

**GUNNISON COUNTY BOARD OF COUNTY COMMISSIONERS
REGULAR MEETING MINUTES
December 7, 2010**

The December 7, 2010 Gunnison County Board of County Commissioners meeting was held in the Gunnison County Board of County Commissioners' boardroom in the Gunnison County Courthouse located at 200 E. Virginia, Gunnison, Colorado. Present were:

Jim Starr, Chairperson
Hap Channell, Vice-Chairperson
Paula Swenson, Commissioner

Matthew Birnie, County Manager
Katherine Haase, Clerk to the Board
Others Present as Listed in Text

GUNNISON RIVER VALLEY LOCAL MARKETING DISTRICT

CALL TO ORDER: The December 7, 2010 meeting of the Gunnison River Valley Local Marketing District was called to order at 1:33 pm by Chairperson Starr. Gunnison County Finance Director Linda Nienhueser, Gunnison-Crested Butte Tourism Association (TA) Director Jane Chaney, Gunnison-Crested Butte Tourism Association Marketing Coordinator/Web Master Erica Kelleher, Gunnison-Crested Butte Tourism Association Board members Stephen Pierotti and Rachel Gardner were present for discussion.

2011 GUNNISON/CRESTED BUTTE TOURISM ASSOCIATION EXPENDITURES: Finance Director Nienhueser explained that the budget predictions may be inaccurate as collection amounts were calculated to be greater than anticipated. Discussion about funding allocations and tax collection, reserve funds, maintaining reserve fund balances and the use of the additional monies for special projects were proposed. Director Chaney explained that the budget was modified to reflect the lower budget amounts as anticipated by the projections and that the numbers could be adjusted if more funds were available. Monthly payments were reviewed as there was a desire not to impact monthly cash flows for the organization. The 2011 budget amount was adjusted to \$857,000 from \$800,000. The Board expressed their appreciation to the TA for their efforts and flexibility in budgeting.

County Manager Birnie explained that he anticipated a formal request for marketing the Marble area. It was hoped that funds were available in reserve to be used for the 2011 budget cycle. Additional discussions about marketing the Marble area were proposed for a future agenda.

2011 GUNNISON/CRESTED BUTTE TOURISM ASSOCIATION WORK PLAN: Discussion about the goals of the Work Plan commenced. Director Chaney explained the importance of community relations, coordination and the desire to market the entire county year-round versus a specific area or season. The Work Plan would be revised to include activities planned for the increased budget allocation.

MEMORANDUM OF AGREEMENT; GUNNISON/CRESTED BUTTE TOURISM ASSOCIATION; CY 2011: Details related to salary modification verbiage and budget numbers were discussed. The date for a final project or annual report was modified to June of 2012. **Moved** by Commissioner Channell, seconded by Commissioner Swenson to approve the Memorandum of Agreement between the Gunnison-Crested Butte Tourism Association for calendar year 2011 as amended. Motion carried unanimously.

ADJOURN: **Moved** by Commissioner Channell, seconded by Commissioner Swenson to adjourn the December 7, 2010 meeting of the Gunnison River Valley Local Marketing District. Motion carried unanimously. The meeting adjourned at 2:07 pm.

CALL TO ORDER: Chairperson Starr called the Board of County Commissioners Regular Meeting to order at 2:53 pm.

AGENDA REVIEW: There were no changes to the agenda.

MINUTES APPROVAL: **Moved** by Commissioner Swenson, seconded by Commissioner Channell to approve the November 16th Regular Meeting minutes and the November 23rd Special Meeting minutes. Motion carried unanimously.

CONSENT AGENDA: Commissioner Channell requested that Consent Agenda Items #3, #9, #10 and #11 be pulled for further discussion. **Moved** by Commissioner Swenson, seconded by Commissioner Channell to approve the Consent Agenda, excluding Items #3, #9, #10 and #11. Motion carried unanimously.

1. Acknowledgment of County Manager Signature; Statement of Gunnison County Substance Abuse Prevention Project Agreement with Gunnison County

2. Acknowledgment of County Manager Signature; Agreement for Receipt of Court Security Grant Funds; Amendment to 2009 Grant Award; Colorado Judicial Department; \$1,542.80
3. **Pulled for Discussion and Separate Action:** Acknowledgment of County Manager Signature; Gunnison County Purchase of Service Agreement; Montrose County Department of Health and Human Services; Environmental Health Services; 1/1/2011 thru 12/30/2011
4. Grant of Permanent Maintenance Easement(s); Ken R. Barbe and Barbara A. Barbe, as Trustees of the Ken R. Barbe & Barbara A. Barbe Revocable Living Trust; H Barbe Family, LLC; Martha B. Cordova; Taylor River Road Realignment Project
5. Grant of Temporary Construction Easement(s); Ken R. Barbe and Barbara A. Barbe, as Trustees of the Ken R. Barbe & Barbara A. Barbe Revocable Living Trust; H Barbe Family, LLC; Martha B. Cordova; Taylor River Road Realignment Project
6. Grant of Permanent Maintenance Easement(s); Taylor River Canyon, LLC; Taylor River Road Realignment Project
7. Grant of Temporary Construction Easement(s); Taylor River Canyon, LLC; Taylor River Road Realignment Project
8. Out-of-State Travel Request; Washington, DC; National Association of County and City Health Officials (NACCHO) Required Travel for Emergency Preparedness Grant; Public Health Nurse Jean Kelley; 1/11/11 thru 1/14/11; \$1,791
9. **Pulled for Discussion and Separate Action:** Provider Agreement; Laurie Boscaro; Professional Services Regarding Assessment, Service Planning and Clinical Services to Promote Health and Wellness to Individuals and Families Referred from Gunnison County Family Advocacy and Support Team through the Office of Juvenile Services; 12/7/10 thru 6/30/11
10. **Pulled for Discussion and Separate Action:** Provider Agreement; Cindy Chamberland; Professional Services Regarding Assessment, Service Planning and Clinical Services to Promote Health and Wellness to Individuals and Families Referred from Gunnison County Family Advocacy and Support Team through the Office of Juvenile Services; 12/7/10 thru 6/30/11
11. **Pulled for Discussion and Separate Action:** Contractor Agreement; National Association of County and City Health Officials (NACCHO); NACCHO Contract #2010-091604; 9/30/10 thru 9/29/11; \$44,000
12. Corporate Membership Agreement; Colorado Fitness
13. Amendment to Gunnison County Manager Employment Agreement
14. Operating Agreement; American Eagle Airlines, Inc.; 12/1/10 thru 10/31/11

CONSENT AGENDA ITEM #3: Commissioner Channell requested additional discussion related to Appendix A and four childcare inspections completed. More specifically, he wanted to know what type of inspections had occurred because he believed these facilities would require commercial inspection. It was explained that these inspections are periodically performed by Environmental Health staff. **Moved** by Commissioner Channell, seconded by Commissioner Swenson to approve Consent Agenda Item #3 and authorize signatures. Motion carried unanimously.

CONSENT AGENDA ITEM #9 & #10: Commissioner Hap Channell requested additional discussion of County Attorney David Baumgarten's review notes related to obtaining the Certificate of Insurance within 30 days of contract execution. He also wanted to know which office would be responsible for follow-up to ensure compliance and County Manager Birnie explained that the County Attorney's Office would handle these responsibilities. **Moved** by Commissioner Channell, seconded by Commissioner Swenson to approve Consent Agenda Items #9 and #10. Motion carried unanimously.

CONSENT AGENDA ITEM #11: Commissioner Channell requested discussion of Deputy County Attorney Tom Dill's review notes because a follow-up status was not included. County Manager Birnie explained that, per County Attorney Baumgarten's comments, this contract was ready for signature. **Moved** by Commissioner Channell, seconded by Commissioner Swenson to approve Consent Agenda Item #11 and authorize signatures. Motion carried unanimously.

SCHEDULING: The Upcoming Meetings Schedule was discussed and updated.

COUNTY MANAGER'S REPORT AND CORRESPONDENCE: County Manager Birnie was present for discussion.

1. Correspondence; Conservation Leaders Network; Clean Water Act Protections and Clarification. **Moved** by Commissioner Channell, seconded by Commissioner Swenson to approve the letter to the Chairperson of the Council on Environmental Quality pertaining to the Clean Water Act, as requested by the Conservation Leaders Network, and ask staff to put the letter submitted on County letterhead with an appropriate signature line. Motion carried unanimously.
2. Construction Project Update. County Manager Birnie informed the Board that glass panels have been installed in the Public Works building. The steel was received for the Detention Center on 12/6/10. He will meet with the architects on 12/9/10 to discuss the architect's fees.
3. 7th Judicial District Attorney's Office Update. County Manager Birnie informed the Board that Judge J. Steven Patrick has been asked to appoint an interim District Attorney because the DA's office does not currently have the ability or authority to run the office. The full unbudgeted cost of this appointment, which may last for up to two years, will be the responsibility of the counties within the 7th Judicial District. County Attorney Baumgarten is reviewing this issue from a legal

perspective. There will be a conference call on 12/9/10 between all County Managers and County Attorneys within the District. County Manager Birnie stated that Gunnison County will suggest that Judge Patrick appoint an interim DA, but also rule that DA Myrl Serra's suspension be without pay.

4. Gunnison County Strategic Business Plan. County Manager Birnie informed the Board that he would like to revisit and update the plan in February or March of 2011. To do this, the Board and appropriate staff will need to be available for up to two full days.
5. Out-of-State Travel Request; Juvenile Services. County Manager Birnie requested authorization to approve this request, which would be placed on the next Board agenda for formal ratification since the County Manager is not authorized to approve out-of-state travel. The Board informally authorized (without a vote) County Manager Birnie's approval.

ASSISTANT COUNTY MANAGER'S REPORT AND PROJECT UPDATES: Assistant County Manager Marlene Crosby was present for discussion.

1. Resolution; Confirming Completion of the Work Required by the Loan Agreement between the Colorado Water Resources and Power Development Authority and Gunnison County. **Moved** by Commissioner Swenson, seconded by Commissioner Channell to adopt Resolution #2010-52, a Resolution Confirming Completion of the Work Required by the Loan Agreement between the Colorado Water Resources and Power Development Authority and Gunnison County, and authorize signatures. Motion carried unanimously.
2. Agreement; SG Interest I, Ltd, Gunnison Energy Corporation, and Gunnison County; Allocation of Magnesium Chloride Application Costs for County Road 265. Assistant County Manager Crosby explained that two magnesium chloride applications are required in areas of heavy hauling. The Board questioned why the other parties to the agreement do not pay for labor and equipment. Assistant County Manager Crosby explained that, in the absence of an agreement, the County would have to apply magnesium chloride in front of residences anyway. Per Assistant County Manager Crosby, execution of this agreement will save the County money. **Moved** by Commissioner Channell, seconded by Commissioner Swenson to approve the agreement among SG Interests, Gunnison Energy and Gunnison County Board of County Commissioners and authorize signatures.
3. Intergovernmental Agreement for Winter Road Maintenance; Town of Marble; 11/1/2010 thru 5/31/2011. This agreement was approved at the last meeting while Assistant County Manager Crosby wasn't available for discussion. She explained that the Town of Marble pays for the fuel and Gunnison County plows the road through the Town. She stated this arrangement provides baseline services that the Town would not otherwise be able to afford, while it also protects the County from liability while plowing the road.
4. Internet Services Grant Application; Town of Marble. Assistant County Manager Crosby noted that the Board previously suggested that citizens begin to pay for internet services in the area. An appropriate grant application has been submitted and additional details will be provided to the Board at a later date if the grant application progresses past the preliminary phase. Assistant County Manager Crosby felt that this type of grant may also assist the Somerset area in the future.
5. Culture Change for Recycling Glass. Assistant County Manager Crosby informed the Board that MillerCoors will now collect green and brown glass together, while clear glass will be kept separate. She will begin advertising next week for a change in January. The County will receive \$50/ton for green glass and \$50/ton for clear as long as it is 90% free of contamination.
6. Household Hazardous Waste Event. Assistant County Manager Crosby informed the Board that the event was successful and that the \$23,000 cost will be shared between the City of Gunnison and the County.

WILDEARTH GUARDIANS V. SALAZAR; NOTICE OF APPEAL TO UNITED STATES COURT OF APPEALS, NINTH CIRCUIT; AUTHORIZATION TO SEEK AMICUS STATUS: Paralegal Angela Buchanan was present for discussion.

Paralegal Buchanan informed the Board that an appeal has been filed and that County Attorney Baumgarten estimates that between 60 and 80 hours of attorney time will be necessary to review and file all appropriate documentation. It is not likely that there will be any other US county partners. **Moved** by Commissioner Channell, seconded by Commissioner Swenson to authorize the County Attorney's Office to seek amicus status in the noted case. Motion carried unanimously.

LEASE AGREEMENT; GUNNISON VALLEY ANIMAL WELFARE LEAGUE (GVAWL): Assistant County Manager Crosby, GVAWL President Lora VanRenselaar and GVAWL board member Sandy Guerrieri were present for discussion.

Assistant County Manager Crosby presented the draft modifications for discussion. Further modifications to the lease were discussed and agreed upon. Ms. Guerrieri asked the Board to clarify what potential County funding will be directed at this project in the future, operational versus enforcement. County Manager Birnie explained that the County cannot appropriate funding for future years, which makes a definitive statement very difficult to make. **Moved** by Commissioner Channell, seconded by Commissioner Swenson to approve Exhibit G, Additional Terms Regarding Gunnison Valley Animal

Welfare League as amended and the lease itself, and authorize County Manager Birnie's signature on the lease. Motion carried unanimously. Ms. VanRenselaar thanked the Board for the work performed by the County staff.

GUNNISON COUNTY EMPLOYEE BENEFITS PLANS: Human Resources Director Debbie Moore was present for discussion.

1. First Amendment to the Gunnison County, Colorado Flexible Benefit Plan Effective January 1, 2008. **Moved** by Commissioner Channell, seconded by Commissioner Swenson to approve the First Amendment to the Gunnison County, Colorado Flexible Benefit Plan Effective January 1, 2008 and authorize signatures. Motion carried unanimously.
2. First Amendment to the Gunnison County, Colorado Employee Benefit Plan, as Amended and Restated Effective January 1, 2010. **Moved** by Commissioner Channell, seconded by Commissioner Swenson to approve the First Amendment to the Gunnison County, Colorado Employee Benefit Plan, as Amended and Restated Effective January 1, 2010. Motion carried unanimously.
3. Employee Assistance Program Agreement; TRIAD Resource Group, LLC; 1/1/2011 thru 12/31/2011. Chairperson Starr asked whether or not the County has influence over contracting with local counselors. Human Resources Director Moore explained that TRIAD is very open to this possibility, but that the County may not be able to influence it. Commissioner Channell noted that TRIAD has the capability of increasing fees without consulting with the County first, and County Manager Birnie stated that the County can terminate the contract at any time if the rate is disagreeable. **Moved** by Commissioner Swenson, seconded by Commissioner Channell to approve the Employee Assistance Program Agreement with Gunnison County and TRIAD EAP, and authorize signatures. Motion carried unanimously.

OFFICE FOR RESOURCE (ORE) EFFICIENCY AGREEMENTS: ORE Executive Director Andris Zobs was present for discussion.

1. 2010 Amended Agreement between the Office for Resource Efficiency and Gunnison County; Assist and Take Meaningful Action to Reduce Energy Use and Realize Resource Savings. County Manager Birnie informed the Board that Deputy County Attorney Dill did not complete the contracts. This discussion was rescheduled to the 12/14/10 agenda (see below vote).
2. 2011 Agreement between the Office for Resource Efficiency and Gunnison County; Assist and Take Meaningful Action to Reduce Energy Use and Realize Resource Savings. **Moved** by Commissioner Channell, seconded by Commissioner Swenson to table the ORE 2010 Amended Agreement until December 14th and to table the 2011 Agreement for ORE until December 21st. Motion carried unanimously.

BREAK: The meeting recessed from 4:15 until 4:22 pm.

LETTER OF SUPPORT; KATHLEEN CURRY FOR GOVERNOR-ELECT JOHN HICKENLOOPER ADMINISTRATION STAFF: Ms. Curry was present for discussion.

The draft letter was discussed and amendments were agreed upon. **Moved** by Commissioner Channell, seconded by Commissioner Swenson to approve the letter of support for Kathleen Curry to Mr. Reeves Brown of the Hickenlooper Transition Team and authorize signatures. Motion carried unanimously.

LETTER OF SUPPORT; TRÉSI HOUPT FOR DEPARTMENT OF LOCAL AFFAIRS DIRECTOR: The draft letter was discussed and amendments were agreed upon. **Moved** by Commissioner Swenson, seconded by Commissioner Channell to approve the letter supporting Trési Houpt for the DOLA Executive Directorship to be sent to Mr. Major, with amendments, and authorize signatures. Motion carried unanimously.

SUBDIVISION EXEMPTION AND PLAT VACATION; VADER SUBDIVISION; LEITHA VADER AND VALERIE FUNK: Assistant Community Development Director Neal Starkebaum was present for discussion.

Chairperson Starr noted that the covenants don't address the number of buildings on each parcel. Assistant Community Development Director Starkebaum explained that the proposed covenants were drafted by the applicants' attorney, Bob O'Hayre, who was not available for discussion during the meeting. Commissioner Channell stated that everything in the covenants is already in the law, which questioned the point of approving the covenants. The Board asked about the absence of issues normally present in covenants, such as animal control. Assistant Community Development Director Starkebaum informed the Board that the Vader consolidation tract includes an existing residence.

Moved by Commissioner Swenson, seconded by Commissioner Channell to direct staff to prepare a resolution for a subdivision exemption and plat vacation for the Vader Subdivision with Leitha Vader and Valerie Funk. Commissioner Channell suggested that the applicants talk to their attorney about the contents of the proposed covenants. Motion carried unanimously.

LETTER OF SUPPORT; HIDDEN GEMS WILDERNESS PROPOSAL: Many citizens were present for discussion and listed their names and contact information on the sign-in sheet.

Chairperson Starr acknowledged that, due to the large crowd, many citizens in the hallway may not be able to hear and participate in the discussion. He confirmed that the County received a large number of phone calls, emails and letters expressing both sides of the issue. Several draft versions of the letter were available for review.

Citizen Perry Anderson stated that many ranchers were present and he asked the Board to give those ranchers a chance to be heard.

Commissioner Channell stated that enough discussion had been held and that a decision should be made. He thanked everyone for their input and felt that the issue could be boiled down to Whetstone being the fulcrum of supporting the proposal or not, mountain biking versus not allowing mountain biking. He felt that the issue has been well vetted and that support of the proposal would not necessarily preclude a Gunnison-to-Crested Butte trail.

Chairperson Starr agreed that mountain biking would not be affected by Board support of the proposal. He questioned whether or not there may be a management alternative through the Whetstone area. Commissioner Channell stated that, while he didn't have an answer, he spoke with proponents about a companion designation possibility and was informed that there isn't enough acreage in Whetstone.

Chairperson Starr stated his doubt that a companion designation would be possible. He felt that he could support Commissioner Channell's letter if it didn't mention management alternatives for the Whetstone portion. He stated his opinion that potential alternative routes for the Gunnison-to-Crested Butte trail should be evaluated.

Commissioner Swenson stated that she was not ready to make a statement about how the public feels, and she was not willing to proceed without additional conversation.

Moved by Commissioner Channell, seconded by Chairperson Starr to send my (Commissioner Channell) draft, as edited and amended, to Congressman-elect Tipton with copies to the rest of our congressional delegation with appropriate signatures. Commissioner Swenson restated that she could not support the proposal because the Whetstone issue was not ready for decision. Motion carried. Commissioner Swenson voted against the motion.

COLORADO RIVER WATER CONSERVATION DISTRICT REPORT: CRWCD Representative Bill Trampe was present for discussion.

CRWCD Representative Trampe informed the Board that the long-time suggestion and concept of creating a water bank in the Blue Mesa Reservoir area has created some recent tension on the Front Range. However, talks are continuing with the hope of reaching a resolve in the future. CRWCD Representative Trampe felt that the UGRWCD would likely manage the water bank, but acknowledged that other districts may not be comfortable with that type of arrangement.

The CRWCD has been and will continue to monitor a handful of Bureau of Land Management Wild and Scenic Designation processes occurring throughout the state. A process in Gunnison County is at the beginning stage, and CRWCD Representative Trampe didn't have any specific details beyond that point.

UNSCHEDULED CITIZENS: There were no Unscheduled Citizens present for discussion.

BREAK: The meeting recessed from 5:52 until 7:31 pm for dinner and then again from 7:30 until 9:25 pm in order to hold the below Public Hearing.

PUBLIC HEARING; PROPOSED 2011 GUNNISON COUNTY BUDGET: Finance Director Linda Nienhueser, Assistant Finance Director Ben Cowan and Assistant County Manager Crosby were present for discussion.

1. Open Public Hearing. Chairperson Starr opened the Public Hearing at 7:32 pm.
2. Public Notice Confirmation. Finance Director Nienhueser confirmed that the Public Hearing had been properly public noticed.
3. Identify Ex Parte Communications. There were no ex parte communications identified.
4. Staff Presentation. Finance Director Nienhueser stated that the transition to Managing for Results and activity-based budgeting have yielded good results. The chart of accounts has changed so all like expenditures and revenues can be rolled up into various reports. She gave a PowerPoint overview of the budget and informed the Board that her department would be

submitting the budget to the Colorado Government Finance Officers Association (GFOA) this year. She confirmed that the proposed budget is available on the County's website.

5. Applicant Presentation. N/A.
6. Board Questions. N/A.
7. Public Comments. Chairperson Starr opened the Public Hearing to comments at 7:49 pm.

Citizen Julie Wiggin requested information about how the water bills are calculated for Dos Rios because it seemed to her that the sewer budget indicates direct expenses whereas the water budget indicates indirect expenses. Finance Director Nienhueser explained that the County utilizes a cost allocation plan to provide detail and develop the fees. Assistant Finance Director Cowan further explained that the water budget includes indirect expenses because a lot of the services are handled and billed together on one bill, such as using the same vehicles for water and sewer duties but charging the entire expense to the water budget. A centralized cost center is used to track costs that serve both sewer and water, and then the appropriate amounts are billed to customers to reimburse the fund. Commissioner Swenson added that Dos Rios water costs more because the water comes out of the river and has to process through the treatment system before being available to residents. Additionally, there are fewer customers in Dos Rios to share the burden of the cost of water treatment.

Citizen Donna Rifley stated her thought that Crested Butte commercial water rates might be lower than in Gunnison, but that some of the cost of water treatment may be paid by mining entities. Assistant County Manager Crosby felt that mining may pay for at least the preliminary treatment. County Manager Birnie stated that it is not useful to compare water users because each system has self-contained expenses and revenues.

Citizen Julie Wiggin requested additional information about Geographic Information Services Department charges. Assistant Finance Director Cowan explained that the GIS Department draws out all of the lines to locate, repair or tie on new users and that these are ongoing expenses to upkeep mapping layers and maintain water and sewer lines. GIS costs are allocated to all departments that utilize the service.

Ms. Wiggin requested additional information about the \$180,000 of building improvements for Dos Rios. Assistant County Manager Crosby explained that these costs relate to a utility storage building that the County received a \$55,000 DOLA grant for. The building will include an office area and room for the jetvac truck and camera van. The current area is a safety hazard because it is located above the chlorine storage area. Assistant Finance Director Cowan added that this building did not affect the rates during the current year, and that the costs will be billed out to all divisions that use the equipment over the life of the equipment.

Ms. Wiggin questioned where the surplus at the end of 2009 went and, if the users of the Dos Rios system created the surplus, how will they be compensated for it? Assistant Finance Director Cowan explained that, because of the surplus, fees have not been increased. He also stated that the surplus will be paid back over the next 25 years of system usage, particularly if a catastrophic event were to occur that required usage of the surplus funds.

Ms. Rifley asked what would happen if a catastrophic event were to occur. Assistant Finance Director Cowan stated that this is a valid concern. County Manager Birnie explained that the County would find a way to fix a failed system. Assistant Finance Director Cowan stated that this happened with the North Gunnison system. Assistant County Manager Crosby felt that it is important to remember that the Dos Rios system is aging and requires continual maintenance and improvement.

Citizen Gerald Lain asked if a certain percentage is required for reserve balances, or if it is just considered responsible to maintain certain levels. Commissioner Channell noted that this is a common question and that the answer depends on the fund for higher or lower levels of protection. Assistant Finance Director Cowan noted that the County utilizes annual depreciation rates to designate reserve balances and explained that the County has been advised to allocate 10% for capital outlays.

Ms. Wiggin wanted to know why the Dos Rios division indicates a 32% increase in salaries and \$4,700 for overtime. Assistant Finance Director Cowan explained that this is not necessarily a salary jump as there is a 6% personnel cost, not salary, because one of the employees has elected to take advantage of the health insurance plan. He stated that this can also be misleading when time allocations are adjusted for employees. This 32% increase was greatly affected by replacing all old meters with radio-read meters that can be read simply by driving by a house. As well, water quality standards have changed, which mandate a higher frequency of hydrant flushing. A lot of equipment has also been replaced.

Ms. Wiggin asked if the Cloud Seeding Program can be cancelled in the event of heavy snowfalls. County Manager Birnie explained that it can be cancelled, just as it was in the winter of 2007/2008. Ms. Rifley asked who made the decision to start the program and Assistant Finance Director Cowan explained that it is an Upper Gunnison River Water Conservancy District program that the Board agreed to participate in.

Ms. Wiggin asked about the Dos Rios water rights and if there were some sort of purchase from the City of Gunnison. Assistant County Manager Crosby explained that the irrigation rights utilize more of the Gunnison River than any other use. County Manager Birnie stated that no water right is completely secure unless it is prior to 1922 and that it is in everyone's best interest to keep the water running. The Cloud Seeding Program helps to minimize the chance of a call on the Gunnison River.

Ms. Wiggin noted that there is \$19,800 in the Road and Bridge budget for Dos Rios. She asked what percentage of the total Road and Bridge budget this represents, and why it changed so much from 2010. Assistant Finance Director Cowan explained that this is driven by the cost allocation plan and that the County doesn't have any discretion about where the charges go. He stated that the charges didn't necessarily increase and that the costs are based on actual time and expenditures within two years lag time. For 2009, the UMTRA project drove costs up because of the amount of staff time and work involved.

Citizen Perry Browder stated that he has worked on water issues for many years. He was granted an easement more than 15 years ago for a water project off of Hwy 50 and was promised metering, but never got it. Seven condos were built in 1995 on the easement, but were never metered. He stated that it took two years to be repaid by the County and that it was not a good experience. Assistant County Manager Crosby stated that other issues are involved and that she would need to research the issue. Assistant Finance Director Cowan stated that he adjusts the bill every quarter and that, when Lakeside Condos were built, the meter went through the Water Wheel Motel and then out to the condos. He stated he has spoken with the new owner and that the condos have irrigation pumps. The new owner is agreeable with the condo owners paying for 18,000 gallons, which is thought to be more than sufficient. The motel is granted an allowance for the condos. Mr. Browder did not agree with the information about the location of the meter(s) as presented by Assistant Finance Director Cowan.

Citizen Joe Matyk noted that the budget indicates an increase of \$1.1M in personnel costs from 2009 to 2011, which he felt was unjustifiable to the citizens that are experiencing financial hardships. He asked why there has been no public statement from the Board as to why the personnel costs are going up during a recession. He also noted that the budget includes 10 fewer full-time positions than in 2009.

Finance Director Nienhueser explained that some of the costs are grant funded, but Mr. Matyk argued that grant funds are created from taxes paid by citizens. Finance Director Nienhueser also stated that health insurance costs have increased. Assistant Finance Director Cowan explained that the County must assume and budget for every employee taking health insurance, which creates a conservative, albeit misleading, budget. Mr. Matyk asked why the County doesn't just budget closer to the actual figures expected and County Manager Birnie explained that the County needs to have the appropriation authority to cover employee costs. County Manager Birnie also stated that the County departments customarily underspend their budgets.

Mr. Matyk asked how the County will make up the difference in the amount of money needed for the Detention Center, Public Works facility, and day-to-day operations with the property taxes likely decreasing in 2011. County Manager Birnie explained that property taxes make up only a small portion of the County's revenue; 19% of the County's total revenue.

Mr. Lain stated his hope that the County does not agree to any additional large projects that may raise property taxes. County Manager Birnie explained that property taxes rose because of the \$55M school bond, which the County has no control over. The County portion of citizen tax bills is only 27%.

Mr. Matyk stated that the community has as much business as it can afford. He has lots of friends that are going through major financial hardships and attended the Public Hearing to represent those that could not attend or were too embarrassed to attend. He feels that the Board should address a perception problem to assure the Public that the County understands what is going on in the community.

County Manager Birnie stated that more than half of all property taxes paid in the County are paid by second homeowners. Those taxes are used to employ locals and provide services, such as human services, to primarily locals.

Ms. Rifley stated her agreement with Mr. Matyk. She asked whether or not the presentation was available on the County's website. Assistant Finance Director Cowan confirmed that it is and that he can give it to anyone that makes a request.

- 8. Acknowledge Correspondence Received. No additional correspondence was identified.
- 9. Applicant Response. N/A.
- 10. Close Public Hearing. Chairperson Starr closed the Public Hearing at 9:25 pm and immediately reconvened the Gunnison County Board of County Commissioners Meeting.

ADJOURN: Moved by Commissioner Channell, seconded by Commissioner Swenson to adjourn the meeting. Motion carried unanimously. The meeting adjourned at 9:26 pm.

Jim Starr, Chairperson

Hap Channell, Vice-Chairperson

Paula Swenson, Commissioner

Minutes Prepared By:

Katherine Haase, Deputy County Clerk

Ruth Dukeman, Deputy County Clerk

Attest:

Stella Dominguez, County Clerk

GUNNISON COUNTY BOARD OF COMMISSIONERS TEXT INCLUSION INTO MINUTES

**BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF GUNNISON, COLORADO
RESOLUTION NO. 2010-52**

A RESOLUTION CONFIRMING COMPLETION OF THE WORK REQUIRED BY THE LOAN AGREEMENT BETWEEN THE COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY AND GUNNISON COUNTY

WHEREAS, the Board of County Commissioners of Gunnison County, Colorado entered into a Loan Agreement with Colorado Water Resources and Power Development Authority dated September 2, 2009; and

WHEREAS, Colorado Water Resources and Power Development Authority is requesting confirmation from the Board that the work required by the Loan Agreement has been completed;

NOW THEREFORE, BE IT RESOLVED that the Board of County Commissioners of Gunnison County, Colorado confirms the required work has been completed in accordance with the Loan Agreement and the approved plans and specifications and is hereby accepted.

INTRODUCED by Commissioner Swenson, seconded by Commissioner Channell, and adopted this 7th day of December, 2010.

BOARD OF COUNTY COMMISSIONERS
OF GUNNISON COUNTY, COLORADO

Channell – yes; Starr – yes; Swenson – yes.