

Board of County Commissioners of Lincoln County
Agenda for March 18, 2016

9:00 Call to order and Pledge of Allegiance

9:00 Joe Kiely, Vice President of Operations, Ports-to-Plains Alliance, to present an update on the Ports-to-Plains Alliance and an update on the Foreign Trade Zone

10:00 Chris Monks, County Shop Foreman and District 1 Road Foreman, to discuss construction of an access road to the Hugo Roundhouse

1:00 Dave Stone, Limon Town Manager, to present a Cooperative Planning Agreement to adopt a Limon Three Mile Plan relative to land decisions within this planning area

1. Approve the minutes from the March 7, 2016, meeting
2. Review the February, 2016, reports from the County Assessor, County Clerk, County Sheriff and County Treasurer
3. Oil and Gas Lease Proposal for county-owned mineral acres in Section 22-T16S-R54W, Lincoln County, Colorado
4. Review letter of acceptance from Patricia Phillips regarding the offer of the position of Director of the Lincoln County Department of Human Services
5. Discuss a "free day" at the Lincoln County Landfill
6. Discuss engaging additional bounce house attractions for the 2016 Lincoln County Fair
7. Review the Healthcare Services Contract between the Lincoln County Sheriff's Office and the Lincoln Community Hospital and Care Center
8. Review a letter to the Colorado Department of Higher Education supporting a grant application to the Colorado Opportunity Scholarship Initiative
9. Review Resolution #922 granting a Lincoln County sales and use tax exemption for all sales, purchases and leases/contracts of farm equipment
10. County Commissioners' reports
11. County Attorney's report
12. County Administrator's report
13. Old business
14. New business

The Board of Lincoln County Commissioners met at 9:00 a.m. on March 18, 2016. The following attended: Chairman Greg King, Commissioners Doug Stone and Ed Schifferns, County Administrator Gary Ensign, and Clerk to the Board Corinne M. Lengel. County Attorney Stan Kimble attended in the afternoon.

Chairman King called the meeting to order and asked Joe Kiely, Ports-to-Plains Alliance Vice President of Operations, to lead the Pledge of Allegiance.

Mr. Kiely had forgotten the materials he wanted to share with the Board but said that they had most likely already seen the 2015 report card. It is basically a status report that explains the major accomplishments throughout the year. The entire Ports-to-Plains Alliance Corridor is now 56.85% four-lane highway or better, which shows the progress in the construction aspect. An estimated \$600 million was spent in 2015. Mr. Kiely discussed the environmental assessment on the I-70 East project, which is the section of highway at the Denver Coliseum, stating that the idea is to improve quality of life for the communities there by moving I-70 underground and building a park or something similar aboveground. He added that the reality is that something *must* be done; it's just not certain what.

Mr. Kiely had spoken to approximately 150 people from Club 20 at the "Voices of Colorado" conference in January on statewide transportation funding from the rural perspective. He stated that as the population grows and vehicle numbers increase, some solutions don't work on a statewide system. Luckily, the Transportation Commission was encouraged to continue watching the entire statewide system, rather than merely focusing on congestion areas. For the first time in history, federal funding will go to freight improvements through the FAST Act. One of the programs is formula funding; Colorado will receive money annually without having to meet certain qualifications. Over a five-year period, \$85 million in freight improvement dollars will automatically be distributed through the Act. There is also discretionary grant funding available through a competitive application process where only three grant applications can be submitted per year. State Highway 71 is not to that point yet and when Mr. King asked what needs to be done to get it ready, Mr. Kiely said that there really has been no environmental work done, nor do they have cost estimates or number of bridges that may need widened or addressed in some manner. He stated that a better way to receive at least a portion of the \$850 million would be to form a coalition with other states that need projects completed and file a multi-state application.

Mr. Kiely spoke of the Lamar Reliever Route project that looks as if it will be approved, and then addressed other transportation funding projects in the state. There is talk of a 1% sales tax increase at the state level that would require revenues be spent on transportation. It's possible that it would even be as low of an increase as .58%, according to Mr. Kiely, and will be a ballot issue if approved. Colorado Motor Carriers is working on legislation for motor vehicle registration fees to remain constant once a vehicle reaches its ten-year age mark.

Mr. King asked Mr. Kiely about the reimbursement bill that Gary Beedy submitted for his trip to Austin, Texas, stating that it seemed quite large. Mr. Kiely said Mr. Beedy had made the

decision to drive to Austin rather than fly, but that he did remind him he only has \$2,000 to spend between the county and the town of Limon. He added that Mr. Beedy is a very good board member for Ports-to-Plains and is aware of how much he can request for reimbursement. He conceded that he does still have three meetings to attend, however; one in Lubbock, one in Washington, D.C., and one in San Angelo. Mr. Schifferns asked if that meant he would have to pay for those meetings out of his own pocket and was told he would either have to do that or not attend at all.

As for an update on the Foreign Trade Zone, Mr. Kiely said that they had run an article in the CML magazine and average one contact every two weeks or so. A company that distributes foreign electronics in the country is the latest FTZ contact. Mr. Kiely will give a presentation to the Chamber of Americas group in April. He and Troy McCue plan to attend the Select USA Investment Summit in Washington, D.C., which is one of the largest, but most expensive, events they will attend. It will cost anywhere from \$3,000 to \$4,000 per person, as registration for the conference is \$875 each. The State of Colorado is hosting a booth and will provide space for their materials. Mr. Kiely asked the county to contribute \$2,000 to the overall cost; \$1,000 for him and \$1,000 for Mr. McCue. The town of Limon will pay for the remainder of Mr. Kiely's fees and LCEDC will pay for the remainder of Mr. McCue's. Mr. Stone felt that the county should contribute to the cost since it is a countywide organization and Mr. Schifferns agreed.

Mr. Stone made a motion to contribute \$2,000 toward the registration/travel costs for Joe Kiely and Troy McCue to attend the Foreign Trade Zone Select USA Summit in Washington, D.C. Mr. Schifferns seconded the motion, which carried unanimously.

Mr. Schifferns asked if there are safeguards in place that protect counties from businesses that may not actually be legitimate. Mr. Kiely responded that the primary oversight for all business is the U.S. Customs and Border Protection and it is their job to ensure that all duty or custom fees are paid and that a business is, in fact, legitimate.

At 10:00 a.m., District One and County Shop Foreman Chris Monks met with the Board to discuss construction of an access road to the roundhouse. He stated that current access is on Union Pacific Railroad property and they would like to move it to county property. He provided a map which showed the extension of Third Street; however, the primary issue is the drainage ditch that will need to be crossed. Chris had obtained prices for culverts and two, 40', 36" round culverts will cost \$2,814. They will need to clean and straighten out the drainage ditch and hope to save as many of the trees as possible.

Mr. Schifferns made a motion to earmark \$3,000 from the Capital Projects fund to construct an access road to the roundhouse by extending Third Street. Mr. Stone seconded the motion, which carried unanimously.

Mr. Stone made a motion to approve the minutes from the meeting held on March 7, 2016, as submitted. Mr. Schifferns seconded the motion, which carried unanimously.

The Board reviewed the February 2016 reports from the County Assessor, Clerk, Sheriff, and Treasurer, as well as the February 2016 Statements of Revenues and Expenditures for the County General, Public Health, Capital Projects, Conservation Trust, E911, Landfill, Library, Lodging/Tourism, and Road & Bridge funds, and the individual road districts.

Also reviewed was an oil & gas lease proposal for county-owned mineral acres in Section 22-T16S-R54W, approximately .0054 acres at the Blue Cliff Church. Mr. King said it wasn't even worth the paperwork and told Mr. Ensign to tell the requestor that the county would take \$20 and a three-eighths royalty interest for the minerals. Mr. Ensign will contact them.

The Board reviewed a letter of acceptance from Patricia Phillips regarding the offer of the position of Director of the Lincoln County Department of Human Services, which is effective April 1, 2016.

After discussing options, Mr. Schiffers made a motion to allow a "free day" at the Lincoln County Landfill on April 30, with an alternate date of May 7 if there is inclement weather on April 30. Mr. Stone seconded the motion, which carried unanimously.

The group discussed obtaining additional attractions for the 2016 county fair from Gravity Play Events and chose a twenty-four foot slide to compliment the Adrenalin Rush obstacle course and bounce house.

While reviewing the Healthcare Services Contract between the Lincoln County Sheriff's Office and the Lincoln Community Hospital and Care Center, the Board decided to call Jail Captain Michael Yowell over to discuss it. Undersheriff Gordon Nall accompanied the captain. Mr. King stated that they'd noticed that the contract total is \$118,160, yet the line item in the 2016 budget is only \$110,000, and wanted to know if they anticipated other revenues to compensate for the overage. Captain Yowell said they plan to hold the Justice Benefits at \$11,000, which should cover the deficit, other office supplies, and any dental problems the inmates may have, as well. Mr. King said they should also see a savings in employee overtime, but medical expenses are so uncertain that the captain didn't feel confident agreeing to that statement. He added that they have seen a reduction in the first weeks of the year as they have not had travel or transport fees, but should an inmate have to be transported to the city, those costs add up quickly.

The undersheriff put in that the hospital is negotiating with Ben's Pharmacy and Hoffman Drug to get prescriptions at a reduced rate, so that should also help cut the costs. Captain Yowell put in that another part of the contract is that the county will not have to pay for CPR or other health aid classes required by the employees, which is another added benefit. He added that at budget time they did not have concrete figures from the hospital so based their budget request on the prior year with a slight increase, which obviously wasn't enough.

Mr. Ensign wanted to know when Medicaid would kick in and the undersheriff responded that the inmate has to be in the hospital for twenty-four hours before that happens. He added that

LCH has been very good about charging the Medicaid rate all the time but when an inmate is transferred out-of-county that is no longer the case. Captain Yowell said that they would definitely prefer the deputy stay in the county so that they could be relieved by another deputy more easily, but sometimes that doesn't happen.

Mr. Ensign also said that the contract states that LCH will provide transport of inmates to and from the jail, as well as ground transport outside of Lincoln County, as medically required. Captain Yowell stated the problem arises when an inmate has to be flown out via helicopter, which is not covered. He added that it varies so greatly month-to-month that it is almost impossible to determine how much to budget. There may be some cost savings on those items billed separately, such as formulary medications, ancillary and support services, and case management.

Mr. King asked that the hospital get their proposal to the sheriff earlier in the coming years since the budget hearings are generally held toward the end of September. Captain Yowell said they had asked for the 2016 proposal but never received it until January 19. Mr. Schifferns stated that he is on the hospital board and offered to say something if they wanted him to. Captain Yowell said he would like for the proposal to be submitted in a timelier manner if Mr. Schifferns would relay that message.

Mr. Stone made a motion to approve the Healthcare Services Contract between the Lincoln County Sheriff's Office and the Lincoln Community Hospital and Care Center in the amount of \$118,160. Mr. Schifferns seconded the motion, which carried unanimously.

The comment was made that at one time the county had a catastrophic insurance policy for inmates and Mr. Ensign will look into why it was dropped and if it would be feasible to reinstate it.

The captain and undersheriff left, and the Board reviewed a letter to the Colorado Department of Higher Education supporting a grant application to the Colorado Opportunity Scholarship Initiative. Mr. Schifferns made a motion to endorse the grant funding request, Mr. Stone seconded the motion, and it carried unanimously.

The Kit Carson County and Lincoln County Public Health Service Agreement for Environmental Health/Consumer Protection was reviewed and Mr. Stone made a motion to approve the agreement. Mr. Schifferns seconded the motion, which carried unanimously.

After reviewing the Kit Carson County and Lincoln County Public Health Service Agreement: Family Planning and WIC, Mr. Schifferns made a motion to approve the agreement. Mr. Stone seconded the motion, which carried unanimously.

With no need for further discussion on the matter, Mr. Stone made a motion to adopt a resolution granting a Lincoln County sales and use tax exemption for all sales, purchases, and

leases/contracts of farm equipment. Mr. Schifferns seconded the motion, which carried unanimously.

At a regular meeting of the Board of County Commissioners of Lincoln County, Colorado, held in Hugo, Colorado, on March 18, 2016, there were present:

Greg King, Chairman	Present
Douglas D. Stone, Vice Chairman	Present
Ed E. Schifferns, Commissioner	Present
Stan Kimble, County Attorney	Present
Corinne Lengel, Clerk of the Board	Present
Gary Ensign, County Administrator	Present

when the following proceedings, among others, were had and done, to-wit:

RESOLUTION #922 It was moved by Commissioner Stone and seconded by Commissioner Schifferns to adopt the following resolution:

WHEREAS, on September 5, 1989, Resolution #69, which imposed a two percent sales tax upon the sale at retail of tangible personal property and the furnishing of certain services and a two percent use tax only for the privilege of storing, using, or consuming in Lincoln County any construction and building materials, and motor and other vehicles on which registration is required, was adopted by the Board of County Commissioners of Lincoln County; and

WHEREAS, said resolution was submitted to the votes of Lincoln County in November, 1989, and subsequently approved; and

WHEREAS, Colorado Statutes provides for certain Sales and Use Tax Exemptions from the Lincoln County Sales and Use Tax as found in C.R.S. 29-2-105(1)(d)(I)(F); The exemption for sales of farm equipment and farm equipment under lease or contract specified in section 39-26-716(2)(b) and (2)(c), C.R.S.; and

WHEREAS, the Board of County Commissioners of Lincoln County wishes to amend the specific sales and use tax exemptions to the Lincoln County Sales and Use Tax;

NOW, THEREFORE BE IT RESOLVED by the Board of County Commissioners of Lincoln County that the following sales are exempt from collection of the Lincoln County two percent Sales and Use Tax, with this exemption becoming effective on July 1, 2016, following adoption of this resolution by the Board of County Commissioners of Lincoln County:

C.R.S. 39-26-716(2) (b) and (2) (c) Agriculture and livestock – special fuels – definitions – repeal
(2) The following shall be exempt from taxation under the provisions of part 1 of this article:

- (b) All sales and purchases of farm equipment;
- (c)(I) Any farm equipment under lease or contract, if the fair market value of the equipment is at least one thousand dollars and the equipment is rented or leased for Use primarily and directly in any farm operation.
- (II) The lessor or seller of such farm equipment shall obtain a signed affidavit from the lessee, renter, or purchaser affirming that the farm equipment will be used primarily and directly in a farm operation.

Upon roll call the vote was:

Commissioner Stone, Yes; Commissioner Schifferns, Yes; Commissioner King, Yes.

The Chairman declared the motion carried and so ordered.

Board of County Commissioners
of Lincoln County

ATTEST:

Clerk of the Board

At 1:00 p.m., Limon Town Manager Dave Stone met with the Board to present a Cooperative Planning Agreement to adopt a Limon Three Mile Plan relative to land decisions within the planning area. Land Use Administrator John DeWitt was also in attendance.

Mr. Stone said the plan is required by state statute and was approved by the Limon town board at their March 3 meeting. He stated that the plan gives the town an opportunity to have input on development within the three-mile radius and added that there is a courtesy notice section included in the plan that basically asks for the right to comment on any such development. Mr. Kimble spoke up to say that he is pleased with the plan and added that it is the town's obligation, not the county's, to have the plan in place.

Mr. Stone made a motion to sign the Cooperative Planning Agreement with the Town of Limon to adopt a Limon Three Mile Plan relative to land decisions within the planning area. Mr. Schifferns seconded the motion, which carried unanimously.

After Mr. Stone had gone, Mr. Kimble brought up the issue with Clays and Perrys; a problem that arose several years ago and has now resurfaced. He provided copies of several

documents, beginning with the original complaint registered with Land Use Administrator Pete Aragon against Winterbergs by John and Rhonda Clay in June of 2000. One of their main points referred to 43-1-501 through 509 C.R.S., "Junkyards Adjacent to Highways", yet Mr. Kimble stated that those regulations only apply to federally funded highways. The portion of Highway 40/287 that passes by Winterbergs is not a federally funded highway.

Documents provided by Mr. Kimble created a timeline of events that included a notice of zoning violation against Winterbergs and a subsequent application for a junkyard permit by the same. Mr. DeWitt commented that the problem began even before the county's zoning ordinances were in effect and that had the current regs been in place, the fence that Winterbergs built would have had to encompass the entire property rather than just a portion of it. The Land Use Board applied several conditions at their meeting on August 21, 2001, according to a copy of the minutes submitted by Mr. Kimble. Minutes from the county commissioner meeting on August 31, 2001, reflect that "The Board had no objections or changes to permit #01-09 issued to Richard and Joella Winterberg." Another letter from the land use administrator on March 27, 2002, reminded the Winterbergs of the terms of the development permit and gave them until August to show progress or the permit could be voided by the Land Use Board. A follow-up letter to Winterbergs dated September 23, 2002, stated that Development Permit #01-09 was again discussed at the Land Use Board meeting on September 17. At that time, the board was concerned with the fact that the property had not been cleaned up, the fence did not hide the mess behind it, and a wrecked manufactured home had been added to the disorder. Discussion of the permit was scheduled for the October Land Use Board meeting. Mr. Kimble's final document was a copy of a letter to Winterbergs from the land use administrator dated October 18, 2002, citing numerous deficiencies that would need to be corrected within ninety days.

Mr. King said he certainly understood Clays' concerns and wondered if both parties would be willing to meet on neutral ground to discuss it. Mr. Kimble felt that some areas may be addressed through the county's new nuisance ordinance, such as the blowing trash issue, but added that he felt there was really no concrete documentation that would get them anywhere. Mr. King agreed, stating that he doesn't believe Clays have a case since the property is designated as a junkyard. Mr. Ensign wanted to know if the Land Use Board has the authority to attach conditions but was told that only the county commissioners can do that. Both parties did agree to stop the water testing last year so that is no longer being done.

Mr. Kimble said they could send a letter to Clays letting them know that it is not a federal highway issue but explaining that the county does now have a nuisance ordinance. He added that the property is a permitted junkyard but they could try to see if both parties would be willing to work something out. Mr. Kimble will compose a letter and have the Board review it.

Mr. Kimble reported that he has been talking to the attorneys with the new wind energy group and asked Mr. DeWitt to clarify a piece of information regarding the zoning resolution on the county's website, which he did.

Mr. DeWitt wanted the commissioners to be aware that a voucher would come through for t-shirts for the donkey basketball game that the sheriff's department hosts and Undersheriff Nall is in charge of, but that the funds are county-designated retac funds and the expense is allowable through the EMS Council. The Board agreed it would not be a problem.

Mr. Kimble provided an update on the Arikaree Groundwater district issue brought up by County Treasurer Jim Covington in February, stating that Yuma, Kit Carson, Washington, and Lincoln counties had all said they do not want to separate out the special assessment. There was no resistance to their request.

A civil action was filed by an inmate of the county jail and Mr. Kimble said he is keeping an eye on it.

Mr. Kimble reported receiving a phone call from Chief Judge Carlos A. Samour, Jr., regarding the order stipulating uses of the courthouse and grounds and was told the order has been temporarily suspended. Prior to reinstatement, the issue will be discussed with each individual county first.

Lastly, Mr. Kimble said he put the Patel issue on the back burner, as he likes to stay within his allotted eighteen hours each month and he had been working on numerous other things that took precedence. He hopes to file on the matter later this month.

Mr. King called for commissioner reports and Mr. Stone reported attending the fair board meeting, along with Mr. Schifferns, on March 8. They decided to bring the Dutch oven cook-off back to the fair this year with \$500 of prize money, and they are getting ready to print the fair books. They discussed a new extension office building with Travis Taylor, who told them that Kit Carson County recently put in a 40' x 60' building with three offices, a meeting room, kitchen, bathroom, and storage area for about \$130,000. Mr. Stone said they are fixing the leak in the Ellis Allen building, and Carl Dutro and Mr. Schifferns agreed to be in charge of the talent show. Prior to attending the fair board meeting, Mr. Stone had met with John Rowe and Rick Ashcraft to discuss the purchase of a new road grader, which will be about \$231,000. They decided to trade in both of their old graders and will get \$107,400 for the 2006 and \$96,000 for the 2007, leaving approximately \$28,000 for them to pay. They will only have four graders but have not used the fifth one like they thought they would. Mr. Ensign commented that they should be able to spend that much outright without having to enter into a lease/purchase agreement, as there is enough currently allocated in the 2016 budget for equipment. On March 10, Mr. Stone attended the fire board meeting in Karval, stating a group has formed that wants to build a new fire house by obtaining a USDA loan in the amount of \$350,000. A different group would prefer to build a smaller, cheaper building. Mr. King asked if they were considering a TABOR ballot issue. Mr. Stone responded that the district does have a levy but there has been no discussion of raising it. Mr. King asked how the loan would be paid off if not through taxes, and Mr. Stone said it seems they would use other means. On March 11, Mr. Stone again spoke with Rick Ashcraft and attended the Karval Alliance meeting later that evening, where they discussed the plover festival. On March 14, he received a phone call about

the fire district building, and on the Fifteenth, he attended a state land meeting after which he listened to an ex-state land director speak. The state may be selling off some of their smaller acreage. Mr. Stone checked roads on March 16 and attended the Colorado East Community Action Agency meeting on March 17. TFAP is growing—they are now delivering food to Arriba—and Nu-2-U brought in over \$70,000 in 2015. He spoke with Roger Stone about the new fire house earlier this morning and was told they could put up a 40' x 90' building with three 26' doors, heat, and electricity for around \$130,000.

Mr. Schifferns reported attending the fair board meeting on March 8 and the Arriba town board meeting on March 14. They finally finalized their budget and discussed that the April 5 election will cost approximately \$3,500. On March 16, District One crews replaced the bridge at Mike Vaughn's with a culvert and he checked on that and also checked roads. On March 17, Mr. Schifferns spoke with a concerned citizen about one of the workers at the Ellis Allen building and whether or not the party is bonded and insured.

Mr. King reported attending a meeting on March 8 where Sara Sandberg with the Colorado Oil & Gas Commission commented there is not much hope for oil production or price increases for 2016. However, it was reported that Lincoln County did receive \$138,000 in severance tax in 2014, and there were 135 active wells countywide that same year. On March 15, Mr. King spoke with Rhonda Clay about the complaint against Perrys, and he also attended the Resources Unlimited meeting and checked roads afterward. Mr. King reported attending the Economic Development meeting on March 16, and they have a new board member from the Eastern Colorado Bank.

Mr. Ensign reported that the surplus vehicles have all been paid for and picked up from the county shop. He provided the monthly time sheet for Weed Coordinator Wayne Shade and the Worker's Comp loss report. He asked what the commissioners wanted him to put in the paper regarding the various boards they are members of but Mr. Stone said it was no longer necessary.

Mr. King said the framed copies of the Constitution, Bill of Rights, and Declaration of Independence are now hanging in the courthouse next to the Coroner's office and look very nice, as does the thin blue line flag that was placed above the officer memorial on the north wall of the courthouse lobby.

The commissioners briefly discussed who would attend the summer conference in Steamboat Springs and then, with no further business to come before the Board, the meeting was adjourned until 9:00 a.m. on March 30, 2016.

Corinne M. Lengel, Clerk to the Board

Greg King, Chairman