



**Board of Directors Meeting Minutes
January 15th, 2020**

Directors Present: Cassia Cadenhead, Derrick Nehrenberg, Dave Clayton, Ian Billick and Maddie Rehn.

Staff Present: Hedda Peterson

Location: District Office, 710 S. 9th Street, Gunnison, CO 81230

Audience Members:

None

Call to Order

The meeting is called to order at 6:00 PM.

Approval of Agenda

No changes were made to the agenda.

Motion:

Motion to approve agenda made by Ian Billick, seconded by Derrick Nehrenberg. Passes unanimously.

Public Comment

No public comment.

Consent Agenda

No changes made to the consent agenda.

Motion:

Motion to approve the consent agenda made by Ian Billick, seconded by Cassia Cadenhead. Passes unanimously.

Executive Session

For the next item of business, Clayton explained that the District Board would like to go into Executive Session. The topic of the Executive Session will be discussion in conference with the District's attorneys for the purpose of receiving legal advice on specific legal questions having to do with an administrative claim filed by Lori Patin. Executive Session pursuant to C.R.S. § 24-6-402 4(b) of the Colorado Revised Statute authorize an executive session for this legal matter.

Motion:

Derrick Nehrenberg moved to go into executive session, seconded by Cassia Cadenhead. Passes unanimously.

Motion:

Motion to go back into regular session made by Derrick Nehrenberg, seconded by Cassia Cadenhead. Passes unanimously.

Old Business

Parlin Lease Update-

Hedda explained that XtreamInternet circled back with additional questions and concerns on the District's lease agreement for their use of the Parlin tower. She added that she and Dave Clayton met with Andy Ivy, with XtreamInternet, to respond to their questions in more detail. The meeting was positive and it felt as though an understanding was reached. However, XtreamInternet recently reached out a third time with additional concerns and edit requests. Hedda reminded the Board that XtreamInternet was provided the same lease that Colorado Central Telecom was provided and is comfortable with. The Board discussed some of the concerns expressed by XtreamInternet, including interference, provisions for emergency access, exclusivity, and potential damage costs.

The Board discussed XtreamInternet's approximate capital investment, which Clayton estimates to be between \$10,000 and \$15,000. Billick expressed having a hard time justifying additional legal fees on our end in support of their capital investment. He suggested asking XtreamInternet to cover the cost of our attorney fees related to reviewing and adjusting the lease agreement. Overall, the Board agreed that the District does not want to position itself to accrue costs for what is a free deal for XtreamInternet. To conclude, it was agreed that at this point we can provide XtreamInternet additional information but if further legal counsel is needed, that they cover the District's attorney costs.

Recreation Planning: Request for Information-

Hedda explained that the Request for Information (RFI) was developed based off the discussion at the December 18th Board Meeting. Its purpose is to serve as a mechanism to help the District understand near-term capital projects and help inform the allocation of the District's 2020 recreation funding. She added that she would like to provide the RFI to stakeholders as soon as

possible and advertise it in the local newspapers, with the intent of having responses received in time to consider at the February Board Meeting. Hedda asked if the Board had any questions or concerns about the RFI's format.

No concerns were expressed by the Board.

New Business

2020 Meeting Schedule-

Clayton explained that the Board needs to adopt a resolution for the District's Notice of 2020 Meetings including the meeting schedule posting locations. Hedda explained that the State Statute changed and the District is not required to post physical copies of the Meeting Schedule. However, the Board agreed it's still helpful to have the meeting schedule posted at the District Office, County Blackstock Building, County Clerk House and the Town of Crested Butte Town Hall.

Hedda noted that the meetings will still occur on the third Wednesday of each month and locations will alternate between Crested Butte Town Hall and the District Office.

Motion:

Motion to approve Resolution made by Derrick Nehrenberg, seconded by Cassia Cadenhead. Passes unanimously.

Billick noted that he will not be available for the February meeting. Cadenhead is also not available. Hedda suggested moving the February Board Meeting and Work Session to Wednesday, February 12th.

Cadenhead suggested that the February Meeting date be changed in the 2020 Meeting Schedule from February 19th to the 12th and be posted as such.

Motion:

Motion to approve the adjusted meeting schedule made by Derrick Nehrenberg, seconded by Maddie Rehn. Passes unanimously.

Billick suggested that Hedda let stakeholders know about the adjusted Work Session and Board Meeting date as soon as possible. Hedda confirmed she would.

Pre-Approval of 2020 Payables-

Clayton explained that there are items that are paid electronically every month and now this process is to allow for them to be paid for a certain amount in a range considered acceptable. Hedda added that the process will allow for a more efficient monthly bill pay system and that all bills will still be shared with the Board on a monthly basis as part of the payables list. Hedda noted that the SDA suggested developing a resolution to outline and approve the process, which is what she did. Additionally, Marcus reviewed the resolution.

Motion:

Motion to approve the pre-approval of certain 2020 payables made by Ian Billick, seconded by Cassia Cadenhead. Passes unanimously.

Appointment of DEO-

Hedda explained that the DEO position has been advertised and that there is one candidate, Sue Wallace. She does not have election-specific experience but her background lends itself to the compliance-related tasks associated with managing the election. She has requested a minimum of \$25 an hour. Hedda explained that she and Clayton examined the 2016 election costs and feel that Sue's request can be met with the amount budgeted for the 2020 election. Hedda estimates that the DEO will work approximately 200 hours. She added that 85-90% of Special District regular elections are canceled which would lessen the DEO's time commitment. Clayton added that the \$18,000 budgeted for the 2020 election was what was budgeted for the 2016 election. The actual amount spent on the 2016 election was just under \$8,000.

Cadenhead asked if the DEO is required to have any sort of certificate. Clayton said they are not and that the job is mostly task-oriented work in alignment with the election timeline. Clayton added that the position elements that require the most work include the process of determining eligible voters. Further, Clayton explained that the District should pursue a polling place election with polling places at Gunnison's Fred Field Center and the Crested Butte's Queen of All Saints Church. A polling place election is more economical. Cadenhead asked how absentee voters know to request a ballot. Hedda noted that the information is on the District's website and they're technically notified via the Call for Nominations.

Election Timeline-**2020 Election:**

The next regular election of the District will be held on May 5, 2020. At that time three (3) Directors will be elected to serve a three-year term and two (2) Directors will be elected to serve a two-year term. No ballot issues will be presented. If, at the close of business on March 3, 2020, there are not more candidates than offices to be filled, the Designated Election Official (DEO) may cancel the election and declare the candidates elected. The election will be conducted as a polling place election, with two polling locations; one in Gunnison and one in Crested Butte.

Important Dates

Hedda reviewed the following upcoming election dates that she will also review with the DEO:

- **Call for Nominations:** Must be made between Jan. 26th and Feb. 20th. Publication means printing 1 x in 1 paper. We will post 2x in both papers.
- **Collect Self-Nominations:** Jan 1 – Feb 28th. Updated form now linked on District website.
- **Collect Write-in Affidavits:** Jan 1 – Mar 2
- **March 3:** Cancel election or, prepare for competitive election.

Clayton noted that we must also be aware of the UCVA act, that deals with providing ballots to eligible voters overseas. Billick asked if there is due diligence required to ensure we have accurate voter rolls. Clayton noted that we can receive it from the County. The Board briefly discussed how this process differs for a polling place election vs. a mail ballot election. Clayton noted that in the past, the District has not done any special mailings.

The Board agreed to bring Sue Wallace on as the District's DEO and noted that she came highly recommended by previous staff. Hedda asked if she should work with Marcus to develop a contract for Sue as the DEO. The Board confirmed that she should. The Board also discussed the format of the polling place election, noting the requirement for election judges.

Motion:

Derrick Nehrenberg moves to approve the Resolution of Election and appointment of Sue Wallace to act as DEO for the May 5, 2020 election, seconded by Maddie Rehn. Passes unanimously.

2019 Audit-

Clayton explained that we have received a letter of engagement from Mayberry to complete the District 2019 Audit. He added that the District had a positive experience working with Mayberry last year. Clayton noted that he's looking for approval to hire Mayberry and Company for the audit for the 2019 Audit.

Motion:

Motion made by Cassia Cadenhead to engage Mayberry and Company to provide audit services for 2019, seconded by Ian Billick. Passes unanimously.

Billick suggested that Hedda inform Mayberry that the District's financial transition occurred in the 2019 fiscal year, and that if there are issues, we're more likely to see it in this audit than in the 2018 audit. Hedda explained that she requested Mayberry begin the District's audit in April to ensure that the District can review the draft audit in June prior to the State's July deadline. Billick suggested confirming that Mayberry can accommodate the District's July deadline.

Finances

Financial Reports-

Clayton noted that he caught an issue in the financial reports; there was an ~ \$60K charge in December under grants in and an ~ \$46K item in December for intergovernmental distributions. Clayton questioned these because they would put the District out of compliance with State law because our budgeted expenses were less than actual expenses. He added that the mistakes were due to how the placements were made and that we're now taking a closer look at where to properly place them.

The \$60K was the grant funding from the general fund and the \$46K was correct but should not show up in December, but in March. Clayton noted that we're trying to clarify with the

accountants how to show obligated funds (i.e. CTF and grant funding). Billick noted that we're making adjustments to being on an accrued modified basis. Clayton added that the numbers hit the P&L in December of 2019 but should be carried as a balance sheet item not as an expense in 2019.

The Board continued to discuss the cash versus modified accrual processes. Hedda asked if the intent is to bring updated December Payables to the February meeting. Clayton noted that these can be approved with the caveat that updated December reports will be provided at the February meeting.

Approval of January Payables-

Hedda explained that she added the following bills to the January Payables list that came in after the list was provided to the Board:

Atmos Energy: \$57.82
GCEA: (new total) \$250.33
HMV Security: \$90.00
Law of the Rockies: \$610.00
Gunnison Public Works: \$3,271.00 (Recreation Grant Reimbursement)

Motion:

Motion to approve the December Financials and January Payables as amended made by Ian Billick, seconded by Cassia Cadenhead. Passes unanimously.

Summary of Action Items:

- Follow-up with XstreamInternet letting them know that if we're required to engage our attorney again for review of the lease XstreamInternet would be asked to incur the costs.
- Inform public and stakeholders of adjusted February meeting time.
- Confirm documents needed for the DEO position.
- Confirm Mayberry's ability to meet District's July Audit deadline.

Work Session Planning- Discussion

The Board and staff briefly discussed the February Work Session format to continue the strategic planning process. Rehn suggested adding an executive summary to the strategic plan outline. Billick suggested that it include an overview of the strategic planning process. It was agreed that at the February Work Session, the Board would spend approximately 15 minutes reviewing the strategy and focus areas. That time would also allow for final public comments. The remainder of the time would be used to review and discuss the action items.

It was agreed that the next steps should include sharing a modified version of the recreation strategic plan with the Board's Recreation Committee and then with the Recreation Advisory Committees. Additional feedback provided by both committees would help further refine the draft plan prior to its review at the February Work Session.