

**STATE OF COLORADO
COUNTY OF ROUTT**

**OFFICE OF THE CLERK
July 16, 2019**

Commissioner Beth Melton, Chair, called the regular meeting of the Routt County Board of County Commissioners to order. Commissioner Tim V. Corrigan, Deputy County Manager Dan Weinheimer, and County Manager Tom Sullivan were also present. Those present recited the Pledge of Allegiance. Deanna Sanchez recorded the meeting and prepared the minutes. Commissioner Douglas B. Monger was absent.

EN RE: WARRANTS

Commissioner Corrigan moved to approve and authorize the Commissioners to sign the Warrants Sheets that included:

Accounts Payable Check- Cycle Date:	7/8-7/12	\$1,394,580.48
Accounts Payable Check: Manuals	7/8-7/12	
Accounts Payable Wires:	7/8-7/12	
Total:		\$1,394,580.48
Payroll Checks- Cycle Date:	7/8-7/12	
Payroll Checks- Manuals	7/8-7/12	
Payroll – IRS & State Income Tax	7/8-7/12	
Total:		
Total Disbursements Approved:	7/8/2019 – 7/12/2019	\$1,394,580.48

Commissioner Melton seconded.

Mr. Sullivan advised of the 2019 Accounts Payable items of note for run date July 12, 2019.

Vendor	Amount	Department
ALPINE AGGREGATES LLC	16,913.26	Road & Bridge Budget: Spot Gravel purchases for District 1 and 3
STEAMBOAT SPRINGS CHAMBER	15,000.00	Community Services Budget:

RESORT ASSOC., INC		Economic Development: Q3 2019 CONTRIBUTION
CORRECTIONAL HEALTHCARE MANAGEMENT	11,538.98	Sheriff/Adult Detention Budget: Monthly Inmate Medical Services for August 2019
KILGORE CO	4,796.86	Road & Bridge Budget: Spot Gravel Budget District 3, CR 62
GMCO CORP	120,296.22	Road & Bridge Dust Suppressant Budget: various county gravel roads
STRAIGHT STRIPE PAINTING, INC. AND/OR DIXIE CLEAN	118,429.75	Road & Bridge – Asphalt Road Lane Marking
SCHMUESER GORDON MEYER INC	5,700.00	Road & Bridge – Design of 5 Minor Bridge Structures
WAGNER EQUIPMENT CO	73,109.11	Heavy Equipment Pool: Lowboy Trailer Purchase
XYBIX SYSTEMS INC	23,331.91	Comm Center Pool: 1 Dispatcher Workstation
IMS INFRASTRUCTURE MANAGEMANT SERVICES LLC	15,853.00	Road & Bridge Budget: Infrastructure Management Services
MORPHO USA INC	7,592.00	Equipment Pool for Sheriff: AFIS LIVE SCAN MAINT
2019 AP Run Date July 12 - Total	857,767.56	

Motion carried 2-0.

EN RE: ITEMS OF NOTE FROM PREVIOUS DAY'S WORK SESSION

Commissioner Melton stated updates were received from the County Manager, Legal, Public Works, Accounting, CSU Extension, Human Resources, and the Assessor's annual Board of Equalization report.

EN RE: CONSENT AGENDA

The following items were presented for consideration, approval, and signing on the consent agenda:

A. Approval of County Commissioners Minutes: Regular Meeting of June 11, 2019.

MOTION

Commissioner Corrigan moved to approve item A on the consent agenda and authorized the Chair to sign the related documents.

Commissioner Melton seconded; the motion carried 2-0.

DISCUSSION

Commissioner Melton noted in the minutes from June 11, 2019, Strawberry Park Heights subdivision item; PL – 19 – 121 & PL – 19 – 125, due to a clerical error in the meeting packet, all references to 6K during the hearing were intended to refer to 6E, which is correctly indicated in the written minutes of the hearing and the final motion from the Board.

EN RE: PUBLIC COMMENT

Luanna Iacovetto, Routt County citizen, was present.

Ms. Iacovetto stated her family owns and operates Saddleback Ranch. Her family has been ranching Yampa valley since 1903. She expressed her love for Yampa Valley and concern for the noxious weed problem. She believes the County Weed program is not doing a good job of tending the weeds and County residents are not doing a good job of tending to their property's weeds.

Commissioner Corrigan stated he heard dissatisfaction with the way the County is addressing weeds and the way County residents are addressing their property's weeds. He added the County Manager will speak with the Public Works Director to address this problem. Commissioner Corrigan explained the difficulty with imposing weed control on private property is the County has to get a court order.

Commissioner Corrigan thanked Ms. Iacovetto for her comments.

EN RE: PLANNING / CHAD PHILLIPS

Alan Goldich, Planning Department; and Erick Knaus, County Attorney; were also present.

FEE IN LIEU FUNDS DISTRIBUTION

Mr. Goldich stated letters were sent to the Routt County school districts, including the North Routt Charter School, explaining the availability of fee in lieu funds. This request is to

authorize the distribution of fee in lieu funds in the amount of \$23,327 to the RE-3 (SOROCO) School District, \$182,162 to the RE- 2 (Steamboat Springs) School District, and \$6,514 to the RE-1 (Hayden) School District.

Mr. Goldich gave a brief summary of the individual requests.

He stated the fee in lieu funds have been collected over the years to satisfy requirements in the Subdivision Regulations. The funds are meant to offset the impact that subdivisions have on the schools. The funds have been separated into specific accounts based on the area of the County the subdivision is located.

Commissioner Melton stated she did not see in the letter from the Steamboat Springs' school district anything mentioning using these funds for their schools in North Routt. She added the Board had been very clear in their conversations with the Planning Department about needing to see a benefit from these fees in North Routt. She asked if there was any other information that brought clarity to this. Mr. Goldich stated there was not.

Commissioner Corrigan stated the Board could make the case that the requests Steamboat School district made could be applied to the North Routt School.

Commissioner Corrigan suggested tabling the Steamboat School District's request and approving the others. Commissioner Melton agreed and added she would like to see some type of support from the North Routt Charter School pertaining to the use of these funds.

Commissioner Melton asked Mr. Knaus if he had feedback on the Board's decision. Mr. Knaus confirmed so and clarified the Board is making this decision on the basis that most of the subdivisions happened in the North Routt area.

MOTION

Commissioner Corrigan moved to approve and authorized the distribution of \$23,327 to the RE-3 (SOROCO) School District and \$6,514 to the RE-1 (Hayden) School District with funds collected through the subdivision process.

Commissioner Melton seconded; the motion carried 2-0.

MOTION

Commissioner Corrigan moved to table the distribution of \$182,162 to the RE-2 (Steamboat Springs) School District with funds collected through the subdivision process to a future date to be determined.

Commissioner Melton seconded; the motion carried 2-0.

EN RE: PDR / CLAIRE SOLLARS

PDR PROJECTS: EXTENSION REQUESTS/ TIER I FUNDING APPROVAL

Dean Rossi, PDR Board, and Helena Taylor, Staff Assistant, were also present.

At 11:28 a.m., Commissioner Melton moved to enter Executive Session pursuant to C.R.S. 24-6-402 (4)(f) – to discuss the purchase, acquisition, lease, transfer, or sale of real, personal, or other property interest under C.R.S. Section 24-6-402(4)(a). Those present included the Board of County Commissioners Melton and Corrigan; Dan Weinheimer, Deputy County Manager, Tom Sullivan, County Manager, Helena Taylor, Administrative Assistant; Dean Rossi, and Claire Sollars, PDR board members. Commissioner Melton noted that the Executive Session would be electronically recorded, however no written minutes would be taken.

The executive session adjourned at 12:16 p.m. No minutes or formal actions were taken during the executive session and no decisions were made.

MOTION

Commissioner Corrigan moved to accept the PDR Board's recommendations and approve the extension requests for projects 188, 191, 192, 193, 194 and 195; the approval requires that the applicant(s) comply with one of the following measures by May 01, 2020 (1) complete all Tier II requirements, or (2) submit an amended application.

Commissioner Melton seconded; the motion carried 2-0.

Commissioner Corrigan moved to accept the PDR Board's recommendations and approve the Tier I funding for project 196 in the amount of \$450,000 towards the conservation easement and up to \$25,000 for the reimbursement of transaction costs; the approval requires that the applicant comply with one of the following measures by May 01, 2020 (1) complete all Tier II requirements, (2) request an extension of Tier II compliance, or (3) submit an amended application.

Commissioner Melton seconded; the motion carried 2-0.

Commissioner Corrigan moved to accept the PDR Board's recommendations and approve the Tier I funding for project 197 in the amount of \$775,000 towards the conservation easement and up to \$25,000 for the reimbursement of transaction costs. The funding approval is contingent on the following conditions: should the Conservation Easement (CE) Appraisal be less than the projected \$1,590,000, then PDR funds for the CE purchase are locked into 48.7%. If valuation is greater, the amount is locked in the total amount of \$775,000. The approval requires that the applicant comply with one of the following measures by May 01, 2020 (1) complete all Tier II requirements, (2) request an extension of Tier II compliance, or (3) submit an amended application.

Commissioner Melton seconded; the motion carried 2-0.

EN RE: ROUTT COUNTY BOARD OF HEALTH / KARI LADROW

Scott Cowman, Environmental Health Director, was also present.

QUARTERLY BOARD OF HEALTH UPDATE

Commissioner Melton stated the Board is convening as the Routt County Board of Health.

Ms. Ladrow stated she would like to go over the list from the National Association Board of Health (NABH). She presented the list and discussed each item with the Board.

There was discussion on when the Board of Health meets and what they meet about. It was clarified there will be monthly updates from the Public Health Director to the BCC and the County Manager and quarterly updates with the Board of Health.

EN RE: ROUTT COUNTY BOARD OF EQUALIZATION

Gary Peterson, County Assessor; Angela Finnegan, Kevin Krause, Matt Kuckkahn, Ryan Gelling, Robin David, and Susan Siggson, County Appraisers; were also present.

Commissioner Melton swore-in and advised those present of the rules by which this Board will consider valuations. The petitioners were not present.

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 that 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.

R8163996 PACKARD, JOSEPH & BROOKE

Ms. Siggson stated the petition stipulated earlier yesterday, therefore no further action is required.

BOE ADJUSTMENT OF VALUES - VARIOUS ACCOUNTS

Mr. Peterson stated the request is an action item for the Board of Equalization (BOE) to equalize value on the presented properties. The appraisers discovered an error in the assessment of ten (10) typical (off-lake) duplex properties.

Ms. Finnegan summarized the valuation of the Cabins at Catamount. After receiving 2019 reappraisal appeals on 5 of the 10 properties in this tier the sales were reviewed and it was discovered that the 10Mile model was calculating an overvaluation for TY2019/20. She is recommending the BOE lower the valuation of the five unprotested properties to an equitable ad valorem assessment of \$1,190,420 from the original 2019 value of \$1,418,510. She is also recommending lowering the neighborhood adjustments, and presented a list of the 5 accounts to the Board.

Mr. Peterson stated the County Board of Equalization shall review the valuations for assessment of all taxable property appearing in the assessment roll of the county, directing the assessor to supply any omissions which may come to its attention. It shall correct any errors made by the assessor, and, whenever in its judgment justice and right so require, it shall raise, lower, or adjust any valuation for assessment appearing in the assessment roll to the end that all valuations for assessment of property are just and equalized within the county.

MOTION

Commissioner Corrigan moved to accept the Assessor's recommendation and approve the adjusted values in the matter of the 5 unprotested properties with the account numbers R8166761, R8166762, R8166766, R8166777, and R8166779 in the amount of \$1,190,420.

Commissioner Melton seconded; the motion carried 2-0.

Mr. Peterson stated the request is an action item for the Board of Equalization (BOE) to equalize value on the Downtown Riverview subdivision. He noted vacant land is subject to a subdivider discount. During the state audit of subdivider discounting procedures, Ms. Siggson discovered 2 data entry errors in the calculation worksheet leading to an incorrect present worth factor. This resulted in the overvaluation of 9 development parcels.

Mr. Krause went over the vacant land subdivision discounting worksheet with the Board. He explained the present worth factor is 58.89% and the corrected present worth factor is 42.79%.

Mr. Peterson stated the original valuation was the estimated market value of the property discounted by the inverse of 58% of the market value. Correcting the error drops the market value to 42% of full market value.

Mr. Krause described the errors as an entry of "1" lot sale/year was entered into the worksheet when ".5" lot sales/year should have been entered, the respective subdivision includes 10 marketable properties (1 improved & 9 vacant), the worksheet requests the "total

number of remaining parcels to be sold”, and “10” was entered when only “9” should have been entered (only vacant parcels are eligible for the calculation). Correction of these two errors results in an approximate 27% reduction. The original 2019RA Total Subdivider Value of all nine accounts was \$8,495,850. If approved, the requested corrected 2019RA Total Subdivider Value is \$6,173,150. Subdivider discounting is a present worth concept in appraisal that basically says that a developer cannot unload (sell) all of his inventory (lots) in a short period of time without steep discounting, often requiring years on the market to sell at full market values (absorption rate), thus the present worth of the inventory of lots is less than the market price value of each individual lot. The assessor’s office is requesting the approval to correct the calculation errors, which will result in a lower value for each respective account.

MOTION

Commissioner Corrigan moved to accept the Assessor’s recommendation and approve the adjusted values in the matter of account number R8180413 the corrected amount is \$1,218,660, in the matter of account number R8180414 the corrected amount is \$452,720, in the matter of account number R8180415 the corrected amount is \$393,670, in the matter of account number R8180416 the corrected amount is \$452,720, in the matter of account number R8180417 the corrected amount is \$452,720, in the matter of account number R8180418 the corrected amount is \$413,350, in the matter of account number R8180419 the corrected amount is \$1,332,740, and in the matter of account number R8180421 the corrected amount is \$1,003,850.

Commissioner Melton seconded; the motion carried 2-0.

Mr. Kuckkahn stated an error was discovered recently through communication with the state-contracted-auditor, Wildrose Appraisal. A step in the mathematical formula utilized to determine the value of long-term lease-hold interests on USFS lands was erroneously omitted from the final calculation. The mill levy rate must be reduced by the effective tax rate (0.29 factor omitted) to determine the effective tax rate, which is then added to the overall cap rate to determine the rate applied to income in the net present value calculation of long term lease valuation. This omission factored in a greater taxation rate in the valuation, thus diminishing the value of the lease above and beyond the actual rate of taxation. When the correct factor is applied it results in a value change ranging from approximately 7% to 19% with the largest adjustment being \$14,650 of value and the smallest adjustment being \$50 of value.

Mr. Kuckkahn stated he is recommending the Board of Equalization raise the valuation of these possessory interest accounts.

MOTION

Commissioner Corrigan moved to accept the Assessor’s recommendation and approve the adjusted values in the matter of account number R8179723 the corrected amount will be \$1,860, in the matter of account number R8179895 the corrected amount will be \$6,630, in the matter of account number R8179060 the corrected amount will be \$4,790, in the matter of the account number R8179086 the corrected amount will be \$69,100, in the matter of the account number R8173798 the corrected amount will be \$8,630, in the matter of the account number R8173260 the corrected amount will be \$370, in the matter of the account number R8174013 the corrected amount will be \$3,110, in the matter of account number R8180577 the corrected

amount will be \$1,290, in the matter of the account number R8179242 the corrected amount will be \$111,030, in the matter of the account number R8180584 the corrected amount will be \$5,340, in the matter of account number R8180587 the corrected amount will be \$720, and in the matter of account number R8179894 the corrected amount will be \$770.

Commissioner Melton seconded; the motion carried 2-0.

R0625911 LJRALR LLC

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 that 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. If either party has any exhibits they would like the Board to consider, please provide them to the secretary.

Ms. David summarized the property valuation of unit 212 Snowflower at Steamboat Condominium. During the 2013 reappraisal, it was discovered that the subject had undergone an extensive remodel. A grade modifier of 25% was applied to the account to reflect the superior condition of the unit. The purpose of grade modifiers is to have more accurate valuations so that remodeled units are not being undervalued and older, dated units are not being overvalued. In the 2015 reappraisal, the grade modifier was adjusted to 15% based on paired sales. The grade modifier remained in place for the 2017 and 2019 reappraisals.

Ms. David stated during the Assessor level appeal, the petitioner's valuation request of \$575,000 or \$381.80/sf was denied. The subject has 1,506sf, 4-bedrooms, 4-baths and garage parking and is a corner unit. The petitioner had submitted three comparable sales for review and consideration. The sales had similar bedroom count, 3, 4 and 5 baths and ranged in size from 1,434sf to 2,280sf. The petitioner did not account for the Time Adjusted Sale Price (TASP) in their valuation estimated. The three sales had a TASP range from \$242/sf to \$406/sf. During the 2019 reappraisal, there were 12 sales at Snowflower Condominiums. One sale was in the subject's tier of 4-bedroom units. Unit 204 Snowflower has 1,434sf, 4-bedrooms and 3-baths. It had a remodeled kitchen, original bathrooms and was an interior unit with an obstructed view. It sold for a TASP of \$406/sf. The subject was listed as of June 30, 2018 for \$695,000 or \$461/sf. Although listings cannot be used as sales data, it does allow the appraiser to check for reasonableness. The MLS provided description and photographs of the unit, and it was

determined at this time that the grade modifier of 15% was appropriate and remained for the 2019 reappraisal.

Ms. David stated after review of the comparable sales that were provided by the petitioner, further analysis was made to the subject's group of sales that occurred near the ski area. Additional consideration was given to the unit condition as of the assessment date. It was determined that the valuation of \$666,780 or \$442.75/sf was supported at the Assessor level appeal.

Ms. David stated next, an analysis was completed by looking at the listing price and final sale price to determine the difference. Snowflower units that sold in the last 8 months of the time period were reviewed. The TASP was not used in this analysis since it is strictly a look at the difference between list and sale price. Unit 206 (1,070sf) sold during the time period. It had been on the market for 136 days. It had a price reduction in August 2017. Final list price was \$479,000. It went under contract on September 24, 2017 and sold October 19, 2017 for \$450,000. This is a difference of 6.06% Unit 204 (1,434sf) sold during the time period. It had been on the market for 385 days. It has price reductions in March 2017 and June 2017. Final list price was \$595,000. It went under contract on February 23, 2018 and sold April 5, 2018 for \$585,000. This is a difference of 1.68%. Unit 201 (476sf) sold during the time period. It had been on the market for 2 days. It was listed on February 22, 2018 for \$250,000. It went under contract on 2/25/2018 and sold April 13, 2018 for \$235,900. This is a difference of 6%. Unit 202 (476sf) sold during the time period. It had been on the market for 44 days. It had a price reduction in April 2018. Final list price was \$250,000. It went under contract on May 6, 2018 and sold June 5, 2018 for \$230,000. This is a difference of 8%. It was concluded that there is an average 5.43% between the final listing and sale price.

MOTION

Commissioner Corrigan moved to deny the petitioners request and maintain the current Assessor level of value in the matter of account number R0625911 in the amount of \$666,780.

Commissioner Melton seconded; the motion carried 2-0.

The Board reconvened as the County Board of Commissioners.

EN RE: CLERK AND RECORDER / KIM BONNER

Tina Fry, Chief Deputy Clerk and Recorder, was present.

SUPPLEMENTAL BUDGET FOR THE PURCHASE OF BALLOT SCANNER AND PRINTER

Ms. Fry stated elections is an ever changing and growing area. The County is doing an upgrade on the elections equipment. Commissioner Melton stated Kim Bonner gave the Board background information on this item.

MOTION

Commissioner Corrigan moved to approve and authorized the supplemental budget request for the Elections Division of the County Clerk & Recorders office in the amount of \$64,300 to purchase a ballot scanning machine and ballot printer.

Commissioner Melton seconded; the motion carried 2-0.

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

Kim Bonner, Clerk and Recorder

M. Elizabeth Melton, Chair

Date

