

**GUNNISON COUNTY BOARD OF COUNTY COMMISSIONERS
REGULAR MEETING MINUTES
August 2, 2011**

The August 2, 2011 meeting was held in the Commissioners' boardroom in the Courthouse located at 200 E. Virginia, Gunnison, Colorado. Present were:

Hap Channell, Chairperson
Paula Swenson, Vice-Chairperson
Phil Chamberland, Commissioner

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

CALL TO ORDER: Chairperson Channell called the meeting to order at 8:32 am.

AGENDA REVIEW: There were no changes to the agenda.

MINUTES APPROVAL: Moved by Commissioner Swenson, seconded by Commissioner Chamberland to approve the Special Meeting minutes for July 26, 2011. Motion carried unanimously.

CONSENT AGENDA: Chairperson Channell requested that Consent Agenda Items #1, #9 and #11 be pulled for further discussion. Commissioner Chamberland also requested discussion about Items #1 and #11. Moved by Commissioner Swenson, seconded by Commissioner Chamberland to approve the Consent Agenda, excluding Items #1, #9 and #11. Motion carried unanimously.

1. **Pulled for Discussion and Separate Action:** Out-of-State Travel; Public Health Nurse Jean R. Kelley; National Association of County and City Health Officials, Emergency Preparedness Grant Conference; 8/8/11 thru 8/11/11; \$1,709
2. Agreement; Western State College of Colorado; Substance Abuse Prevention Activities with the Western Responsible Alcohol Partnership Office; \$6,000
3. Agreement; GreatAmerica Leasing Corporation; Copier Replacements for Public Works, Mailroom and Recording Offices
4. Release of Development Improvements Agreement and Addendums Thereto; Thornton Meadows Subdivision
5. Ratification of County Manager Signature; Change Order #1; Pro Space Interiors; \$8,433.73
6. Acknowledgment of County Manager Signature; Monitoring and Inspection Compliance Agreement; Gunnison Energy Corporation
7. Release of Development Improvements Agreement and Addendum Thereto; Ute Trail Ranch Foundation
8. Community Foundation of the Gunnison Valley 2011 Competitive Cycle Grant Contract; Gunnison County Juvenile Services; 7/1/11 thru 4/30/12; \$2,950
9. **Pulled for Discussion and Separate Action:** Out-of-State Travel; Assistant Community Development Director Neal Starkebaum; Colorado/New Mexico American Planning Association Conference; Sante Fe, NM; 9/11/11 thru 9/14/11; \$1,070
10. Notice of Award; Concrete Works of Colorado, Inc.; Improvements to the Gunnison-Crested Butte Regional Airport, CDAG No. 11-GUC-01; \$67,700
11. **Pulled for Discussion and Separate Action:** Release of Development Improvements Agreement; Pristine Point, Inc.
12. Provider Agreement; Gunnison Area Restorative Practices; 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; 8/2/11 thru 6/30/12
13. Authorization for County Manager Signature; Grant of Temporary Easement Documents; Antelope Hills Water Line Extension; Neil Santarella; Gunnison Heights Subdivision Association; SKS Suchapro, LLC; Donald Mills; Daren Biggers; Construction, LLC; Antelope Hills Association, Inc.; Gunnison Heights Subdivision Association; Paynter Family Trust; Bruce Allen; Omar Stratman Living Trust; Expiration Date of 1/31/13
14. Grant of Temporary Easement Documents; Antelope Hills Water Line Extension; Edwin Lehrburger; B.A.M.P., LLC; ELRC, LLC; Expiration Date of 1/31/13
15. Acknowledgment of County Manager Signature; Agreement between the State of Colorado Department of Local Affairs and Gunnison County; 2011 Emergency Management Performance Grant / Local Emergency Management Support (LEMS); 10/1/10 thru 6/30/12; \$57,600
16. Acknowledgment of County Manager Signature; Proposal Acceptance Sheet; Weaver Boos Consultants, LLC; Hotchkiss Inspection and As-Built Review Services; \$19,995
17. Addendum One (1), Delta, Gunnison, Hinsdale County Options for Long Term Care Agency Subcontract; Home and Community Based Services Case Management; 7/1/11 thru 6/30/12; \$46,765

CONSENT AGENDA ITEM #1: The Board asked for Public Health Nurse Jean R. Kelley's destination and it was later determined that she would be traveling to San Francisco, California. County Manager Birnie also noted that the start of travel was changed to 8/7/11. Moved by Commissioner Chamberland,

seconded by Commissioner Swenson to approve Consent Agenda Item #1, as amended. Motion carried unanimously.

CONSENT AGENDA ITEM #9: Chairperson Channell asked for discussion related to the travel costs. It was noted that Assistant Community Development Director Starkebaum indicated a cost of \$1,070 in his request, but County Manager Birnie explained that the resolution mandating that all out-of-state travel be approved by the Board does not specify that amounts must be provided or authorized. **Moved** by Chairperson Channell, seconded by Commissioner Chamberland to approve Consent Agenda Item #9. Motion carried unanimously.

CONSENT AGENDA ITEM #11: It was noted by the Board that the signature line on the contract was incorrect. **Moved** by Chairperson Channell, seconded by Commissioner Chamberland to approve Consent Agenda Item #11, as amended with the Chairperson's name corrected. Motion carried unanimously.

SCHEDULING: The Upcoming Meetings Schedule was discussed and updated.

COUNTY MANAGER'S REPORT: County Manager Birnie and Assistant County Manager Marlene Crosby were present for discussion.

1. Capital Projects Update. County Manager Birnie informed the Board that the County had received the Certificate of Occupancy for the Public Works facility. Assistant County Manager Crosby informed the Board that the equipment has already begun to relocate, but that relocation of the offices will take a couple of weeks. County Manager Birnie also stated that the Public Safety Center is on target for completion on 11/20/11. He informed the Board that the County is now using contingency funds to add elements in that had been deleted at the beginning of the process.
2. County Board of Equalization; Hearing Officer Procedure. County Manager Birnie informed the Board that some of the CBOE petitioners for hearings performed by the hearing officer believe that they might be heard again by the Board on 8/4. County Manager Birnie advised against allowing this as it could cause due process issues. County Manager Birnie will visit with County Attorney David Baumgarten for advice on this issue. None of the petitioners has been told that they will have another hearing. Chairperson Channell would like a debriefing of the process in the near future.
3. Joint Meeting with Pitkin County. County Manager Birnie informed the Board that the Pitkin County Board of County Commissioners would like to arrange a joint meeting to be held in the near future in Gunnison. He has been discussing possible agenda topics with the Pitkin County Manager. Chairperson Channell suggested that the two boards might meet half way, but County Manager Birnie felt that this might be difficult to schedule. The Board asked County Manager Birnie to compile a list of specific issues so that the Board can determine if a discussion is necessary.

ASSISTANT COUNTY MANAGER'S REPORT AND PROJECT UPDATES: Assistant County Manager Crosby and County Attorney Baumgarten were present for discussion.

1. City of Gunnison Grant Application. Assistant County Manager Crosby informed the Board that the City is applying for a grant to construct a park and that in-kind support for the grant will be important. She felt that the County may be able to help with construction of the park, and she recommended that the City be allowed to list the County as a contributor. Chairperson Channell expressed supporting for the grant but cautioned in-kind or funding support for the project itself because the County previously donated \$400,000 to the Community Center on behalf of senior citizens via adoption of a resolution containing a list of considerations that the City would give to the County for donating the funds. To his knowledge, none of those considerations have been followed through with. He stated that the County gives the City 50% of the County tax that is generated within the City, which he believes is cause to evaluate requests for support a little closer in the future. Commissioner Chamberland feels that this project is important and that Board support should be strongly considered. Commissioner Swenson agreed to support the grant and felt that the details of the referenced resolution should be discussed with the City in the near future.
2. Old Wagon Road; User Request for County to Assert RS2477 Rights. Assistant Public Works Director Allen Moores was present to show maps of the area to the Board. Assistant County Manager Crosby stated that use of this road has increased, and she referenced pictures that were emailed to the Board on 8/1/11, taken by Forest Service representative Greg Austin. Although she did not recommend pursuing RS2477 rights as the condition of the road in question is poor, she stated that this process may be worth evaluating in the future for other roads. County Attorney Baumgarten agreed.
3. Highway Easement Deed; Colorado Department of Transportation Federal Highway Administration; Taylor River Road. Assistant County Manager Crosby stated that this deed was first discussed in December when she was authorized by the Board to sign the document, but that it was not available until now. She asked Chairperson Channell to sign the document, but not to put a date on it. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland to approve the Highway Easement Deed between Gunnison County and the

- (Colorado) Department of Transportation and authorize the Chairperson's signature. Motion carried unanimously.
4. United States Department of Agriculture Rural Development; Antelope Hills Water Documents. Assistant County Manager Crosby explained that these documents constitute the contract between the County and Antelope Hills for the purchase of water from the County.
 - a) Resolution; Regarding Provision of a Permanent, Safe and Reliable Source of Water to Antelope Hills. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland to adopt Resolution #2011-28, a Resolution Regarding Provision of a Permanent, Safe and Reliable Source of Water to Antelope Hills. Motion carried unanimously.
 - b) United States Department of Agriculture Rural Development Water Purchase Contract and Loan Resolution; Antelope Hills Association, Inc. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland to approve the Water Purchase Contract between Gunnison County and Antelope Hills Association, Inc. and authorize the Chairperson's signature. Motion carried unanimously.
 - c) Resolution; Authorizing Execution of a "Loan Resolution" Regarding Provision of Water to Antelope Hills. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland to adopt Resolution #2011-29, a Resolution Authorizing Execution of a Loan Resolution Regarding Provision of Water to Antelope Hills and authorize signatures. Motion carried unanimously. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland to authorize the County Manager's signature on the Loan Resolution. Motion carried unanimously.
 5. Kebler Pass Update. Assistant County Manager Crosby informed the Board that crews are working on the Pass and that she is working to limit the length of loads because of negative safety impacts.

SPECIALTY CARE PROVIDER AGREEMENT; COLORADO DEPARTMENT OF HEALTH CARE POLICY AND FINANCING; CONTRACT ROUTING NUMBER: PHASE I WAIVER #125; \$4,800: Administrative Services Supervisor Randy Morgan and Public Health Director Carol Worrall were present for discussion.

Administrative Services Supervisor Morgan explained that Child Health Plan+ is Colorado's insurance plan for the children of low-income families. The Plan covers those children up to 250% of the poverty limit, which equates to a family of four earning up to \$55,000 annually for which a large number of families in Gunnison County qualify. She noted that an average of three or four kids are seen in the clinic weekly, but that the County has not been able to bill CHP+ for the service because the County has not been counted as an official provider to be capable of billing CHP+. The weekly cost to deliver services to children is approximately \$100.

Administrative Services Supervisor Morgan stated that one of her departmental strategic goals is to increase the CHP+ enrollment. While CHP+ is accepted by all family practice physicians in town, only one office has chosen to participate in the immunization program. The County receives the vaccines at no cost because they are provided by the federal government. While the pre-established goal was to cover 75% of eligible families in the community by 2012, the clinic is currently covering 81% and was only covering approximately 40% in the recent past. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland to approve to allow the Public Health Department to be a CHP+ provider and authorize the Chairperson's signature. Motion carried unanimously.

GUNNISON COUNTY BOARDS AND COMMISSIONS APPOINTMENTS; PLANNING COMMISSION: **Moved** by Commissioner Swenson, seconded by Chairperson Channell to appoint Susan Eskew to fulfill the remainder of the regular seat opening on the Planning Commission. It was decided that this position is a regular member position, vacated by Sam Lumb, and runs through January 2012. (*Note: This vacancy was actually created by Chris Behan's resignation. The vacancy created by Sam Lumb's resignation was filled by the Board on 7/5/11 by moving Kent Fulton from an alternate status to fill the vacancy.*) Motion carried unanimously. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland to appoint AJ Cattles to the alternate position that is opened that will last through January of 2012. Motion carried unanimously.

Chairperson Channell noted that a new vacancy exists on the Cemetery Board because of Mr. Redden's recent passing. The Board agreed to immediately begin advertising for the vacancy. Chairperson Channell stated that the resolution outlining appointments to Boards and Commissions provides for a shortened advertising process during unusual circumstances. He asked that the regular procedure of advertising for six weeks be followed for filling this vacancy and the Board agreed with him.

MUTUAL SELF-HELP BUILD GRANT UPDATE: Gunnison County Housing Authority Executive Director KT Gazunis was present for discussion.

Gunnison County Housing Authority Executive Director Gazunis informed the Board that the grant had provided for the building of four homes in Fruita near the high school. Funds of \$135,000 for the construction of six additional houses remain, but the County has received permission from the State to

only build five. Out of all advertising and outreach efforts, only one family has been identified that is willing to commit to the mortgage. The State is now offering the County three options. The County can return the funding with no negative consequences, subcontract with an existing agency, or transfer the funding completely to another agency with the County having no financial responsibility for performance or completion of the contract. If the funding were transferred, the County would remain in good standing with USDA Rural Development.

Gunnison County Housing Authority Executive Director Gazunis stated that either Housing Resources of Western Colorado or the Community Resources and Housing Development Corporation would be preferable to transfer the funding to. One of those companies is building in Mesa County and the other is building in the San Luis Valley. Chairperson Channell asked if the County would be able to build with a local family and then transfer the remainder, but Gunnison County Housing Authority Executive Director Gazunis felt that it would not be cost effective because of all of the requirements involved. She also noted that the Housing Advisory Board would like to transfer the money. She agreed to bring a resolution to the Board during a future meeting along with her recommendation of which company to transfer the funds to.

BREAK: The meeting recessed from 9:48 until 10:00 am for a short break and then again from 10:00 until 11:55 am to hold the below Public Hearing.

CONTINUED PUBLIC HEARING; AMENDMENTS TO THE GUNNISON COUNTY TEMPORARY REGULATIONS FOR OIL AND GAS OPERATIONS: Chairperson Channell explained that the discussion would include a report to the Board about the ongoing discussions with the State, but would focus on the Planning Commission's recommendation that was submitted to the Board. He noted that the County is continuing to receive comments and that all comments are being logged and routed to all commissioners. He encouraged the submission of all comments to the main office instead of to individual commissioners so that each can be properly tracked. By a show of hands, approximately 15 people indicated that they would be interested in speaking during the Public Hearing, so Chairperson Channell asked them to try to keep their comments to five minutes each and to not spend time repeating what others have already said.

1. Open Public Hearing. N/A. This Public Hearing was opened on 6/14/11 and continued to today.
2. Public Notice Confirmation. N/A.
3. Identify Ex Parte Communications. Chairperson Channell noted that he and the other commissioners had engaged in impromptu communications with the public regarding the Board's intent to continue this Public Hearing.
4. Staff Presentation. N/A.
5. Applicant Presentation. N/A.
6. Board Questions. N/A.
7. Public Comments. Chairperson Channell opened the floor to public comment at 10:05 am.

Mr. Bert Phillips, representing Gunnison County United, introduced Mr. Weston Wilson, Ms. Theo Colborn who serves as President of The Endocrine Disruption Exchange (TEDX), and Mr. Jeff Brame who is a geologist from Durango, CO. Mr. Phillips expressed disappointment and frustration that the public received only a few days notice that the Public Hearing would be truncated as he anticipated having a longer period of time to present information to the Board. He also stated that the three expert witnesses with him were retained at considerable expense. He expressed anger that County representatives, including Commissioner Swenson who voted in favor of the holding pits, are meeting with State representatives outside of the Public Hearing and in private meetings. He stated that the Board, and not the State, is responsible for taking care of the people within the County. Chairperson Channell reassured him that the expert testimony would be helpful to the Board.

Ms. Sue Navy asked the Board to outline the negotiations with the State and to explain the intention of continuing the Public Hearing.

Mr. Wilson, on behalf of Gunnison County United, reminded the Board that he presented material during the Public Hearing on 6/14/11. In addition to that previously submitted information, he asked the Board to consider additional proposed amendments to the regulations. He noted that the Environmental Protection Agency (EPA) has announced that it has a rule under the Clean Air Act that is nearly final and that the State has a similar rule to the Green Completion Rule. Recognizing the health effects of the holding pits, he asked that green completion be required and that fracking water be stored in tanks and not pits. He

also asked that companies eliminate the use of pneumatic air devices, that pits be prohibited where the groundwater is less than 50 feet away, and that a "Bad Actor Restriction" be included so that permits may be revoked for companies that have acted improperly in the past.

Ms. Collburn stated that she is a resident of Delta County and that her non-profit organization, TEDX, is located in Paonia, CO. She agreed with all comments provided by Gunnison County United. Additionally, she asked that the County mandate that operators provide figures relative to the total amount of fracking fluids and liquids, along with their chemical compositions, that were injected underground and the amount of all fluids that was returned to the surface within 45 days after completion of activity. She opined that the County should mandate this because the State does not. She feels that information should be available to the public and, most importantly, to the decision makers.

Mr. Brame, a consultant for Gunnison County United, stated that he has been an oil and gas geologist for approximately 35 years. He expressed concern about surface disposal and storage. Quite some time ago in La Plata County, where he lives and works, a decision was made to dispose of fluids in deep injection wells. He explained that each individual operator is responsible for drilling its own deep injection wells, thousands of feet below any known aquifers. Most of this is done by piping the water to the well, and some operators hire trucks to haul it to New Mexico where there are deeper wells. Per Mr. Brame, the safest method, by far, is the use of injection wells because surface pits can experience spills and leaks. He further recommended that the Board reconsider the use of holding pits. Chairperson Channell stated that he had spoken with La Plata County Commissioner Wally White about this issue because he perused the La Plata County regulations and couldn't find a prohibition on pits. Mr. Brame explained that, while not formally prohibited, pits are no longer being used by the industry.

Mr. Matt Reed, High Country Citizens Alliance (HCCA) Public Lands Director, reminded the Board of the two caveats that he previously suggested. Additionally, he asked that the regulations include an air quality monitoring plan and implementation of the plan. He expressed concern that the regulations could be lessened during or caused by discussions with the State.

Mr. Robin Smith, Chairperson of Citizens for a Healthy Community located in Delta County, provided written comments that he read out loud for the Board and the audience. He asked that the Board mandate the disclosure of all drilling or fracking chemicals actually used, implementation of a water quality monitoring plan, submittal and implementation of an air quality monitoring plan, and collection of a fee from the permittee for the purpose of hiring an inspector to conduct inspections of gas facilities. He urged the Board to develop strong regulations. Chairperson Channell asked him if he had presented this material to the Delta County Commissioners, and Mr. Smith indicated that the issue hasn't reached that level yet.

Ms. Sarah Sauter, resident of Paonia, stated her agreement with all previous comments. She thanked the County for the open process. She also agreed with the caveats provided by Mr. Reed and Mr. Smith, and she asked the Board to approve protective regulations.

Mr. Tony Smith, of Roads Water Resources based in Durango, informed the Board that new technology allows for water to be treated at the site. He announced that the Bureau of Land Management will be hosting a stakeholders meeting in Durango at the end of August, and he asked for the contact information of any persons or entities that would like to be invited to attend that meeting.

Mr. Billy Rankin stated that citizens are concerned about human and environmental health, and they look toward elected persons for guidance. He had hoped that the regulations would be adopted today. He expressed concern that the process is turning into a sort of cooperative with the State, while the reason why the County started this process is because State and Federal protections weren't working. He stated that it is not productive to go back up the chain of command, and he asked the Board to be strong and represent the citizens well at the State level. Lastly, he stated his agreement with all caveats mentioned earlier in the hearing.

Mr. Richard Karas, former member of the Planning Commission and current member of the HCCA Board of Directors, spoke for himself as a citizen and not for HCCA. He asked the Board to consider the caveats carefully, and he stated his opinion that the current regulations are cautious. He asked whether or not the Board will try to regulate volatile organic compounds and why the County seems to be avoiding the question of air quality. He feels that the current regulations need to be reviewed to ensure that ambiguity is not an issue. Finally, he asked the commissioners to remember their responsibility to protect the safety and well being of the public.

Mr. Mark Schweiesow asked the Board what will happen to the application process for continued development in the interim period between now and January 2012 when the Board is expected to resume the Public Hearing. Chairperson Channell stated that this had not yet been discussed, but that it may be included within the report of discussions with the State on 8/16/11.

Ms. Navy stated that the public health should be protected regardless of the political views of the Board. She opined that, with all of the educated comments received, it is time to pass the regulations. She stated that she does not understand the delay and she encouraged the Board not to hesitate for fear of litigation. Since the public is largely excluded from negotiations with the State, she encouraged the inclusion of another commissioner so that the process could be open.

Chairperson Channell asked for a report on the ongoing discussions with the State. Representing the County in those discussions is Commissioner Swenson, County Attorney Baumgarten and County Manager Birnie.

Commissioner Swenson informed the Board and the audience that the County team has been engaged in conversations with the Colorado Oil and Gas Conservation Commission (COGCC), which is represented by attorney David Neslin. Mike King, the Director of the Department of Natural Resources, has participated in some of the sessions. The focus of the discussions has been how the State and the County can improve regulatory processes and inspections. She confirmed that no steps will be taken without relaying all information to the citizens first. She noted that the State has a local government designee, but that the use of the designee has not worked well. So, there have been discussions related to having County representatives at the State level to discuss applications, allowing for sufficient time in the State's process for the representative to be able to inform the County of all pertinent information. There have also been discussions related to the County having an inspector to perform both County and State inspections. There have been no conversations related to taking away the County's permitting process. The conversations will continue for the next several months.

County Manager Birnie stated that the discussions with the State have not, in any sort, been closed-door negotiations of the amendments to the regulations. Rather, the discussions have mainly focused on County and State processes. He also noted that it is not legal for Counties to hire inspectors for State authority issues, but that the State has the ability to delegate the inspector authority to the County. He stated that the County has the opportunity to improve processes and, if successful, the County will have a stronger hand in this field.

County Attorney Baumgarten stated his appreciation for people's commendation of the Planning Commission and the Board for discussions and the content of the draft regulations. He requested that the same consideration be extended to the Board and the State for entering into the ongoing negotiations because the negotiations will have staying power. He believes the State inspection program is inadequate and that the possibility that the State may allow for deputizing someone to perform State inspections is highly important. The negotiating team is attempting to get the same deputization approval from the COGCC. He stated that the County has the authority to require an inspection for local government land use conditions, but that conditions could be contested while determining whether a condition is a State condition or a County condition.

Mr. Bruce Bertram, the local government designee for Delta County, stated that he has followed this process carefully. He noted that most of the proposed additions to the regulations are already being utilized in Delta County. He said that Delta County came to the understanding that the inspection process is very important. Delta County's regulations allow for the inspections, and Delta County pays for all of the inspections. He requested that public notices be sent to Delta County. He also requested that the Board consider language that would allow for future technology changes.

Mr. Roman Kolodziej noted that there had not been any comment related to the negative impacts on the recreation industry. He owns a ski store in Crested Butte and feels that perceptions can tarnish the area's reputation. He encouraged the Board to fight for the County.

Mr. Phillips asked whether the negotiations with the State had included any mention of possible fines. County Attorney Baumgarten replied that fines have not been discussed. Mr. Phillips stated that conversations are meaningless if the County does not insist on the authority to impose fines.

Ms. Carol Kwiatkowski, a resident of Delta County, asked the Board to recognize the public's sense of urgency with regard to decisions that need to be made and the protections that can

be put into place in the interim. She stated her impression that the EPA may be ruling against open evaporative pits in 2012.

Mr. Joe Sperry, a landowner in the North Fork Valley within close proximity to a well, stated that the 500-foot buffer zone in the regulations has a negative impact on him. He owns 290 acres of land with mineral rights, and 250 of those acres are irrigated. County Attorney Baumgarten assured him that whether buffer zones will affect agricultural structures is part of an open conversation. Mr. Sperry also expressed concern about the sensitive wildlife habitat as he feels that the Division of Wildlife can easily designate habitat. He worries that the regulations would stand if contested because intentions by themselves are meaningless. County Attorney Baumgarten thanked him for his comments on behalf of the Board and the Planning Commission.

Mr. Tom Zieber, a County resident and a 1993 graduate of the Colorado School of Mines with a degree in Petroleum Engineering, stated that he is mostly concerned about fracturing fluids, but is also concerned about the degradation to the roads and bridges because of the high volume of truck traffic. Because of this, he suggested that the Board incorporate an additional fee to cover road degradation. Lastly, he expressed concern related to the well cementing process and urged the Board to mandate a certification on the completion of a well before any fracturing can occur.

Ms. Marcie Telander stated her appreciation for the County's work on the negotiations with the State. She expressed her opinion that the information and ideas being expressed should have had the opportunity to be heard long ago.

Mr. Ralph "Butch" Clark expressed support and thanks for the comments already given. Regarding cleaning of the fracking water, he noted that good information is coming from California about technology techniques. He mentioned a new novel by Carl Cranor entitled "Legally Poisoned", and he suggested that any interested parties read the book. He also stated that the US Geological Survey provides helpful information related to monitoring.

Mr. Robert Haynes, a resident of Delta County, stated that the Denver Post reported that the Board approved the four fracking pits above the Paonia Reservoir and that, per Gunnison Energy Corporation President Brad Robinson, pit construction is slated to begin soon. He cited a news article from 2010 that indicated that millions of fluids have been spilled. He stated his opinion that a large spill could destroy all farming in Delta County.

Ms. Indra Leu, a resident of Paonia who is originally from Switzerland, asked the Board to protect the area because chemicals added into our pristine area will not be able to be removed.

Mr. Kevin McGruther, an operator for the Crested Butte Farmers Market, noted that most of the Market's food comes from Delta County.

Mr. Ramon Reed, Planning Commission Chairperson, asked the Board about the upcoming schedule of dates because of his concern about how long the Board is planning to put off the decision. He is concerned about living with the existing regulations because they are outdated and inadequate. Chairperson Channell noted that the County had not yet discussed what to do about the interim period, but he acknowledged that it is a valid question to be posed. County Attorney Baumgarten stated that the negotiations between the County and the State are ongoing and that the group will meet again at the end of August. During upcoming discussions, County Attorney Baumgarten hopes to finalize any written agreements regarding things like inspections during the negotiation process. He also stated that the Board will need to have a conversation about what to do in the interim.

Ms. Navy questioned if, during the negotiations, whether or not the State could offer to not allow the County to accept new applications during the interim. County Attorney Baumgarten thought that the industry may also forgo submitting any applications.

Mr. Smith stated that it might be unlikely for such a large group of citizens to be present during future meetings, and he asked the Board to keep in mind that any absences will not mean that citizens are not interested in the discussions. He further asked the Board to keep in mind that the citizens would support a moratorium. *(Mr. Smith received enthusiastic applause from the audience members, indicating their agreement with his statements.)*

Ms. Liberty Godshall asked the Board whether or not the previous decision on the holding pits might be reversed if the EPA rules against them in 2012. Chairperson Channell pointed out that we do not yet know whether the EPA will rule against the pits or not, but he assumed that any ruling will not be retroactive.

Mr. Wilson noted that the State told the County eight years ago that it would ensure the testing of produced water quality, but that it has not happened yet.

8. Acknowledge Correspondence Received. N/A.
9. Applicant Response. N/A.
10. Close Public Hearing. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland to continue the Public Hearing to 1/10/2012 at 10:00 am. Motion carried unanimously.

BREAK: The meeting recessed from 11:55 am until 1:03 pm for lunch.

VISITOR; DEPARTMENT OF LOCAL AFFAIRS (DOLA) REGIONAL MANAGER ELISE ACKERMAN-CASSELBERRY; PROGRAM UPDATE: Ms. Ackerman-Casselberry was present for discussion.

Ms. Ackerman-Casselberry informed the Board that her office has been busy offering technical assistance to counties. Her office is currently assisting Moffat County with evaluating its financial office for efficiencies. She noted that, while her office hasn't given out any new grant money for over a year, she still has over 100 active grants that she is working with.

Ms. Ackerman-Casselberry informed the Board that her office will soon begin involvement with the Governor's Bottom Up Initiative, and that she is expecting an upswing in revenues collected from mineral leases. She stated that she has two regional assistants, and that Denver has a very helpful technical assistance team.

Ms. Ackerman-Casselberry explained that he had previously worked for 7.5 years as a Douglas County Planner and for three years as the Silverton Town Manager. She also provides mediation during public meetings.

Chairperson Channell asked her if she would be available to provide consultation related to senior resource efficiencies, if desired. She indicated that she would be available to offer assistance with the public outreach process and efficiencies, and that she could tap into information from around the State.

Ms. Ackerman-Casselberry is meeting with Gunnison City Manager Ken Coleman next week to discuss the Main Street Program as DOLA has taken over administration of this program.

BREAK: The meeting recessed from 1:25 until 1:34 pm for a short break and then again from 1:34 until 1:46 pm in order to call to order as the Gunnison County Housing Authority.

GUNNISON COUNTY HOUSING AUTHORITY: Gunnison County Housing Authority Executive Director Gazunis was present for discussion.

CALL TO ORDER: Chairperson Channell called the Gunnison County Housing Authority to order at 1:34 pm.

AGREEMENT BETWEEN STATE OF COLORADO DEPARTMENT OF LOCAL AFFAIRS AND GUNNISON COUNTY HOUSING AUTHORITY; ADMINISTRATION OF THE HOUSING CHOICE VOUCHER PROGRAM; 7/1/11 THRU 6/30/12; \$20,777: Gunnison County Housing Authority Executive Director Gazunis explained that this agreement, representing a 26% reduction, is for our annual administration of the Housing Choice Voucher Program. It will cover administrative costs for the County's 42 vouchers along with the two families in the Self-Sufficiency Program, as well as provide a \$500 set aside amount in case someone wants to take their voucher and apply it toward home ownership. She explained that the Board can either sign the agreement now and then sign an amended contract in two months, or the Board can refuse this contract and sign the corrected version when it's complete, though she recommended signature now. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland to approve the Agreement between the State of Colorado Department of Local Affairs and Gunnison County Housing Authority and authorize the Chairperson's signature. Motion carried unanimously.

ADJOURN: **Moved** by Chairperson Channell, seconded by Commissioner Chamberland to adjourn the meeting. Motion carried unanimously. The meeting adjourned at 1:46 pm and Chairperson Channell immediately reconvened the Board of County Commissioners meeting.

ANNUAL PERSONNEL REVIEW; COUNTY MANAGER MATTHEW BIRNIE; POSSIBLE EXECUTIVE SESSION: County Manager Birnie was present for discussion and requested that his annual review take place in an executive session. **Moved** by Commissioner Swenson, seconded by Commissioner Chamberland to go into an executive session to discuss personnel issues with the County Manager, with

contemporaneous recording being kept, and that the session will be between the Board and County Manager Birnie. Motion carried unanimously.

The board went into executive session at 1:47 pm. *Executive sessions of the Board of County Commissioners are conducted as per C.R.S. 24-6-402(4). This specific session was conducted as per C.R.S. 24-6-402(4)(f).*

Chairperson Statement Regarding Executive Session

Pursuant to C.R.S. 24-6-402(4), I attest that I am the Chairperson of the Gunnison County Board of Commissioners, that I attended all of the above referenced executive session, and that all of that executive session was confined to the topic authorized for discussion pursuant to C.R.S. 24-6-402(4).

Date: _____

Hap Channell, Chairperson
Gunnison County Board of Commissioners

The Board came out of executive session at 3:00 pm. Chairperson Channell confirmed that the discussion remained on-topic, that all parties stated to be in attendance were, in fact, in attendance and that no decisions were made.

ADJOURN: Moved by Commissioner Swenson, seconded by Commissioner Chamberland to adjourn the meeting. Motion carried unanimously. The meeting adjourned at 3:00 pm.

Hap Channell, Chairperson

Paula Swenson, Vice-Chairperson

Phil Chamberland, Commissioner

Minutes Prepared By:

Katherine Haase, 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. 2011-28**

**A RESOLUTION REGARDING PROVISION OF A PERMANENT, SAFE AND
RELIABLE SOURCE OF WATER TO ANTELOPE HILLS**

WHEREAS, the Board of County Commissioners of Gunnison County, Colorado ("Gunnison County") intends to assist in the provision of a permanent, safe and reliable source of water to Antelope Hills; and

WHEREAS, a component of providing that source of water is execution of a water purchase contract between the Board of County Commissioners of Gunnison County, Colorado and the Antelope Hills Association, Inc. ("Antelope Hills");

NOW THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Gunnison County, Colorado that Gunnison County authorizes the execution of a Water Purchase between Gunnison County and Antelope Hills, with conditions that include:

1. Antelope Hills will be responsible for maintaining the distribution system;
2. Antelope Hills will continue to own the tanks that will be used for water storage;
3. The budget for, and costs for, provision of water will be re-evaluated annually, as an enterprise fund, and adjusted to pay all costs and expenses;
4. In the event that Antelope Hills defaults on its obligations under the Water Purchase Contract, Gunnison County shall have the authority to file a lien in the nature of a tax lien on the open space owned by Antelope Hills Association, Inc., sell such property and, if necessary, remove or have removed all restrictions and limits on the development of such property.

INTRODUCED by Commissioner Swenson, seconded by Commissioner Chamberland, and adopted this 2nd day of August, 2011.

BOARD OF COUNTY COMMISSIONERS
OF GUNNISON COUNTY, COLORADO

Chamberland – yes; Channell – yes; Swenson – yes.

**BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF GUNNISON, COLORADO
RESOLUTION NO. 2011-29**

**A RESOLUTION AUTHORIZING EXECUTION OF A “LOAN RESOLUTION” REGARDING PROVISION OF
WATER TO ANTELOPE HILLS**

WHEREAS, the Board of County Commissioners of Gunnison County, Colorado intends to assist in the provision of a permanent, safe and reliable source of water to Antelope Hills; and

WHEREAS, a component of providing that source of water is execution of a “Loan Resolution” pursuant to federal Rural Utilities Service Bulletin 1780-27;

WHEREAS, the Board has reviewed the “Loan Resolution” and has determined that execution of that “Loan Resolution” is appropriate;

NOW THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Gunnison County, Colorado that the Board of County Commissioners authorizes the execution of the “Loan Resolution.”

INTRODUCED by Commissioner Swenson, seconded by Commissioner Chamberland, and adopted this 2nd day of August, 2011.

BOARD OF COUNTY COMMISSIONERS
OF GUNNISON COUNTY, COLORADO

Chamberland – yes; Channell – yes; Swenson – yes.