

September 14, 2011

Mesa County FML District Board Meeting

Present: Craig Springer
 Craig Meis
 David Frankel
 David Ludlam
 Marsha Arnhold

Meeting was called to order by Craig Springer.

David Frankel passed out minutes from the previous meeting. Craig S. moved to approve them. David L. seconded. Motion unanimously carried.

The first order of business was the fact that we did get the money (\$1,623,106.57). Marsha confirmed the amount and stated that we do have the employee identification number and a PDPA number, which is required to make deposits. Marsha researched several banks and ended up opening an account and depositing the funds in a non-interest bearing account at Alpine Bank. Currently she is the only signer on the account. Craig M. motioned that we have all three board members added to the signature card and have two signatures required to sign checks. Craig S. seconded it. Moved and seconded, motion unanimously carried.

The next order of business is a proposal from consultant, Kris Redman. David L. spoke to Kris Redman who has submitted a proposal for our review that includes the initial scope of services to come up with an R&P and a communications plan for how we let the community know who is eligible for the funds and how they go about applying for them. There would also be an open ended and extended hourly rate that we could secure her services as needed.

Craig M. feels that Kris brings a lot of value in both the mechanical side, putting the process together for us, as well as the valuation process, which was the other piece of making sure the valuation or the evaluating process was in place for the applications that come in.

David L. wanted to take a look at the ongoing section of the proposal which is \$95.00 per hour not to exceed \$2,500.00 per month which would be on an as approved and as needed basis. I would move that we incorporate that into our budget and for now take a pass on the initial scope of services.

Craig M. stated that we have budget issues to talk about. Let's talk about that in a moment. I just want to make sure that we keep a tight rein on because it can get out of control. We would need to do it on a specific as needed basis.

Craig S. - One of the things that she touched on in the proposal was making sure that the money got spent the way it was intended. Has this been contemplated by the County at all?

Craig M. stated that it was discussed at one of the meetings and was decided that the monies would be issued after the funds were spend so that we would know it was going for what was intended and we would know that there was some performance. It is a way to evaluate performance and also, before funds were issued, we could visit what they have done or have a presentation on what they have done before we issue the funds.

Craig S. - Then we will typically be in the reimbursement end of the project.

Craig M. - Yes. Because we do not have a staff or the time, this would be a good way to evaluate performance.

Craig Springer asked if there would be a requirement to put a RFP out and give competitors of Ms. Redman's a chance to give us a proposal.

David F. stated that if the board is interested in pursuing Ms. Redman's services it is in their discretion. There is no policy that states otherwise.

Craig S. agrees with Craig M. We do not want it to get out of hand were we are spending 25% of our money on consultants telling us how to spend our money. We need to get started. I do not know Ms. Redman, but if you feel she has the expertise to do it, then it looks reasonable to me.

David L. would like to move to approve the second part of her scope of work, which would be the ongoing development and administrative support of \$95.00 per hour not to exceed \$2500.00 per month.

Craig M. - Why would we approve that before we do what she has actually proposed?

David L.- Because we haven't yet discussed that that is what we need so to have her on the books as being available as a consultant is what we need.

Craig M. - I would rather test drive her on the scope of work that we have and see how she performs before we give her the administrative end.

Craig M. proposed to approve the initial development services.

David L. moved to approve phase one of Kris Redman's proposal initial development services at \$3,000.00.

Craig M. seconded. Motion unanimously carried.

It was decided that another meeting/workshop take place to go over and discuss the proposal with Kris Redman. David L. will check with Kris and e-mail the board on a time and place to meet to go over the proposal and go over a deliverable time line and to express the urgency of getting this started.

Craig S. - asked if anyone had looked into what our time constraints were-statutorily-how long we had to allocate the money?

David F. responded- Last week him and Marsha attended a meeting in Meeker and met with AGNC group which involves Garfield County, Rio Blanco County and Route County. They are all working thru the same process with their FML Districts and we had the Garfield County attorney participate in the discussion as well as commissioners from the different counties. The issue of what the time frame was on spending the funds was discussed. It references an annual distribution. What we have for your consideration today is a proposed budget that would run from now until the end of this calendar year. Only because local governments and this district are obligated to go by a calendar year.

There is a difference between a calendar year and a fiscal year. The fiscal year would be August 30th to August 30th. In regard to the reference in the statute to the annual period, the consensus is we should have a full year not just three months to spend the money. So what we are looking at is to adopt a budget in January for state statutes which obligates all districts such as this one to submit an annual budget no later than January 31st.

The first budget for your consideration today had the actual dollars that we have received (1.6mm). It is a simple budget showing 1.6mm in revenues equals 1.6mm in expenditures. Come January we will see what is left, if anything, and include a projected amount for the 2012 distribution and budget based on that projection and go with January 1st to December 31st. So if we can spend the money between now and the end of December, we should go for it but we will have some ability to say we only just got the money and we have a year to spend it.

Marsha handed out copies of the proposed budget that is through December 31, 2011. We have to adopt the budget and then you have to appropriate funds, which is the other document that I am handing out. Like David said, the revenues are there and the expenditures are there and it is entirely appropriated. This will go to DOLA and is all that is required.

David F. stated that there were other topics of conversation at the meeting. One of which was what can the money be spent on. Garfield County attorney presented to the group that his reading of the statute was quite broad on what the money could be used for. I don't disagree with him, he is correct but on the Counties perspective in terms of protecting the PILT we would suggest this board be careful. Say if the Road & Bridge Department came to you requesting money to repair roads, I caution you because if we start having this board funding county projects the Feds would likely consider that chargeable against our PILT. The goal here is to protect the PILT. If possible, don't go there, just try to fund non-county projects. There is not any guidance yet from the Feds. David L. asked- When we were up in Garfield County last month at a meeting, Garfield County said that they had already appropriated their funds for county road and bridge projects. Let's say that they go forward and do that and we go another direction to protect the PILT payments, does their precedence influence or harm everybody or do the Feds look at this county by county?

David F. stated that this was discussed at length at the meeting last week. One question that came up was "can one county blow it for everybody?" We would hope that the Fed looked at each county and looked at how we are handling the funds in this district before making their determination on our PILT.

David L. made a motion that the board adopt the budget and the CFML 2011-5. Craig M. seconded. Motion unanimously carried.

David L. made a motion as a following action I would also like to make a resolution that the board adopt the resolution to appropriate sums of money and CFML 2011-6. Craig M. seconded. Motion unanimously carried.

Other house cleaning items: David L. posted the notice for this meeting Friday at 544 Rood and also at City Hall and included a brief agenda including the financial update, budget, marketing plan and unscheduled business. Does anyone have anything to add or other items you want included?

Marsha stated that it is required that you post budget discussions. The County posts them in the news paper. This is a requirement that will need to be done in December.

Craig S. – Going forward we need to discuss the proposed agenda and that is what needs to be in the posting.

David F. - Talked about how Mesa County used the Governors meeting to create their own economic development plan and in that process you have Mesa County, the Work Force Center, the School District, the Chamber, all the attorneys were involved, business leaders were involved so you can get a really good consensus based guidance on what the community wants in terms of economic development. So in creating and discussing priorities I would recommend the board and Kris use that document as a reference point for what we put together on what we will use the funding for. An energy focus. We can sit down and go over it and bring something back to the board for your review.

Craig M. - We should probably have a service agreement with Kris. David L. will look into it.

Craig M. discussed getting an RFP out as soon as possible. David L. stated that he has spoke to Kris and she was going to get one together. Craig M. and Craig S. agreed that we need to have a RFP ready to approve in October so that we can be contemplating grants in November and then possibly issuing those grants in December. It was also agreed that Kris needs to be aware of this time line.

David F. - One last thing, as we were preparing the budget resolution for you we were looking at the bylaws. The way the bylaws are currently worded, we have to get our budget approved annually as close to the time as we receive the money from DOLA. As timely as practical and no later than September 30th. I would propose that we replace that with a section stating that we are going to comply with the budget laws in the state of Colorado. We want to have the ability to do this in January and not bind ourselves up. I will have a proposal for replacement of section 6.5 for the next meeting.

Craig M. moves to adjourn. David L. seconds and all in favor.

Meeting is adjourned.