

The Board of County Commissioners met in regular session on July 27, 2009. Those present for the session were Heidi M. Albritton, Chair; K. Keith Meinert, Vice-Chair; Lynn M. Padgett, Member; Mary Deganhart, County Attorney; Connie Hunt, County Administrator; and Linda Munson-Haley, Clerk of the Board.

- **Note – This meeting was recorded for reference purposes.**

A. 9:03 Call to the Public:

The “Call to the Public” agenda item is a time when the public may bring forth items of interest or concern. No formal action may be taken on these items during this time due to the open meeting law provision; however, they may be placed on a future posted agenda if action is required.

OCPAG Request

Jorg Angehrn approached the Board on behalf of the Ouray County Performing Arts Guild to discuss lighting at the Ouray County 4-H Event Center. The stage height was an issue but OCPAG could work out that issue. The sound was somewhat muffled but they can rearrange a screen to help with the issue. But the stage lighting was the big issue. Not adequate for the musicians who had trouble reading their music. OCPAG suggested that overhead stage lights be installed. They requested that if the county would install the overhead bar and electrical they could get the lights. Another possibility would be to get a complete package that includes the lights and the dimmers for \$400 to \$800. Commissioner Padgett first step to see what the electrical need would be for each alternative and work from there. Commissioner Albritton was interested in researching the alternatives.

Susan Long, Fairgrounds Manager, was present and explained that she had recently worked with OCPAG to find a way to filter the light from the windows. Will Clapsadl, Facilities Manager, will work with Long to figure out the logistics of stage lighting and height issues.

Commissioner Albritton explained that the Commissioners would like to work out a solution because OCPAG events had been an asset to the County and fell inline with the purpose of the Ouray County 4-H Event Center. Commissioners Meinert and Padgett were in agreement, also.

Angehrn suggested and Commissioner Albritton agreed that OCPAG would work with Long on solutions. Long pointed out that she wanted to ensure that the placement of the lights would not be detrimental to wedding party photos.

Commissioner Meinert asked Long if there were any other issues with the audio/visual system that needed to be addressed. Long noted the fixed screen for the projector. Commissioner Meinert wanted to make all of the systems conducive to all types of groups who would want to use it. Long suggested that the electrician that would be hired to do the lighting work could run wires for microphones to drop down over the stage. Commissioner Meinert added that additional telephone lines would also be beneficial to avoid running wires all across the floor. Long will get cost estimates on all of these suggestions.

Commissioner Padgett spoke to the benefit of having a faster internet connection.

Commissioner Albritton reminded all that the goal of the Ouray County 4-H Event Center was to pay for itself.

B. 9:25 Road and Bridge Superintendent / Road Supervisor:

2. Road and Bridge Update:

Chris Miller, Road Superintendent, provided a brief update to the Board.

- Worked on mudslides at Camp Bird.
- Crews opened the road through the Camp Bird property on the first of July with green snow fence defining the right-of-way.
- Crews were working on the east side of the county on CR 8 and CR 10.
- The next two big projects would be on CR 24.
- Road and Bridge still had Top of the Pines to finish.
- The fence was up at the Transfer Station and Road and Bridge would start trenching tomorrow to wrap up by the end of the week.

1. Mount Sneffels Winter Maintenance Discussion:

Ben Crosby with the Ruby Trust Mine was present.

Crosby said that the agreement worked fine for them last year other than the cost. He wanted to see if the County would participate with the Ruby Trust in some fashion. He understood that in the past there was cost sharing between the Mine and the County for winter maintenance. In order to get by this past winter he had to buy a larger dozer to keep up with the snow.

Miller had no problem with the agreement.

Commissioner Albritton explained that from the County’s perspective the main issue was the allocation of monies and resources to the road in the off-season.

Miller pointed out that the Mine's operation saved Road and Bridge between \$10,000 and \$15,000 a year, especially in the spring. When he met with Crosby earlier in the year, they discussed putting some of that savings into working the avalanches and after storms. Miller felt that the Ouray crew would have time to do the work. Ruby Trust would keep the road open.

Crosby added that the work the Ruby Trust did enabled the tour companies to begin tours earlier in the year and he noted that there were more ice climbers and skiers up in the high country as a result of the Mine's road maintenance efforts.

Commissioner Meinert wanted to see specific guidelines on the agreement.

Crosby explained that there was a limit on what the Mine would do. Safety was a main concern and if the weather got really bad the workers would get out.

Deganhart pointed out that the County was under no obligation to maintain the road but that, if able, Road and Bridge would go up and help after the remainder of the roads in the county were taken care of.

Commissioner Padgett suggested adding an amount not to exceed in the agreement, and noted that the County would assist but not at the detriment to the needs of the rest of the county.

Commissioner Meinert agreed with a cap but wanted the Board to be cognizant of another issue. He did not want the perception that the Commissioners were allocating County resources to one particular business. He suggested that "not to exceed" be man-hours and not a monetary allocation. Miller had done some research and 20 days was a good estimate.

Commissioner Albritton understood what the other two Commissioners were saying but she also heard Crosby's point about recreationists using the area more as a result of the Mine's efforts to keep the road open.

Hunt wanted it clear for the record that employee safety was the most important consideration for the County.

Crosby emphasized the Mine's benefit to the community noting that it was spending \$60,000 a month on payroll for Ouray County residents and that number would double in the next 30 days. The Mine spent \$500-\$600 a day on fuel, from \$3,500 to \$5,000 a month on power, and provided sales tax revenue; therefore, it was generating some revenue to justify the costs to the County.

9:55 Commissioner Albritton took a brief break and reconvened at 10:07:

C. 10:07 Public Hearing – Special Event Liquor License:

The Board of County Commissioners convened as the Local Liquor Licensing Authority to consider the following Special Events Liquor License application:

- 1. Applicant: Ouray County Performing Arts Guild**
Event Location: Home of Charlie Carson and Marsha McCall
808 Pine Drive
Ridgway, Colorado
Purpose: Home Salon Concert as part of the 6th Annual San Juan Chamber Music Fest.
The event will be held on August 13, 2009, between 7:00 a.m. and 10:00 p.m.

There was no one present from the Ouray County Performing Arts Guild (OCPAG).

Commissioner Albritton opened the public hearing and explained the request. There was no public comment.

Commissioner Meinert questioned the need for a special events liquor license if it was an invitation-only, almost private party organized by a private organization.

Commissioner Padgett discussed the issue of parking.

Hunt explained that if the party was for OCPAG's own membership there would not be a need for the license; however, this was open to the public at a charge. She noted that OCPAG was requesting a waiver of the \$100 fee and she suggested that the Commissioners not waive the fee.

M/S/P—Motion was made by Commissioner Meinert and seconded by Commissioner Padgett to approve the Special Events Liquor License application for the Ouray County Performing Arts Guild for a function as presented on the 13th day of August, 2009 between 7 a.m. and 10 p.m., to authorize the Chair's signature on the license, and that the County would not waive the licensing fees. Discussion. Commissioner Padgett explained that she would feel better if it was explicitly stated somewhere that all liquor laws would be complied with. It was explained that a poster and sign that would be posted would detail the laws. With no further discussion, the motion passed unanimously.

Commissioner Albritton closed the public hearing.

10:16 The Liquor Licensing Authority of Ouray County reconvened as the Board of County Commissioners:

D. 10:30 General Business:

1. Request for approval of warrants:

M/S/P—Motion was made by Commissioner Meinert and seconded by Commissioner Padgett to approve warrants as presented. There was no discussion. Motion passed unanimously.

2. Request for approval of July 6, and 13, 2009 minutes:

Commissioner Padgett recalled a discussion on July 6 where the Commissioners outlined the dates of the public meetings when the different versions of the draft South Alpine Zone Code was made public and discussed amending the minutes to include the dates. Commissioner Meinert had no problem with amending the minutes but after a brief discussion Commissioner Padgett decided against amending the July 6, 2009 minutes.

M/S/P—Motion was made by Commissioner Padgett and seconded by Commissioner Meinert to approve the minutes for July 6, 2009 as presented. There was no discussion. Motion passed unanimously.

Commissioner Padgett pointed out a typographical error on the minutes for July 13, 2009.

M/S/P—Motion was made by Commissioner Padgett and seconded by Commissioner Meinert to approve the minutes for July 13, 2009 with the correction of the error mentioned above. There was no discussion. Motion passed unanimously.

3. Request for approval and authorization of Chair's signature on the Letter of Agreement with ECO-resolutions, LLC for the Highway 550 Wildlife Ramp / Vehicle Mitigation Project:

M/S/P—Motion was made by Commissioner Padgett and seconded by Commissioner Meinert to approve and authorize the Chair's signature on the Letter of Agreement with ECO-resolutions, LLC for the Highway 550 Wildlife Ramp / Vehicle Mitigation Project as presented. There was no discussion. Motion passed unanimously.

4. Request for adoption of Resolution 2009-034 declaring a 2004 Dodge Durango surplus and authorizing it to be used as a trade towards the purchase of a used 2009 4x4 pickup for the Sheriff's department pursuant to the Ouray County Purchasing Policy, Section 1, Page 7, Exceptions:

Sheriff Mattivi was present and explained the need for the request. The Department found a used Chevy truck with 20,000 miles on it and still under warranty, with an outdoor package and estimated mileage of 20 mpg. He wanted to trade in a 2004 Durango that had 117,000 miles and was starting to "nickel and dime" the Department. He could get \$3,000 for the trade-in. He had a grant from the Forest Service to pay for a light bar. The radio and other equipment would transfer from the trade-in vehicle. There was \$6,000 in his budget for a lease/purchase payment that should cover the first year.

*M/S/P—Motion was made by Commissioner Meinert and seconded by Commissioner Padgett adopt **Resolution 2009-034** declaring a 2004 Dodge Durango surplus and authorizing it to be used as a trade-in and authorizing the purchase on exception to the County Purchasing Policy of a used 2009 4x4 pickup for the Sheriff's Department. There was no discussion. Motion passed unanimously.*

5. Upon approval of Resolution 2009-034, request for approval to proceed with Lease Purchase Financing for the vehicle and authorization of Chair's signature on Lease Purchase documents and authorization of Board's signature on accompanying resolution to be prepared and brought back to the Board for ratification at the next meeting:

Connie Hunt, County Administrator, requested approval to proceed with securing financing for the vehicle to be able to close in a timely manner, and she would bring the papers back to the Board.

M/S/P—Motion was made by Commissioner Meinert and seconded by Commissioner Padgett to authorize Staff to proceed with Lease Purchase Financing for the vehicle and to authorize Chair's signature on the Lease Purchase documents when presented subject to ratification by the Board at the next meeting. There was no discussion. Motion passed unanimously.

6. Review of changes to Section 6.12 of the Ouray County Land Use Code and request for adoption of Resolution 2009-035 referring draft Section 6.12 of the Ouray County Land Use Code to Planning Commission:

Commissioner Albritton explained that this was part of the process to send a revised Section 6.12 back to the Planning Commission for further review and changes, to then be sent back to the Commissioners by October 1, 2009.

To some questions raised by Commissioner Meinert, Deganhart explained that when a section was sent back to the Planning Commission by the Board of County Commissioners the Planning Commissioners could only act on what

was sent back to them and their only course of action was to accept it, refuse it, or refer it back to the Board of County Commissioners with recommendations. They could not do an entire redraft of the section.

The Commissioners discussed the timeframe.

Commissioner Padgett discussed the 7th “Whereas” and asked to explain further that the Board made certain changes during public work sessions with public comment. Deganhart explained that the 6th “Whereas” mentioned the work session and suggested adding language to the 7th “Whereas” saying “Whereas at the—” Commissioner Meinert interjected, “Whereas, as a result of the above-referenced work sessions, the Board has made certain changes...” Commissioner Padgett suggested adding to the end of the 6th “Whereas” “...and took public comment during said work sessions.” Commissioner Padgett suggested adding language to the 9th “Whereas” “...the Planning Commission for its recommendation of approval, disapproval or suggestions;” [underline used to denote suggested language].

M/S/P—Motion was made by Commissioner Meinert and seconded by Commissioner Padgett to approve and adopt **Resolution 2009-035** directing the Planning Commission to review proposed revisions to Section 6.12 as modified in three places above. Discussion. Deganhart asked if the Commissioners approved of the current draft of Section 6.12. All approved. With no further discussion, the motion passed unanimously.

7. Discussion / Appointment of Colorado Counties, Inc. (CCI) Legislative Committee Representative:

Keith Meinert was the County’s representative in the past year. He clarified that this appointment was only for the voting representative at the annual Legislative Committee Meeting. He attended it last year. He could not say that by having someone present the County was able to move the ball forward on any agendas that Ouray County had, but he did think that it was important for Ouray County to be seen at the table. Since the Commissioners could not attend the subcommittee meetings on a regular basis, although he advocated for more participation on important issues, it was important to attend the annual meeting. He would nominate Heidi Albritton as the County’s representative on the committee. Commissioner Albritton said it would work out for her to be the representative but if Commissioner Padgett was interested she would be willing to draw straws. Commissioner Padgett noted that she had a big interest in being active with CCI and had the ability to travel to attend subcommittees; however, recognizing that Commissioner Albritton had more experience on the Board she would be willing to act as an alternate.

M/S/P—Motion was made by Commissioner Meinert and seconded by Commissioner Padgett to appoint Commissioner Albritton as primary representative and Commissioner Padgett as alternate on the CCI Legislative Committee. There was no discussion. Motion passed unanimously.

Commissioner Meinert observed that more and more of the Western Slope counties were finding it hard to travel to Denver for subcommittee meetings and there was more of a push to establish videoconferencing centers. Montrose County was looking at becoming a center and participating in that way.

Commissioner Padgett advised the Board that Ouray County had been approved to have a 30-day demo for videoconferencing equipment as another solution. If it worked out, maybe all of the counties would pay CCI for the use of it. Ouray County could be the “guinea pig.” A discussion was had on the upcoming Western District meeting.

E. 10:54 Andrew Madison, Americorps VISTA working with the Uncompahgre Watershed Planning Partnership:

1. Request for support of the Uncompahgre Watershed Planning Partnership’s mission to develop a comprehensive watershed plan for the Uncompahgre Watershed and request for funding in the amount of \$500 to support the activities of the VISTA representatives working in the area:

Andrew Madison, Americorps VISTA (Volunteers in Service to America), explained that he had been working with the Uncompahgre Watershed Planning Partnership (UWPP) to research ways to address pollution in the Uncompahgre River and to work with landowners to establish a consensus on how to improve the water quality for a healthier river. He requested support in the sum of \$500 for personal expenses such as travel, mileage reimbursements, attendance at conference, office supplies and equipment, and training and professional development.

Madison explained that the UWPP was a volunteer group seeking to involve citizens and organizations in the Uncompahgre Watershed and was sponsored by the Colorado Watershed Assembly and the Shavano Conservation District. His mission, as well as that of the UWPP, was to improve the riparian health and to find solutions to environmental problems brought by both man-made and natural causes.

Commissioner Padgett explained that part of the VISTAs’ work plan was to contact major mining partners working within the watershed. She asked how many mining partners had been identified and who had been contacted.

Madison replied that no one had been contacted yet as they were still in the identification process.

Commissioner Padgett asked where the data that was being collected was going and would it be publicly available

Madison replied that the group was currently working on it. Commissioner Padgett suggested having the report available at the libraries and online.

Commissioner Meinert admitted to confusion as to how the various efforts were being tied together and who was coordinating the whole effort. He asked to have someone speak to the Commissioners to explain what everyone was doing and how the efforts were being coordinated.

Madison explained that it was UWPP's project to coordinate.

Commissioner Padgett offered some clarification. It was her understanding that watershed groups formed for a particular watershed with the idea of enhancing protection and restoration of identified problems for the watershed. Sarah Sauter was the Coordinator of the UWPP. Madison was one of three VISTA members funded by the federal government's stimulus package working with the group on issues specific to the Uncompahgre. Sarah Sauter was aware of all of the various water-related groups and was trying to bring them together.

Commissioner Albritton referred to the County's mini water summit and discussed the plethora of water groups. She wanted to see a better integration of all of the local groups with the UWPP before making any financial commitment. She wanted to see more clearly that there was a viable place for this group in the county and that it had the support of the other water groups in the county. UWPP needed to dialogue with the other groups first to define where it fit. She felt that more background work needed to be done.

Commissioner Meinert suggested that Sauter speak to the Commissioners to explain how everything fit together and how the VISTA effort would dovetail into the bigger picture. Once the Commissioners understood that then they could address funding issues.

Commissioner Padgett agreed that it would be beneficial to have a workshop with Sauter. As to the funding request, she noted that the County budgeted for such funding a year in advance.

Commissioner Albritton agreed.

Commissioner Meinert agreed but added that he was not quite as hard-line as Commissioner Padgett was about the budget. If the Commissioners wanted to lend support they could find the money somewhere. This effort was on water quality as opposed to water rights.

Commissioner Albritton wanted to follow up and pull all parties together to explore the discussion further.

Hunt recalled that one of the agenda items on the next Tri-County meeting in September involved the water groups and wondered if this would be a good chance for Madison and the UWPP to participate.

Commissioner Padgett offered to put together a three to four hour watershed networking session. She discussed a "watershed swap," an opportunity for networking and sharing data. She saw a need to understand who was doing what and noted that it was hard to separate water rights from water quality. The common thread was water use.

Commissioner Albritton agreed. The "swap" would be in lieu of Madison and UWPP attending the Tri-County meeting, that was already booked. It was also pointed out that San Miguel County was in a different watershed and the Commissioners wanted to narrow the focus to Ouray County.

Commissioner Albritton summarized that Commissioner Padgett would put together some dates, coordinate a watershed swap, and invite all of the players.

F. 11:28 Second Chance Humane Society:

1. Program Update:

Kelly Goodin, Director; Kevin McNeill, Secretary/Treasurer; Linda Gegauff, Thrift Shop Manager; Allison Dooley, Shelter Manager; and Dick Caldwell, overall Manager, were present.

Goodin made a PowerPoint presentation to the Board. The Second Chance Humane Society (SCHS) was founded in January 1994 and was celebrating its 15-year anniversary. She discussed programs and services that included a Spay/Neuter Program that provided vouchers to low-income pet owners for spay/neuter services, and pointed out that all of the "adoptees" were spayed or neutered before adoption. Other programs included a Volunteer Program, a Foster Care Program, a Feral Cat Program, and Community Education. A Second Chance Pet Column was a weekly offering in the newspapers. There were Pet Placement and Pet Counseling Programs. A Pet Power Program took pets to nursing homes in Montrose to benefit the residents. There was a Mobile Adoption Program. SCHS had special events and fundraisers. The biggest fundraiser was the Wine & Whiskers, a fashion show and silent auction. There was a Shelter/Foster & Rehab Program. SCHS had a thrift shop that brought in revenue. And SCHS had a shelter with a capacity of 15+ dogs and 30+ cats. Goodin concluded with statistics for 2008 and year-to-date through June of 2009 and turned the presentation over to Caldwell.

Caldwell explained that SCHS was not asking for money. It was a healthy organization with assets of a little over \$500,000. SCHS planned to earn \$328,000 this year, 68% of which was derived from the thrift shop. He continued to detail the breakdown. On the expense side, SCHS planned to spend \$324,000. He pointed out that 60% of the expenses went directly to animal care and another 20% or so, about \$60,000, went to the programs. SCHS employed about 22 to 23 people, mostly in the thrift shop. There were only three full-time employees.

Goodin discussed future funding and community readiness for a capital campaign. The group was also looking at the option of a mill levy for future operating costs.

McNeill reported that SCHS took in 300+ animals last year and turned most of them around.

Commissioner Albritton suggested scheduling a future work session to discuss funding issues.

12:09 Commissioner Albritton recessed for lunch and reconvened at 1:38:

G. 1:38 Pete Blair with Blair and Associates:

1. Presentation of 2008 Audited Financials:

Pete Blair took care of some housekeeping items first. In 2008, the County received about \$490,000 in federal assistance, which was just below the cap for a single audit. Because the County took in some stimulus monies for 2009, it would probably have to have a single audit next year. The GASB-54 pronouncement was coming up but would not go into effect until 2011. Risk assessments were done a little different this year. They did testing in the Clerk's and Treasurer's offices for about 15 to 20 days to see how they processed information and how it matched up with deposits. They had no exceptions on either one of those. One recommendation was to have an inventory of assets to depreciate that was a requirement of the GAO. The County has an inventory figure that is fairly accurate it just needs to get a depreciation schedule. There would be new risk assessments with the stimulus money and new requirements. The only material adjustment he made to the County's books was in depreciation costs to get on GASB 24 statements.

Blair discussed the fund balances as shown in a graph included with the *Management Report for Ouray County, December 31, 2008*. He highlighted that the General Fund went down about \$250,000, Road and Bridge went down about \$60,000; and Special Grants went down about \$60,000. He discussed the next few graphs, Operating Revenues and Operating Expenses with regard to the fund balances and pointed out that all were pretty close to the budgeted amounts.

Blair's recommendations included the depreciation schedule for fixed assets discussed above and clearing off the books outstanding warrants that were over a year old.

Blair proceeded to go through the audit, *Ouray County, Colorado, Financial Statements and Independent Auditor's Report as of December 31, 2008*. He highlighted that the County's assets exceeded liabilities by \$6,216,606, an increase of \$91,662 over the prior year. Governmental Funds decreased by \$220,928. He pointed out that most of that was the Courthouse Project. The fund balance for the General Fund decreased by \$250,799, total long-term liabilities decreased by \$28,226, and the County took on new debt in the form of leases for \$173,975. General property tax, sales tax and other tax represented 61% of the general revenues.

After paging through a comparison of revenues and expenses with 2007 and briefly discussing investments, Blair offered that he was impressed with Ouray County because it had very little debt. He continued to page through the report concluding that, overall, the County did better than anticipated.

H. 2:03 Log Hill Fire District Board Representative(s):

1. Discussion of CWIN Grant:

Fred McKnight District Director of Log Hill Mesa Fire Protection District (LHMFPD) was present to discuss the CWIN grant explaining that LHMFPD was the grant contractor for the CWIN project. The current deadline on the grant was December 31. The Commissioners approved the Verizon tower but any further progress was in a holding pattern until legal issues were adjudicated. Verizon stated that it would not begin construction until the legal issues were over. At best it would take 60 days for construction and McKnight came to realization that it would not meet the grant deadline. If the tower was not constructed, DOLA (the grantor) would take the money away after December 31. LHMFPD had received formal notification from DOLA that it would not extend the grant beyond December 31. McKnight advised the Commissioners that LHMFPD already had the equipment so what would happen would be that DOLA would take the equipment and distribute it to other parts of the state. LHMFPD tested the system and it worked, and was now in discussions with the State to put it in the Alltel building to have up and running by December 31 so as not to lose the grant and the equipment. He discussed how much money LHMFPD had spent so far explaining that it was not in its budget to keep the system up and running. He was hoping that the County would put some money into the cost-sharing effort.

Commissioner Padgett clarified that because the County did not have a tower and would not have one functional by December 31, the alternative in order to keep the equipment was to have a T1 line from Qwest running at the Alltel building. McKnight said that the equipment was in an Alltel building, which was very small, and the equipment generated a lot of heat that had to be air-conditioned. The unit was \$2,800 but LHMFPD wanted to cost share the \$585 per month. He reiterated that the district was committed to not losing the equipment.

McKnight explained that originally the tower was going to go on LHMFPD property but when LHMFPD filed for permits, the proposal was killed by visual impact and ARC. The State said no to moving the equipment and the T1 line to the fire department property because of loss of coverage. That was why it was decided to put it at the Alltel site.

Commissioner Albritton discussed looking at the EMS budget to come up with a portion of the cost to help for the interim period. She felt it was appropriate for the County to play a more active role in garnering support from the other emergency response agencies to help. She added that the Sheriff's budget could also be looked at.

Commissioner Meinert wanted to determine who would be using the equipment and to what extent, and come up with a rational allocation of costs to ensure that the other users would pay their fair share of the costs.

In order to move forward, Commissioner Albritton asked Hunt to schedule a meeting with Norm Rooker, Chief Paramedic, Sheriff Mattivi, and Alan Staehle, Emergency Management Coordinator, to discuss what would be an appropriate and reasonable contribution from the County, and to ask one of them to draft a letter to the other entities to pass along the request to them.

Commissioner Meinert suggested coming up with a formula for the allocation and to send the letter out as a demand, not a request, that if they wanted to use the system they needed to contribute in order not to lose the grant funding.

On another topic, McKnight noted that the old clubhouse at Fairway Pines had been abandoned and not only had the owner declared bankruptcy but the bank declared bankruptcy, as well; therefore, the building was derelict and a hazard. Deganhart advised him to make a complaint to Paul Christensen, the Ouray County Building Official.

Deganhart advised that in the legal action regarding Tower 1 the judge was set to issue an order but had discovered some procedural issues that he needed to take care of and had entered an order on that. She expected an order on Tower 1 soon.

I. 2:47 Ennovate Corporation Representative(s):

- 1. Review and discussion of Technical Energy Audit (TEA) for the courthouse and courthouse annex:**
- 2. Request for authorization to proceed with grant application to the Department of Local Affairs (DOLA) and request to authorize Chair's signature on the grant application upon its completion:**

Will Clapsadl, Facilities Manager, was present.

Paul Engle with Ennovate Corporation was hired to complete an energy performance contract, which is a way to leverage energy savings to pay for improvements in facilities. He noted that if Ennovate determined, for example, that the County could save \$10,000 and after the end of the year the County did not see those savings, Ennovate would make up the difference. The County would then use those guaranteed energy savings in a lease/purchase agreement to pay for or buy down the cost of the improvements. He explained that representatives from Ennovate had looked at the Courthouse and the Assessor's Office and distributed an Energy Conservation Measure List, a laundry list of all of the energy improvements that the Courthouse or the Assessor's Office building could take advantage of in ways to save energy and to purchase new equipment. They determined an estimated price by looking at past projects in Colorado and on the Western Slope. The prices may fluctuate plus or minus 10%. The total savings combined operational and utility savings. Capital was not reflected in the total savings. The purpose of the meeting was to select a scope of work to enable Ennovate to apply for a DOLA grant in the next grant cycle in August.

Engle discussed the HVAC upgrades explaining that they had analyzed high energy efficiency boilers and geothermal. They initially looked at the boiler option as the backup to a geothermal system but after running the numbers decided that the boiler would be primary. The main consideration in this decision was that the rate for San Miguel Power Association, Inc. was twice what it was in Montrose, for example, so that while going with geothermal would negate the gas it would more than double the electric costs.

A discussion followed regarding the redundancy of a full backup boiler system and a geothermal system. Commissioner Meinert noted that the cost of the geothermal system was three to four times what he was anticipating. Engle explained that it would be a complete turnkey project from management, labor, materials, training, and guarantee, etc.

Commissioner Padgett asked how long the different ECMs (Energy Conservation Measures) would last compared to the estimated payback time. Engle replied that the boiler system had a life expectancy of 20 to 25 years, the control system would never really need to be replaced but may need upgrades, and the windows would last up to 50 years. Some of the items would not pay for themselves over the payback of the project. They would guarantee a savings of \$16,516 annually, \$165,000 over the ten-year lease/purchase. He added that was a simple payback, not taking into account interest.

Hunt and Clapsadl recommended moving forward with the overall project based on the savings based on how performance contracting worked, as well as pursuing monies from the State Historical Fund.

The Commissioners wanted to discuss it further. Commissioner Padgett wanted to authorize everyone to proceed with it, workshop it at the Commissioners' leisure but still get the grant in on time knowing that it could be pulled at any time. Hunt suggested that if the Commissioners were uncomfortable with having to make a rash decision, they could do a lease/purchase on a boiler without going through the process. Engle pointed out that DOLA would not make a decision on the grant application until probably November. The County would then have to contract with DOLA, then Ennovate would contract with the County and the process would take even longer. There was more discussion. Hunt reiterated that the County could just do a boiler replacement, pay Ennovate for the energy audit, and use the information for the future. She wanted to ensure that whatever boiler was bought would be compatible with a future geothermal or alternative energy system.

Commissioner Meinert suggested that the prudent thing to do would be to take a look at direct boiler replacement costs and what a lease/purchase arrangement would be. The energy savings would help to offset the cost of the lease/purchase. Hunt agreed.

Commissioner Padgett saw value in still connecting the snowmelt system at this time. Hunt agreed.

Commissioner Albritton agreed with Commissioner Meinert’s assessment.

By consensus, the Commissioners directed Staff to begin looking at boiler costs and snowmelt system connection costs.

Commissioner Padgett was concerned that the County was missing a grant opportunity and that the deadline was a no-risk deadline because the County had the option of pulling it.

Clapsadl pointed out line item 15, Oil Storage Tank Environmental Testing and Purge. If the County did not go with Ennovate, it would be up to the County to do it and if there was a leak it could be expensive.

Commissioner Albritton did not mind going forward on a parallel track – submitting the grant application through Ennovate and researching the options and costs associated with the County going out on its own.

Engle indicated that he would need to check with his superior to see if he would want to continue under those conditions.

***M/S/P**—Motion was made by Commissioner Padgett and seconded by Commissioner Meinert to authorize Staff and the Contractor, if approved by Ennovate, to proceed with the grant application to DOLA and authorize Chair’s signature on the grant application upon its completion should Ennovate decide to do so, and simultaneously authorize and request Staff to explore the options of obtaining a similar high efficiency condensing natural gas boiler and components for a work session in the next month. There was no discussion. Motion passed unanimously.*

***M/S/P**—Motion was made by Commissioner Padgett and seconded by Commissioner Meinert to recess until 3:05 p.m. tomorrow, July 28, 2009. There was no discussion. Motion passed unanimously.*

4:20 Commissioner Albritton recessed the regular session to reconvene on July 29, 2009:

OURAY COUNTY BOARD OF COUNTY COMMISSIONERS
OURAY, COLORADO

ATTEST:

Heidi M. Albritton, Chair

K. Keith Meinert, Vice-Chair

Michelle Nauer, County Clerk and Recorder
By: Linda Munson-Haley, Clerk of the Board

Lynn M. Padgett, Commission Member