

Town of Yampa
Regular Meeting Minutes
July 1, 2020

TOWN OF YAMPA
JULY 1, 2020
YAMPA TOWN HALL – 101 MAIN STREET
CROSSAN BUILDING-2ND FLOOR

BOARD MEMBERS PRESENT: Mayor Pro-Tem Mike Lewis, Trustees Stacey Geilert, Crystal McLaughlin and Jeff Drust

BOARD MEMBERS ABSENT: Mayor Robert Symons

EMPLOYEES PRESENT: Public Works Assistant (PWA) Greg Samuelson, Town Clerk (Clerk) Janet Ray, and Deputy Clerk/Assistant Treasurer (DC) Nora Phillips

AUDIENCE PRESENT: Chris Catterson (Town Auditor) and Tom Jennings (Mid-State Energy)

DUE TO THE COVID-19 PANDEMIC THE BOARD OF TRUSTEES WILL BE ATTENDING BOTH IN PERSON AND VIA GOTOMEETING. IN PERSON ATTENDANCE IS LIMITED PER STATE OF COLORADO PUBLIC HEALTH ORDERS AND MASKS ARE REQUIRED. THE PUBLIC IS ENCOURAGED TO ATTEND VIA GOTOMEETING. AUDIENCE - PLEASE CALL 970-638-4511 PRIOR TO THE MEETING IF PLANNING TO ATTEND IN PERSON.

Town of Yampa-July 1, 2020
Wed, Jul 1, 2020 6:45 PM - 12:00 AM (MDT)

<https://global.gotomeeting.com/join/251043933>

You can also dial in using your phone.
(For supported devices, tap a one-touch number below to join instantly.)

United States (Toll Free): 1 866 899 4679
- One-touch: tel:+18668994679,,251043933#

United States: +1 (224) 501-3318
- One-touch: tel:+12245013318,,251043933#

Access Code: 251-043-933

Call to order

Mayor Pro-Tem Lewis called the meeting to order at 700p.

Roll call

Board Roll call was taken

Pledge of Allegiance

The Pledge of Allegiance was recited

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Approval of minutes

Consideration of approval of December 11, 2019 special meeting minutes and January 2, 2020 special meeting minutes (in packet)
Trustee Drust made a motion to approve the December 11, 2019 regular meeting minutes and January 2, 2020 special meeting minutes. Trustee Geilert seconded the motion. Motion passed unanimously on voice roll call vote.

Audience participation – Non-agenda items

Five-minute time limit – presentation only-Board will render no decisions
None

Audience participation – Scheduled items

2019 Audit Presentation (draft in packet) and Auditor Communications with Governance (draft in packet) - Chris Catterson

Chris Catterson the Town of Yampa's Auditor wanted to touch on overview of the audit. He advised in years past there wasn't any concern for fraud or misappropriations of assets. The typical adjustments explained, the way it works is we provide them our financial information and they propose adjustments to get our financial statements in accordance with Generally Accepted Accounting Standards. These adjustments were typical cash to accrual adjustments (the end of the year expenses billed for 2019 and not paid until 2020 and also recording depreciation expense to capital assets). He has counselled that there is not cause for concern as far as the audit. The Financial Statements is the same issue that has been creeping up over the last couple years, that is in our enterprise fund. He advised that the general fund (on page 3 of financials in the packet) if you take your unrestricted deposition at the bottom of the page, that is basically equity, and divide that by your cash expenses per year, ratio would be about 3 for the general fund, if you do that same thing with your enterprise fund you end up with several years negative. If looking at both as a total and you combine the 2, the Town will have only about a 4-month reserve of our cash expenses. He continued to explain that ideally that is a number that should have been growing instead of decreasing the last 2 years. Most entities that he deals with they prefer to have at least a 6-month reserve. The bright side of this is, when you look at the enterprise fund by itself, cash flows from operations (the money we take in for our water/sewer payments and take out all our cash expenses) – the last 2 years the town has netted about \$50-55k there. Taking out the \$20k of debt service to the Colorado Water Resource Power Development Authority (CWRPDA) loan is at a major deficit. The issues we are running into is our not all our capital expenditures have been covered by grants. That is kind of what is dropping the town into the negative range at this time. He asked if Clerk Ray had any correspondence with the CWRPDA. She advised that not recently. She was waiting on the audit and then communicating with them in the next few days and send them the audit and explain what we are trying to do to make up the deficit. He advised that he looks at it from a lender's standpoint. A lenders biggest concern is will they get paid back their loan. He advised that the Town is clearly able to do that, it is just that this reserve requirement that they like to see the operating maintenance reserve is not going to be what they like to see as comfort level. He proceeded that it is up to the lenders what to do. He advised there is 20 months to satisfy that and he doesn't see how that is realistic at this point. The audit this year is different as it was done remotely. He advised that it seemed to work pretty well though. The lack of the face-to-face interactions is missed however. Those were all the main issues he wanted to touch on. There is another covenant with the loan agreement with CWRPDA that the town has to have net system revenues, which is base enterprise fund revenues net of expenses. On a cash basis the net has to be 110% of the debt service requirements and he believes that the town is at 200%. That just relays that there should be no issues to repay the loan. He thinks that would make the lenders feel more comfortable. Trustee Drust had a hard time hearing Chris Catterson's explanation. Chris Catterson counselled that what he has to address as an auditor is that the entity, he is auditing can exist in its current format 1 year from the date that the statements are issued. He asked the Town Board, that if anyone has any concerns for now, as to if the town will go bankrupt the discussion needs to happen

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now. He advised our revenues are stable (property tax and water and sewer) they should be able to be collected. That risk is very low. That is all he had to address. Mayor Pro-Tem Lewis asked Clerk Ray if they needed to do anything additional and she advised that will be in the New Business section of the agenda.

Audience participation – Scheduled items cont.

Transition from coal heat (old town hall/EMS building & town shop) – Tom Jennings with Midstate Energy presentation

Tom Jennings advised we are going from the old coal fire to something new. He advised of the Solar projects that could help with DOLA's grants. With the 2 different quotes that we have received to upgrade these heating systems and they are right where they need to be. He recommended that make sure the prices are correct. JDW INC. and JLD Electric quotes were included. He asked Trustee Drust of JLD Electric that both quotes looked like they were not complete. He wants to make sure all things are provided in the quote. He advised that from the Town's standpoint, we need to know that we will end up with a fully working complete system after this initial quoted price. Clerk Ray advised JLD electric did a cost estimate on the town shop, but not asked to do one on the Old Town Hall/Fire Station. Tom Jennings understood after that. He advised between the 2 of the quotes, we need to decide which to use. This program that we might sign up to would basically come through as energy efficiencies and putting on some solar panels. Most likely upgrade our controls for water wastewater, whatever we can do to fine tune the efficiencies to have our bills can be lower. That would help pay for it and including the DOLA grant. He thinks off setting our energy usage with solar would be a great idea. It is more electric heavy than going to propane heating that was originally put down as an idea. At the end of this we would have a system that is electrical ready and hopefully the solar will offset the majority of costs of the actual electrical expenditures that will be charged that solar cannot offset.

He recommends if we are signing up for the Memo Of Understanding (MOU) that we seriously look into an electrical base as for what we can do for this program is to source coal for just one more season. He advised if we can, we should get some of the upgrades and the new heating elements put into the same program as we are trying to do now.

His second recommendation is if we are going to go with the MOU and start this solar project that the Town go more after the propane.

His third recommendation is to make sure we are covered with propane tanks and internet connection.

These are the 3 things he recommends.

Trustee Geilert asked if we can source coal that we should do that to try to get everything paid all at one time. Tom Jennings advised these kind of energy contacts will replace coal with more sustainable electric type situation with the Colorado Energy office program. They may be able to pay for all of it under that program. He did advise that if we try to sell Old Town Hall we would be off the hook of the loan as if you put solar panels on it transfers.

Trustee Drust asked if we knew about the coal situation for next year. PWA Samuelson advised it is all up in the air at this point.

Discussion continued regarding what if the Town cannot get coal next winter. The concern is to make sure the fire station stays at a warm 55 degrees to protect the equipment. PWA Samuelson thinks we have 4 loads of coal available still at this time.

Trustee McLaughlin advised that her husband that works at the 20-mile coal mine advised that if we have someone to haul the coal, they will sell it to us directly. 20-mile coal mine just doesn't sell it to Bauer's anymore.

Clerk Ray did direct that selling old town hall is not in the works at all. It would not be in the best interest of the Town.

Tom Jennings advised an energy partner will need to be chosen soon if this is to proceed. The grant itself would help offset the payments to the energy partner with the energy savings. Clerk Ray advised that DOLA would like it to stay reasonably price in the \$10-14k range for the grant. She explained more that this is a regional project and McKinstry Essention LLC. could have complications due to the multiple entities in this regional effort of a solar plan. DOLA would like it to be successful as it would be a great model of other entities that are doing the same thing in the future. This type of regional project is not a common practice so it is a great way to have DOLA help pay for it and show this as a successful model.

Clerk Ray advised to the Board that the next step is to see if we can work something out with 20-mile coal mine or see if there is any other source of coal.

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Tom Jennings pointed out again the cost estimates that JDW INC are not as clear as they should be. We also do not have electrical system at Old Town Hall/EMS building. As the overall price and want to go in on something like this right now we will need 2 more companies with a price estimate. She is thinking this will need to be talked about a workshop in the future.

Tom Jennings offered up his assistance if the town does need it. He would help go through the quotes and to help streamline the process for the Town if needed. PWA Samuelson advised that the Town Shop would be fine through next winter.

Trustee Geilert advised she thinks we need to get in touch with 20-Mile Coal mine to see what they can do also. Clerk Ray asked the Town Board to review the performance contract for the next workshop. She would like them to be comfortable with it and able to sign the contract for the Colorado Energy office. The Board is in agreement with this step process to get this going.

PWA Samuelson wanted to know if this money for the grant will still be there next year. Tom Jennings advised we would need to reach out to the Colorado Energy Office to see what they advise. Clerk Ray advised that she will apply for the DOLA grant in August and we will then know in December if it is approved and then we can go from there.

Old Business

Regional Solar Planning for Peak Power Shaving and Net Metering (old town hall/EMS building and wastewater treatment plant) update

Clerk Ray advised of the next meeting on July 13th. This will be the first meeting where they start putting the budget and the scope of work together for the DOLA grant.

Performance Contracting discussion (information in packet)

Clerk Ray advised this is the presentation that was made to the regional group and if any questions arise this is the time to ask the questions.

Tom Jennings advised it is pretty easy process. That is why the energy office came in to make it make more sense and more streamlined.

Trustee Geilert asked if they sign the MOU for the Colorado Energy Office tonight, that we just getting information not advising that they are 100% going to follow through with this at this point until the board has more information. Tom Jennings advised that MOU is for the Board to understand what is to be required by the Town if the process is approved by the town.

Consideration of acceptance and signing of Memorandum of Understanding between the Colorado Energy Office and Town of Yampa, Colorado (in packet)

Trustee Geilert made a motion to sign the MOU for the Colorado Energy Office. Trustee Drust seconded that motion. The motion pass unanimously on a voice vote.

Regional Solar Utility Planning Project (regional solar array) update

Clerk Ray advised this is the project spearheaded by the city of Craig. No updates at this time.

Water system improvements update and consideration of any needed approvals

Clerk Ray advised she has communicated with Brian James with Colorado Department of Public Health and Environment (CDPHE) and advised that the project was completed. She advised that the project will be able to be closed out after the last couple bills come in from this.

She advised that she got an email from Barbara Palmer and they are back in town if any notifications or questions are needing to be asked.

There were technical difficulties for a moment.

Wastewater system improvements update and consideration of any needed approvals

Clerk Ray sent an email to Donna Corrigan regarding the 3-acre sale near the wastewater plant. She just heard back from her. Donna Corrigan asked for the letter of intent. She has not taken the questions or concerns to the home owners yet.

Clerk Ray has advised that a new person with CDPHE will be the contact. His name is Mark Henderson. She will get in touch with them tomorrow to see what is needed to keep proceeding.

COVID-19 update

Plexiglass shields, Masks, and hand sanitizer have been ordered. The plexiglass is on back order at this time. Clerk Ray pulled the cleaning contract that was set years ago. She has not had a chance to review this at this time. She asked if the Town Board would like to cancel the rabies vaccination clinic or keep it going. Her concern is people may not follow the mitigation plan for the vaccination clinic.

Trustee Geilert advised that most Veterinarians are only seeing emergency clinics. She thinks that if the veterinarians are not worried about it, we should not be too worried about the clinic. Clerk Ray will reach out to Dr. John Colburn to see how he would like to handle this situation.

Hazard Mitigation plan update

Routt County had been working on updating the hazard mitigation plan. Clerk Ray received an email from the Emergency Management Director that advised they are finalizing the hazard mitigation plan.

Snowden Park fence

PWA Samuelson advised he does not have any updates at this time.

New Business

Consideration of acceptance of 2019 audit and signing of representation letter (letter in packet)

Trustee Geilert made a motion to accept the 2019 audit and signing of representation letter. Trustee McLaughlin seconded the motion. The motion passed on unanimous roll call vote.

Consideration of acceptance and signing of Cooperative Agreement Regarding Disbursement of Coronavirus Aid, Relief and Economic Security Act Funds to County and Local Governments Agreement (CARES Act funds) (in packet)

Clerk Ray advised this is the Covid relief money. The dollars actually come to the county and then the county will reallocate to the municipalities. There were 2 or 3 meetings regarding this. The committee came up with the allocation amounts this based on population. The amount that will be allocated to the Town of Yampa is \$27,638.22. The agreement needs to be signed to receive the money. There is a list of eligible expenses that will be considered for reimbursement. We would have to pay in advance and then get reimbursed.

Trustee Drust made a motion to sign the consideration. Trustee Geilert seconded the motion. It passed on a unanimous voice vote.

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Review and consideration of comments on Updated Draft Mutual Aid Agreement between Routt County and Municipalities and Special Districts (in packet)

Clerk Ray advised that any questions need to be addressed tonight to be asked tomorrow. No questions from the Town Board.

Public Works Department

Dust Abatement and other - PWA Samuelson to report

PWA Samuelson advised fire extinguishers are checked.
Unable to hear update on recording for most of the update.
Mayor Pro-Tem Lewis asked if a tree in River Park may need to be checked out as it looks like it needs to be cut down. PWA Samuelson advised he will look into that.

Clerk's review of possible code violations and required action (if any) and report of on-going business

Clerk Ray advised of the email regarding Robert Anderson's property. The Board was in agreement to have a letter sent to the property owner for a property clean up.
Clerk Ray is working on a thank you for Bryan Ashley's Trustee service.
She had 11 hours of Covid-19 zoom meetings.
Property insurance renewal is due. She advised a special meeting will be needed to consider this.
She had the water and wastewater eligibility surveys returned on time. These surveys are done to assist with grants.
She has also finished up the Town Clerk/Treasurer job description and sent to DC Phillips for her review. Waiting to have it finalized and approved.
She is also working on the Public Works job description but that is not finalized yet.
She will also be working on the pay scale for both jobs.
Clerk Ray is working on the wastewater and water grant. She will also have the energy impact grant report sent in.
She will also have the Conservation Trust Fund report done.
She is working on the privacy policy on the Health Reimbursement Account for the town also.
The new Paid Time off Policy will need to be revisited and approved.
She will try to get more minutes done and the 2021 budget will be needing to be worked on soon.

Reports of Committees

None

Meeting Reports

None

Schedule Workshops and/or Special Meetings

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Board Members and audience requests for agenda items for next meeting

None

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Reading of Correspondence and required action if any

CDOT has emailed advising of adopt a highway request from CDOT. The Board advised that waiting may be best due to the pandemic.

Review June financials, May meter reading report, and June invoices/vouchers (financials in packet)

June financials were in town board and audience packets for review. The June meter reading report was circulated also. The June invoices with completed vouchers were circulated for review.

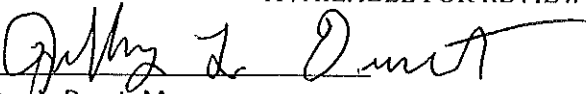
Reading and Payment of Bills

Clerk Ray read the bills. Trustee Geilert made a motion to pay the bills, Trustee Drust seconded the motion and the motion passed unanimously on voice vote.

Adjournment

Mayor Pro Tem asked for further business, hearing none he called for adjournment. Trustee Drust made a motion to adjourn, Trustee Geilert seconded the motion and the motion passed unanimously on voice vote. The meeting adjourned at 9:01 pm.

AGENDA SUBJECT TO CHANGE 24-HOURS BEFORE SCHEDULED MEETING AUDIENCE PACKET
AVAILABLE FOR REVIEW BEFORE THE MEETING



Jeffrey L. Drust, Mayor

Attest:



Sheila Symons, Town Clerk

July 7, 2021