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BOARD OF DIRECTORS' MEETING

Date and Time: 2:00 PM on Wednesday, July 9, 2025

Location: Home Loan State Bank Community Room

In attendance:

Quint Shear
Dusti Reimer
Craig Springer
Bobbie Daniel
Matt Rosenberg
Chris McAnany
Willy Corey
Kevin Henderson
Vere Flores

Meeting Minutes

- I. Call to Order at 2:08 pm.
- II. General Public Comment.
 - a. None.
- III. Approval of the April Meeting Minutes.
 - a. C. Springer made a motion to approve the meeting minutes. B. Daniel second. Voted. Approved.
- IV. Staff Report.
 - a. D. Reimer shared she posted several things to the social media accounts. She posted the January Meeting Minutes had been posted, Apologized for not being able to live stream the meeting, but that the video has been uploaded to YouTube, Created the Grant Workshop Facebook Event and Posted it, Posted that our Grant Application Has Some New Updates, Shared the PV Times article about the new school and field lights for Plateau Valley School District, Posted the Signage from the Palisade Baseball Field grant, Posted a photo from our Grant Workshop, Posted Notice our Grant Applications Open August 1st, Posted the videos of the completed Plateau Valley Fire District Vehicle Exhaust System,

Posted Happy 4th of July, post the Meeting Agenda for the July Meeting Has Been Posted.

- b. D. Reimer shared the media covered was from Plateau Valley Times for the Football Field Lights and The Business Times sharing the grant workshop. D. Reimer said she did share the notice of the grant workshop with the Daily Sentinel but did not see any coverage.
 - c. D. Reimer shared the 2024-FT-01 Plateau Valley Fire Department Station Vehicle Exhaust Removal System Final Grant Payment for \$143,951.95 had been submitted. K. Henderson from PVFD was there to share about the photos they submitted with the signage for the FMLD.
 - d. D. Reimer said the May invoices were for Dusti Reimer Invoice #208 for services and supplies for April for \$3,890.76, Dufford Waldeck Invoice #54371 for services in April for \$1,188.00 and Long Point Digital Invoice #9436 for ADA Compliance Software service for 2025 for \$491.00. June invoices were for Dusti Reimer Invoice #209 for services and supplies for May for \$3,783.66 and Dufford Waldeck Invoice #55075 for services in May for \$432.00. July invoices were for EideBailly Invoice #Elo1898265 for services through June 2025 for \$1,280.81, Dusti Reimer Invoice #210 for services and supplies for June for \$3,783.66 and Soronen, Donley, and Patterson Invoice #161902 for audit services for \$4,000.
 - e. D. Reimer said we have a conflict with the September meeting date because of the bank examiners using the room. The potential meeting dates we have open are Sept. 10th and October 1st. After board discussion, the board agreed to move the date to September 10th. D. Reimer will update the grant applications with the new meeting and presentation dates.
 - f. D. Reimer shared for upcoming events that the approved audit is due to the state by July 31, 2025. The fall grant cycle opens August 1, 2025. We should be receiving our DOLA check between August/September. Our grant applications will be due by 3pm on Sept. 5th and our next board meeting with grant presentations will now be Sept. 10th, 2025.
 - g. B. Daniel made a motion to approve the staff report. C. Springer second. Voted. Approved.
- V. Review and Approval of the 2024 Audit.
- a. W. Corey shared he has two documents that I gave to you. The first one I'm going to go over is the governance letter. So, it's the little two-page document we have there. Essentially what this is stating in here is outlined in terms of our agreement with you. If we had any difficulties with management, if we had any uncorrected mistakes or findings or anything like that, this is where this is

where that would be stated and this would just be a letter to you outlining those. We don't have anything. Everything went very smooth. Dusti and EideBailly do a great job of providing us with the stuff that we need to get this done. So, it's a very smooth and efficient audit for us. I have the audit report itself. I don't have really anything different from last year to this year. So, I'm going to go through this pretty quick and just high-level overview through this stuff. Anything that you want to touch more and go more in depth on, please just stop. The first thing in here after you get past the table of contents is the independent auditor's report. There in the top section is our opinion section. The second paragraph states that in our opinion, the financial statements are presented fairly in accordance. They're fairly presented. They know that they're looking at yours compared to other governmental entities. Everyone's operating under the same set of rules, and they can all stand. So that's the big thing that we're looking for there. None of the formatting and wording has changed from the office reports. After the audits report, we get into the management discussion analysis. This is going to provide some kind of definition overview and give a summary of the financial statements. I'm kind of going to skip past the MDNA just because I'm going over the numbers a little more detail on the financial statements, but that's going to be the next couple pages here. That's pages three through five. The first basic financial statement we get to is the statement of net position. This is on page six. And this is going to be governmentwide pulling everything together in a whole, really cash investments have those listed on there, And then down in the net position or the equity section, we have the amounts that are restricted, the non-expendable amount, non-expendable amounts in the permanent fund and then expendable and then the unrestricted portion. The next page is the sales of activities. This is going to be again governmentwide everything together show the revenues and expenses. So positive change in net position for the year \$590,000. Again, the big thing is with the grants that you're giving out, those get committed and we don't record those as expenses or expenditures in the statement of activities until they your grantees have met the purposes. So, until those are met and paid out, we don't report those to you. After that, we have the government funds balance sheet. This is going to be your two different funds, the general fund, and the permanent funds for those cash investments. And again, down the fund balance. This is broken out into that non-expendable and expendable. Then also

under the general fund, you can see the committed portion. So those are the funds that have been granted but have not yet paid. So that amount be \$193,000. Yeah. Then we have the statement of revenues, expenditures, and changes in fund balances. And there's also budgetary comparison on this uh split out again. We have the general fund, and the permanent fund separate. We have those amounts lined out and you can see the contributions to the permanent fund are going to be revenue under the permanent fund. Expense under the general fund \$250,000 for the year. So, the general fund had an excess of revenues of \$15,000 permanent fund had an excess of revenues over expenditures of \$574.

- b. C. Willy shared after financial statements; we have the notes to the financial statements. And this is going to provide uh your accounting policies definitions. It gives a little more breakdown and some of the notes of those items that we just went over. Again, there's not very many changes other than just the numbers in these. So, I don't think the need to go through a lot with them. On page 11, there's the fund balance in the middle of the page. We talked about this last year. This gives the definitions of what those non-expendables committed assign what all those fund balances are. Then outside of that, note C is just going to give a little bit more information about your investment policies, some of the breakdown, and the market value at the end of the year split out in a little more detail. That's on page 12 and page 13.
- c. W. Corey said his plan was to go through this pretty quick. That's all that I have for you. Anybody have any questions?
- d. The board had no questions.
- e. W. Corey said then as far as action items on my end is once this is approved, I'll just probably have you sign the representation letter.
- f. C. Springer made a motion to approve the 2024 audit as presented. B. Daniel second. Voted. Approved.

VI. Review of Financials.

- a. V. Flores shared for the month of June we have a fund balance of \$1,581,562. The permanent fund we have a \$3.5 million balance on there. Our grants are showing \$723,000 that'll of course go down after today. For the profit and loss, we have totals of \$4,215 for a month. The interest earned was almost \$5,000 for

this month, and \$10,000 for dividend income. Our grants payable, as mentioned before, there we can see the \$143,951.95 which is 5 cents under budget.

- b. The board had no questions.
- c. B. Daniel made a motion to approve the financials as presented. C. Springer second. Voted. Approved.

VII. Review of Permanent Fund Investment Account.

- a. M. Rosenberg said it's been a great year so far. The balance is pretty close to what you showed up there of a couple thousand dollar from it. We are up about 7.3% year to date, which is actually ahead of the site which was only about 6% year to date. So doing really well. That's primarily the results of a rebalance we did where we absolutely nailed it. I mean we rebalanced on April 8th through 11th which was exactly the low point of the market this year and stocks have come up about 20% from there. So we did about a 5% shift in basically sell on buy more stock. There you go. So good performance this year so far. Looking forward, I think you have valuations they're back towards the high end though with PE the S&P is about 22 times. You have some slight signs of weakness now in labor market and like super confidence and stuff like that. So there's possibility a rate cut. I would project one rate cut between now and the end of the year. I don't think there's sell off or anything crazy, but I just think markets are pretty close to the high end of what we're going to have a year my guess. But that said, you know, they just passed the big beautiful bill, which will extend deficits the near future and kept tax rates low. I think that's really good for equities long term and that's what we want. We're at the high end of our equity option. We're actually over a little bit where 65 is on cap like 65.9% but we had a little drift and potentially rebalance it back over 60. So all is really good.
- b. Q. Shear asked What quarter do you think?
- c. M. Rosenberg said I think it's fourth quarter. That's my guess. I mean, you kind of do the probabilities, right? And there's a lot of people that will think that's some people predict too, though. It's just starting to see a little bit of signs of weakness. Like on the National Bureau of Economic Relations, I guess is the NDBR. They're the ones who coined the term recession or like we'll call it a recession and they have a heat map indicators and they're starting where they've been hurting for the last six months. You're starting to see yellow orange on there. But who knows? I think we've had some really good things this year. I've been really happy with that. It's going even though everybody's really nervous with the geopolitical situation. I mean to me, taking out terror state was really a good thing.
- d. I know we're following that investment policy statement. So given that we're bound by that, I would think we're at the high end of it right now. So right over

65% is the max allocation. You know we're 65 right now. So we'll let it drift a little bit. It stays there. But I'm not a fan of equities long term for sure. In fact international is another true piece of our outperformance this year because the US type it's the first year in a while but international holding the US quite a bit. The dollar is down almost 10% relative to the basket of foreign currencies. So that has a lot to do. But those things they're cyclical and I think those will level out. Generally I like equities you if we can stomach the volatility. That's kind of the key to them and we can we're a permanent fund. There's a 10 or 15% draw down that's almost good news. You guys have grown that by almost 1.3 million. That's pretty cool.

- e. B. Daniel asked do we ever hold back a year ago just to beef up our investments?
- f. C. McAnany said legally you can. You're not obliged to make those grants. You can only invest 50% of your revenue each year. So you could invest 50% hold back and just draw bank interest on that if you wanted to kind of grow your fund for coming years or if for example you didn't like the applications you were getting and felt like they weren't significant or you had another priority such as a bigger project in a future year or something.
- g. B. Daniel asked if we ever meet with any of the other mineral districts Garfield and kind of go hey what are you guys doing?
- h. Q. Shear said It's been before my time.
- i. C. Springer said twice that I can remember. They have an attorney or had I don't know if they still do or not they had an attorney that is their executive director and he came down here and pitched us on the idea, but that was before Dusti and were looking for an executive director. He pitched us on the idea of sharing him that he be our executive director and theirs and we deferred on that. And then we were all together when we were testifying over at CMU for the passage of the permanent fund. We had an interesting discussion with them there. Our understanding of the existing legislation and theirs were quite different and it was just interesting. Those are the only two times that I can remember.
- j. C. McAnany said Garfield County gets a lot more money.
- k. D. Reimer said last we talked to him was, I think, two years ago when the state for Highline was looking to apply for a grant from us and so we called Garfield County and it was kind of the same thing. Garfield County's interpretation of what the law was, was different than what Chris had found. And so we actually found out that we're not allowed to give the state any more funding because it would violate legislative funding stuff. Their interpretation was they can do it.
- l. C. McAnany said my conclusion on that was that we can't give grants to state agencies because that would subvert the will of the legislature, which

appropriates and decides how much money each state agency gets. Other people might see it differently. That was the most recent time we've talked to them was then

- m. C. Springer said they do have a very different um scoring philosophy than we have. Ours our philosophy has always been the money is meant for the people of Mesa County and the only way it can get to where it needs to be is if we have grants and score those grants and award them to the highest scoring grants. They go through grant cycles all the time and don't fund anything because they don't like them. If they don't see an application that's worthy of that money they won't fund it. The philosophy is that it is a resource that is finite and so it's not going to be around forever so let's make sure that we fund stuff that that's important because this money is not going to be around forever.
- n. B. Daniel asked do we know how many mineral lease districts are in the state?

D. Reimer said about four. Three or four.
- o. C. McAnany said I think Rio Blanco has one.
- p. D. Reimer said Rio, Garfield, Weld, and us. Weld is different because theirs is operated totally different. Like their funding, I believe, only goes to roads and bridges kind of a thing.
- q. B. Daniel said so even just getting together with a retreat wouldn't necessarily it's like apples to oranges. So everybody's doing something different.
- r. D. Reimer said everybody gets different money.
- s. Q. Shear said I don't know about Rio Blanco.
- t. C. McAnany said for a while the commissioners were running their district and it was legally questionable the way they were doing it. But they're a small county and they're sort of like we don't have the resources to create multiple entities. But that may have changed. I don't I don't know.
- u. Q. Shear asked When Kimberly was up there, was she kind of running it? She was up there, but she was kind of running it?
- v. C. McAnany said I don't remember.
- w. B. Daniel said well, thanks for entertaining me. I have no further questions.
- x. Q. Shear said I think that's the biggest thing. Every time we talk with them, we find that we're doing things differently.
- y. C. Springer said Garfield County rents a storefront for an office in Glenwood. They they've got the whole thing, an office space and everything. They're still

getting which is weird because I think it's him and I think maybe an assistant because I think there's a lady's name that gets the email. It's Drew Gorg.

- z. C. McAnany said to your credit you've got sort of this virtual district where you have to overhead low.

- aa. The board had no further questions.

VIII. Review and Approval of Modifications to the 2024-FT-06 City of Grand Junction Training Facility Enhancements Grant Contract.

- a. D. Reimer said we received an email from Crystal at the city who wrote the grant saying that they needed to make a modification to the grant application So they were originally awarded \$91,000 for the grant. The project was considered to be over \$100,000 and it was a traditional grant and it was for the drainage fixing at the facility along with finishing the Connex. The only thing I can say after having discussions is that there was a miscommunication as to how everything went down and they were supposed to put the project out to bid for the drainage and it got done in-house which means there was a considerable amount of savings for the Mineral Lease District. It's just they didn't quite follow scope of what they were supposed to do for the grant application. The project itself didn't change, just who did the work did. So, it was a complicated set of emails and discussions to get to that point. We looked at both the project description and the discussion and the budget from the first one. And then with the one that they sent over after we'd walked through what we were looking for, basically Chief Hendricks had said he didn't realize they were supposed to do a bid and they just went ahead and did it themselves. So that's where we are. So we needed to make a modification to the contract and that's where Chris comes in.
- b. C. McAnany said You've got a modification to the agreement that just basically reduces the amount of the grant based on changed circumstances. Everything else in the in the contract remains the same except for the dollars. It frees up some money that could be granted for other purposes. Although, I suppose it does calls into question whether they were accurate in what they're doing when they submitted the grant application and I it seems like it was an honest mistake. I mean we don't have any information to the contrary.
- c. Q. Shear said so far mostly just miscommunication from different departments and a lot of the back and forth was trying to get them to understand the documentation we needed to back up this stuff.
- d. D. Reimer said Crystal, the person who originally sent the email has been out of office and she will be for a month. So another lady had to step in, their supervisor which also kind of complicated the communication process.
- e. C. McAnany said Dusti, your understanding was the work was done after the grant was awarded.

- f. D. Reimer said Yes, I was confused by the dates that she did put in there. I don't have any way to prove that it wasn't done after, but they did talk about the planning that had taken place in 2023. They applied for the grant 2024 and got awarded the grant.
- g. C. McAnany said one of the things that the red flag that was tipped with me was historically this board has been very reluctant to give a grant to an agency for stuff they've already done. Sort of backfilling their budget in a way. We don't have any evidence of that, at least not at this point. But, that was one of the concerns that expressed when we were looking at this.
- h. Q. Shear said what I can see they from their documentation it does not show that.
- i. D. Reimer said the work is done so the good news is that the project is finished.
- j. C. McAnany said yeah they'll close it out early.
- k. Q. Shear asked do we have any pictures or anything of it?
- l. D. Reimer said no because they just wanted to make sure that we'd be willing to move forward with reimbursement.
- m. Q. Shear said I think it's just a hopefully a lesson for us and I'm sure that they fully understand. I think Dusti's workshop will probably help with that.
- n. C. McAnany said Yeah, I think that's an issue for all grantees to understand that they are to be submitting applications for future projects, not stuff they already done.
- o. Q. Shear said when they presented on it. It was discussion that hinted at starting producing problems with something.
- p. D. Reimer said I don't know what the difference, I think we talked about it, I'm not sure what the threshold is for what the process is for what makes a project go out to bid versus what gets done in house.
- q. C. McAnany said every jurisdiction is a little different. Generally at the city their policy is not to self-perform work because typically that pulls them away from their other duties and they put those capital projects out to bid but this may have been you know it's their training facility. It may have been that they have that in-house knowledge that they could do it cheaply which it's good to save money too. Generally the construction industry very much hates it when local governments self-perform work. Local governments are going to do whatever they need to do to save money. The county I think self performs not big projects but smallish ones.

- r. B. Daniel said well, we have road and bridge. We had to put everything out or nothing would ever get done. We wish you know our engineering department could do some of that heavy lifting because that ends up being extremely expensive. But can't do it all. But yeah, I'm sure there are some internal policies that maybe they're cleaning up.
- s. C. Springer said Well, I think you know there's a there's a bigger issue here. You know, we owe it to these applicants and the people in Mesa County to be fair and honest in our application supporting process and we also owe them that we will maintain the integrity of the federal mineral lease district. So if we make a habit or set a precedent for letting um successful grantees change the project you can apply for A and spend it on C and pretty soon that integrity I'm talking about is gone. So, I will just say for the record till yesterday, I was a hard no on this and I talked to Dusti and made sure that they didn't change the project. They just changed the way that it was that the project was performed. And I think if they would have done it in such a way that they needed additional money, we would have had another issue on our hands. But the fact that the same work that was contemplated in our scoring process and they completed it and under budget that I that doesn't give me heartburn, but this this came real close to heartburn for me.
- t. Q. Shear said I know I personally got a little excited when it first was brought up to me and as Craig said, they're not coming to us for more money. They have completed the project. They're not coming to us saying that they didn't complete the project. They completed it. They saved us money. We will have money to give to others and appreciate that. So I'm like Craig. I feel they fall on the right side of that line.
- u. B. Daniel asked is there some place in the application where it says this will be self performed or is this going out to bid?
- v. D. Reimer said No, they put that all in their application.
- w. C. McAnany said they do that.
- x. D. Reimer said Yeah, they put that in their budget and in the narrative as well. We make them do a schedule and one of the line items is usually put it out for bid process.
- y. Q. Shear said yeah, if they put in that application that they may self-inform some of those pieces of that. Do you have any opinion coming from your side of the table?
- z. B. Daniel said we are very sticklers on contracts. We're sticklers on our purchasing agreements and how we do business. So from a county level, it's very cut and dry. But getting that perspective, Dusti, of this is just a

miscommunication. I also can see between different departments how that might have happened and it doesn't appear that it's intentional but I also understand the point of setting precedence making this a habit. So just kind of one of those things but I mean I'm thankful that it didn't cost more money. They're not asking for money. There was a savings. That does go a long way. That means something. But I get the integrity where we have to make sure we're doing our due diligence and with public dollars. That means a lot.

- aa. Q. Shear said I think now that all the seats on the bus was over at the city, not likely even like this would happen again. It appeared to be more just a miscommunication. People didn't understand the priorities and the ramifications.
- bb. The board had no more discussion.
- cc. C. Springer made a motion to approve the modification between the 2024-FT-o6 Training Facility Enhancement contract. B. Daniel second. Voted. Approved.
- dd. Q. Shear said thanks for looking at that and your thoughts on that. That'll help us in the future. Sometimes it takes something like that to help us put our heads up and look out and see what might happen.

IX. Review of the Bylaws for the Permanent Fund.

- a. C. McAnany said last meeting I gave you a draft and you guys were nice enough to tell me that it wasn't exactly what you wanted. So I brought this back to you. In your packet is a redline version, but also on your desks are a clean version. I think the packets were getting huge. So in summary the major change here is to make clear that you're only going to be approving an expenditure from the permanent fund in plain cases where it's clearly an emergency situation upon unanimous approval of the board. And there are some limitations in that you're only going to expend one year's revenue. And I think I've spelled that out. That appropriations from the permanent fund shall not exceed the equivalent of the appreciation or earnings obtained in the preceding fiscal year. So again, policy behind that is to prevent efforts to just gut the permanent fund in one full action or one single action. And that was in response to, I think specifically Craig's concern, that we had the original draft said that you would not invade the corpus in effect. This is just a little more stringent. Then I added some changes and tried to improve the readability and make sure it was organized a little more clearly and so that it flowed a little better. Just word smithing I would say. Hopefully, it reads better and will fulfill our needs going forward. But, we've got plain language about public notice, public hearings, the process standard for reviewing those applications and what you can do. So again, to try to tell future boards that you don't undertake these decisions lightly.
- b. Q. Shear asked if anyone had questions on this? Board had none.

- c. C. Springer said this was good.
 - d. Q. Shear asked for a motion to approve.
 - e. B. Daniel made a motion to approve the updated bylaws. C. Springer second. Voted. Approved.
 - f. C. Springer said well done, Chris.
 - g. Q. Shear said thank you for getting that done.
- X. Review New Grant Application and Scoring.
- a. D. Reimer said we held that grant workshop and we had a really good turnout of people. In fact, I've had several emails that people saying thank you for the information. and they felt really good about the information we gave out. We gave them the history of the mineral lease district and people said it made the application make more sense to them and how they were going to be filling it out just because they know where the money's coming from and what we're looking for. Craig was able to stay the whole time and gave some helpful information when it came down to scoring and what we were looking for in the applications and how they answer questions. The two things that we did change for the application moving forward for this time is that the life expectancy exceeding seven years is a go or no-go situation with the application along with um having to submit a board resolution that says your governing body supports federal mineral development in Colorado. We might see some interesting grant applications. Hopefully, everybody follows through and reads the directions this time because I know they were really excited about all the information that we did give them. This does kind of bring us to scoring. It's probably going to be harder for you guys to score because they will have stronger applications. We gave them extremely specific examples of what we were looking for, for how to answer the grant questions and how to actually get to a score of 10 or, you know, the max amount of information. We never really had one that's been perfect across the board, but we've had several examples that were really good in answering. So, I think the quality of applications are going to be fantastic. Hopefully. Going over the scoring the questions, there's just a reminder that if anybody scores a zero or a 10, also we need to have an explanation as to why someone would have a perfect score or if you score them zero, we need to have an understanding as to why you're scoring zero just for records. I'm not exactly sure why that was put in there, but it is.
 - b. C. McNany said I think these are matters of your internal governance. It's very unlikely that a scoring decision would ever be challenged by somebody legally saying, you know, they didn't give a spare shake or they this was corrupt or whatever. That seems very, very unlikely. Of course, it's never happened in all

these years. But I think historically the board has tried to be as careful as it can be about weighing things on their merits.

- c. Q. Shear said we've done some zeros in the past but it's when they obviously have not met a past fail.
 - d. D. Reimer said we do have a question that is a pass fail for funding. I think the one that we talked about, it's number five. If your organization is not successful in securing money, that's not it. Is funding in place? That is a pass fail.
 - e. C. McNany said that goes back to that "Is it shovel ready?"
 - f. D. Reimer said Yeah. Here is it, excluding funds sought in the grant application. Have all funds for the completion of the project been secured from all the sources? If the answer is no, please provide all the details. So, this was the one that we had talked about. I can change this on your guys' scoring sheet, too, where that one's usually either a pass or fail. Just so that when you guys are going through scoring, you guys can remember that that one's either yes or no, because we had talked about that years ago. But they either have all the money in their shovel ready or they don't. But there's really no in between for that one. I can change that for you guys' scoring sheet so that you guys have that reminder.
 - g. C. McNany said And some of them have said, "Look, if we don't if we don't get all the money, we'll do 70% of the project as opposed to 100% of the project." So they scale it back.
 - h. C. Springer said that question that was an important thing with me when I was scoring the athletic field lights up in Collbran. They were adamant that yes, we might cut back where we have to, but we are going to do this. This community is going to do this. And you're like, what? They feel that seriously about that.
 - i. Q. Shear said yes that puts it up for me too.
 - j. D. Reimer said we did cover that in the grant workshop, too. Craig did voice that too. When people put in there like how do you plan to move forward if you don't get funding for this? They're like, well, maybe I don't know. Well, maybe in a few years then. It's not really that important. And so he said that really makes a difference when he's scoring if they're going to push through or not. We're going come do this come hell or high no matter what. We'll pull money out of this project if we don't give the grant or we'll pull money from this from the project.
- Q. Shear said Yeah. Like it has to get done and that shows that they've got the commitment to it.
- k. D. Reimer said I hope we cleared up the very the last question on the grant application when they go through and It says would your project proceed with partial funding of this application? I tried to stress they've already scored. I said,

this only comes up when there's money that's left over or there's split. Would you take partial funding if it comes down to it after all the money's been divvied out? And I said, I think a lot of times people answer that in hopes that it's maybe going to skew how things get scored and it doesn't. Your scoring's based on those questions. This is literally if you got half the money, would you still be able to use it? I'm hoping when they get to that point too, they understand, be honest, because we've had to go through and, you know, have the discussions with people in the room who've changed their answers only because they were in here otherwise they would have missed out on funding. So, we've hopefully kind of cleared up some of the maybe vagueness that might be in the application to help give you guys better answers to be able to make better scoring positions with.

- l. C. Springer said as I said in my email, Dusti did a really nice job. And the attendance was good.
- m. Q. Shear said It was good. Yeah. The attendance I didn't think you were going to get the attendance you did.
- n. C. Springer said Chris I've got a question. This situation with the city of Grand Junction. Can we, and I understand that the verbiage can lead you wherever, but can we codify how serious we are in the application of the contract if you decide to change the scope of this project or the way that it's funded, we reserve the right to cancel it.
- o. C. McAnany said Yeah. And it's in the contract, the existing contracts. The language says in the contract says this grant is for this project within this time period with you know with this detail. We've got language that says if they breach if they you know if they in an extreme situation you gave the money for project A and they use it for somewhere else that's a breach. We can demand refund of the money, return the money and we can also take steps like disqualifying them from future grant applications and so number four.
- p. D. Reimer said here it is subject to the terms and conditions set forth in this agreement, the grant granter awards the grantee the amount. The grant shall be used by the grantee solely to complete the project in substantial conformity with the final plans, specifications, designs, and uses approved by the grantor and in conformity with the grant application. You know and the next one number five any material modification to the project without grantor's prior written consent may be deemed a breach entitling grantor to all remedies available under the agreement. There's a notice provision that if it can't be completed as reflected in the application, it'll advise us.
- q. C. McAnany said and if you go down to remedies, and compliance you can grant or terminate this agreement if the if the board determines, you know, there's a change of circumstances, material modifications to the scope and nature of the

project have occurred. You have not received prior written approval, one or more statements made are untrue or inaccurate. So if there's other the documentation is inadequate that's the other thing sometimes you get inadequate record keeping that's been rare for us. I don't know that we've had records. Yeah. I know there's been a couple times where like fire district had an invoice that didn't quite match up or something.

- r. D. Reimer said Oh no, that was their title. That was the town of Palisade had a title of the vehicle that they bought but the title date was a year prior.
- s. C. McAnany said Yeah. If you go down to remedies there under 20, you know, we can withdraw the grant, terminate the agreement, deny eligibility, seek specific performance, obtain reimbursement. And we've got some pretty powerful remedies. And the biggest window that I would see is that if somebody lies to you or doesn't do what they said they were going to do, you're never going to give them another grant. I mean, why would you want to work with that kind of an entity if and so that is probably one of the biggest things that people need to understand is there the whole thing depends on trust.
- t. C. Springer asked if we can legally disqualify?
- u. C. McAnany said Yes, it's in our contract. So we can you know right there you can be ineligible for future participation in grants, loans, or projects. Yeah, we legally we call that debarment and it's uh you know you got to have good reason for it. You don't do it lightly. You want to document it if for example if you had a situation where and I don't I'm trying to remember there might have been a situation where the county has debarred a contractor who you know was incompetent or did a bad job. Historically, it's rare.
- v. B. Daniel said we had an issue on the opioid board council and, one of the recipients of the dollars, did not fulfill their contract duties and we asked for the money back and then, you know, they gave us a sliver of it back, but then, so we moved forward. We said, "Okay, fine." You're you don't have to give it back to us, but you're going to be suspended from submitting because the if what we needed was verifiable data where is this money going, what population is it helping? And we needed that data back so we could say this is a good return on investment and they didn't hold up their to the contract. So it was a little difficult. Good intentions but it's just not part of the contract.
- w. C. McAnany said So the same issue for the district. For example, I mean we have the statutory mandates that the money can only be spent for specific purposes, you know, providing public services, public infrastructure in Mesa County. And if it got diverted to some other purpose, we could sue in an extreme circumstance. Sue to get it back, terminate the agreement, debar the recipient from future grants. So there's a lot of remedies. We've never had to do it. I don't even think we've ever come close. We've had a couple of situations where we have

modified agreements because the work changed or really it's always been completion dates usually. It seems like I remember like CMU with the electric line worker building was the one that was instead of a remodel they relocated it.

- x. D. Reimer said they relocated it and the state was supposed to give them funding. So two years in a row they went to the state to get funding and the state cut it like last minute and so they were on their last year and they said we'll pay for it ourselves otherwise we were going to pull the contract back. That's where it got to with that.
- y. C. McAnany said most of the time it's discretionary with the board. The applicant comes in and says, you know, kind of hat in hand, we had a problem here and we need help to we got to change this or you just we've never had a situation where somebody just flat out breached their agreement with us. At least not that I know of. Not since I've been there, but you have all of those remedies. So if we had an extreme circumstance, we might commence a legal action against a grantee if they really deserved it.
- z. Q. Shear said something fraudulent in them.
- aa. C. Springer said I like open meetings and open information instead of okay, we're not going to score this the grant applications from this entity very well because we don't like the way they acted on that last one. I don't like that. Yeah, because all the players could be gone this I would rather have a formal don't apply.
- bb. C. McAnany said most of the time when and you know I've seen this at the federal government level when they debar a contractor they send him a letter and says you're not eligible for work for five years and it is a formal action there's some process that goes with it. Of course, we've never had to do that, but if we really had a situation where we thought somebody was abusing the system, we could we theoretically we could do that. Yeah, you've got it quantified in the agreement. So, yeah, and mostly we've got good people that we work with. We do.
- cc. D. Reimer said I guess it like just kind of culminating right now because we had a weird application process in 24 was some hypothetical situations landing in an application versus being true and then this kind of happening on top of it where things were done without permission to be modified.
- dd. C. McAnany said I think we've had some other modifications, you know, but they didn't really mind them.
- ee. Q. Shear said I can't even remember what they were. That could have been. It could have been worse the ramifications last year. We'll be scoring soon. I guess

careful what you ask for. We may have some good applications and we'll maybe a little more luck next time.

- ff. C. Springer said to answer Bobbie's question though, there's some times that I don't feel very good about what we did. There's some times that I wish we just wouldn't have given all the money away. If something doesn't pass that hit that bar, kept it where it that just give it away because we have it may not might not be the most prudent use of public money. To your point about do we have to grant the money out every year and when we started we did. The original legislation required it.
- gg. C. McAnany said Yeah and we're also dealing with lots more money back then and we were doing bigger projects that that really needed it. But yeah know you've don't have to grant make a grant at any cycle. The other the problem is that with the permanent fund or the investment legislation, we can only invest 50% of the money and so the question is what do you do with the other 50% if you don't have qualifying projects? You can put it in our state investment pool or at Alpine Bank and getting a decent return, but it is just sitting there and sometimes you're not getting that kind of a good return on your money. But sometime, you know, you could make a policy that says we're going to bank money because there's going to be a really good big project that's coming down the pike.
- hh. B. Daniel said I see it in lots of different ways. I know with county capital projects today, it's going to be the cheapest it's ever going to be, right? So get it done. So I can see it in that realm, but I also can see it where we don't have as much money as we used to. So you're doing littler projects where you could do bigger projects and that means a lot to some entities that would never be able to tackle some of these things or for schools and infrastructure like that. So you know I can see it both ways. I'm putting it out in the community has a big benefit and then building that reserve up is really good. I think 50 is probably a really good balance and building that I know that the market is going to be a little different and just you know he was really good at touching on that and where we should be putting our money right now and I think that had some good elements in there as well. So just things to consider, things to think about.
- ii. Q. Shear said well, and we do like you said, we could do the balance and if we're holding that money is not benefiting community, you know, we're not it's not out there being but even generating economy.
- jj. C. Springer said but whatever interest rate Alpine is paying us on the money, that's better than funding things that don't matter. Yeah, I was thinking along.
- kk. D. Reimer said we're getting about \$5,000 a month in interest right now, which you know, we've gone we went like 10 years without getting any interest.

ll. Q. Shear said I'm thinking more along the lines of the economic multiplier. It's not out there related to contractors, workers, people out. So, that's

mm. C. McAnany said I was up in De Beque for a meeting and I saw they had the concrete crew that was out there doing sidewalks downtown and I can't remember how many people they had working there and you could really see, okay, these guys had jobs. They were working that was directly with mineral lease money that was funding these improvements that benefited this little town. It was just tangible to me to see these guys out working, you know, land doing the flat work.

nn. D. Reimer said De Beque is kind of special too because they sit in both Garfield and Mesa district, right? Because I think what they're fire department, we funded part of it, but I think Garfield County's mineral lease district funded a larger portion than we did.

C. McAnany said the fire district crosses county lines. The town is not the town is not in Garfield County. It's all in basic county. But yeah, that is a good point.

oo. Q. Shear said see a good example, but look at the school. Oh, yeah. It's a beautiful school.

pp. C. McAnany said it's going to be very nice for that community.

qq. Q. Shear said how long are they going to keep digging around the field, the sports field out there? They've dug it up and I don't know. Put it all back in place and dug it up and put it all back. I'm sure there's a lot of infrastructure going on underneath it. Yes, sir. They've been moving dirt around in that, but it looks good.

rr. B. Daniel said and we might be able to capitalize and get more of um the federal mineral lease money with the federal policies that are coming out. And so I think that might change things. I mean, Colorado is a different animal for sure. we still have in the state that we have. But I think on the federal side with public lands and some of their policies, I think that might help get this money out to the community in a way that um the state of Colorado has been really difficult to work with. And we're seeing it so many ways. I mean, Plateau Valley, the school is calling the county because they know their tax base is going down because, you know, their energy might be pulling out and they built their bond on those numbers and so the sustainability is just not there and it's solely on the feet of Colorado, this the current administration. So, I mean, it's good news at least federal land is taking a different approach. And I think that that's going to be seen in schools funding. And that's excellent. So, we might see a change in some of the money that we have.

- ss. Q. Shear said the good news is, Laramie and Plateau Valley, they're our biggest companies. They are permitting several new wells now on federal lands. The bad news is it takes a thousand days for the state of Colorado process per thousand days.
- tt. Most leases are five years. We'll have a new government before then. So anyway, they are actively drilling right now and in Mesa County one we're doing right now. They're actively getting drilling and getting big wells and it means more income for us, more income for the Plateau Valley School District.
- uu. D. Reimer asked were you okay with the grant contract language that we have?
- vv. C. Springer said Yes. I just want to make sure if we circle back gives us all the remedies that we needed.
- ww. C. McAnany said you know every year, just so the board knows, every year when before we do grants, I kind of review our contract from year and see if there's anything I need to tweak. Every year you think of something new and sometimes there's stuff that you can take out, but if there's something that you're worried about or that you want me to address, just let me know.
- xx. D. Reimer said we've updated the application several times, so that's okay.
- yy. C. McAnany asked how much are you going to have for grants? Do we know?
- zz. D. Reimer said So, with the money rolling back in with the modified grant, we have at least an extra I think \$50,000 coming back in. So, it's \$550,000 for sure that we could grant out.

XI. Unscheduled Business.

- a. Q. Shear asked Do we have any new business?
- b. C. Springer said No, sir.
- c. Q. Shear said hearing none. Do I have a motion to adjourn?
- d. B. Daniel made a motion to adjourn. C. Springer second. Voted. Approved.
Meeting adjourned at 3:21 pm