



P.O. Box 3039 • Grand Junction, CO 81502  
E-Mail: [info@mesaFML.org](mailto:info@mesaFML.org) Web: [www.mesaFML.org](http://www.mesaFML.org)

## **BOARD OF DIRECTORS MEETING**

**Date and Time:** 2:00 PM on Wednesday, December 14, 2016

**Location:** Home Loan Building, 205 N. 4th Street, Grand Junction, CO 81501, in the Community Room on the Basement level

In attendance:

David Ludlam  
Craig Springer  
John Justman  
Chris McAnany  
Dusti Reimer  
Scott Olsen  
Benita Phillips  
Richard Rupp  
Chance Ballegeer (GJRA)  
Ty Minnick (GJRA)  
Gary Rupp  
Richard Sales  
Greg Caton (City of Grand Junction)  
Kathy Portner (City of Grand Junction)  
Davis Farrar (Town of Collbran)

### **Meeting Minutes:**

- I. Call to order at 2:00 p.m.
- II. Adoption of the October Board Meeting Minutes.
  - a. Motion to approved by C. Springer, second by J. Justman. Voted. Approved.
- III. General Public Comment.
  - a. Benita Phillips, community member, said Merry Christmas.
  - b. Public Comment Closed.
- IV. Discussion of the Fall 2016 Grant Cycle:
  - a. Staff Opened Public Comment for feedback on the recent grant cycle on how they felt the process went and anything we could do to improve.
    - i. D. Ludlam said in the past the Board had received feedback in writing and stated this would be a good time to give input to improve the process.
    - ii. G. Rupp said the MCFMLD is one of the better grant processes, the application is straight forward and the District has managed to keep it simple.

- iii. D. Farrar said he wasn't sure if he needed to bring the contracts down and it wasn't clear if there was going to be a check presentation. D. Farrar wanted to know if there was a possibility having the contracts be signed electronically. Chris McAnany said that the contracts could be signed electronically.
- iv. D. Farrar also stated that he wanted to know if there was a way in the process to reduce the amount of actual paper, in the paper work. Asked if we could do all electronic submittals. They recently submitted one to Aspen, and the entire process was online-they did not want any paperwork.
- v. K. Portner said she would also appreciate an electronic submittal process.
- vi. D. Ludlam asked if the Board had any feedback.
- vii. C. Springer said that he agreed with the public comments of electronic submittals.
- viii. D. Ludlam said they would consider developing a system for the future grant cycles for electronically submitting applications and contracts.
- ix. G. Rupp said that Staff should be aware that going to an electronic process would mean more phone calls.
- x. K. Portner said moving to something similar to DOLA's email submittal process would work.
- xi. D. Reimer said that emailing would suffice.
- xii. B. Phillips asked if electronic submittal and signatures are legal on contracts.
- xiii. C. McAnany said it absolutely was legal and that all documents would still be made available to the public.

V. Execution of Grant Agreements.

- a. C. Springer made a motion for approval of grant agreements:
  - i. 2016-FT-03 Western Colorado Community College for \$289,425
  - ii. 2016-FT-04 City of Fruita for \$185,000
  - iii. 2016-FM-02 Grand Junction Regional Airport for \$48,800
  - iv. 2016-FM-04 Palisade Rural Fire Protection District for \$50,000
  - v. 2016-FM-05 City of Grand Junction for \$50,000
  - vi. 2016-FM-07 Palisade Police Department for \$36,540
  - vii. 2016-FM-09 Town of Collbran for \$50,000
- b. J. Justman second the motion. Voted. Approved.
- c. C. McAnany advised the District was still waiting on contract signatures, but advised the Board to sign all the contracts and he would secure the remaining signatures.

VI. Approval of the 2017 Proposed Budget.

- a. S. Olsen said only line item that had changed from the October meeting was line item for the grants approved versus estimated for the Fall 2016. The grants were awarded at the October meeting, so that adjustment has been made and changed out of estimated to grants approved.
- b. D. Ludlam asked how much would be available for the next cycle. S. Olsen said approximately \$770,000 total for grant cycles for 2017.
- c. S. Olsen said 2018/2019 oil and gas projections were projected to increase and that 2016/2017 would be the lowest.
- d. J. Justman made a motion to approve budget. C. Springer second. Voted. Approved.

VII. Consent agenda and Staff Updates:

- a. D. Reimer stated the consent agenda included the final grant payment for two grants; 2015-SM-02 De Beque Street Repairs for \$50,000 and 2015-FT-04 De Beque Fire Station Construction for remaining grant payment of \$93,558.28
- b. D. Reimer said the MCFMLD is seeing good feedback from social media with the grant awards posted. The feedback from the grant awards and grant awareness has been positive. D. Reimer expects to see more interest in the MCFMLD grants and positive community awareness of what the grants are helping to do.
- c. C. McAnany said he is working with legislative counsel for the new legislative bill. Rep. Willett is excited about sponsoring the legislation for allowing the Districts to invest the funds. They are still working on the draft, and expect a lot to happen in the next 30 days, because it is crunch time for legislation. C. McAnany will keep the Board informed, via email and phone, as to the updates that will be happening.
- d. D. Ludlam asked D. Reimer to reach out to Rep. Willett to see if he would be available to call in or come to the next meeting depending on the status of the legislation to give the public and board a status of where things are.
- e. Motion to approve by J. Justman, second by C. Springer. Voted. Approved.

VIII. Unscheduled business.

- a. D. Ludlam addressed the public in regards to the public comments made at the Monday, December 12, 2016 Mesa County Commissioners Meeting disparaging the Districts transparency, and the District was a shell organization for the energy industry and a front group for Colorado Mesa University.
- b. B. Phillips interjected during D. Ludlam's statements saying she was there and never heard those comments.
- c. J. Justman stated he was sitting right there and did hear those comments.
- d. D. Ludlam asked that he be allowed to finish his statement and then he would open public comment.
- e. D. Ludlam continued that he wholeheartedly takes exception to those characterizations and, whether the way that he interpreted them was the same as anyone else in the public interpreting them is a separate question, but as Chair that's how he interpreted the remarks. D. Ludlam said he thinks and hopes the public present would agree that the Board has taken something that didn't exist a few years ago, and

turned it into a process, as best they can, that is transparent and progressive that incorporates all kinds of feedback. D. Ludlam said he thinks they've been very diverse in terms of how they have distributed the funds to the best of their ability. D. Ludlam addressed community member Benita Phillips and said, "Benita I've seen a comment you posted on our website that was in agreement with what I've just said. I'm not saying that you said any of those comments at the Commissioners meeting, but I watched the video of the meeting and that's what I took away. I'm also not trying to put any emphasis on something that people wouldn't look at, but because this was broadcast on television, I feel the need to address those remarks that were made for the purposes of the meeting minutes and for anyone in attendance today. If anyone here feels like we do, and I think I speak on behalf of the Board that we all feel similarly, that if anyone here feels that we do have a transparent process and disperse the funds fairly, with the process we have in place. I'd like to offer this time to the other Board members if they have any other additional comments and then open to public comment." C. Springer and J. Justman denied having a comment.

- f. B. Phillips said she agreed with D. Ludlam. She thinks that the MCFMLD Board has done a marvelous job of becoming far more transparent than in the beginning. In the beginning things were not settled, but they are far more settled now. B. Phillips said the District has customers here today who are very satisfied, and she did not agree with a lot of what was said at the Commissioners meeting, and the comment was really directed at CMU and whether they should have gotten any funds and if they were really, truly eligible for those funds. That has been a question since that \$1.6 million dollars, in its total, was awarded to them in the beginning. She thinks there has been a lot of community disgruntlement over that. That's one of the reasons why she started coming to the meetings, because she wanted to see what was going on, and said the MCFMLD has morphed this into a really good process. B. Phillips said, "So, I'm in your corner, I really am."
- g. D. Farrar on behalf of the Town of Collbran, stated they felt this is a fair process. They have been involved in the past two or three grant cycles and it's been one way, as an energy impacted community to get funds back, for those direct impacts. It's probably a dirty, thankless job on some level, but the Board does a good job of dispersing the funds. The district has a fair grant process as far as they are concerned and they are grateful.
- h. G. Rupp said he was here the first meeting as a manager when they set up the process, for applications and what questions, and I think if you go back even further than that, there were many Colorado counties that were taking funds directly, which started forming these Districts, that were disconnected from County Commissioners roles. There were only 4 counties at that time that set out to form these Federal Mineral Lease Districts, and it was a rigorous process to get it started and I really applaud Mesa County for stepping up to get it done, because the others PILT monies were being reduced by the fund that were coming in, which in essence zeroed out the impacted of the energy dollars from the Federal Mineral Lease. Mesa County has done an admirable job to step up to the plate to make this a separate and fair process. We were one of the ones who were upset about the CMU getting all the money that first year, out of the two grants you had received, and now I believe it's come 180 degrees. I applaud you all for your time in effort in achieving that.

- i. J. Justman said maybe he interpreted the comments differently, but what he understood from the comments was that the county should be using the Federal Mineral Lease District funds for roads, but the county can't use this money whatsoever. It (the FMLD funds) must go to the special districts and municipalities. The county would never attempt to apply for grant money, because all you would do is jeopardize your PILT payment, and having them cancel out your funds. It's just a no win situation for the county. This is a good process to hand out to the special districts and municipalities an opportunity to get funding. It is a hard process to give this money out, because there are always good grants requests and not enough money to go to all of them.
  - j. B Phillips said she has been the most usual public person at the meetings and thought the district was doing just fine. If she didn't think the district was, she would have been up there making those comments. She said, "You guys are doing well."
  - k. D. Ludlam reiterated he felt after watching those remarks that it was his responsibility as Chair to have those remarks addressed by the Board and the Public and have them recorded in the minutes. He expressed his appreciation to the Board for letting him have the opportunity to address them. We continue to be imperfect and strive towards perfection in this process to make it better.
- IX. Motion to adjourn from J. Justman, second by C. Springer. Voted. Approved.
- X. Adjourned at 2:24 p.m.