

Chaffee Common Ground – Citizens Advisory Committee (CCG-CAC)

Minutes from Meeting on Wednesday February 15, 2023

Meeting Called to order at 2:05 p.m.

CCG-CAC Members present: (all attending virtually due to COVID-19 pandemic) Cindy Williams, Michael Hannigan, Dan Omasta, and Ben Lenth. Also present Greg Felt, BOCC liaison; Ben Doon, Administrative Support and Kim Marquis, Outreach Coordinator.

CCG-CAC Members absent: Sydney Schnurr, Kit Kuester and Jim LaRue

Agenda review

Cindy reviewed the agenda. Topics include available funding for the current grant cycle, review of committed funds by category, review of the capital equipment policy, consideration of a policy for supplemental funds for an existing grant due to cost increase, consideration of a policy for added scope to an existing grant, conflict of interest for reviewing proposals and review of the pre-applications.

Approval of minutes from previous meeting and approval of agenda

Consent agenda was approved as presented. Motion Ben L. Second Michael. Vote unanimous.

Review of available funds for spring 2023 grant cycle

Ben D said at the end of 2022 there was \$2,328,705 in the bank for the four funds for Common Ground. There is \$981,540 in committed obligations from 2022 and \$833,253 in commitments for 2023. That leaves a 2022 year-end available balance of \$513,912. Sales tax received between January and April 2023 is projected to be \$485,000 which is 5% growth over 2022. Estimating \$20,000 in admin expenses between Dec 2022 and April 2023, about \$980,000 is the maximum amount of available funds that are currently forecasted for the spring 2023 grant cycle. It is estimated that an additional \$150,000 will land in the accounts in mid-May 2023. The goal for this grant cycle is to get checks out the door by Memorial Day.

Review of committed funds by category

Cindy said to date \$3.7m has been committed for Forest Health and Fire Resilience Projects; \$1.9m for Sustainable Agriculture and \$505k for Recreation Impacts Management. For the spring 2023 grant cycle the current total request for 2023 is \$1.134m along with \$190k for 2024 and \$55k for 2025. These numbers could change since detailed budgets are not required for the pre-applications. By category the total requests are \$560k for Forest Health; \$603k for Sustainable Agriculture and \$215k for Recreation Impacts Management. The approved ballot initiative that established Common Ground requires that 25% of all funds be spent on Forest Health projects, 25% for Sustainable Agriculture and 5% for Recreation Impacts Management with no more than 5% spent on administration and the remaining 40% to be used as discretionary spending among the three categories.

Dan asked if the 25% and 25% spending for Forest Health and Sustainable Agriculture is by year or for total committed funds. He asked if there needs to be a distinction between funds spent and encumbered. Greg said that due to the 40% discretionary spending, overall spending can be flexible as long as the minimums are adhered to. The ballot language did not make a distinction between spent and encumbered.

Michael took a moment to acknowledge the work Kim has done on the Annual Reports. The 2022 Annual Report was released in January 2022.

Capital Equipment Policy

Cindy said part of the initial intent of the capital equipment policy was concern about tracking durable goods and ensuring that they would be used for their intended purpose.

The current policy states:

Capital equipment should be limited to project supplies that are used in the project or program (such as fencing, fire rings or Dumpsters). Durable capital items such as trail counters that may not be protected from disappearing will not be considered.

Fire and agricultural equipment will only be considered under the following conditions:

- The equipment to be purchased is a fundamental part of a program being supported by Common Ground Funds e.g., Chaffee Chips, Agricultural Enhancement, etc.
- The purchase would not be substituting for use of existing tax funds that could be used to purchase the equipment.
- The organization acquiring the equipment has existing facilities and budget to maintain and store the equipment.

Michael said the Committee has been thoughtful about creating a policy that is predictable overtime. He said the policy also comes from concern over things that could walk away, be vandalized or not maintained. He said a lot depends on the specific organization that is applying for funds for capital equipment and their track record for ownership. He said if Common Ground funded every piece of equipment that was asked for, all the money could be spent just on equipment.

Greg said maintenance concerns factor into the policy. The Committee doesn't want to be responsible for monitoring all of the equipment purchased with Common Ground funds. A big part of it is who is buying the equipment.

Cindy said she wants to avoid private citizens acquiring capital equipment. Equipment should be part of a program and it should live with an organization for its intended use.

Dan said he would like to be flexible depending on the organization or agency that is applying for funds for equipment.

Cindy suggested making revisions to the capital equipment policy.

Greg said he would prefer not specifically calling out a restriction to private ownership to capital equipment, especially for agriculture.

Ben L said for agriculture water infrastructure is different than other types of equipment and an investment for private ownership could have strings attached.

Kim expressed concern about modifying the policy after the pre-applications have been received.

Dan said he would like to see a lot of this determined on a case-by-case basis to provide some flexibility.

Michael said it is important to have a policy for applicants to be aware of. He said there is an important distinction between something that is budget relieving as opposed to budget enhancing.

Cindy proposed the following revised capital equipment policy.

Capital equipment should be limited to project supplies that are used in the project or program (such as fencing, fire rings, PPE, piping, trail counters or Dumpsters). Durable capital items that may not be protected from disappearing will not be considered. This means a high level of confidence that the applying organization will retain, own and maintain the equipment.

Fire and agricultural equipment will only be considered under the following conditions:

- The equipment to be purchased is a fundamental part of a program being supported by Common Ground Funds e.g., Chaffee Chips, Agricultural Enhancement, etc.
- The purchase would not be substituting for use of existing tax funds that could be used to purchase the equipment.
- The organization acquiring the equipment has existing facilities and budget to maintain and store the equipment.

Exceptions may be approved by the CAC on a case-by-case basis.

Michael made a motion to approve the revised capital equipment policy. Ben L second. Vote unanimous.

Proposed Policy for Supplemental Funds to an Active Project Due to Cost Increases

Greg said the Finance Department has a policy where something under maybe \$20k does not need Board of County Commissioners approval and instead can be approved administratively. He's not sure exactly what the number is, but below that number Dan Short can approve the expenditure.

The proposed policy states:

Policy for Supplemental Funds Due to Project Cost Increases

The Chaffee Common Ground - Citizens Advisory Committee (CCG-CAC) will consider a supplemental grant award for projects that have been negatively impacted by price increases, inflation, contractor shortages and supply chain disruptions. The grantee must provide a statement explaining why the original grant award is no longer sufficient to cover the cost of the project, how much additional funds are needed and what assurances can be provided to CCG-CAC that these additional funds will allow the project to be completed. The statement must also include how much of the project has been completed to date and what would happen to the project if supplemental funds are not awarded. These requests will be considered on a case-by-case basis. Staff can make the request to the county Finance Director with sign-on support from the Common Ground Chair and Vice Chair and acknowledgement from the BoCC liaison. Requests can be approved in this manner for up to \$20,000? Larger requests must be formally approved by the full CAC and the BoCC.

Michael made a motion to approve the draft policy on supplemental funding. Ben L second. Vote unanimous. Greg said he will talk with Dan Short to get the amount that can be approved administratively.

Draft Policy for Expanding the Scope of an Existing Project Due to Increased Demand or Demonstrated Success

Greg suggested that the Committee could allow this type of request at the start of a new grant cycle. It would be good to build upon the success of what has already been invested.

Michael said he's a fan of doing this on a case-by-case basis with an internal process that is predictable. He suggested setting aside a pool of funds that could be used by the Committee for contingency purposes.

Cindy proposed a policy that states:

Policy for Minor Additional Funds for Expanding the Scope of a Project

Consider funding for occasional small builds (less than \$20,000 per year) on existing programs on a case-by-case basis and, if they are frequent, create a predictable process for how these are included in funding ratings/allocations and recommendations to the BoCC. Staff can make the request to the county Finance Director with sign-on support from the Common Ground Chair and Vice Chair and acknowledgement from the BoCC liaison. Requests can be approved in this manner for up to \$20,000? Larger requests must be formally approved by the full CAC and the BoCC.

Dan said he would like to see a limit of how many asks per year that are allowed.

Michael made a motion to approve the policy for additional funds. Ben L second. Vote unanimous.

Conflict of Interest

Cindy said for each grant cycle Committee members are asked to declare whether they have a real or perceived conflict of interest in any of the proposals. She said Envision is submitting two applications therefore she and Greg will be recusing themselves from scoring and discussing the applications.

Michael said he has concerns about public perception that the Chair of the Common Ground Committee is listed as the contact person for the Envision applications.

Cindy said the Chaffee County Community Foundation (CCCF) is the fiscal sponsor of the Envision applications and the CCCF Executive Director could be the contact person for the applications. Greg said they could also use someone else from Envision to be the contact person for the applications. Cindy will contact Ben D to change the contact person on the two Envision applications.

Ben L said his wife works for the Central Colorado Conservancy (CCC) and they are the applicant for the Upper Arkansas Virtual Fencing Project. He doesn't believe he has a clear conflict with this proposal, but is willing to recuse himself if the other Committee members believe a conflict exists. Group consensus that he doesn't need to recuse himself from scoring this proposal.

Pre-application reviews

Ben D shared his screen with a spreadsheet of the pre-applications listed by category with funding amounts by year. Not all multi-year requests have a budget breakdown by year in the pre-application.

Cindy said she has questions about the proposal from Colorado Firecamp for a Track Loader Mulcher and Pile Burn Crew. How would the burn pile crew be sustainable without Common Ground funding and does the track loader fit within the capital equipment policy?

Dan said he has questions about staff capacity investments for both Colorado Firecamp and Chaffee County Fire Protection District. He would like the proposals to be clear about what funding is being used to leverage and match the staff capacity.

Cindy said the applications would need to be clear on match funds prior to funding being awarded. She asked Ben D to reach out to Colorado Firecamp and Chaffee County Fire Protection District to emphasize in the full application how equipment or machinery would be cared for, maintained and secured and to provide full detail on the sustainability of funding for work crews along with match and leverage funding.

Ben D said the GARNA application for \$20,000 for Wilderness Monitoring was submitted on Sunday February 12th via an email attachment because the portal closed the pre-application submissions on Friday February 10th at 5:00 p.m. Michael suggested allowing the pre-application to be submitted but

emphasize to GARNA that this is a one-time exception. Group consensus to allow a one-time exception to GARNA for a late pre-application submission.

Michael asked if the National Forest Foundation's All Lands Camping Infrastructure Improvement Proposal is \$100k spread over three years or \$100k per year for three years. Cindy said she believes it will be \$100k per year. Ben D said the full application will have the details about the request per year.

Cindy said he has concerns about the Eggleston Ranch Sprinkler Replacement proposal since it would be private investment and maybe outside of the capital equipment policy. Michael said this is an example of a budget relieving request and he is concerned whether it is consistent with the capital equipment policy.

Greg said Common Ground has been supportive of water distribution systems throughout the county that support agriculture. Water infrastructure improvements are important.

Ben D said Common Ground funded the purchase of gated pipe for the Kelly Ranch.

Cindy said the gated pipe was used to create new grazing and the pipe was buried in the ground. The sprinkler project is for replacement of an existing sprinkler and it is mobile.

Ben L said an intention of Common Ground is to help private producers stay in business through projects that increase water efficiency and productivity.

Greg said he feels this proposal is not outside of the way Common Ground supports agriculture.

Cindy said this is for the purchase of a piece of capital equipment with no guarantees that it would stay on the land for the long-term.

Michael said there is an element of risk with this one.

Cindy said she would like to see the full proposal give an assurance that the equipment will stay tied to the land for its useful life.

Dan suggested that if the land or equipment were ever sold and no longer used as intended that the grantee would reimburse a portion of the value.

Cindy said a provision could be made that the sprinkler remains on the land for its useful life or else some reimbursement would be expected.

Dan said he would like to see the proposal speak to the broader benefits of the project including the use of water, wildlife, etc.

Ben D will reach out to the applicant to express the importance of assuring that the equipment will remain in place for its intended purpose for its useful life and mention that the Committee feels the request is on the edge of the capital equipment policy.

Ben D will send the mid-year report for the currently funded Upper Arkansas Virtual Fencing Project (VENCE) and if Committee members have additional questions or comments about the project, Ben D will reach out to CCC for additional information to better inform their current request to fund the project for two more years.

Kim pointed-out that there are a lot of proposals for ditch work projects in this cycle and she has some concern about how to publicize these projects if funded.

Other Business

None.

Next Steps

The next meeting is scheduled for Thursday April 6th from 2-4 p.m. to discuss the Sustainable Agriculture full applications and scoring. Forest Health and Recreation Impacts Management proposals and scoring will be discussed on Monday April 17th from noon to 2 p.m. The final meeting for grant recommendation will be on Friday April 21st from 1-3 p.m. All three meetings will be held via Zoom. The recommendations will go to the Board of County Commissioners for consideration on Tuesday May 9th.

Public Comment

None.

Adjourn

Meeting adjourned at 4:09 p.m.