

DELTA COUNTY COMMISSIONERS MEETING DECEMBER 4, 2017

Commissioners C. Douglas Atchley and Don Suppes met in the Commissioners Room in the Courthouse for their regularly scheduled meeting. Those present were County Clerk and Recorder Teri A. Stephenson and County Administrator Robbie LeValley.

Verbatim Audio is available of these proceedings at the Delta County Clerk and Recorder's Office for 10 years from the above date. All documents incorporated in these minutes by reference are also available for review at the Delta County Clerk and Recorder's Office.

Commissioner Atchley, Chairman, convened the Meeting of the Board of Delta County Commissioners for Monday, December 4, 2017 at 8:30 A.M. The Pledge of Allegiance was recited.

AGENDA:

Chairman Atchley asked if there were any additions to the agenda.

- None

Chairman Atchley approved the agenda with no addition.

COUNTY CLERK – TERI A. STEPHENSON:

MINUTES:

Postponed until next meeting.

REVIEW ADMINISTRATIVE CALENDAR FOR DECEMBER

ACTION ITEMS:

RATIFY WARRANTS:

Commissioner Suppes made a motion that the Board ratifies and the Chairman sign warrants from General Fund, Road & Bridge Fund, Energy Development Fund, Fairgrounds Fund, Lodging Tax-Tourism Fund, Enterprise Fund, E911 Fund, Economic Development Fund, Contingency Fund, Capital Projects Fund, Capital Improvements Fund, Employee Benefit Trust Fund, Conservation Fund, Self Insurance Fund, PILT Fund and Open Space Trust Fund expenditures paid by warrant numbers 127734 through 127963 from November 4, 2017 through November 17, 2017 totaling \$1,073,075.28 in Accounts Payable for items budgeted and approved per Delta County Policy. Commissioner Roeber seconded the motion.

Motion carried by a vote of 3 to 0.

RATIFY LETTER OF SUPPORT FOR BUREAU OF LAND MANAGEMENT (BLM) GRANT REQUEST TO COLORADO PARKS AND WILDLIFE-TRAIL MAINTENANCE AND SIGNAGE OFF HIGHWAY VEHICLE TRAILS WITHIN DOMINGUEZ-ESCALANTE NATIONAL CONSERVATION AREA:

Robbie said this is to ratify the letter of support to the Colorado State Parks Off Road Vehicle Program. This grant proposal was submitted by the BLM trail crew for the McInnis Canyons National Conservation Area and the Dominguez-Escalante National Conservation area. She said that the letter of support indicates that Delta Board of County Commissioners supports the BLM's request to perform trail maintenance and signage on Off Highway Vehicles (OHV) trails within Dominguez-Escalante National Conservation Areas and the McInnis Canyons National Conservation Areas.

Commissioner Roeber made a motion that the Board ratify the letter of supported dated November 27, 2017 for the Off Highway Vehicles grant selections subcommittee for work in the Dominguez-Escalante on trail maintenance and signage on the trails. Commissioner Suppes seconded the motion.

Motion carried by a vote of 3 to 0.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) HOUSING REQUEST FOR REIMBURSEMENT FOR NOVEMBER 2017:

Delta County is the fiscal agent for the CDBG grant for the housing rehab program which is administered by the Delta Housing Authority. As part of the CDBG grant, Delta County gets monthly statements from the Delta Housing Authority and this month's statement for reimbursement is in the amount of \$13,857.96 Contract No. H7CDB17001 for the period of November 1 through November 30, 2017.

Commissioner Suppes made a motion that the Board approve and authorize the Chairman to sign the November Community Development Block Grant housing request for reimbursement for 2017 in the amount of \$13,857.96 Contract No. H7CDB17001. Commissioner Roeber seconded the motion.

Motion carried by a vote of 3 to 0.

INFORMATION:

JAIL REPORT:

Commissioner Atchley reported that the inmate count was 29 male and 5 female inmates and 3 male DOC and 2 female DOC and 1 female work release for a total of 40 inmates in the Jail and 3 work release with 0 trusty at the Work Release Building for a grand total of 43. The Average Daily Inmate Population for the week of November 20, 2017 to November 27, 2017 was 48.21.

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Commissioner Atchley reported that the inmate count was 29 male and 6 female inmates and 2 male DOC and 2 female DOC and 1 female work release for a total of 40 inmates in the Jail and 6 work release with 0 trusty at the Work Release Building for a grand total of 46. The Average Daily Inmate Population for the week of November 27, 2017 to December 4, 2017 was 52.66.

The following reports were included in the Board's packets:

- Human Resources Report
- Road and Bridge Reports

CONSTITUENT TIME:

Wendell Koontz – Mayor for Town of Hotchkiss:

Wendell wished the Board a Merry Christmas and said he was here to update the Board about what is happening in the Town of Hotchkiss. He shared the following with the Board:

- The Town of Hotchkiss will be adopting their budget on December 14, 2017. Their revenues have stabilized and slightly increased and have deferred putting a question on the ballot to increase sales tax.
- They continue to work on their Master Plan and will be having public hearing on February 29, 2018 and look to adopt on March 28, 2018.
- April 12, 2018 the Board will take their trustee meeting out to the Hotchkiss High Schools where they will award scholarships.
- He will be finishing up his term as Mayor at the April meeting.
- Board of Trustees has approved purchasing three radar signs. They are the speed limit signs as you come into town that will flash your speed. Commissioner Suppes asked what the cost of the signs. Wendell stated they were \$3,000.00 each. Colorado Department of Transportation will be installing this month.
- Finished some water drainage work and sewer line repair on Pinon Drive. Tribble Construction did a wonderful job.
- Hotchkiss Marshall's Santa Program have been collecting for twelve families that will have food, clothing and toys on December 22, 2017.
- Santa will be at the Hotchkiss Volunteer Fire Department from 10:00 to 2:00 on December 16, 2017.

The Board appreciated Wendell coming in and updating them on the Town of Hotchkiss. There was a brief discussion regarding the trend of people leaving Colorado and the price increase in the housing market.

COMMISSIONER BUSINESS:

DISCUSSION WITH STACEY VOIGHT, DELTA COUNTY ECONOMIC DEVELOPMENT (DCED) EXECUTIVE DIRECTOR:

John Gavin - Paonia, Representatives from DCED Stacey Voight and Paul Stockwell:

John wanted to formally introduce Stacey as the Executive Director of the Delta County Economic Development. John said that Stacey come to us from Loveland with a wealth of experience with urban planning and non-profit management.

John also reiterated the request for a donation of \$50,000.00 to Delta County Economic Development for 2018. They would welcome if the County would match the City of Delta in this amount.

Stacey said that she was here last week and spoke to the Board a little about herself. She said that she would like to talk about what she is looking forward to here in Delta County and what she has seen in her short time here. Stacey said that she is excited to be here at such a pivotal time. She said that one thing that she saw when she came to the county was the foresight to look forward and doing the better cities project and implementing economic development strategic plan. Stacey said as an urban planner and economic community development to go into a situation where you already have those great tools in place is a great way to start.

Stacey listed the following projects that are going on in Delta County:

- Marketing and assessment study a great tool moving into the future and she is looking forward to implementing this.
- Put forward the effort with solar energy institute which has provided 1.4 million dollars of new investment into the county and new jobs.
- Rural jump start project and how it is engaging community innovators.
- Foresight in the internet high speed broadband which is important to county.
- DCED she feels is the source for knowledge and education with all the conferences and being the leader in the engaged project.
- DCED is here to protect and cultivate assets such as Grand Mesa.
- Family farming that is in Delta County.
- Local schools are great which is a huge asset.
- Thriving medical facility.
- DCED should be the hub of collaboration and maintaining essential partnerships and help to stimulate the growth here in Delta County.
- DCED is going to be that much needed liaison between businesses and state/local government
- DCED is another asset and Delta County needs to keep growing resources. This is why Delta County needs to support DCED with the \$50,000.00 request. This would be used to support projects and help expand and grow new projects.

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- DCED has the ability to be the non-biased voice. The DCED Board is very diverse and has a great number of people with a wide variety of backgrounds.
- DCED should be asking questions on how to bring more business to Delta County and also finding solutions to some of these questions.

Stacey said that she is personally looking forward to working with the Board and is available to answer any questions they may have.

Chairman Atchley stated that the Commissioner represents all of Delta County and we do have a diverse county. He said that they have embarked on many different projects and they will take the request under advisement. Chairman Atchley said they may approach the request a little differently. He explained that if you look to where Delta County has been in the past there have been numerous requests from DCED over the years for matching funds to do certain projects such as Better Cities is one of the projects. Chairman Atchley added that even though this was not a direct contribution to DCED, Delta County did step up and help that match to get this grant therefore, it isn't like the dollar that is currently in our budget is the sole dollar amount and I would like DCED to recognize that.

Chairman Atchley stated that when talking about Delta County's industries agriculture is near and dear to my heart and I am the one that said "Ag is ag" now there are different kinds of agriculture in Delta County and it spans from five miles west of Delta all the way to the east county line and they are very diverse types of agriculture. What the Board is looking at is how we can support all agriculture regardless of where it is located in the county. He said from his perspective and what he hasn't heard from the past is as much emphasis from DCED on agriculture down in Delta and he would like to see it for all the county not just one area.

John stated that he would like to solicit input from the Commissioners and others as to how we can help in that space. Chairman Atchley said that they were more than happy to reiterate their position which has been done in the past but feels it fell on deaf ears. John said that there is also USDA and NRCS. He added that there are a lot of support structures in place that specialize in that area. John said whatever Chairman Atchley has in mind where DCED could play a role they would like to understand more. Chairman Atchley said that they work with all those agencies and have worked with them in the past and would like to continue to work with them but, particularly with the state of the current energy market. He stated that energy and agriculture were the biggest industries in Delta and this Commissioner body has embraced on trying to diversify the whole county not only within agriculture itself but, with all the recreational amenities that we have here to diversify.

Chairman Atchley said that broadband has been a huge effort and we are about getting it finished up. John said that Stacey has already identified the need for public access to a rail spur after being here for a week. He said that this is an example of how perceptive she is and wants to work with organizations to identify needs and work to find solutions.

Stacey said that there has already been an investor on a piece of property but there is a question about what is going on with the public access to the rail spurs. She said that they are doing research to find out what is available and how does that impact the economic as a whole by bringing in new business and supporting the business that are already here. Stacey said that DCED is the entity that has the ability to reach out and connect, much like a hub where people come when they need help to keep a project going. Chairman Atchley said that the Board does not disagree with that vision it is a matter of being inclusive as far as the whole county is concerned.

REPORT FROM BLAKE FIELD AIRPORT – MARK AND CHERYL HUSMANN: 3rd Quarter Report for 2017

Mark and Cheryl were present.

[Prepared report]

Total Operations: (Takeoff's and landings) 1,198 (Upp 53.3% from last year!!)

Based: 858

Non-based: 340

100LL 11,556.1 gallons

JET A 1,887.21 gallons

3rd Quarter TOTAL Fuel Sales: 13,443.31 gallons with 410 transactions (up 76.9% from last year!)

Aircraft Based at Blake Field as March 31, 2017 – 60

(Which consists of 1 helicopter, 1 motor-glider, served and twin engine and served experimental aircraft)

- We had the main ramp are cracked sealed and slurry sealed, which improved the surface considerably.
- We had a small fly in event where we celebrated the ribbon cutting with the Chamber of Commerce for Smiling Aviation and Ultimate Skydiving Adventures.
- Smiling Aviation now has a small biplane that we've taken to Downtown Deltafest as well as several other events. It's been a big hit with the public.
- We are updating web photos and information on a regular basis for the airport as well as for Smiling Aviation.

Cheryl said that there are two people interested in building hangars out to the east of Smiling Aviation. Mark said that the new paving will fill with leases. He stated that the based aircraft is based at 60 because that is what fits at the airport but the more expansion that is done can be filled.

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Chairman Atchley said that they just had an economic development discussion and air traffic is part of that discussion. Mark said that he is into expanding Delta County but he also likes his home town feel and know a lot of residents feel the same. He stated that he likes small business and promotes it but he has been around counties that go after the large businesses and he sees a large business come in and demands a lot from the locals and then when they leave it hurts the locals. Mark explained that small town business with not so many employees benefits the locals and when they fail it doesn't hurt the locals as much.

Mark stated that he does try to get businesses to move into the airport and people who own airplanes are often successful business owners. He tries to get business owners to come to the area and that is what he is promoting.

Commissioner Suppes asked what the total number of jumps for Ultimate Skydiving. Mark said that his goal was 400 jumps for the year and he did 500 and he was so successful he purchased a second airplane. He added that Ultimate Skydiving is starting a tourist service that he can do flights around the area. Mark said that they have purchased a hangar close to the road and will be possibly putting in a restaurant/café so the public can see the jumps take place across the parking lot.

Chairman Atchley said that there was an Airport Advisory meeting on December 11, 2017 at the North Fork Annex. He said there was mention of the cracks in the residential area and has this been noted. Mark said that Larry prefers to do crack seal in the winter when the asphalt is shrunk. He added that he trusts Larry and will take his recommendation. Chairman Atchley said that the property to the east will have the dirt crosswind strip in the budget as well as the redoing the runway with the FAA grant. Mark stated that they have done the core samples to determine how much will need to be done. Robbie said that the core samples will let them know if take it down to the dirt or just replace the surface.

Commissioner Suppes was amazed at the amount of Jet A fuel sales compared to last year. Mark said they have had numerous jets come in that are looking for business opportunities or property. Cheryl said that she is getting the pricing out on the internet for both types of fuel so it is searchable. Mark said most airplanes can deviate 50 miles without changing time in their route so they will seek a better rate on fuel.

Commissioners Business:

North Fork Pool Park and Recreation District Letter:

Robbie read the letter the Board received from the North Fork Pool Park and Recreation District:

Thank you for your support and letter acknowledging the application to GOCO to build additional baseball and softball fields the support for not only the match for additional infrastructure for this project but cash match will go a long ways in helping our grant be competitive. We will keep you apprised of the status of the grant as well as the timeline. Sincerely, Board members signed the letter.

The Nature Connection Update:

Robbie said that they are extremely pleased with several partners in the room, Delta School District, The Towns of Hotkiss, Paonia, Olathe, Orchard City, Cedaredge, Crawford and the City of Delta that the GOCO Youth Initiative Committee has met and is recommended that the Nature Connection receive 75% funding level minus three placed developments, meaning that the grant for the Nature Connection has been recommended for funding in the amount of \$1,729,663.00 for the three year GOCO Inspire Implementation Grant. Robbie said that this grant is to get kids outside and enjoying and understanding the great outdoors with equipment and facilities. She stated that we are one step closer and the GOCO board will make their official recommendation on December 15, 2017.

Commissioner Suppes said that he would like to extend publicly a thank you to Robbie and all the team members because there was a lot of work and effort to get to this point. He said there will be a lot of kids that will benefit from this and he wanted to thank them. Robbie said that Anita Evans and Richard Hypio are the primary ones that have led the effort.

PLANNING DEPARTMENT – KELLY YEAGER:

Specific Development:

SD17-003 PAONIA HOLDINGS APPLICANT- MARK LEVIN:

Chairman Atchley welcomed everyone and apologized that we were not able to use Room No. 234 as it is being occupied by staff from the Health Department. He explained that over the Thanksgiving Day weekend there was a water heater that burst in the Health Department building and flooded the building and is being repaired and dried out.

Chairman Atchley stated that the Board had a hearing concerning SD17-003 Paonia Holdings and today they will further discuss this. He said that staff is present as well as the County Attorney John Baier. Chairman Atchley opened up the discussion with the Commissioner and staff.

Staff had no remarks or comments. County Attorney John Baier stated that the Board had their open meeting with public comments on November 20, 2017 and now it is before the Board to discuss and make a decision.

Commissioner Roeber stated that this has been an application that has been full of a lot of opinions and interesting to go through. He said that in reality he believes that this could work but, he questions a lot of the testimony that has been read and heard there are some things that concern him on both sides. Commissioner Roeber stated that at some point they have to consider where we have business, he believes this is becoming more and more obvious. He said that we need business and revenues in this county.

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Commissioner Suppes said that he has equal concerns about both sides. He stated that there was testimony in the hearing about move this to Delta and he does not want to get to the point where we have a different set of private property rights for Paonia than what we have for the rest of the county, which is a dangerous road to go down. Commissioner Suppes said that he has some grave concerns about the Farmer Mine Ditch there are far too many unanswered questions about how this process of possible mitigation is going to move forward with this ditch, so he is gravely concerned about this part of the application.

Chairman Atchley stated that the Board did hold a hearing and received testimony and evidence from both parties for and against. He said that the Board's role is to represent the three branches of government; and in this particular case we are setting as a judicial review board and because of this we took testimony up until the time of the hearing both written and oral we are then bound by law to not engage in ex parte communication and to the best of this knowledge they have not done that. Chairman Atchley said they are here today to make a land use decision which is fully within the Commissioners realm to do in Delta County taking into consideration our current specific development regulations that have been adopted. He said they are coming down to decision time and he noted that Delta County has an active Planning Commission and the vote of the Planning Commission was to deny this application. Chairman Atchley said there was a lot of information that was received both pro and con.

Commissioner Roeber thanked the staff for their work and felt that they went over and above to make this application fair. He thanked Kelly Yeager, Elyse Cassleberry and Robbie and he knows they all took a lot of grief over this and he commended them for the job they did. Chairman Atchley said that because of the volume and complexity of the application it took a tremendous amount of time and he also thanked them.

Commissioner Roeber made a motion that SD17-003 submitted by Paonia Holdings LLC he moved to deny the application. Commissioner Suppes seconded the motion.

Discussion:

Commissioner Roeber state that the application as presented does not comply with Delta County Regulation for Specific Development Article 6 Section 2A, this development will potentially create adverse impact to neighboring properties. The applicant's proposal mitigation is inadequate in terms of the Farmers Ditch, the possibility of screening mitigation he does not feel was adequate for what needed to be done.

Commissioner Roeber said that under Article 6 Section 2H, related to the Farmers Ditch that provides water to so much of the valley he finds the proposed mitigation was inadequate and in regards to Article 6 Section 2P the project has the potential to impact future view shed of the West Elk Scenic Byway and the mitigation proposal was inadequate in addressing those needs.

Commissioner Suppes stated that he personally feels that the mitigation for screening could have been accomplished and there could have been an agreement but, his biggest issue is the Farmers Mine Ditch and there was conflicting testimony during the hearing as far as who contacted who. He added that there was conflicting testimony as to the quality and durability of the culvert and this ditch is far too important to the economy in the North Fork to put it at risk. Commissioner Suppes stated that he believes everything else could be addressed and the business model and site plan was sound except for the ditch.

Commissioner Roeber said that the uncertainty with the reclamation requirements still under review and this is a big issue to the community that needs to be nailed down more soundly with this application.

Chairman Atchley stated that there is uncertainty as far as reclamation done by the Colorado Division of Reclamation of Mining and Safety and the property has not been reclaimed which is a concern to him.

Motion carried by a vote of 3 to 0.

BRIAN MEINHART- CONGRESSMAN SCOTT TIPTON'S GRAND JUNCTION REPRESENTATIVE: U.S. Congressional Update:

Regional Director with Congressman Scott Tipton's Grand Junction office Brian updated the following with the Board:

The House has passed their House Bill (HB) and the Senate has passed their Senate Bill and they do differ quite a bit in a few areas:

- The House Bill has four tax brackets the Senate version has seven and current law has seven brackets.
- Similar in the standard deduction which will be doubled for filers over what current law is for both single and married. There is a little difference between the House and Senate versions.
- Child tax credit receives an increase under both of them. Currently it is a \$1,000.00 per child with the HB increasing it to \$1,600.00 with a \$1,000.00 refundable and the Senate version has a \$2,000.00 up to \$1,000.00 refundable.
- The corporate tax rate gets dropped down to 28%. There has been discussion regarding a pass through corporations which are taxed according to your tax bracket on the personal income tax. This is capped at 25% for the first 30% of income under the HB and the remaining 70% would be whatever tax bracket you are in. The intent is to try and assist folks who have a small one-man business.
- The key difference is the Senate Bill due expire after ten years where the changes made in the House version are permanent.

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- They are voting today on whether they will go to conference if they haven't already. They will try to iron out the differences and get a bill that will pass both chambers and then to the President for signature.

Brian said there have been concerns from a few Counties regarding automatic sequesters based on the Congress Budget Office (CBO) score of the tax bill. He stated that there was a letter that CBO had put out to the House Democratic Whip Steny Hoyer according to the CBO score there would be a budget deficit if the tax cuts are enacted and under the PAYGO Legislation which is intended to prevent increasing whether you are reducing revenues or increasing spending, under PAYGO you need to balance it out so you are not expanding the budget deficits. Those would typically trigger an automatic sequester based on a CBO score and an Old National Bankcorp (ONB) analysis moving in the next year. For this particular one an example would be that the tax cuts go in this session, within two weeks after Congress adjourns if ONB determines based on a five and a ten year window outlook but, there is going to be a budget short for a deficit increase in that next year they are required to enact a sequester on other spending. This is if Congress doesn't do anything which, we have the opportunity to do through a direct spending bill. Some of the Counties have been worried there will be no mineral leasing royalties; PILT is under the microscope that is being potential cut. Robbie asked if he had heard anything specific with PILT. Brian said no they are looking at the deficit shortfall and the CBO letter is what got people worried. He said that they will be addressing this through the upcoming appropriation bill in which they would be able to exempt. Looking historically at any tax legislation it takes a while for the effects to into affect and he would imagine that coming off a recession most people if they receive more income are going to pay off personal debt or pay off business debt and get themselves so they are solidifying their foundation before they start reinvesting.

Brian said looking at the forecasts that they have been utilizing it does project some economic growth as a result of this but, it doesn't happen immediately whereas, under the PAYGO legislation it basically is an immediate action based on that five and ten year outlook. So they are not giving it time to work before a sequester would go into effect but, we have the ability to exempt that and have on numerous bills.

Brian wanted to share this information in case the Board has been hearing any concerns about potential affects to other programs. It is not anything new but he wanted them to know that they have tools at their disposal to address this.

Commissioner Suppes stated that there was a lot of talk to do with the penalty for the individual mandate On the Affordable Care Act, was there anything done with that. Brian stated that the mandate was repealed in the Senate version but not in House. He believes this is going to be a big one but the Senate will be pushing for.

Chairman Atchley asked what the status was for the municipal type bonds regarding the interest deductions. Brian said that the Morgan interest deduction for personal filing, currently the interest up to a one million dollar loan is deductible in the House version it is up to half a million. He will check the Senate version and see what that deductible is. Brian said that the deduction on property taxes is up to \$10,000.00. He said that this is another issue that has been put out there. Brian stated that one of the major reasons of doing tax reform is to simplify the tax code and get away from using it to influence either through specialized incentives or even certain penalties to influence behavior and get it back to taxes are to raise revenue.

Brian said that the other issue that is relevant to Delta County is the Grand Mesa Uncomphgre Gunnison (GMUG) Forest Plan Revision there will be a few issues. He said one of the big ones that the Board brought to his attention is the conflicts between the domestic sheep grazing and wild sheep. Brian explained that they did talk with Scott Armentrout about this and he does not anticipate on the GMUG there are quite a few plots that it is going to be a point of contention. They talked extensively about trying to address those but one of the programs that they had requested when the Congressman met with Chairman Conaway on the Ag Committee they did a series of small group discussion on the upcoming farm bill and one of the funding programs that they did push for was to continue and increase funding on studying disease transmission from domestic to wild sheep, because there is disagreement on exactly the extent of the problem is so we want to make sure we are not doing draconian management measures based on science that might still be a little in the air. Brian said that Colorado Parks and Wildlife (CPW) has some working groups that are currently doing some roundtable to dig into this a little. We wanted to make sure that the Department of Agriculture was working with forest service and some of the other programs that they have and also rule on the Department of Interior for Bureau of Land Management (BLM) grazing allotments. Brian said they want to hit the scientific study hard to lay down the foundation so they have the facts and avoid managing only for separation. He stated if there are other measures that can be taken that aren't going to be hammering the sheep ranchers but are still protecting the wild sheep we definitely want to explore those. Brian said that the impression they are getting from BLM and Forest Service is that they default management practice right now is to maintain total separation or convert those allotment over to cattle or something else. They are managing on the extreme end of caution.

Brian said they were pushing on the farm bill that was brought to their attention by GMUG with the fuels treatment was that some of the existing categorical exclusions in the 2014 Farm Bill that they have made really good use of don't apply to some of the stands and especially the spruce stands that they would like to address. They have good information on this and is included in the forest bill that passed in November but, they are trying to hit as many different avenues as they can to try and get the treatment options out there and available for the Forest Service and BLM to utilize.

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Brian asked the Board what they would like for Congressman Tipton to focus on next year.

Chairman Atchley stated the Delta County does not have any sheep issues on the forest the sheep are on BLM land. He said that when you attend meetings everyone quotes their science but nobody knows who science is whose and it's frustrating. Brian said that they have talked with CPW wildlife biologist extensively about this and there is a belief within this agency that disease transmission can occur but he got the impression that while they acknowledge that it does happen I don't think that they believe that managing for separation and nothing else is the only option out there. Brian said they are looking into using some their state science to feed into this a little bit. He said they were trying to get to with the disease transmission with the wild sheep on the federal level was they have some funding that was being utilized. Brian said they sent a letter with other members of the House a few years ago asking what the status was and will it be continued and encouraged them to extend that but, they never got a response back. He said coming in with a new Secretary in place and having the opportunity to mandate it in an upcoming farm bill they wanted to jump on that opportunity and highlight that something needs to be done in this particular arena lest the sheep rancher continue to get hit with other places to go which is the nature of ranching in the west. Brian stated that if you don't have public grazing allotment you can't function.

Chairman Atchley said that another concern was the separation initially proposed nine miles. He added that BLM is closer than that to private land west of Delta so they impose nine miles and have a domestic flock on private ground it could potentially be impacted which is a big concern. Chairman Atchley stated that we have never seen wild sheep in Delta not saying it wouldn't happen these are the kinds of things that need to be looked at. Brian said this is an issue that Scott Armentrout specifically raised and they know this has been a problem in the past and as they go through the revision it is known that this will cause some contention. They are looking at trying to improve the science that is being used. He said that this is not a cut and dry issue and there is no specific answer yet. Chairman Atchley said that he has sat through numerous discussions regarding this issue and he believes that the science is reflecting who paid for the study and this is true on both side.

Commissioner Roeber asked where the House was on SRS. Brian said that the last they looked at this they were still pushing offset stating that it needed to be identified. He doesn't know that anyone has had a chance to identify one specifically but that was the only grounds for opposition. Brian said that they do regularly talk to the Committee about this and the need to reauthorize this and the importance to the counties and local communities. He said that the default answer is that they have to find a way to pay for it. It has gotten side-tracked with some of the other issues and these issues are specific to the Western United States that the other issues that take up everyone's attention and if is not affecting their constituents it is not a priority. They do continue to talk about it and are going to try and move forward with this.

Commissioner Suppes asked if there was further discussion regarding moving BLM office to Grand Junction. Brian said that they have the bill that Senator Gardner has his companion version in the Senate and the administration was looking at doing as much as they can administratively but he is not sure to what extent. He said that he suspects that this particular agency has had a lot of its key positions filled and he knows they have been shuffling people around. Brian said that they are pushing more of their people to the western states as possible. He talked to BLM and he gets the standard answer that is neutral.

Brian spoke to the Board about outdoor recreation is a big economy throughout Western Colorado and there are various types of uses. He said that if they start crimping down on the recreational uses it could have an adverse impacts economically and quality of life. Chairman Atchley said that the Board has always been advocate for multiple uses on public lands.

Robbie asked if there was anything regarding rural health care. Brian said that there are programs that were extended through House legislation. He stated that they did extend the Children's Health Insurance Program (CHIP) and the community health centers. Brian explained that they had the opportunity with Congressman Tipton to visit quite a few of the health centers in Western Colorado and it was eye opening as far as the different treatment options, primary care, mental health, dentistry and being able to house it all together and the challenges that rural communities are facing the Colorado Health Care is meeting the needs. Brian said that they are waiting for the Senate to act on this. Robbie said that the CHIP program is critical and we are glad it has been extended.

Chairman Atchley said that in our case it is over 500 and if that was to go away who will bear that burden. He said that he suspects the hospital would bear the burden or urgent care. Brian said that health care tailored to the particular needs to specific communities is something they would like to encourage and the ones they visited they were able to talk to Doctors, administrators and patients and they all seemed satisfied with the level of care they received and grateful to have the resources. Chairman Atchley said that rural health facilities are very important and they are not as readily available in rural areas and could be miles away.

Chairman Atchley said that he is speaking as an individual; the single most important issue with economic development and smaller communities is letting the banks be banks. He stated that he realizes that there was a melt down in the mortgage area but it should be put back on the stockholder of the bank. If the bank wants to make the loan and it is a risky loan let that be on the stockholder not the government. Chairman Atchley said that he has been told by bankers that their hands are tied because of provisions they have to follow. He said that the single one stimuli is let banks be banks. Chairman Atchley said that it is not necessarily the net profit at the end of the year but the cash flow in the interim.

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Brian said that was precisely the rationale behind two of the Congressman's bills the Taylor Act which we had talked about and the Small Bank and Reform Act. In meeting with some of the smaller banks including some here in town, they said the amount of man hours and internal resources financially that they spend on a regulatory compliance, siphons money away from what they could be going to small business loans here in the community. Brian said that there are parameters of when they can and cannot make loans and are being treated the same as the larger banks which caused the problems in the first place. Chairman Atchley said that the big banks have staff that deals with regulatory compliance. A small bank would not have that staff. Brian said that the Taylor Act addressed this specifically.

Robbie said that there is the continual need to revise the H-2A program and they know it gets blended in with immigration reform but, this is a priority for a lot of the area. Chairman Atchley said that it is really Western Colorado because not only is it agricultural but resort areas as well.

Commissioner Suppes said that one of the issues discussed some of the housing regulations that were placed on these folks who are bringing in workers is ridiculous. He stated that it is one thing to provide safe house but some of the issues pushed by the regulators are unreasonable. Chairman Atchley said that if a door is one inch shorter than the regulation says it is a violation and it is nonsense. Brian said looking at regulations there are different aspects that need to be changed and there should be a cure period or the ability to become compliant before getting a fine. He asked Wage and Hour if they would be willing to provide training with some of the farmers and ranchers so they will be aware of these things. They indicated that they were open to doing this. Commissioner Suppes said that he has heard from fruit growers in Delta County and Wage and Hour are not there to help the grower, they make that clear. It is a philosophy that needs to be changed across the department. Brian said that they are hopeful they can work with the Secretary's office and various agency administrators to change that culture and environment because that is ridiculous and they have no issues with the Federal agencies doing compliance checks but unless you are doing something that is putting the life and limb of your employees or someone who is routinely putting an employee in danger then fine they should be nailed but for the miniscule items they should have an opportunity to cure.

Robbie said that the Board would like thank you for all the help with the economic development funding here for the Engaged Project but the other projects that Congressman Tipton's office has been instrumental in helping get. Brian said that any of these that come up just let them know.

Commissioner Suppes asked if there was any movement on Jordan Cove. Brian said he was not sure but FERC was in the position where they didn't have a quorum so they couldn't do anything one way or another but they do now have a quorum. He added that they have been pushing with FERC to revisit that decision and approve that permitting but there are right-of-way issues on the connector pipeline that they would have to have permitted through BLM. They have been working with FERC and DOI on making sure the profile of that project and the importance of it is raised. He said that he is not sure when FERC will be revisiting this but they know about it and he would be surprised if they don't approve it.

Brian said that they will keep in touch regarding the GMUG Revision. He said that he knows that they are wanting to emphasize the fuels treatment, sheep grazing, travel management, road less areas, and potential wilderness will be some talking points as they move forward. Robbie asked if he thought that the legislation addresses the fuels questions with the different species of trees to be treated. Brian said doing the categorical exclusions via the farm bill would expand what they are current able to do but, it wouldn't go as far as what was in the Resilient Federal Forest Act which had a much broader scope. He said that the bill did expedited National Environmental Policy Act (NEPA), the 2003 farm bill that Congressman McInnis ran has these provisions in place.

Robbie asked what priorities has he heard from other counties. Brian stated that PILT comes up quite a bit and any opportunity to do economic development. He said that they are supportive of the energy industry and economy but do recognize that the counties want to diversify to eliminate up and downs. Brian said that outdoor recreation is what counties and groups are trying to push. He said that it is not just bringing tourists in but there is opportunity with our cheap energy and labor force that is ready to go. Brian said that they want to attract some new businesses over to the Western Slope. He said that we are blessed with public lands and resource assets and a lot of the communities want to balance the traditional activities but also bring in a new group; the idea is that they need to avoid fighting with each other but, instead live in harmony with each other. He is optimistic that this will be successful.

Brian said that health care always pops up and the Affordable Care Act (ACA) and continues to go up every year. He stated that there is a concern about how expensive the ACA and availability of specialist and the shortage of primary care physicians. Brian said they have looked at several ways to reform the ACA. He said that they are looking at some outside the box thinking for accessibility and affordability issues for the ACA. He said that the more people that are insured will help to attract some physicians to some rural areas. Brian said some of the reasons why doctors avoid the rural area are the portion of population that uses things like Medicaid is naturally higher and they don't get reimbursed as much. Chairman Atchley said that the Board hears that all the time.

Robbie thanked Brian for sitting in on the methane task force. Brian said to keep your fingers crossed because it has the potential for a win-win outcome but they are early in the process. Robbie explained the Brian will be setting up his constituent office in Room 234 instead of Room 122 that is now being occupied by the Health Department.

Melody Sebesta – 9913 Highway 65, Austin, CO:

Melody said that she built a small house in Orchard City. She said that she thought she had an access on that road and the highway department is telling her she has to move road forty feet to the south to the

tune of \$20,000.00 to \$25,000.00 whereas, the contract says that if she can bring the road up to code for Colorado Department of Transportation would only cost her \$2,500.00. Melody stated that she has had Leroy Black look at it and he said logically just keep the road there, the contractor is beside himself. She was not sure if the Commissioners could do anything for her. Chairman Atchley asked if this was access to the State Highway. Melody said that was right but there is a road that is on there with a nice culvert and easement for Delta Montrose Electric Association (DMEA) on her property. She asked DMEA and they have no problem with it as long as nothing is built on the easement. They want her to move that across from Horseshoe Lane. Commissioner Suppes stated that the issue she has is the agency of jurisdiction is Orchard City and CDOT can push back through the Town of Orchard City on this process because it is within Orchard City district. Melody said that it seems like Orchard City is taking their lead from CDOT. She said that CDOT is real aggressive. Chairman Atchley asked if it was in the CDOT access plan. Melody said they don't want to add another access off of that and if they won't let her use it for her driveway then she assumes that they will tear the other one out and if it is not torn out and DMEA uses it then you have three accesses instead of two. Commissioner Suppes stated that CDOT will be dealing with Orchard City not the County because it is in Orchard City jurisdiction. Melody asked if Orchard City has the decision making power or does CDOT. Commissioner Suppes said that ultimately CDOT will have the decision but they will listen to Orchard City's recommendation on this. Melody asked if there was anyone in the Orchard City Administration or Board that would put a good word in for her. Commissioner Suppes suggested that she needs to try and get together with the Town Board and present her case to them to see if they will help her out with that conversation with CDOT.

PUBLIC HEARING FOR 2018 DELTA COUNTY BUDGET:

Chairman Atchley opened up the floor to the public input regarding the budget. This is the official hearing and an opportunity to comment. There were no comments.

Commissioner Suppes made a motion that the public hearing be closed. Commissioner Roeber seconded the motion.

Motion carried by a vote of 3 to 0.

Chairman Atchley stated that the Board received a complaint about the budget process so the County does have a response and here to give the response is County Attorney John Baier.

Budget Response from County Attorney John Baier:

John stated that the County did receive a formal budget complaint from Delta County Citizen Report back on November 20, 2017 the County has prepared a response in a form of a press release and he was asked to read that into the record today.

John read the following into the record:
Delta County Budget Press Release, December 4, 2017:

On November 20, 2017 a formal complaint was brought to the Delta County Board of County Commissioners by an organization called the Delta County Citizen Report. This complaint was in regard to the County's budget practices. It included criticisms of how the budget process is managed by the County, made allegations that the County is violating state statutes, and suggested that County staff is incapable.

The County wishes to address these incorrect interpretations. Delta County Citizen Report has misread, misinterpreted, and misapplied state open meeting laws and state budget requirements.

Did Delta County violate open meetings law during budget work session?

The County has not violated open meeting requirements for their budget work sessions or any of their public meetings. The County held a work session in September and a series of work sessions in October, and another work session November 30, 2017 to discuss the preliminary 2018 budget. Those meetings were posted more than 24 hours in advance, in the designated posting location, as required by § 24-1-106, Colorado Revised Statutes (C.R.S).

Did Delta County fail to include required language for public notice of the budget?

The County has not violated the Local government Budget Law of Colorado in regard to public notice as indicated in § 24-1-106, C.R.S. Language required by the statute was included in the published notice that was printed in the Delta County Independent on November 22, 2017.

Does the County's budget message comply with the state statute?

Yes, the County's budget includes a budget message with the proposed budget as required by § 29-1-103(1)(e), C.R.S. that message is available for review on the Delta County website.

Does the County budget violate state statute by not reporting all funds, specifically not including the Fair Board Fund and including the Animal Control Fund twice?

The County budget includes 19 separate funds. The Fair Board Fund is managed by the Delta County Fair Board and has not typically been included in the budget. At the request of interested parties we have added the Fair Board Fund to the proposed budget for 2018.

The county does not have a separate Animal Control Fund. Animal Control is a department budget in the General Fund is opposed to standing alone as a separate fund, and is accurately presented in the proposed budget.

Is the County in violation of state statute requirements to list expenditure without stated objects?

In accounting terms, per the Government Finance Officers Association, "objects" classify expenditures according to type of item purchased or services obtained. Objects can be things like "Supplies", "Wages", or "Capital Projects".

Projects are not "objects". However, projects may be listed as an object to make accounting and tracking easier. For example, if a grant is involved with a specific project, for tracking purposes, that project may be set up as a separate object within the budget to make it easier to track that project's expenses and revenues.

The County lists all expenditures to the object level. The County utilizes object categories such as "Capital Projects" or "Recreation Projects". Projects costs for less complicated general projects are accounted for in the broader category. More complicated projects, or projects that are grant funded, may be listed as an object in the budget. Using a broader category, and including costs for a project within that category, meets the requirements of §29-1-103(1)(f), C.R.S. it is not required, and feasibly impossible, that every individual expense be itemized in the budget.

Is the County violating state statute by not showing ending balance reserves for the Capital Improvements Fund? Why are there line items missing from the Capital Improvement Fund?

The County shows all beginning and ending fund balances for each fund in accordance with §29-1-103(1)(c), C.R.S. There are no missing line items in the Capital Improvement Fund, but the label was incorrect on the proposed budget which could certainly cause confusion.

Mistakes can and do happen during the budget process. There is a great deal of information to work through, many calculations to make, and a large amount of information to be verified. It takes hundreds of hours of work by County staff and others to complete the budget. This is one of many reasons there is so much time and effort put into the budget process, and why the budget process is open to the public. The more eyes the better. An inadvertent error does not constitute a statutory violation.

Does the county have large reserve funds that are not planned for anything?

The county estimates it will begin 2018 with \$18.9 million in fund balance, however, this does not mean the County is sitting on \$18.9 million dollars in the bank with no plans or need for it. The county's fund balance includes money that is restricted in numerous ways, and unavailable for general use. At the beginning of 2017 the County had \$19.0 million in fund balance (see County Audit). Of this, \$3.7 million is not restricted or assigned. The remaining funds, approximately \$15.3 million, are restricted or committed to things such as upgrading the County jail, repairing/replacing bridges, repairing roads, and the County's inventory of gravel and other items like replacement parts. The County does restrict 25% of its fund balance to cover 25% of General Fund expenditures, or about \$3 million. The County's audit is a critical document in understanding the full financial picture of the County and should be looked at side by side with the County's budget to understand how funds are restricted.

We respectfully disagree that carrying a healthy fund balance is irresponsible. In fact, just recently we had a flood in the Health and Human Services building. Stuff happens. Lessons learned from other counties around the state show that the 3% emergency reserve required by TABOR is wholly inadequate to deal with disasters. Opportunities also arise. Delta County was able to commit to the Region 10 broadband project over the last few years because we had reserves available to work with. Carrying reasonably healthy reserves is a fundamental part of our commitment to ensuring that Delta county is a fiscally healthy organization.

Conclusion

In conclusion, the November 20th complaint outlines numerous other objections and concerns with the County's budget and accuses our staff of being incapable of performing their jobs. We strongly disagree and reaffirm that the County is not in violation of state statute.

Your Commissioners are committed to transparency and making information available to the public. We are utilizing our newly redesigned website, our Facebook page, and our alert functions to provide information to the public on a daily basis. We have invested in growing our capacity, and are engaging with the public in a new ways every day as evidenced by our Master Plan update process and our trials planning effort where the county has repeatedly and continually sought public input on priorities. We welcome meaningful discussion about how we can better communicate with the public. We are proud of the work our staff does, and work with them, our constituents, and our numerous partners to meet the needs of Delta County.

Chairman Atchley said that this incorporates some of the thoughts of not only staff but also the Attorney has reviewed this and read it so this is a press release to talk about the complaint received. He asked if there was any other discussion or comments.

Commissioner Suppes said that he is quite proud of the staff and the amount of work and time they put into this process. He stated that it is not simple deal to come up with these numbers and he is very proud for what we have accomplished with minimal staff that we do have. Commissioner Suppes said his hat goes off to Robbie, Margaret and all those involved to put out this document, thank you.

Commissioner Roeber echoed Commissioner Suppes thoughts and added that he appreciates all the Department Heads and staff for all the work that is done on the budget. He said that it is not an easy process and especially when funds are somewhat limited and he thinks they do a fantastic job and he is proud to be associated with them.

Chairman Atchley said that they have begun a review of looking at the size of our administrative staff, legal staff and several others and comparing it to counties that are similar in size. He added that they will continue to look at this and it is no secret that they are financially conservative and has been run in the last few years. Chairman Atchley stated that there is room for some improvement but, it is hard to improve when you have limited staff which we do. He said that they have done some comparisons and he knows of some that is much higher as they review this going forward they are open to suggestion but, sometimes suggestions take people power to make it happen. Chairman Atchley said that as far as not spending money, historically especially the last eight years they have only spent money when they absolutely felt they had to either by state requirement or to fill needs of the people and we still have that goal in mind. He stated that there are projects they are working on and they may not be public at this time but there is evidence of what has been done in the past such as the broadband to improve the economics of Delta County. Chairman Atchley thanked the staff that has worked hard on this and John Baier for reviewing it.

Chairman Atchley said that they will consider the budget at 3:30 PM.

DISCUSSION WITH CHUCK LEMOINE AND BILL BEVER – PAID TIME OFF PILOT PROGRAM FOR HUMAN SERVICES:

Sheriff McKee and Undersheriff Taylor were also present.

Robbie said that the Personnel Advisory Team (PAT) been kicking around paid time off for three years. Chuck said he believed it was longer. Robbie stated that Chuck has put a considerable amount of time to have a larger discussion to bring forward to the Board.

Chuck stated that the PAT team has the County Attorney, Robbie, Sheriff McKee, the Health Director, Human Resource and a Road and Bridge District Foreman. He said one thing that has been discussed is the difficulty in administering our leave policies which is a two part benefit with eight hours annual leave per month per employee when they start and eight hours of sick leave. Chuck said that things have changed in the past 25 years, most notably the impact of the health information portability and accountability act which restricts what an employer can ask and what an employee may feel compelled to tell you about their absence for illness. He stated that the other thing that has changed and he has seen an impact in the Department of Human Services, is the number of employees that have to take sick leave to cover a dependent's health needs such as children. Chuck said that they find that the practice has been that while we would normally expect people to save up their annual leave to take their vacation instead they are taking every bit of annual or sick just to maintain the household. He said we have policies in our employee handbook that govern the taking of leave for sick and vacation.

Chuck said that they have wrestled with this and how this can cause staff to be shorthanded and he believes that there is also the practice of using paid time off (PTO) instead of an annual and sick leave benefit. Chuck said that questions were raised about employees who were at the 800 hour mark and the concerns that employees view this as a type of insurance policy in case of sudden illness, family medical leave act type illness that would keep them void from work. He said that he read literature and checked to see what other counties have done and what he is proposing is that the Department of Health and Human Services pilot an annual leave conversion to paid time off. Chuck said that the elements of it he has written in a proposal but they would try it the first year and keep track under both the old and new rules. He said that when new employees start they will receive 13 hours of paid time off which appears to be a taking but actually the eight hours of sick leave they are presently receiving is not banked and if they leave after a short period of time they would receive nothing for this.

Chuck said they are looking to balance this with the course of an individual's career if they stayed for 20 or more years they would have the equivalent under the paid time off especially if they have been judicious in their taking of leave. He explained to have that same type of send off at the end of their career they would have 500 hours, which would be what they presently have with 336 hours being the most annual leave which, is the hard cap and 25% or 4:1 conversion of the sick leave to annual leave at the time of separation.

Chuck said there would be rules that would not change but, it would be one bank and there would be no need for Doctor's notes. If they have the time they can take the time and if they are taking a lot of time they would still put in an advance leave request which would allow the balances to be kept more simply than what is currently being done.

Chuck said that his goal with his department with having had so many turnovers in staff within the first five year it would cause them to think twice if they were going to be out sick all day. He said that he hopes that if the employee will look at it as paid time off as their vacation days they may use less time to keep up their hours on the paid time off.

Chuck said that the calculations that were discussed with the PAT team assures Sheriff McKee and Road and Bridge staff who want to protect that sick leave insurance that it be tracked as a separate amount but, they could not add more sick leave to their account and if they left it they would take sick leave and reduce what hours they have month by month so the amount of sick leave that would be held on the account would eventually disappear. He said for those employees that did not have to take it and have the 800 hours it would still be governed at the 4:1 pay back at the end of their careers with the County.

Chuck said that there is a lot of support from Department Heads to do this and it makes sense to try it with approximately 20% of the County's workforce. He stated if it does not work they will back out of it because they would have the record keeping to be able to change back. Chuck said this could be something for other department to look at and change over in the upcoming years.

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Sheriff McKee stated that he supports Chuck and Bill's effort in this and has been discussed for years in PAT team meetings. He said that it will eliminate the need for some untruthfulness when using sick time. Sheriff McKee said that he believes that instead of the employee taking the full day off they would be judicious with their time along with the record keeping will be less time consuming. He said that it can be done in a way that it can be sold to the employees because that was one of the initial struggle is how we can get the information to the employees so they don't feel like they are being cheated and this is a model that will work.

Commissioner Suppes asked if accounting wise this will not be an issue. Chuck said that they contacted Margaret and Suesan to make sure they could do this and they are prepared. He said that he previously has developed timesheets that calculate how much time for the number of years they are an employee and how much time is accrued for sick and vacation for each pay period.

Robbie reiterated that Chuck has stepped forward to offer their department with a significant number of employees to see how it works for a year and then would bring it back to the Board for their consideration to go county wide if the Board chooses to let the pilot program go forward.

Chairman Atchley asked Bill if there was any issues with offering it to one group and not another. Bill said there is always the possibility that one group might say what about us but, he doesn't believe that the fact that it is being done as a pilot gives them the opportunity to work out the bugs. He added that the way they have it set up that if it doesn't work they have the ability to go back and work it out. Bill said there is not very much risk in this and gives them an opportunity to see how employees will react and he believes they will have greater flexibility with their time and will be fully vested in 100% of their leave creates a new dynamic for new employees that in the long run they will appreciate. He thinks the pilot program is the way to go.

Chairman Atchley asked if there had been any discussion with the employees. Chuck stated that as they moved along he gave the idea to his supervisors who then took it to their staff in each of the units and there has been no negative report. He thinks the reason why is because an employee left after a year and they had 20 hours of vacation time on the books and 60 hours of sick leave they walk away from the 60 hours or they have taken it and been paid in full. The idea that they didn't have to leave any time on the table brought a good response. Chuck added that the new employees will not know any difference they will come to accept it as how Delta County does business. He said that he believes that the biggest concern will be with the employees that have built up a balance and they will not want to see it go away. Chuck said that he is one of those employees and does not want to see it go away but, the gradual phasing in and being able to draw upon sick leave and the sick leave bank will not be increased but the balance would not be worth more to the employee than it is presently.

Chairman Atchley asked if there was a cost comparison. Robbie stated that they do not. Chairman Atchley asked if they know if this is the most or least expensive way to go. Chuck said that he is carrying as a department 7,000 hours of sick of 4,300 hours of annual leave for the employees who are within the first ten years we are paying out more because they are using it as fast as they earn it. He believes the cost offset is the 25% sell back at retirement or when they end their career if they have been here over ten years. He has ran the numbers for his department and he only has two employees that are at the 800+ hour. Chuck said they have some employees that use it as fast as it comes and this eliminates the question of why they are gone and he understands the demand of a single parent having to take care of a sick child.

Commissioner Suppes said that a pilot program is good since we don't know how it is going to be used until the program is in place and this time next year they will know how it worked out.

Chairman Atchley asked if anyone has worked under a PTO before. Undersheriff Taylor stated that his wife works under a PTO and it seems to work for her.

Chairman Atchley said that the benefit cost is projected to be a wash. Chuck believes that is the case. He explained that the paid time off has more increments for five, ten, and fifteen years, with fifteen years being the last year which there is an increase made and by that time they are at 14 hours plus eight for sick leave. Chuck said he took the increments at 15, 20 and 25 to get up to a total amount that would approximate what you presently have or would be earning as a 25 year employee with your sick and annual leave combined which is what makes it a wash.

Chairman Atchley asked if the PAT team had been through the calculations. Chuck said they have. Robbie said that there has been significant discussion for three years. She said that there was a consensus to move forward with the pilot program.

Chairman Atchley asked what the impact on the budget would be. Robbie and Chuck both stated that there would be no impact. Chuck said that it has the same impact but will be calling it what it is.

Chairman Atchley stated that he has worked under a PTO plan and he like it much better. He added that he has worked under both systems. There was also the discussion of not being able to get into the Doctor to have a written excuse. Robbie asked if there was a general consensus with the Board to move forward with the pilot program.

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Commissioner Suppes made a motion that the Board move forward with the paid time off pilot program for the Department of Human Services as presented for 2018. Commissioner Roeber seconded the motion.

Motion carried by a vote of 3 to 0.

FINANCIALS FOR HEALTH AND HUMAN SERVICES – CHUCK LEMOINE:

Payment approval report was presented to the Board for their review.

CONTRACT AMENDMENT FOR OPTIONS FOR LONG TERM CARE (OLTC) DISTRICT WITH COLORADO DEPARTMENT OF HEALTH CARE POLICY AND FINANCING INCREASING THE AMOUNT PAYABLE TO \$578,883.00:

Chuck stated that this is contract amendment number two with the Department of Health Care Policy and Financing. He said that this is a renewal of a previous contract for operation of the Options for Long Term Care District that includes Delta, Gunnison and Hinsdale Counties. Chuck explained that they have increased the amount of reimbursement to the County. He said that Delta County's share for 2017-2018 increases from the previous year from \$481,881.00 for next year's fiscal year to \$578,883.00 there are no other changes to the contract.

Commissioner Suppes made a motion that the Board approve and authorize the Chairman to sign the Contract Amendment No. 2 for Contract No. 14-55361 for the single entry point agency in the amount of \$578,883.00. Commissioner Roeber seconded the motion.

Motion carried by a vote of 3 to 0.

Federal Poverty Guidelines Update:

Chuck stated that the State anticipates that they are going to be required to standardize the Federal poverty guidelines for food assistance, the Supplemental Nutritional Assistance Program (SNAP). He said that seniors receive food assistance at 200% of the federal poverty level and the rest of our clients receive at 130% of the federal poverty level. Chuck stated that the interpretation is that the Federal government will no longer allow them to have two separate ranges and there is talk going forward to have the Executive Director ask the JVC to increase the food assistance guidelines to be standard at 200% across the State for all categories.

Chuck said that this will increase our food assistance caseload by only 40 to 50 cases. He is not sure where they got that number and don't believe it is accurate. Chuck said that they are not as concerned if this is adopted until the following state fiscal year in July. He said that it will have an impact on their work load and hopefully they will be able to absorb the increased caseload.

Chuck said that this change will pick up extra population moving from 130% to 200% which he believes will be more than 40 to 50 clients. Chairman Atchley said that this can't be right. Chuck said that he will keep the Board posted.

Chuck said that the federal fiscal year 2019 which would begin next October 1st is the elimination of all Title IV E-funds which the department draws on heavily. He said that the climate at the federal government is wild and he does not know how this will work out but they will continue to follow this issue closely.

Chuck said if they do eliminate the Title IV E-funds which are like CHP+ they will feel it here in Delta County. Robbie stated that they did hear this morning from Brian that they will extend the CHIP program.

ADOPTION OF 2018 DELTA COUNTY BUDGET:

Chairman Atchley stated that the Board will take into consideration the 2018 Delta County Budget.

BUDGET MESSAGE FOR THE RECORD:

Robbie highlighted the following budget message:

[Prepared message]

To: The Board of County Commissioners

From: Robbie LeValley, County Administrator

Introduction

I am pleased to submit the Delta County 2018 Annual Budget to you for further review and consideration. This budget was prepared by County Elected Officials and Department Heads and reviewed, revised, and assembled by the Administration Office, in conjunction with a countywide interdepartmental budget team, under the supervision and guidance of the Board of county Commissioners. This budget reflects the projected spending plan of the County's Elected Officials, Department Heads, outside agencies, and other public entities.

Budgetary Basis of Accounting

The financial operations of the County are accounted for in funds in accordance with Colorado State Law and the resolutions of the incumbent Board of County Commissioners and previous Boards. Each fund is a separate and legal fiscal entity. The combination of the various funds determines the total county budget.

Government funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable

and available as net current assets. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under capital leases are reported as other financing sources.

Long Term Debt – Lease – Purchase Agreements:

Equipment Lease-Purchase Agreements

The 2018 budget for the Enterprise Fund which accounts for the operation of the County's landfill and transfer station provides for a 5-year lease purchase agreement for the purchase of a scraper for the Adobe buttes Landfill as more specifically outlined in Exhibit A. The total amount of the lease purchase agreement is approximately \$640,000.00 with annual payments of \$160,000.00 plus interest.

Revenues

The Administration Office estimates revenue projections for 2018 based on analysis of historical trends and collection rates. The projections are based on year-to-date collections through October 31, 2017.

2017 residential assessment rates and valuation in Delta County and statewide were significantly lower due to the impacts of the Gallagher amendment and conflicts with Tabor amendment. In addition there is a reduction in funds due to the permanent idling of the Bowie Coal Mine, reduction in loss of value to the railroad and other mine related industries.

2017 year-to-date sales tax collections are a positive 3.98% when compared to last year's collections. The 2018 collections anticipates an increase in sales tax revenues given the current trend in sales tax revenues statewide as well as locally.

In 1995, the voters of Delta County approved a ballot initiative that excludes sales tax revenues and non-federal grant revenues from the revenue limitations of Amendment One (Tabor). Property tax revenues for 2018 in the amount of \$2,255,343.00 are estimated on a mil levy of 17.787 (17.7187 mils plus .0683 mils for value of abatements/refunds). The difference between the County's base mil levy of 18.057 which was established in 1992 and the current mil levy is .27 mils. The .27 mil difference will be reflected as a tax credit on property owners' 2018 tax bill.

Highway Users Tax Fund (HUTF) revenues of \$2,924,090.00 to the Road and Bridge Funds are estimated from current collections and projections of revenues to be derived from the first tier funding formula for 2018 as provided by Colorado Counties, Inc. based on information received from the Colorado Department of Transportation. Revenues collected by the FASTER Bill are distributed to counties for road system improvement/maintenance based on the same formula used to distribute HUTF funds.

The County continues to benefit from Federal Mineral Leasing Funds that are paid on coal production on federal lands in Delta County and severance taxes paid by the coal miners in the North Fork Valley. The County also receives property tax revenues from the production of coal and gas development activities within the County. Projections for 2018 from Federal Mineral Leasing Funds and severance taxes are expected to be significantly reduced due to recent shutdowns and slowdowns in the coal mines. The 2018 Budget reflects the reduction in Federal Mineral Leasing Funds, production taxes and severance taxes.

In addition, Congress provided full funding of the Payment in Lieu of Taxes (PILT) and partial funding of the US Forest Service payments to counties (Secure Rural Schools and Community Self-Determination Act). The County's obligation for Title III funds (a portion of the Secure Rural Schools funds) have been allocated in 2017 to produce community wildfire plans for the local Fire Districts and to reimburse the County for emergency response services provided on federal lands in the event of wildfires on federal lands in 2018.

Personnel

2018 will see health care insurance premiums increase by 8.5% for the County. Delta County will continue to cover the entire cost of the employee health insurance at the PP07 level. This equates to an additional \$63.00 per month per employee. Delta County will continue to cover the full cost of the insurance including the 8.5% increase for each employee. Personnel vacancies may be filled throughout the year upon the submittal of a business plan, formal review and approval of the board of County Commissioners. In 2018, Delta county employees will receive a 2% cost of living increase.

Capital Expenditures

The 2018 budget proposes expenditures from the Capital Improvements Fund totaling \$2,961,603.00. Of this total expenditure, \$508,489.00 will be transferred to the General Fund to cover all Capital Outlay expenses for departments within the General Fund; \$1,447,560.00 will be transferred to the Road and Bridge Fund to cover costs associated with a road chip and seal program to extend the life of major roadways that have been prioritized on a county-wide basis, ROW acquisition and engineering costs associated with future road expansion and capital equipment/facility improvements for Road and Bridge districts. \$745,545.00 will be transferred to the Capital Projects Fund. \$50,000.00 has been allocated to the Delta County Library District for capital improvements, and \$100,000.00 to cover additional Broadband expenses. In addition, the Capital Improvements Fund budget also provides for setting aside \$3,415,000.00 in reserve account for the anticipated improvements to the Courthouse campus including the jail and court facilities.

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The Capital Projects Fund will finance such capital projects as broadband expenses and funding of the Delta County Master Plan and Trails Plan. The Capital Projects Funds also includes matching federal and state aviation funds for complete runway construction at Blake Field.

Delta County continues to invest dollars into areas that will provide economic benefit to the area and help diversify the economy. Delta County has committed capital dollars to the broadband project in the area in cooperation with Region 10 and Delta County municipalities.

HUTF Expenditures

Highway User Tax Fund revenues are deposited into the County Road and Bridge Fund for their exclusive use on the maintenance and construction of all county roads, bridges, and rights-of-ways within Delta County. Any work accomplished by the road and bridge districts that is outside the scope of county roads and bridges is paid for out of other funds that are not earmarked specifically for road and bridge expenditure. In 2018, HUTF revenues will be expended solely for the purpose of reconstructing and maintaining county roads, road right-of-ways, and bridges, and the operation and maintenance of county road district properties.

Enterprise Funds

The County has two Enterprise Funds to account for operations that are financed and operated in a manner similar to private business, with the intent that the costs of goods and services are financed or recovered user fees:

- Enterprise Fund (Landfill). This fund accounts for revenues received to maintain the Adobe Buttes Landfill and the North Fork Transfer station.
- E-911 Fund is funded with the E-911 surcharge that is charged on monthly land line and cell phone telephone bills. The funds cover the costs associated with providing E0911 services throughout Delta County.

Sincerely,
Robbie Baird LeValley, Delta County Administrator

**EXHIBIT A
LEASE – PURCHASE AGREEMENTS**

The following supplemental data regarding leases-purchase agreements involving real property is required under Section 29-1-103(3)(d), C.R.S. 1973, as amended.

Capital Improvements Fund

- A. The total amount to be expended during the ensuing fiscal year for payment obligations under all lease-purchase agreements involving real property. \$0
- B. The total amount to be expended during the ensuing fiscal year for payment obligations under all lease-purchase agreements other than those involving real property. \$ approximately \$160,000.00
- C. The total maximum payment liability of the local government under all lease-purchase agreements other than those involving real property over the entire terms of such agreements, including all optional renewals. \$ approximately \$640,000.00

[End of prepared message]

RESOLUTION NO. 2017-R-027 A RESOLUTION CONCERNING THE LEVYING OF PROPERTY TAXES FOR THE YEAR 2018 FOR THE COUNTY OF DELTA, STATE OF COLORADO FISCAL YEAR 2018.

Robbie stated that the levying of property taxes for the year 2017 fiscal year 2018. She said that the general fund is 14.6503, Road and Bridge 1.070, Social Services 2.050, Economic Development .085 which also includes the abatement and refund.

Commissioner Suppes made a motion that the Board adopt Resolution No. 2017-R-027 a Resolution Concerning the Levying of Property Taxes for the year 2017 for the County of Delta, State of Colorado for Fiscal Year 2018 with the total mill levy being 17.8553. Commissioner Roeber seconded the motion.

Motion carried by a vote of 3 to 0.

RESOLUTION NO. 2017-R-028 A RESOLUTION CONCERNING THE ADOPTION OF THE 2018 BUDGET FOR DELTA COUNTY:

Commissioner Roeber made a motion that the Board approve Resolution No. 2017-R-028 a concerning the adoption of the 2018 Budget for Delta County, State of Colorado; projected revenues of \$34,427,504.00. Commissioner Suppes seconded the motion.

Discussion:

Robbie stated that keeping with the Colorado Revised Statutes our expenditure budget is \$34,427,504.00 so it balances.

Motion carried by a vote of 3 to 0.

RESOLUTION NO. 2017-R-029 CONSIDERATION OF RESOLUTION CONCERNING THE APPROPRIATION OF SUMS OF MONEY TO THE VARIOUS DEPARTMENTS AND FUNDS OF THE COUNTY OF DELTA:

Robbie presented the above mentioned Resolution to the Board for their consideration. She explained that this is to appropriate the funds for the budget that was just adopted to the 19 funds in the amount of \$34,427,504.00.

Commissioner Suppes made a motion that the Board adopt Resolution No. 2017-R-029 Consideration of Resolution Concerning the Appropriation of Sums of Money to the Various Departments and Funds of the County of Delta, State of Colorado for Fiscal Year 2018 for a total appropriation in the amount of \$34,427,504.00. Commissioner Roeber seconded the motion.

Motion carried by a vote of 3 to 0.

Chairman Atchley thanked Margaret on behalf of the Board adding that this is a big job and takes a lot of time.

CONSIDERATION OF EXPENDITURES PRIOR TO APRIL 1, 2018

Undersheriff Mark Taylor was present.

Robbie explained that per the procurement policy and the budget that was just passed. The Board will need to approve any capital expenditures that occur before April 1, 2018. She said that the Board would need to approve the expenditure of the funds prior to April 1, 2018 and then evaluate the bids.

Commissioner Roeber made a motion that the Board grant the expenditure of funds before April 1, 2018 so they can consider the bids for the Sheriff's Department. Commissioner Suppes seconded the motion.

Discussion:

Chairman Atchley stated that there were three vehicles in the budget. Mark said that the Sheriff's Department is asking to purchase three 2018 F150. He said that the Request for Proposal (RFP) came in from three of the following dealerships:

- Morehart Chevy out of Durango
- Montrose Ford/Nissan out of Montrose
- Hellman Ford out of Delta

Motion carried by a vote of 3 to 0.

CONSIDERATION OF AWARDING BID FOR SHERIFF VEHICLES:

Chairman Atchley reiterated that they are requesting three F150's. Mark said yes, Ford F150's.

Mark reviewed the bids with the Board as follows:

- Hellman Ford bid a 2018 Ford F150 4x4 Excel package with a 5.0 liter V8, 5 years 60,000 mile drive train engine warranty and 10-speed automatic transmission. Their bid without any options was \$28,750.00 per vehicle.
- Montrose Ford bid a 2018 Ford F150 XL with a 3.3 V6 liter not the eco boost just a straight V6, with 5-year 60,000 mile factory drive train warranty, 3-year 36,000 mile factory engine warranty. Their bid came in at \$27,472.00 before any options which is about \$1,278.00 below Hellman however, the with the options that he would recommend which is a heavy duty payload, trailer tow package, Hellman's bid for that package is \$550.00 totaling \$29,300.00 the same options from Montrose Ford came in \$870.00 per vehicle which brings this up to \$28,342.00.
- The difference between the two bids is \$959.00 plus Hellman Ford is bidding a V8 compared to a V6.

Chairman Atchley asked about the dealer out of Durango. Mark stated that they bid a chevy half ton in the amount of \$36,536.00. He said that the V8 with the automatic transmission in his opinion would suit their needs and would be better than a V6. Chairman Atchley asked if that was his recommendation. Mark said yes. It was noted that Hellman Ford was the low bidder.

Chairman Atchley asked what the amount budgeted for these vehicles. Mark stated that they have \$93,480.00 total cost if they went with Hellman Ford is \$89,550.00. Robbie asked Mark to explain why they have to order them early. Mark stated that they would order them early because they need to get them built early so they can get the vehicles to their outfitter in Denver to have the police packages added earlier, if not it would be towards November before they could get them to the outfitter.

Chairman Atchley reiterated that their preference is the V8. Mark said that was correct.

Commissioner Roeber said that he thought that they were correct in wanting the V8 and heavier duty would provide longevity and all around better. Chairman Atchley said that this is what they have been getting and they seem to be working. Mark said that was correct.

Commissioner Suppes asked if the purchase price was with options. Mark said it is with options. Robbie said with the trailer tow package it does not appear that the police package is available. Mark said that Ford did come out with a police package F150 that is available this year but it won't be available until much later in the year.

Commissioner Roeber asked what does that comprise. Mark said that it has a higher output engine, speed rated, heavier duty alternators, oil coolers and radiator. He said that they are building them for law enforcement. If they ordered them they would not be available for build until much later in the year. Commissioner Roeber asked if the extras have been an issue with the ones they already have. Mark said that they still get the basics of the police package when they go with the heavy duty tow package and comes with a bigger alternator, engine cooler, transmission cooler for towing purposes. He believes they are getting the best of both worlds without having to get the police package.

Commissioner Suppes made a motion that the Board award the bid for the purchase of three trucks for the Sheriff's Office for 2018 to Hellman Motor for the F150 with the 5.0 V8 and tow package for a total price of \$29,300.00 per vehicle. Commissioner Roeber seconded the motion.

Motion carried by a vote of 3 to 0.

CONSIDERATION OF AWARDING BID FOR TWO SAND SHED FOUNDATIONS WITH STEM WALLS FOR ROAD AND BRIDGE DISTRICT #3:

Robbie explained that this was in the budget for last year but was not able to get it done. She explained that this was for stem walls for two sand sheds using the material that came from the Huffington property.

Ralph explained that this is for concrete walls and footers and they will do the building with what they got from the Huffington property. He said that they received seven bids for both sheds ranging from \$59,280.00 to \$146,195.00. Ralph stated that ConEx, LLC, Hardy Hutto was the low bidder at \$59,280.00 and that all bidders bid on the specifications. He is recommending the low bid. Chairman Atchley asked if he knows anything about them. Ralph said that one of his mechanics knows him from school. Chairman Atchley asked if anyone knows about his work. Commissioner Suppes stated that he has been around a while.

Commissioner Roeber made a motion that the Board award the contract for two sand shed foundations with stem walls to ConEx LLC in the amount of \$59,280.00. Commissioner Suppes seconded the motion.

Discussion:

Ralph stated that the money was in the budget for this year but, if necessary we can hold off until after the first of January but he would like to get them started. Chairman Atchley said that it states in the bid that they can start in five days. Ralph said that Hardy has been calling.

Motion carried by a vote of 3 to 0.

ADJOURNMENT:

As there was no further business to come before the Meeting of the Board of Delta County Commissioners for Monday, November 6, 2017, Chairman Atchley adjourned the meeting at 4:01 P.M.

Approved this 18th day of December, 2017.

C. Doug Atchley, Chairman
Board of County Commissioners

ATTEST:

Teri A. Stephenson
Clerk to the Board