

COMMISSIONERS PROCEEDINGS 1

BOARD OF COUNTY COMMISSIONERS Minutes of Meeting January 31, 2017

The Board of Morgan County Commissioners met on Tuesday, January 31, 2017 at 9:00 a.m. with Chairman James Zwetzig, Commissioner Laura Teague and Commissioner Mark Arndt in attendance. Chairman James Zwetzig called the meeting to order and asked Morgan County Public Works Director Bruce Bass to lead the meeting in the Pledge of Allegiance.

ADOPTION OF THE AGENDA

Commissioner Arndt made a motion to adopt the agenda as written, with Commissioner Teague seconding the motion. Motion carried 3-0.

CONSENT AGENDA

- Ratify the Board of County Commissioners approval of meeting minutes dated January 24, 2017
- Ratify the Board of County Commissioners approval of Contract 2017 CNT 025, Griffith Auto Body, repair bumper on unit #5299, Term of Contract January 19, 2017 until completed
- Ratify the Board of County Commissioners approval of Contract 2017 CNT 026, Griffith Auto Body, repair sliding door on unit #5299, Term of Contract January 19, 2017 until completed
- Ratify the Board of County Commissioners approval of Contract 2017 CNT 027, MJ's Garage Service, replace overhead door cables at Wiggins grader shed, Term of Contract January 18, 2017 until completed
- Ratify the Board of County Commissioners approval of Contract 2017 CNT 028, Brandenburg Law Offices, legal services to review Torrens records , Term of Contract January 1, 2017 through December 31, 2017
- Ratify the Board of County Commissioners approval of Contract 2017 CNT 029, Impressions by Bird, stationery and printing for 2017, Term of Contract January 1, 2017 through December 31, 2017
- Ratify the Board of County Commissioners approval of Contract 2017 CNT 030, Denver Westword LLC, lodging & tourism advertising in 2017, Term of Contract January 1, 2017 through December 31, 2017
- Ratify the Board of County Commissioners approval of Contract 2017 CNT 031, Miles Media Group, lodging & tourism advertising in 2017, Term of Contract January 1, 2017 through December 31, 2017
- Ratify Commissioner Mark Arndt's signature on the State of Colorado duly sworn oath of County Commissioner District I dated January 23, 2017
- Ratify Commissioner Laura Teague's signature on the State of Colorado duly sworn oath of County Commissioner District II dated January 25, 2017
- Ratify the Board of County Commissioners approval of a Morgan County credit card application for Commissioner Mark Arndt
- Ratify the Board of County Commissioners appointment of Allyn Wind to serve on the Board of Adjustments and Appeals as a member through December 31, 2019
- Ratify the Board of County Commissioners approval for disposal of assets, (1) 1999 Chevrolet Lumina, asset #1072, dated January 25, 2017
- Ratify the Board of County Commissioners approval of nominating Laura Teague proxy for the Jackson Lake Reservoir & Irrigation Company Annual meeting on February 11, 2017

Commissioner Teague made a motion to approve all items on the Consent Agenda as presented. Commissioner Arndt seconded the motion and motion carried 3-0.

GENERAL BUSINESS AND ADMINISTRATIVE ITEMS

Consideration of Approval – RESOLUTION - 2017 BCC 06 - Declaring the intent of Morgan County, Colorado to issue private activity bonds to finance the acquisition, construction, rehabilitation and equipping of a rental housing project at 300 Deuel Street in Fort Morgan, Colorado

MORGAN COUNTY, COLORADO BOARD OF COUNTY COMMISSIONERS

RESOLUTION 2017 BCC 06

A RESOLUTION DECLARING THE INTENT OF MORGAN COUNTY, COLORADO TO ISSUE PRIVATE ACTIVITY BONDS TO FINANCE THE ACQUISITION, CONSTRUCTION, REHABILITATION AND EQUIPPING OF A RENTAL HOUSING PROJECT AT 300 DEUEL STREET IN FORT MORGAN, COLORADO

WHEREAS, Morgan County, Colorado (the "County") is a legally and regularly created, established, organized and existing body politic and corporate of the State of Colorado (the "State"); and

WHEREAS, the County is authorized by the County and Municipality Development Revenue Bond Act, constituting Article 3, Title 29, Colorado Revised Statutes, as amended (the "Act") and the Colorado Supplemental Public Securities Act, constituting Article 57, Title 11, Section 201 et seq., Colorado Revised Statutes, as amended (the "Supplemental Public Securities Act"), to finance one or more projects (which includes any land, building or

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other improvement and real and personal properties) to the end that residential facilities for low- and middle-income persons may be provided which promote the public health, welfare, safety, convenience and prosperity; and

WHEREAS, the County is further authorized by the Act and the Supplemental Public Securities Act to issue revenue bonds for the purpose of defraying the cost of financing any project, including the payment of principal and interest on such revenue bonds for not exceeding three years, the funding of any reserve funds which the County may deem advisable to establish in connection with the retirement of such revenue bonds or the maintenance of the project and all incidental expenses incurred in issuing such revenue bonds, and to secure payment of such revenue bonds as provided in the Act; and

WHEREAS, the County intends to issue tax-exempt private activity bonds (the “**Bonds**”) to finance the costs of acquiring, constructing, rehabilitating and equipping a rental housing project to be located at 300 Deuel Street in Fort Morgan, Colorado (the “**Project**”), consisting of the conversion of a portion of the vacant Fort Morgan Middle School building into approximately 55 apartment units; and

WHEREAS, the Project will be owned by an entity to be formed (the “**Borrower**”), which the County anticipates will include as partners or members a low-income housing tax credit investor and the Community Redevelopment and Housing Development Corporation (“**CRHDC**”) or one or more affiliates of CRHDC; and

WHEREAS, no costs of the Project to be paid or reimbursed with proceeds of the Bonds were paid by the Borrower more than 60 days prior to the date of this Resolution, other than preliminary expenditures (not exceeding 20% of the aggregate issue price of the Bonds) and such preliminary expenditures do not include costs of land acquisition or site preparation or other costs of construction or acquisition of the Project; and

WHEREAS, the Project constitutes a project under the Act, and the Board of Morgan County Commissioners (the “**Board**”) has concluded that the Project is consistent with the goals and objectives of the County; and

WHEREAS, the Board desires to indicate its intent to proceed with the financing of the Project through the issuance of the Bonds.

NOW BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MORGAN COUNTY, COLORADO:

1. **Approval of the Project.** The County hereby approves the Project. It is the County’s intent to take all steps necessary or advisable to effect the issuance of the Bonds in the maximum aggregate principal amount of \$9,000,000, or such other amount as shall be determined and agreed upon by the Borrower and the County to finance all or a portion of the cost of the Project, subject to the availability of additional private activity bond allocations for transfer to the County for the Project.

2. **Declaration of Official Intent to Finance Capital Expenditures.** The County hereby declares its intention and reasonable expectation to use the proceeds of the Bonds to pay the costs of the Project and to reimburse the Borrower for expenditures for costs of the Project to the extent permitted by federal tax regulations and the Act, such Bonds to be issued in compliance with the Act, and to be payable solely from the revenues derived from the Project.

3. **No Liability of the County.** The Bonds shall never constitute the debt or indebtedness of the County, nor any multiple-fiscal year direct or indirect County debt or other financial obligation of the County whatsoever, within the meaning of any provision or limitation of the Constitution or statutes of the State of Colorado, and shall not constitute nor give rise to a pecuniary liability or financial obligation of the County, nor shall the Bonds ever be deemed to be an obligation of any officer, agent or employee of the County in such person’s individual capacity, and no such person shall be subject to personal liability by reason of the issuance of the Bonds.

4. **Authority for Issuance of Bonds.** For purposes of the Act, the Bonds shall be issued pursuant to a resolution of the Board hereafter to be adopted. This Resolution No. 2017 BCC 06 constitutes an expression of the Board’s current intent and shall not bind the County to issue the Bonds.

5. **Incidental Action.** The proper officials of the County are hereby authorized and directed to take or approve the taking of such actions as may be necessary or appropriate on its part in order to accomplish the purposes of this Resolution and to preserve the ability of the County to finance its capital expenditures in accordance with the federal tax regulations.

6. **Effective Date; Term; Repeal.** This Resolution shall take effect immediately upon its adoption, and all prior resolutions or portions thereof inconsistent herewith are hereby repealed. This Resolution shall remain in effect until such time as it is repealed by formal action of the Board via a separate Resolution.

DATED this 31st day of January, 2017.

**THE BOARD OF COUNTY COMMISSIONERS
MORGAN COUNTY, COLORADO**

s/ James P. Zwetzig
James P. Zwetzig, Chairman

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s/Laura D. Teague
Laura D. Teague, Commissioner

s/ Mark A. Arndt
Mark A. Arndt, Commissioner

(SEAL)

ATTEST:

s/ Susan L. Bailey
Susan L. Bailey

Chairman Zwetzig presented to the Board for approval, Resolution 2017 BCC 06, a Resolution declaring the intent of Morgan County, Colorado to issue private activity bonds to finance the acquisition, construction, rehabilitation and equipping of a rental housing project at 300 Deuel Street in Fort Morgan, Colorado. Chairman Zwetzig stated the Board was approached by CRHDC, being a 503-C Corporation, a non-profit corporation, who recently completed the Sol Naciente Housing Project in Fort Morgan. They have signed a MOU with the Fort Morgan School District and have spoken with the City of Fort Morgan and landowners to pursue this project and are now asking that Morgan County participate in the private activity bonds for the project. Commissioner Teague explained the private activity bonds are bonds issued by Federal government through the States to the Counties and they are bonds issued specifically for low to middle income housing as well as industrial activity within the community with their sole purpose to provide affordable housing as well as increasing economic development activity. Historically, it is believed the County has issued these bonds in the past and currently has 1.4 million in private activity bonds that can be issued to a bond requestor who is tax exempt. These are tax exempt bonds that the federal government sells which provides incentives to whomever purchases them by offering low interest and also tax exempt status. She asked to make clarifications on the proposed resolution stating those revisions. The first part of the resolution is indicating the County has the ability to issue bonds for financing and the second part of the resolution outlines more specifically they are private activity bonds and the County has not indebtedness or obligations for any type of payment. Commissioner Teague noted that if there should be any administrative costs for this project, those costs can be reimbursed through CRHDC. One further clarification to the resolution as written, it should state the County will be issuing part of the 9,000,000.00 in bonds being required for the project, with asking for clarification the County will be able to issue the 1.4 million, with Chairman Zwetzig explaining that he believes the intent is the County is responsible for covering the entire amount, and stated this is only a proposed indication and intent but not an obligation and it is subject to the availability (see the resolution for the exact language).

Further discussion ensued with Commissioner Arndt stating he believes the prior issuance of bonds may have occurred in the seventies, and Finance Director Michelle Covelli believes it was for public service. Chairman Zwetzig stressed this matter is preliminary and not obligatory at this time. Commissioner Arndt stated that he understands the County's share of 1.4 million in bonds, if not used, would go back into the State pool for others to issue.

Commissioner Arndt asked if the City's do not have the opportunity to issue these private activity bonds and the County is the entity who can issue these bonds, with Chairman Zwetzig stating that answer is not clear as of yet, but believes that the County is part of the State and is able to issue these types of bonds.

Connor Woodall, intern, asked who supported the other project, with Chairman Zwetzig explaining Rural Development was the one involved in the Sol Naciente project, with Commissioner Teague stating that this project will follow the same type of collaboration as the previous project naming the City of Fort Morgan and Fort Morgan School District as partners in the proposed project. Chairman Zwetzig believes this project would be addressing the housing issues that Morgan County is currently facing. It was also clarified that this will allow for low and middle income housing opportunities which will allow for more individuals to qualify.

Commissioner Teague made a motion to approve Resolution 2017 BCC 06, Resolution Declaring the intent of Morgan County, Colorado to issue private activity bonds to finance the acquisition, construction, rehabilitation and equipping of a rental housing project at 300 Deuel Street in Fort Morgan, Colorado. Commissioner Arndt seconded the motion, and at this time motion carried 3-0.

Consideration of Approval – RIGHT OF WAY PERMIT - 2017 PMT 01– Morgan County Quality Water District

Morgan County Road Supervisor John Goodman presented to the Board for approval, a Right of Way Permit 2017 PMT 01, with Morgan County Quality Water District. Mr. Goodman stated this Right of Way Permit is bore under County Road 23 to install a new water service from existing 3" main line located approximately 704 feet north of County Road U.5 on the east side of County Road 23. The crossing will be from the west to the east side to install a hydrant. Mr. Goodman believes it will be a bore as indicated but they do have the option of trenching. Further discussion ensued as to ensuring the depth of the bore with Mr. Goodman stating Quality Water does a good job in making sure the depth is adequate given the issue of frost and this information is included in the permit application. He stated the fees are attached in the amount of \$150.00 and the location has been inspected.

Commissioner Arndt made a motion to approve Right of Way Permit 2017 PMT 01 with Morgan County Quality Water District as outlined by Morgan County Road Supervisor John Goodman on the permit and authorized the Chair to sign. Commissioner Teague seconded the motion and motion carried 3-0.

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Consideration of Approval – VEHICLE PURCHASE – State Agreement 2017-125

Morgan County Public Works Director Bruce Bass presented to the Board for approval, state agreement 2017-112 for the purchase of one 2017 Dodge Grand Caravan. Mr. Bass stated the purchase price of the vehicle would be \$20,522.00. Mr. Bass explained this was an item on last week's meeting, but a specification was added making the purchase price a different amount stating there was an error made on the standard pricing of this vehicle given the air/heating for the rear of the vehicle, and this auxiliary heating and cooling option needs to be included in the approval for purchase.

Commissioner Teague made a motion to amend the approval of the State Agreement 2017-125 for the purchase of the 2017 Dodge Grand Caravan in the amount of \$20,522.00 which is \$565.00 higher than approved at last week's meeting as presented by Morgan County Public Works Director Bruce Bass noting there as an item exempted from last week's approval. Commissioner Arndt seconded the motion and motion carried 3-0.

Consideration of Approval – VEHICLE PURCHASE – State Agreement 2017-125

Morgan County Public Works Director Bruce Bass presented to the Board for approval, state agreement 2017-125 for the purchase of one 2017 Dodge Grand Caravan. Mr. Bass stated the purchase price of the vehicle would be \$22,778.00. Mr. Bass stated this is an approved budgeted item for the 2017 year for the Morgan County Sheriff Department for jail transport and purchase will be made through Larry H Miller TCD. Mr. Bass stated it was necessary to make some adjustments to the seating arrangements and the flooring was changed to a vinyl flooring material for ease of cleanup.

Commissioner Teague asked about the state bid pricing arrangements and the fact they are designed to save Counties the time and resources in going out for other bids, with Mr. Bass stating the option of going out for other bids has been explored in the past but those bids have not been awarded explaining the problem the issue he has seen given the time lines given the County's budget cycle versus the State bid time lines. He stated he would be happy to explore the option and put in the time and see what would be the best way to proceed with Commissioner Arndt stating this option has been looked into at one time with the dealership making comment they wished they could purchase the vehicle at the cost the County is able to obtain at state bid pricing. Discussion followed in regards to the lighting of the vehicle with Mr. Bass explaining what will be done to provide the lighting for emergency situations.

Chairman Zwetzig asked Undersheriff Dave Martin to provide an explanation of the use of this vehicle, with Mr. Martin stating they use the jail transport vans to transfer inmates from facility to facility, stating they are required to transfer prisoners for mental health purposes as well as court purposes and these vehicles do acquire numerous miles as they can be used to transfer to various areas across the State. The vans are set up to provide ultimate safety and precautions necessary to transport inmates.

Commissioner Arndt made a motion to approve the State Agreement 2017-125 for the purchase of the 2017 Dodge Grand Caravan in the amount of \$22,778.00 as presented by Morgan County Public Works Director Bruce Bass. Commissioner Teague seconded the motion and motion carried 3-0.

Consideration of Approval – CERTIFICATION – 2016 Annual Road Mileage Certification

Morgan County Information Systems Manager Karol Kopetzky presented to the Board the 2016 Annual Road Mileage Certification. Ms. Kopetzky outlined the information she provided to the Board indicating this report includes all updated information as to infrastructure to the County's road system for 2016. Ms. Kopetzky stated there will be a total of 1,035.61 miles certified for 2016. Ms. Kopetzky then highlighted the projects that encompassed the changes for this year's certification as outlined in the detailed information provided to the Board indicating there was 2.03 miles of new pavement, 7.66 miles of overlay, 33.93 miles of chip seal and 3.16 other which included a buildup and a relocation.

Commissioner Teague made a motion to approve the 2016 Annual Road Mileage Certification presented by Morgan County Information Systems Manager Karol Kopetzky and authorized Chairman Zwetzig's signature. Commissioner Arndt seconded the motion and the motion carried 3-0.

Ms. Kopetzky stated the road projects that are proposed for 2017 will be posted on the County's website within this week.

COUNTY OFFICIAL AND DEPARTMENT HEAD REPORTS

Commissioners reviewed the calendar dated January 27, 2017 through February 7, 2017 with no changes.

Chairman Zwetzig noted that the Commissioners will be in attendance at the City/County meeting this evening in which the City of Brush is hosting. Commissioner Teague further noted there will be a meeting hosted by CDM Smith, who is the engineering firm that will be part of the master plan for the South Water Platte Watershed Project, explaining this will be a very important meeting for all types of stakeholders to attend who may have information regarding water management in the County. Commissioner Teague stated that if anyone should need additional information, she encouraged them to contact the Commissioner's office.

UNFINISHED BUSINESS

There was no unfinished business.

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LIQUOR LICENSES

At this time, the Board of County Commissioners convened as the Morgan County Liquor License Authority in the matters of:

Retail Liquor or 3.2 Beer License Renewal – Tavern (County)
Licensee: AJ's Corner Tavern, Inc. DBA AJ's Corner Tavern
Operating Manager: Ernest A. Ruiz

Morgan County Clerk and Recorder Susan Bailey presented to the Board a liquor license renewal application submitted by Ernest A. Ruiz representing AJ's Corner Tavern, Inc. dba AJ's Corner Tavern for a Tavern (county) license indicating the physical address of 24213 Highway 39, Weldona, CO. Ms. Bailey verified that the necessary documents and fees have been submitted as required. Ms. Bailey asked the Morgan County Sheriff's Department to report at which time Undersheriff Dave Martin stated there is nothing to report at this time.

At this time, Chairman Zwetzig opened the matter for public comment with no comment.

Upon no further discussion, a motion was made by Commissioner Arndt to approve the liquor license for AJ's Corner Tavern, Inc. dba AJ's Corner Tavern presented by Morgan County Clerk and Recorder Susan Bailey and noting that the fees are attached and authorized the Chair to sign. Commissioner Teague seconded the motion and motion carried 3-0.

CITIZEN'S COMMENT

There was no citizen's comment.

EXECUTIVE SESSION

A motion was made by Commissioner Teague to move into executive session for the For the purpose of determining position relative to matters that may be subject to consider the purchase, acquisition, lease, transfer or sale of real, personal or other property, pursuant to C.R.S. § 24-6-402(4)(a). Commissioner Arndt seconded the motion and motion passed 3-0.

At this time, Clerk Bailey and Chief Deputy Aleman recused themselves and the tape recording for the executive session was started and the recording of the regular meeting turned off.

At 9:57 a.m., Ms. Bailey and Ms. Aleman returned to the meeting wherefore Chairman Zwetzig noted the Board did place a phone call to the County Attorney to obtain advice on matter of procedure only and no other matters other than the stated purpose was discussed during this executive session. At this time, Chairman Zwetzig noted the executive session had ended whereas this recording was turned off and the Board convened back into regular session and regular meeting recording turned back on.

Being no further business, the meeting was adjourned at 9:59 a.m.

Respectfully Submitted,
Susan L. Bailey
Clerk to the Board

(Minutes ratified February 7, 2017)

**THE BOARD OF COUNTY COMMISSIONERS
MORGAN COUNTY, COLORADO**

s/ James P. Zwetzig
James P. Zwetzig, Chairman

s/Laura D. Teague
Laura D. Teague, Commissioner

s/ Mark A. Arndt
Mark A. Arndt, Commissioner

(SEAL)

ATTEST:

s/ Susan L. Bailey
Susan L. Bailey