need to be at table for the sage grouse discussion. There is a lot of support for Jordan Cove in D.C. Cari Hermacinski was also in D.C. as a chaperone and she met with Gardner and Tipton while on the kids' trip where they briefed children on the bill for BLM transfer.

Legislative Representative Updates:

Shannon Wadas with Senator Bennet's introduced herself. She has been on the job for about one month and is looking forward to working with AGNC.

Brian Meinhart with Congressman Tipton's office gave an update:

- Jordan Cove: Waiting on two FERC nominees, with their nominations progressing. Administration has that as a priority.
- Legislation: Water Protection Act was reintroduced yesterday and going to mark up tomorrow. This has passed out of house every time it's been introduced.
- Federal Forests Act: Rolled Healthy Forests Act into this act. This provides for NEPA process that addresses time sensitive issues.
- BLM headquarters move: A decision has been made to send several thousand employees to the western states.
- Planning for American Energy Act: Mandates a 30-year outlook for demand and resources needed with a strategy to meet the demand. This prescribes an all of the above strategy. Along with built-in transmission infrastructure.

- Hearing on natural resources: Sage grouse will be brought up on Thursday - We want to make sure that state nuances are not ignored, but we need it to be legally defensible as well.
- Anvil Points: We are continuing to work on the release of these funds. We kept getting hit with the ideas that this is an earmark and argued that it should not be. We are pretty confident that the chairs will agree it is not an earmark. In the House this could go to dual committees. We are working with counsel on the Natural Resources Committee instead of trying to amend transfer which could, perhaps, avoid armed services in the Senate. We need help from AGNC to say it should be distributed under the FML act and we are trying to get assurances that it will be distributed the way AGNC members want.

Administrative Updates:

Bonnie Petersen gave an ED update:

- ED Summit agenda outline is complete and approved by ED organizations within AGNC. We will be sending this to the members. We are working to secure speakers now and will be looking for sponsors.
- Reviewed EZ meetings with Clear Creek County and Grand County Meeting with Small Business Development Center (SBDC) proponents. We will host an SBDC 101 meeting prior to the ED Summit to educate people about the program and to determine if there is interest in helping with matching funds for SBDC services in the NW region. NWCCOG has dropped the program due to lack of matching funds.

New Business: *Next Meeting is on July 26, 2017 at the Grand River Hospital District, Colorado River Meeting Room, 501 Airport Road, Rifle, CO 81650*

Adjournment – Meeting Adjourned at 1:51 pm.

Attendance:

Mike Samson, Garfield County
 Ray Beck, Moffat County
 Kathryn Trauger, City of Glenwood Springs
 Grady Hazleton, Town of New Castle
 Mathew Mendisco, Town of Hayden
 Tim Redmond, Town of Hayden
 Andy Key, Town of Rangely
 Jessica Valand, CDLE/Workforce
 Amy Provstgaard, Battlement Mesa Service Association
 Shannon Wadas, Senator Bennet's Office
 Frank Moe, Moffat County
 Jeff Comstock, Moffat County
 Tiffany Pehl, AGNC
 Dave Norman, AAoA NW CO – via call

Brian Meinhart, Congressman Tipton's Office
 Katelin Cook, Rio Blanco County
 Don Cook, Moffat County
 Richard Orf, Orf & Orf, PC
 Ted Orf, Orf & Orf, PC
 Dianna Orf, Orf & Orf, PC
 Cari Hermacinski, Routt County
 Bonnie Petersen, AGNC
 Nicholas Colglazier, Director of C3
 Jeff Kirtland, Terra Energy Partners – via Skype