

ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS

Timothy V. Corrigan
District I

Douglas B. Monger
District II

M. Elizabeth Melton
District III

REGULAR MEETING

October 1, 2019

LIVE AUDIO WILL BE AVAILABLE FOR TUESDAY MEETINGS BY CALLING (970) 870-5499
EXCLUDES WORK SESSIONS

1. 10:30 A.M. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF ACCOUNTS PAYABLE, MANUAL WARRANTS, AND PAYROLL
4. ITEMS OF NOTE FROM THE PREVIOUS DAY'S WORK SESSION

5. 10:35 A.M. CONSENT AGENDA ITEMS

Items of routine and non-controversial nature are placed on the consent agenda to allow the Board of County Commissioners to spend its time and energy on more important items on a lengthy agenda. Any Commissioner may request that an item be "PULLED" from the consent agenda and considered separately. Any member of the public may "REQUEST" any item to be "PULLED" from the consent agenda.

A. APPROVAL OF COUNTY COMMISSIONERS MINUTES: REGULAR MEETING OF JULY 29, 2019;

Documents:

[7.29.19.PDF](#)

B. APPROVAL OF AGREEMENT REGARDING PROVISION OF PROFESSIONAL SERVICES BY STEAMBOAT SPRINGS DISCOVERY LEARNING CENTER'S CHILD CARE NETWORK AND ROUNT COUNTY AS FISCAL AGENT FOR ROUNT COUNTY EARLY CHILDHOOD COUNCIL NOT TO EXCEED \$15,000 TO PROVIDE TECHNICAL ASSISTANCE AND MENTORING SUPPORT AS LISTED IN EXHIBIT A;

Documents:

[2019-09 CHILD CARE NETWORK PROFESSIONAL SERVICES AGREEMENT.PDF](#)
[201909 CCN PSA.PDF](#)

6. 10:40 A.M. CONSIDERATION OF ITEMS PULLED FROM THE CONSENT AGENDA
7. 10:45 A.M. PUBLIC COMMENT
Public Comment will be heard on any item except quasi-judicial land use items. County Commissioners will take public comment under consideration but will not make any decision or take action at this time.
8. 10:55 A.M. TREASURER
Lane Iacovetto, Treasurer and Public Trustee
 - A. TAX LIEN AUCTION AGREEMENT

Consideration for approval and authorization for the Chair to sign an agreement between Routt County and Realauction.com LLC for internet-based electronic processing of bid information related to the auction sale of Rout County's tax certificates.

Documents:

[ROUTT CO TAXLIEN AGREEMENT.PDF](#)
[ROUTT CO AGREEMENT ATTACHMENT.PDF](#)

9. 12:00 P.M. LUNCH BREAK
10. 1:00 P.M. COMMISSIONERS' WORK SESSION
 - A. HUMAN SERVICES' 2020 BUDGET
 - B. PUBLIC HEALTH 2020 BUDGET
11. 3:00 P.M. MEETING ADJOURNED

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All regular meetings are open to the public unless otherwise noted.

All meetings will be held in the Routt County Historic Courthouse -
522 Lincoln Avenue, Hearing Room, Steamboat Springs - or otherwise noted.

All programs, services and activities of Routt County are operated in compliance with the Americans with Disabilities Act. If you need a special accommodation as a result of a disability, please call the Commissioners Office at (970) 879-0108 to assure that we can meet your needs. Please notify us of your request as soon as possible prior to the scheduled event. Routt County uses the Relay Colorado service. Dial 711 or TDD (970) 870-5444.

**STATE OF COLORADO
COUNTY OF ROUTT**

**OFFICE OF THE CLERK
July 29, 2019**

Commissioner Beth Melton, Chair, called the meeting of the Routt County Board of Equalization to order. Commissioner Tim V. Corrigan and Commissioner Doug B. Monger were also present. Deanna Sanchez recorded the meeting and prepared the minutes.

The details of this hearing can be found in the Board of County Commissioners (BBC) Work Session Meeting Agenda and Packet for July 29, 2019 document in the Commissioners' Work Sessions Agendas section of the Routt County Website, along with the meeting audio.

EN RE: ROUTT COUNTY BOARD OF EQUALIZATION

Gary Peterson, County Assessor; Kevin Krause, Angela Finnegan, Ryan Gelling, Robin David, Cathy Hutchinson, Davana Robson, and Susan Siggson, County Appraisers; William Jameson and Evzena Jameson, Petitioners; Mikaela Rivera, WAAS Campbell Rivera; David Clayton, Real Estate Appraiser; Christian Segner and Michelle Tarbell, Petitioners; were also present.

Commissioner Melton swore-in and advised those present of the rules by which this Board will consider valuations.

Commissioner Melton stated the issue of today's proceeding is property valuation for assessment purposes, not property taxes. No discussion of taxes will be allowed. The Petitioner has the burden of proving, by a preponderance of the evidence, that the Assessor's value is incorrect. Where the comparable sales method is used, state statute provides that the Assessor will determine value based on sales during the 18-month period ending June 30, 2018. Sales may also be considered in 6-month periods immediately preceding the 18-month period, up to 5 years, if there are insufficient sales to obtain accurate comparable valuation data. Smaller Counties commonly use a 24-month period in order to obtain sufficient comparable sales data better demonstrates the change in value from the prior level of value, June 30, 2016. The 24-month period also eliminated seasonality in the sales data. Routt County uses a 24-month period. The Petitioner and the Assessor should not discuss sales post June 30, 2018, except in cases when it can be demonstrated that a contract for sale was completed prior to June 30, 2018 and closed after June 30, 2018 according to the original contract. Under Colorado law, the present value of your property cannot be considered. The Petitioner shall present his/her evidence first and shall have the opportunity to cross examine the representatives from the Assessor's Office after they have presented their evidence. The decision of this Board may be appealed and we will refer to that after the decision/motion has been made.

R6251233 JAMESON, WILLIAM G. & EVZENA K.

Mr. Jameson and Mrs. Jameson stated their appeal. The focus of their case was the failure of the Assessor's office to assess Winterwood units in a fair and equitable manner. They believe the Assessor's valuation of Winterwood units 5, 12, and 16 at \$435,600 and Winterwood

unit 13 at \$435,600 is unfair and inequitable. Winterwood units with a major remodel cannot be compared to units without a major remodel. Had the Assessor's office conducted a field inspection of Winterwood prior to January 1, 2019, the modifications to the exterior of units 5, 12, and 16 would have been observed. Units 5, 12, and 16 are the only Winterwood units with a fireplace vented through the exterior wall. The modifications to the exterior of units 5 and 12 is clear evidence that the extensive modifications to the fire place and the addition of the two windows shown in the 2019 listing photos, were made prior to the assessment date. Unit 5 was listed on January 19, 2019. From the Assessor's report the Jameson's believe the Assessors must have assumed the extensive remodel of unit 5 was done between January 1, 2019 and January 19, 2019, which is an impossible expectation. The 2019 listing photos are clear evidence of the condition of Unit 5 on January 1, 2019 in the absence of evidence to the contrary.

Mr. Jameson continued that the same goes for unit 12. It was listed on April 14, 2019. The Assessor's report presumes that the remodel was done between January 1, 2019 and April 14, 2019. The 2019 listing photos are clear evidence of the condition of unit 12 on January 1, 2019 in the absence of evidence to the contrary.

Ms. David stated the appraisal date is June 30, 2018 and the assessment date is January 1, 2019. As of January 1, the Assessor's Office was not aware of the condition of units 4, 5, 8, 12 & 16 either because the property was not listed or because there was not a recorded permit that indicated any type of remodeling was completed, or those remodels were not even started / completed as of the January 1 assessment date.

The petitioner is arguing the valuation of units that had been remodeled and not that of their own unit. Unit 10 was the only known remodeled unit as of January 1, 2019 and therefore it received the grade modifier. Unit 10 is valued higher than all other units at Winterwood due to the known remodeled condition. All other units were valued based on the sales that occurred. Ms. David offered to inspect the petitioner's property in order to see how it compared to the sales that occurred. An appointment was set for June 10th, however during the second in-person discussion, the petitioner said "there was no point in coming to view his property". The appointment was promptly cancelled. An email was sent to the petitioner indicating that if he wanted to keep the appointment, we could do so; there was no response. It was expressed to the petitioner that the appeal should discuss specific differences between the subject and the sales used in the valuation in order to determine if there is reason to adjust the subject's value. Since an inspection was not completed, the assumption was made that the subject was similar to the sales. Based on the sales, the valuation was supported, and the petitioner's appeal for a change in value to \$417,938 or \$393.01/sf was denied.

MOTION

Commissioner Corrigan moved to deny the petitioner's request and uphold the appraiser's valuation of \$435,600 in the matter of R6251233.

Commissioner Monger seconded; the motion carried 3-0.

STORM MOUNTAIN (VARIOUS)

Ms. Rivera stated the owners of the Storm Mountain parcels are appealing the Assessor's determination of valuation. These parcels each contain a one acre non-integral residential component. This appeal relates to the Assessor's valuation of the non-integral portion of the property only. The Assessor's Reference Library (ARL) was recently amended to provide guidance to Assessors valuing non-integral parcels. Specifically, the ARL states, "In the case of non-integral residential land within an agricultural parcel, Assessors should use the comparable sales of similarly sized residential parcels to value the non-integral portion." This amendment to the ARL was added after the Board of Assessment Appeals (BAA) and Court of Appeals ruled on a prior appeal of the same Storm Mountain parcels. In the prior case, the BAA determined that it was proper to determine the value of the 1 acre portion by first valuing the entire parcel and then apply the pro rata valuation to the 1 acre site. The Court of Appeals agreed with this valuation methodology.

The Property Tax Administrator disagreed with the BAA valuation and proposed amending the ARL to mandate a new valuation approach. Prior the ARL amendment, representatives of Storm Mountain and Ms. Rivera met with Joann Groff, the Property Tax administrator, about the amendment and its intended operation. Ms. Rivera attended and participated in a hearing before the Statutory Advisory Committee to the Property Tax Administrator and a hearing before the State Board of Equalization. At these meetings and in the hearings, it was made clear that because non-integral parcels are less than 2 acres, the non-integral parcels should be valued using a market approach in similarly sized comparable sales. The Property Tax Administrator believed it was improper to use larger lot sales to value the non-integral portion and the amendment was drafted to preclude use of the larger lot sales.

Alternatively, if the larger sales are used, there must be an adjustment or allocation of the per acre size to appropriately derive the value of the 1 acre non-integral portion of the Storm Mountain Lots. In other words, these large acreage sales could be used to derive a per acre value to determine the value of the 1 acre non-integral parcels at Storm Mountain. This analysis was performed by David Clayton as well. On a per acre basis, the large lot sales indicate a value of \$190,000 for the Storm Mountain non-integral parcels. This value indication is similar to Mr. Clayton's conclusion of the non-integral value using the 1-2 acre lot sales.

In summary, given the ARL directive to use sales of similarly sized residential parcels to value the non-integral 1 acre portion, Ms. Rivera believes the value of the Storm Mountain non-integral portion should be determined using the 1-2 acre lot sales, not 5 and 6 acre lot sales. Therefore, Ms. Rivera requested the BOE determine the value of the non-integral portion of the Storm Mountain parcels as indicated in Mr. Clayton's appraisal.

Ms. Finnegan stated there were no vacant land sales in unincorporated Routt County less than 2 acres in size, considered comparable to Storm Mountain Ranch (SMR), selling during the 2019RA data collection period. Therefore, the Assessor's office expanded their search to slightly larger acreage land sales of comparable properties they believed would effectively compete with the Storm Mountain properties. This included Catamount Ranch (1 sale), Cabins at Lake Catamount (0 sales), Alpine Mountain Ranch (2 sales), Agate Creek (1 sale), Dakota Ridge (2 sales), and Priest Creek Ranch (0 sales). Marabou is also a very comparable subdivision with superior amenities, however sales were chosen from subdivisions

that have either limited or no common elements, or in the case of the Catamount sales, the required membership to access their special amenities are not included in the sale prices.

The petitioners request that the Assessor's office strictly use sales of parcels less than 2 acres; asserting that the Assessor's office is required by the Assessor's Reference Library (ARL) to only use over 2 acre lot sales. This is incorrect, and was confirmed by the (DPT's) Deputy Tax Administrator, Curt Settle, on 7/18/2019. The DPT's response was that if there are no sales of comparable and competing properties that are near the 1-2 acre size range of your subject building envelopes during the data collection period or in the 5 years preceding the effective appraisal date, then larger acreage sales considered comparable competing properties to the subject(s) can be used but adjustments should be made for the surplus acreage. This is precisely what the Routt County Assessor's office did for the 2019 reappraisal for the 624 accounts that have building envelopes being valued in Routt County. Surplus Land is defined as additional land that cannot be developed separately and does not have a separate highest and best use. A downward adjustment of 35% was applied to adjust for surplus acreage in those less than 2 acre sales. This adjustment was based on historical ratio studies. Nowhere does the ARL, nor statute, state or require Assessors to use comparable sales sized 2 acres or less as the petitioner ardently implies. What is required from statute §39-1-102(14.4)(a) is that the portion of land considered to be non-integral land (building envelope) that is being reclassified to Residential from the larger AG classified parcel must be 2 acres or less. This language is defined in statute for both "Residential Land" as well as in the definition for "Agricultural Land" under §39-1-102(1.6)(a)(I)(A).

For the sake of argument and entertainment of the petitioner's insistence that only less than 2 acre sale comparable sales should be utilized in development of the non-integral building envelope values, along with the methodology that a price-per-acre valuation be applied, a method 2 was developed. Given this is tiny rural residential acreage at less than 2 acres where the typical rural parcel is 35 plus acres, such small rural, vacant acreage sales are unique and few in existence within the market area of SMR. This uniqueness to the market would require the Assessor to look back the full 5 years in sales data.

Method 2 states the best comparable subdivision with small (less than 2 acre) lots to Storm Mountain Ranch is Cabins at Lake Catamount. Lots here average 0.4 acre per lot. Although there were no sales in the Cabins at Lake Catamount Subdivision for the 2019 reappraisal, Lot 9 (0.42 acre) and Lot 10 (0.40 acre) sold for a combined price of \$1,398,000 (\$649,000 (Lot 9) and \$749,000 (Lot 10) per lot). Per the MLS listing, the Catamount membership was not included for either Lot. These are the only 2 sales where available amenities and development density make these Lots potential competing properties to a 1-2 acre building envelope within SMR.

Time trend analysis for vacant land in Economic area 2 was not statistically significant for either the 2017, nor the 2019 reassessments. These 2 qualified valid sales support a value of \$649,000 to \$749,000 for 0.40 acre. Using these sales for a site value for SMR supports a value of \$700,000 or greater. Using these sales and a price-per-acre methodology as the petitioner is requesting, supports a value of \$1,545,000 to \$1,875,000 for 1 acre. Historical sales of vacant land sales within Storm Mountain Ranch demonstrates that the subject subdivision does not sell on a price-per-acre basis and therefore should not be analyzed as such.

The Assessor's office recommends denying the petitioners' requests for lowering the values on their building envelopes, while upholding the current valuations or adopting method 2 above, while still relying on a site value (not a dollar per acre value). R8164278 does not have a building envelope applied, it is agricultural land with no improvements and therefore is not subject to HB11-1146 and the non-integral building envelope, as there is no 'occupant' to the property. It is recommended that this account be denied in a separate motion. R8164280 is protesting their building envelope value as well as their house value. The appeal of the house itself has been addressed separately from the collective SMR appeal on the 13 building envelopes and has since been stipulated to an agreeable adjustment to both Assessor and petitioner.

MOTION

Commissioner Monger moved to deny the petitioner's 14 appeals and maintain the current Assessor level of envelope values in the matter of R3205567 for \$390,000, R8165860 for \$330,000, R8165355 for \$330,000, R8164275 for \$600,000, R8164276 for \$600,000, R8164279 for \$600,000, R8164281 for \$660,000, R8165857 for \$600,000, R8164283 for \$630,000, R8164284 for \$540,000, R8164285 for \$684,000, R8165318 for \$708,000, R816280 for \$510,000, and R8164278 for \$0.

Commissioner Corrigan seconded; the motion carried 3-0.

RYAN INNOVATIVE SOLUTIONS R8164666 and R8173634

Mr. Segner stated he wished to withdraw the appeal for R8173634. The value on the NOD petitioner appeal for R8164666 was a clerical error. The actual value they would like to request is \$2,507,460. The subject property of R8164666 is valued in excess of fair market value based on the 3 approaches to value; cost, market, and income. In addition, the property is valued in excess of other similarly situated properties.

Ms. Finnegan stated at Assessor-level appeal, petitioner appealed accounts R8164666 and R8173634 together. The petitioner combined the Assessor's values for the 2 accounts. The petitioner provided 1 sale from Zillow.com R8164679 that sold on 8/3/16 with a time adjusted sales price of \$2,553,000. Ms. Finnegan used this sale, along with other comparable sales from competing subdivisions in the review of the subject's 2019 valuation. The subject's valuation fell within the indicated range based on comparable sales and the appeal was denied.

At CBOE appeal level, the petitioner provided no additional comparable sales and requested a value of \$1,554,625 for R8164666. Ms. Finnegan requested to view the property by email on 7/18/19 and followed up with a phone conversation requesting to inspect property on 7/23/19. The property owner never called or emailed to set up a time, so Ms. Finnegan was unable to view the interior of the subject property.

MOTION

Commissioner Corrigan moved to deny the petitioner's request and uphold the Assessor's value at \$3,826,180 in the matter of R8164666.

Commissioner Monger seconded; the motion carried 3-0.

RYAN INNOVATIVE SOLUTIONS R8163677

Ms. Tarbell explained how she calculated the valuation for the properties. She added the subject property is valued by the Assessors in excess of fair market value based on the 3 approaches to value; cost, market, and income. In addition, the property is valued in excess of other similarly situated properties.

Mr. Krause stated at Assessor-level, the petitioner's agent, Ryan, LLC filed an appeal requesting an adjusted value of \$5,400,000. During an Assessor level phone conversation with tax agent Michelle Tarbell, she requested an updated adjusted value of \$6,000,000. For the CBOE, the agent has again request a value of \$5,400,000. Both requested amounts are lower than the 2017RA BAA stipulated value of \$6,750,000. The agent states, "The subject property is valued in excess of fair market value based on 3 approaches to value; cost, market, and income. In addition, the property is valued in excess of other similarly situated properties." The petitioner purchased the subject property on November 16, 2015 for \$7,000,000 with an adjusted sales price of \$6,699,000.

MOTION

Commissioner Corrigan moved to deny the petitioner's request and maintain the current Assessor level of value in the matter of R8163677 in the amount of \$6,735,690.

Commissioner Monger seconded; the motion carried 3-0.

No further business coming before the Board, same adjourned sine die.

Kim Bonner, Clerk and Recorder

M. Elizabeth Melton, Chair

Date

ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA COMMUNICATION FORM

ITEM DATE: October 1, 2019	ITEM TIME:
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FROM:	DHS/First Impressions of Routt County
TODAY'S DATE:	September 24, 2019
AGENDA TITLE:	Approval of agreement regarding provision of professional services by Steamboat Springs Discovery Learning Center's Child Care Network and Routt County as fiscal agent for Routt County Early Childhood Council not to exceed \$15,000 to provide technical assistance and mentoring support as listed in Exhibit A.

CHECK ONE THAT APPLIES TO YOUR ITEM:	
<input checked="" type="checkbox"/> P ACTION ITEM	
<input type="checkbox"/> DIRECTION	
<input type="checkbox"/> INFORMATION	

I. DESCRIBE THE REQUEST OR ISSUE:

Approval of agreement regarding provision of professional services by Steamboat Springs Discovery Learning Center's Child Care Network and Routt County as fiscal agent for Routt County Early Childhood Council not to exceed \$15,000 to provide technical assistance and mentoring support as listed in Exhibit A.

II. RECOMMENDED ACTION:

Recommend approval of agreement.

III. DESCRIBE FISCAL IMPACTS (VARIATION TO BUDGET):

PROPOSED REVENUE: \$15,000

PROPOSED EXPENDITURE: \$15,000

FUNDING SOURCE: Office of Early Childhood Colorado Shines Quality Improvement; Craig-Scheckman Family Foundation

IV. IMPACTS OF A REGIONAL NATURE OR ON OTHER JURISDICTIONS (IDENTIFY ANY COMMUNICATIONS ON THIS ITEM):

None

ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA COMMUNICATION FORM

V. BACKGROUND INFORMATION:

The Steamboat Springs Discovery Learning Center's Child Care Network, which is housed in the Family Development Center, is Routt County's only Resource and Referral Agency which provides these services for licensed and potential new child care programs and providers.

VI. LEGAL ISSUES:

N/A

VII. CONFLICTS OR ENVIRONMENTAL ISSUES:

N/A

VIII. SUMMARY AND OTHER OPTIONS:

Early learning programs and family child care providers cannot afford to pay for these services on their own. If Routt County did not support the Technical Assistance and Mentoring Project provided by the sole source provider, Child Care Network, licensed programs and providers would be less likely to maintain and improve the quality of their programs. The support provided by Child Care Network also increases the likelihood of increasing licensed capacity.

AGREEMENT REGARDING PROVISION OF PROFESSIONAL SERVICES

This Agreement Regarding Provision of Professional Services (the "Agreement") dated as of September 6, 2019, is between Steamboat Springs Discovery Learning Center, a Colorado nonprofit corporation ("Contractor") and Routt County, Colorado ("County") as fiscal agent for the Routt County Early Childhood Council, by and through its Board of County Commissioners.

Recitals

- A. County has heretofore requested a proposal from Contractor for: Technical Assistance and Mentoring (the "Project");
- B. Contractor has submitted to the County a proposal for the Project and represented to County that it has the expertise and personnel necessary to properly complete the Project;
- C. After considering the proposal submitted by contractor for the Project, the Board has decided to accept the proposal of Contractor for the Project subject to the execution of a contract between the Contractor and County acceptable to the Board; and
- D. Contractor and County intend by this Agreement to set forth the scope of the work to be done by Contractor in connection with the Project and related terms and conditions to govern the relationship between Contractor and County in connection with the Project.

Terms and Conditions

1. Scope of Project: Contractor shall perform the work described in the attached Exhibit A entitled "Scope of Work." which was submitted by Contractor as part of its proposal. Contractor shall perform the work for the Project in a skillful, professional and competent manner and in accordance with the standards of care, skill and diligence applicable to consultants in the field in which Contractor practices with respect to such work.

2. Compensation and Payment: As consideration for the work to be performed by Contractor hereunder, County shall pay to Contractor an estimated amount not to exceed a total of \$15,000. This estimate is based on rates listed in Exhibit A.

During the Project, Contractor shall submit billings for its reimbursable costs and work performed in connection with the Project on a monthly basis no later than the 10th day of the month following the month in which the work billed was done.

Such billings shall be submitted to Stephanie Martin for review and approval and shall segregate reimbursable costs from charges for professional services and, upon request, Contractor shall provide County with such other supporting information as County may request. County shall pay all properly submitted invoices within 30 days after receipt of each such invoice and any supporting information requested by County. All billings shall include

APPROVED AS TO FORM
ROUTT COUNTY ATTORNEY'S OFFICE
By: LS Date: 9-20-19

the Contractor's taxpayer identification number or social security number. County is subject to the provisions of Colorado Constitution, Article X, Section 20 ("TABOR") regarding multiple fiscal year obligations. Therefore, no obligation extending beyond December 31, 2019, shall be enforceable unless and until County, acting through the Board, has adopted a budget for 2020 providing for payment of such obligations.

3. Time for Completion of Project: Contractor shall work diligently to complete the work described in Exhibit A by June 30, 2020. County recognizes however, that there may be delays in the completion of the work beyond the control of the Contractor and County, therefore, agrees that Contractor's obligation hereunder is one of diligence and is not a covenant or representation that the Project will be completed within said time period. Contractor shall, however, be responsible for promptly notifying County of delays in the completion of the Project which Contractor believes are attributable to County.

4. Personnel: Contractor understands that in retaining Contractor, County is relying primarily upon the expertise and personal abilities of Sharon Butler and Tami Havener. This Agreement is conditioned upon the continuing direct personal involvement of Sharon Butler and Tami Havener in the Project. County understands that others may work on portions of the Project. However, those employees shall be under the direct supervision of Sharon Butler and Tami Havener. In the event that Sharon Butler and Tami Havener, for any reason, are unable to remain involved in the Project, or in the event that Sharon Butler and Tami Havener ceases to be involved in the Project as planned, Contractor shall immediately advise County of such fact and County shall have the option to terminate this Agreement and shall be entitled to the return of all previously paid amounts for Contractor's regular hourly charges.

5. Insurance: Contractor shall be responsible for worker's compensation and all other benefits for Contractor and its employees working on the Project and such employees shall not, for any reason, be deemed the agents, servants or employees of County. **Neither the Contractor nor any employee of Contractor shall be entitled to unemployment insurance benefits through the County and the Contractor shall be obligated to pay any federal or state income taxes due with respect to any sum payable by County hereunder.** Contractor shall maintain commercial general liability insurance providing bodily injury and property damage coverage with a combined single limit of at least \$1,000,000 and a deductible of not more than \$1,000. Such insurance shall provide that it may not be canceled without 30 days prior written notice to County. Prior to commencement of work on the Project, Contractor shall cause County to be named as an additional insured and shall provide County with evidence, acceptable to County, that the insurance required hereby is in full force and effect.

In addition, Contractor shall comply with all provisions of the Contract the County has with the State of Colorado, Contract Routing Number 17IHIA90674 ("State Contract"), General Provisions Paragraph E relating to insurance.

6. Employment of Illegal Aliens: This Agreement is subject to the provisions of the Illegal Aliens-Public Contracts for Services Act found at C.R.S. Section 8-17.5-101

et seq. By execution of this Agreement, Contractor certifies that it does not knowingly employ or contract with an illegal alien who will perform work under this Agreement and that Contractor will participate in either the E-Verify Program or Department Program in order to confirm the eligibility of all employees who are newly hired for employment to perform work under this Agreement.

A. Specifically, Contractor shall not:

(1) Knowingly employ or contract with an illegal alien to perform work under this Agreement; or

(2) Enter into a contract with a subcontractor that fails to certify to Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Agreement.

B. Contractor has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under this Agreement through participation in either the E-Verify Program or Department Program.

C. Contractor shall not use either the E-Verify Program or Department Program to undertake pre-employment screening of job applicants while this Agreement is in effect.

D. If Contractor obtains actual knowledge that any of its subcontractors performing work under this Agreement knowingly employs or contracts with an illegal alien, Contractor shall:

(1) notify the subcontractor and County, within three days of discovery of such fact, that Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(2) terminate the contract with the subcontractor if, within three days of receiving the notice required by subpart D.(1) above, the subcontractor does not stop employing or contracting with the illegal alien; except that Contractor need not terminate the contract with the subcontractor if, during such three days, the subcontractor provides information establishing that the subcontractor has not knowingly employed or contracted with an illegal alien.

E. Contractor shall comply with any reasonable request by the Department made in the course of an investigation that the Department is undertaking pursuant to the authority established in C.R.S. Section 8-17.5-102(5).

F. If Contractor violates any of the provisions of this section, County shall have the right to terminate the Agreement for breach of contract and, in such case, Contractor shall be liable to County for all actual and consequential damages incurred by County as a result of such breach and the termination of this Agreement.

G. County will notify the Office of the Secretary of State if Contractor violates this provision of this Agreement and the County terminates this Agreement for such breach.

As used in this provision, "Department" means the Colorado Department of Labor and Employment.

7. **No Assignment:** The parties to this Agreement recognize that the services to be provided pursuant to this Agreement are professional in nature and that in entering into this Agreement, County is relying upon the personal services and reputation of Sharon Butler and Tami Havener. Therefore, Contractor may not assign its interest in this Agreement without the prior written consent of County, which may withhold such consent in its sole discretion. Except as so provided, this Agreement shall be binding on and inure to the benefit of the

parties hereto, their respective successors and assigns, and shall not be deemed to be for the benefit of or enforceable by any third party.

8. Conflicts of Interest: Neither Contractor nor any of its employees shall, at any time during the term of this Agreement, do work for, nor shall they have any financial interest or other relationship with any entity or project which would constitute a conflict of interest or influence or otherwise jeopardize the professional judgment of Contractor in connection with the Project.

9. Confidentiality: Contractor acknowledges that it may receive confidential information from County in connection with the Project or, as part of the Project, develop such information. Contractor shall take all precautions necessary to maintain and protect the confidentiality of any such information and to ensure that it shall be used only for the purposes of the Project.

10. Ownership of Work: Subject to County's obligation to compensate Contractor, all work, reports, designs, drawings, renderings and other work product produced by Contractor in connection with the Project shall belong to County and Contractor shall not use any part thereof for purposes other than the Project without the written consent of County.

11. Indemnification: To the extent allowed by law, each party hereto shall indemnify the other party and hold and defend the other party and its officials, officers and employees harmless from all costs, claims and expenses arising from claims made by any person in connection with the acts or omissions of, or representations by, the indemnifying party. This indemnification shall not apply to claims by third parties against the indemnified party to the extent that the indemnified party is liable to such third party for such claim without regard to the involvement of the indemnifying party. It shall be a condition to liability under this paragraph that the indemnified party promptly provide to the indemnifying party a copy of any summons, complaint or other notice of claim with respect to any claim for which the indemnified party may seek indemnification or defense hereunder. Within 10 days following the giving of such notice of claim by the indemnified party, the indemnifying party shall acknowledge receipt of such notice in writing to the indemnified party and, in such notice, accept the defense and obligation to indemnify the indemnified party hereunder. Following such acknowledgment, the indemnifying party shall take all actions reasonably necessary to protect the indemnified party from such claim and the indemnified party shall cooperate in such defense. In the event that the indemnifying party fails or refuses to give such acknowledgment of receipt and acceptance to the indemnified party within the 10 day period specified, the indemnified party may, but shall not be obligated, to assume its own defense and thereafter recover all costs of such defense from the indemnifying party.

12. Termination: County may terminate this Agreement at any time during the Term of this Agreement upon 10 days written notice to Contractor without cause; provided, however, that within 30 days following such termination Contractor shall render a final billing for work completed and expenses incurred to the date of termination which shall be paid by County in accordance with Paragraph 2 hereof. In the event that County fails to pay any billing by Contractor for Work hereunder when due, then upon 10 days' written notice to

County of such delinquency and the failure of County to pay all amounts then due to Contractor within such 10 day period, Contractor may, at its election cease work hereunder and terminate this Agreement by giving a written notice to County advising of such election. Such written notice of Contractor's election to terminate this Agreement may, but need not, be included in the notice of delinquency required hereunder. In such case such notice of the election to terminate shall be stated in the conditional form that the Agreement shall be terminated if payment is not received within the 10 day period provided for payment of any delinquency.

13. Notices: Any notice required under this Agreement may be personally delivered or mailed in the United States mails, first class postage prepaid to the party to be served at the following addresses:

Contractor: Steamboat Springs Discovery Learning Center
P.O. Box 773982
Steamboat Springs, Colorado 80487

County: Routt County Board of Commissioners
P.O. Box 773598
Steamboat Springs, Colorado 80477

Notices personally served shall be deemed served on the date of delivery. Notices mailed shall be deemed served the next business day following the date of mailing if mailed in the State of Colorado otherwise on the date which is two business days following the date of mailing.

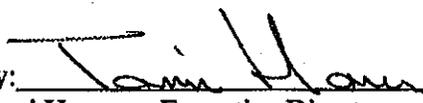
14. Attorney Fees: In the event either party to this Agreement brings suit to enforce or interpret any portion of this Agreement, the party substantially prevailing in such action shall be entitled to recover all costs incurred in such action, including without limitation reasonable attorney's fees.

15. Entire Agreement: This Agreement constitutes the entire agreement between the parties concerning the Project and may not be amended except by a written document executed by both parties hereto.

16. Counterparts: This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and which together shall constitute a single instrument.

17. Choice of Laws and Venue: This Agreement shall be governed by and construed in accordance with the internal laws of the State of Colorado without reference to choice of laws rules. The parties agree that venue in any action to enforce or interpret this Agreement shall be in the District Court in the Fourteenth Judicial District for the State of Colorado.

18. Contractor shall comply will State Contract General Provisions Paragraph P and Exhibit D Paragraph F, Exhibit F Paragraph titled "Sub-contracts",

By: 
Tami Havener, Executive Director
Steamboat Springs Discovery Learning Center

By: _____
M. Elizabeth Melton, Chair
Routt County Board of Commissioners

Exhibit A

July 2019—June 2020 Scope of Work - Steamboat Springs Discovery Learning Center dba Family Development Center of Steamboat Springs through Child Care Network

Technical Assistance and Mentoring services up to \$15,000 based on \$60/hr and direct costs as supported by receipts for (last bullet point) professional development, materials and equipment.

Mentoring and coaching regarding:

- Environmental Rating Scale (ERS) and CLASS activities
- NAEYC accreditation for programs that have achieved/acquired all the benefits and improvement available through the ERS or CLASS process
- DAP trainings for center directors including strategies to implement with fidelity across their own internal systems thereby building upon the early learning portion of the system vertically and horizontally for the early childhood system as a whole.
- Early Childhood providers response to challenging behaviors
- The provision of quality curriculum, intentionality and engaging children
- Engaging and supporting families
- Staff and board development
- Online child outcome tools -Teaching Strategies GOLD and Devereux Early Childhood Assessment and Ages and Stages Questionnaire
- The QRIS (Quality Rating and Improvement System)
- The ELDG (Early Learning and Development Guidelines)
- The PDIS (Professional Development Information System)
- Expanding Quality Infant and Toddler curriculum
- Leadership development for directors and early childhood professionals
- And the staff professional development, materials and equipment to deliver the above.



REALAUCTION.COM, LLC

861 SW 78TH AVENUE SUITE 102, PLANTATION COLORADO 33324

AGREEMENT FOR SERVICES

This Agreement made this 9th day of September 2019, between Routt County, Colorado ("County"), by and through its Board of County Commissioners and RealAuction.com, L.L.C. ("Contractor"), a Florida limited liability company authorized to do business in Colorado, for Internet-based electronic processing of bid information related to the auction sale of County's Tax Certificates, on the following terms:

1. Length of Agreement; Cancellation; Termination Upon Default.

A. The term of this Agreement shall terminate three years from the above date.

B. Termination for Default or Breach: This Agreement may be terminated by either party upon the failure of the other to comply with any provision or requirement of this Agreement, provided that written notice of such failure is given to the defaulting party and is not cured within thirty (30) days of the date of receipt of written notice. A party's decision not to take action upon failure of the other party to perform shall not be construed as a waiver of the ability of non-breaching party to take additional action at a later date and time.

C. Notwithstanding the above, the County may terminate this Agreement for no cause upon 90 days written notice.

2. Services to be Provided by Contractor.

A. The Contractor shall furnish Internet Auction Services for Tax Certificates for Routt County, CO. The County provides no guarantee of quantity.

B. The Contractor shall provide a host server for the Web Site. As used herein, the term "Web Site" shall mean an Internet web site that Contractor will make available to County under this Agreement. The Web Site will utilize Contractor's proprietary software, which is capable of accepting and

processing competitive bids for Tax Certificates to be issued by Client. The County acknowledges that the Contractor's Server may not be dedicated exclusively to the Web Site. The Contractor shall use its best efforts to make the Web Site available during all business hours and shall not schedule planned maintenance downtime to occur during business hours.

C. During each auction, the Contractor shall provide Auction Administrator(s) and the technical support necessary to facilitate the County's conduct of online auction sales of tax certificates.

D. Contractor will assist County with the following:

- i. Auction set-up. County will select the auction format; e.g., sealed, proxy, etc., to be used, auction start date, end date and batch size as well as the auction's administration and execution, including but not limited to management or retrieval of user registration information and auction results.
- ii. Granting and denying various degrees of access privileges to users and County's employees to the Web Site. Before any County representative is given privileges to access the Web Site and its information, County must provide Contractor with written authorization directing Contractor to give such employees such authority.
- iii. Monitoring network performance while auctions are in progress.
- iv. Providing technical support to resolve questions related to hardware, software or network problems encountered by the County or third party users.
- v. Providing telephone and online webinar training sessions for County personnel designated by the County as having a thorough knowledge of the transactions to be consummated through the use of the Web Site at times to be mutually determined.
- vi. Providing personal and telephonic support during normal business hours for the handling of bidder and County questions relating to the general operation of the Web Site.

E. Contractor will include on the Web Site terms and conditions, with appropriate disclaimers, which third party users (i.e., participants in auctions/bidders) will be required to give assent. Each party will have the

right to reasonably approve the terms and conditions or disclaimers that are included within the Web Site.

F. The Contractor may, in its sole discretion, provide additional ancillary services through the Web Site to third party users that are intended to assist such third party users in evaluating any or all of the Tax Certificates to be sold. Such services may include without limitation:

- i. Hyperlinks on the Web Site to third party sites that contain additional information about the delinquent accounts or properties that are the subject tax sale; and
- ii. Analytical tools, such as search, sort, upload, download and other report customization features. If such services are offered by Contractor thru Web Site, these services shall be provided **at no charge** to the bidders and auction participants.

G. Contractor shall record and maintain records of all activity occurring on the Web Site, and shall retain these records for a period of 5 years from the date of each auction.

H. Contractor shall ensure that the Web Site is capable of providing the following functions:

- i. Accepting, processing and displaying bid information and other data related to auctions of tax certificates.
- ii. Accepting, processing and maintaining an ID number and password from users before users enter any auction, which they may obtain free of charge by simply registering on the Site.
- iii. Providing users with the means for reviewing the list of all Tax Certificates being offered for sale, along with, to the extent available, tax roll data and appraiser information with respect to the applicable properties.
- iv. Providing users with the means to bid and to withdraw bids on tax certificates.
- v. Permitting the use, at the County's election, a proxy bidding system, whereby a user will submit the minimum rate that he/she would be willing to receive for the applicable tax certificate. The Contractor's software will act on the bidder's

behalf, submitting only the maximum rate necessary to win the bidding for any given Certificate, but in no event less than the minimum rate specified by the bidder. When the auction is over, third party users will see only the higher of the minimum rate submitted by each bidder or their winning bid.

- vi. Allowing users to view auction results after they are approved for release by County.

- vii. Allowing Contractor's Auction Administrators and County's internal auction administrators (the "County Auctioneers") to observe auctions in progress and retrieve information immediately upon completion of each auction, and to release the final results of auctions so that they can be viewed by all users with authorized access to the Web Site.

- viii. Enabling the County's Auction Administrators, or the Contractor Auction Administrator at County's direction, to establish and modify auction parameters; to modify registration information pertaining to a particular third party user or County user; and to limit or prohibit a user's access privileges to the site. County will provide Contractor with the names of County personnel who are permitted to access and/or authorize modifications. In the event County directs Contractor to effect such modifications, County will be required to give Contractor reasonable advance notice before such modifications are to go into effect.

3. Cooperation by County. Notwithstanding any other provision herein, the County shall:

- A. Notify Contractor of the actual date scheduled for each tax certificate sale on the Web Site at least 45 days prior to such date, and provide Contractor with all information concerning the properties for which tax certificates are being offered at auction at least 30 days prior to the date of each auction.

- B. Providing Contractor with the names, titles and contact information for all County employees who will have decision-making authority of any kind in the auction process or access to the Contractor's Web Site, as well as the

names and contact information of all County employees who are responsible for processing Contractor's requests for payment and supporting documentation.

C. The Web Site shall bear County's name and such other trade dress (e.g., logos, introductory statement from the County etc.) as reasonably directed by the County. The County acknowledges and agrees that every page of the Web Site may display the Contractor's name and company logo.

D. County will reasonably cooperate with Contractor to ensure that Contractor has access to and is provided with all the information it needs to effectuate the tax certificate auctions described in this Agreement and for preparation and delivery of the Contractor's requests for payment. The information provided will include the initial data load and timely updates of certificates that have been redeemed, purchased or transferred.

4. Payment for Services.

A. The Contractor will be paid for the Contract amount upon invoices submitted to the County by the Contractor on a monthly basis.

B. In consideration of the Services set forth in this Agreement, County shall pay (or cause to be paid) the following fees to Contractor in the manner described:

- i. For each individual Tax Certificate sold during an auction on the Web Site, County shall pay to Contractor twelve dollars (\$12.00).
- ii. For each individual Tax Certificate that is unsold, sold in error or cancelled, Contractor will receive no fee.

C. The Contractor's request for payment shall be supported by reports or other documents reasonably required by the County, and shall show the Contractor's County Contract number, and the Contractor's federal identification number, in addition to any other information that may be required by the County. Additionally, all requests for payment shall have attached a copy of the original bill, containing an original signature of an authorized representative of the Contractor. Requests for payment shall be submitted not more than once every thirty days, to an address, department and/or individual designated by the County.

D. Unless otherwise provided on Contractor's invoice or other Instructions that Contractor provides subsequent to the execution of this Agreement, payments shall be made to:

Realauction.com, LLC
Attn: Lloyd McClendon
861 SW 78th Ave., Suite 102
Plantation FL, 33324

E. Contractor shall not be obligated to provide any Services hereunder in the event County is more than 60 days delinquent in paying any invoices, provided, however, that Contractor has advised the County Treasurer in writing that it will cease performing services unless delinquent invoices are paid in full.

5. Limited Warranty; Disclaimer of Implied Warranties; Limitation of Liability; Consequential Damages or Incidental Damages.

A. Contractor warrants that the Web Site, when provided with accurate and properly formatted data by County and other third party users, and when accessed by properly functioning software and equipment of third party users, will perform substantially as required in order to facilitate County's online auction sales of tax certificates. Contractor will, at no charge to County, make corrections to the Web Site so that the Web Site performs substantially as required, and will use its best efforts to make such corrections available within 24 hours, provided that County reports to Contractor any failures or defects in the Web Site and provides Contractor with information sufficient to correct such failure or defect. In the event Contractor is not able to make such corrections available within 24 hours, the Contractor's chief executive officer and/or chief operating officer will confer with County to advise County with respect to the status of problem resolution and anticipated time of correction.

B. Except for the express limited warranty set forth in the preceding section of this Contract, Contractor makes no warranty, representation, promise or guarantee, either express or implied, statutory or otherwise, with respect to the Web Site or the Services provided hereunder, including their quality, performance, merchantability or fitness for a particular purpose, or whether any of the transactions to be conducted using the Web Site comply with any applicable federal, state, county or other law or regulations.

Contractor will have no responsibility for any actual or purported loss resulting from damages associated with the auction format (e.g., Proxy Bidding) selected by County for any particular auction conducted on the Web Site. In no event will Contractor be liable for indirect, special, incidental, economic, cover, consequential, tort or other damages (including without limitation damages or costs relating to the loss of profits, business, goodwill, data or computer programs, even if advised of the possibility of such damages), without regard to the legal theory of such damages, arising out of the use of or inability to use the Web Site or the services provided hereunder. Except as provided in this paragraph, in no event will Contractor's liability to County arising out of or related to this Contract exceed the fees earned by Contractor under this Contract during the twelve month period immediately preceding the date that the event giving rise to Contractor's liability occurred. Notwithstanding the foregoing, Contractor's liability to County arising out of claims brought against Contractor pursuant to Paragraph (a) above will be no greater than \$1,000,000 in the aggregate.

6. Confidentiality; Proprietary Information.

A. The format in which Contractor stores data provided by County will be proprietary to Contractor. County's retrieval and use of the data compiled by Contractor on the Web Site shall be limited to County's internal use only, and County agrees that it will not, unless otherwise required by law, transmit to third parties, or permit other third parties to access the data in the format and compilation created by Contractor.

B. County acknowledges that with respect to bidders who provide minimum bids as part of the Web Site's proxy bidding feature, Contractor will be deemed the agent of such bidders in so far as bidders have provided such minimum bids. Such minimum bids will be the confidential information of the bidder, which Contractor will be required to maintain, and which contractor will not release except as required by law.

C. Except upon prior written approval by the County, the Contractor, or its subcontractors, shall not furnish or disclose to any person and/or organization, any non-public information that County designates as confidential.

D. It is expressly understood and agreed that the software used to develop and operate the Web Site; any related materials and documentation provided by Contractor, including without limitation information related to security or other technical aspects of the Web Site; and the non-public pages of the Web Site constitute a valuable proprietary product and trade secret of Contractor embodying substantial creative efforts and confidential information, ideas, and expressions (collectively for the purposes of this section "Contractor's Confidential Information"). County agrees to hold all such Contractor's Confidential Information in strictest confidence and take such steps as are reasonably necessary to protect the confidentiality of the Contractor's Confidential Information and other materials designated by Contractor as confidential. Such steps shall include, without limitation, refraining from taking any action in derogation of Contractor's ownership rights and taking actions similar to those taken by County with respect to protecting other third party confidential information in its possession. County shall not disclose or otherwise make available the Contractor's Confidential Information in any form to any person except to those employees of County or Contractor who need access to the information to facilitate County's authorized use of the Web Site. Nothing herein shall be construed, however, to prohibit County from making any disclosures required of County pursuant to any legal process or request from any governmental authority having jurisdiction over County, or from making disclosure required by Colorado law, provided however that prior to disclosure to any such governmental authority, County shall provide notice to Contractor in order to enable Contractor to seek relief.

E. Each party agrees to treat any information they receive that is submitted to the Web Site by third party users, including without limitation, deposit amounts, social security numbers, federal tax identification numbers, etc., in accordance with applicable law and the "privacy policy" set forth in the related link on the Web Site. Contractor will not change the "privacy policy" without County's consent, which will not be unreasonably withheld.

7. Limited Agency Created; No Third Party Beneficiaries Intended.

For the purpose of providing auction services for the delinquent tax auction and other services specifically described herein, Contractor shall be an agent of the

county and shall be required to take direction from the county as to the mechanism and effectuation of the sale. Other than with the respect to the handling of the delinquent tax auction and other services described here in, Contractor acknowledges that it does not have the authority to act on behalf of the County or its agencies. Contractor's personnel shall not be employees of the County. There are no intended third party beneficiaries, including without limitation any users of the Web Site described herein.

8. Force Majeure. Delay in performance or non-performance of any obligation contained herein shall be excused to the extent such failure or non-performance is caused by force majeure. For purposes of this Contract, "force majeure" shall mean any cause or agency preventing performance of an obligation which is beyond the reasonable control of either party hereto, including without limitation, fire, Flood, sabotage, embargo, strike, explosion, labor trouble, accident, riot, acts of governmental authority (including, without limitation, acts based on laws or regulations now in existence as well as those enacted in the future), and delays or failure in obtaining raw materials or transportation, acts of God, telephone line outages, Internet traffic slowdowns (including any Internet transmission problems incurred by either County's or Contractor's Internet service provider), down computer networks, down hardware, (head crashes, operating system hang-ups and the like), software or operating systems failure caused by a virus or other denial of service attack, and electricity outages. A party affected by a force majeure shall, upon notice to it of the force majeure, promptly notify the other party by the quickest means available, explaining the nature and expected duration thereof, and shall act diligently to remedy the interruption or delay if it is reasonably capable of being remedied.

9. Entire Understanding; Amendments. This Agreement constitutes the entire understanding and agreement between the parties hereto with respect to its subject matter and supersedes all prior or contemporaneous agreements, representations, warranties and understandings of such parties, whether oral or written. This Agreement may only be amended by a separate document, signed by both parties.

10. Place of Execution; Governing Law; Venue. This Agreement shall be deemed to be executed in Routt County, State of Colorado, regardless of the Contractor's domicile, and shall be interpreted and construed in accordance with the laws of the State of Colorado. The Contractor agrees that the venue for any and all

claims between the parties arising from this Agreement shall be in the federal courts and state courts in and for Routt County, Colorado.

11. Severability. If this Contract contains any provision found to be unlawful, the same shall be deemed to be of no effect and shall be deemed stricken from this Contract without affecting the binding force of this Contract as it shall remain after omitting such provision.

IN WITNESS WHEREOF, the parties have executed this Agreement this 9th day of September, 2019.

For Realauction.com, L.L.C.: _____

Printed Name: _____

Title: _____

For Routt County: _____

Printed Name: M. Elizabeth Melton

Title: Chair

ATTACHMENT

Routt County is subject to the provisions of Section 20 of Article X of the Colorado Constitution (also referred to as the "TABOR Amendment") which limits its ability to enter into multiple-fiscal year financial obligations. Therefore, any financial obligation of Routt County under this Agreement beyond the current fiscal year (calendar year 2019) is subject to and conditioned upon the due adoption of a budget for the year in which the obligation is due by the Board of County Commissioners of Routt County which budget provides for or appropriates funds for such obligation. The financial obligation of Routt County under this Agreement shall be from year to year only and shall not constitute a multiple-fiscal year direct or indirect debt or other financial obligation or any obligation payable in any fiscal year beyond the fiscal year for which funds are appropriated for the payment thereof.