

**STATE OF COLORADO
COUNTY OF ROUTT**

**OFFICE OF THE CLERK
August 14, 2018**

Commissioner Douglas B. Monger, Chair, called the regular meeting of the Routt County Board of County Commissioners to order. Commissioner Timothy V. Corrigan, Commissioner Cari Hermacinski, County Manager Tom Sullivan, and Deputy County Manager Dan Weinheimer were also present. Those present recited the Pledge of Allegiance. Tegan Anderson recorded the meeting and prepared the minutes.

EN RE: WARRANTS

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MOTION

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

Accounts Payable Check- Cycle Date:	8/6-8/10	\$740,730.95
Accounts Payable Check: Manuals	8/6-8/10	\$0.00
Accounts Payable Wires:	8/6-8/10	\$0.00
Total:		\$740,730.95
Payroll Checks- Cycle Date:	8/6-8/10	\$0.00
Payroll Checks- Manuals	8/6-8/10	\$0.00
Payroll – IRS & State Income Tax	8/6-8/10	\$0.00
Total:		\$0.00
Total Disbursements Approved:	8/6-8/10	<u>\$740,730.95</u>

Commissioner Monger seconded.

Mr. Sullivan advised of the Accounts Payable items for run date July, 20 2018.

Vendor	Amount	Department
AIRPORT SEATING ALLIANCE	10,241.90	YVRA CAPITAL: 50% DEPOSIT
INTEGRATED VOTING SOLUTIONS	15,874.11	CLERK/ELECTIONS: PRINTING,

		STUFFING AND MAILING BALLOTS
NWCC INC	3,911.00	R&B: CR 129 ASPHALT OVERLAY – OBSERVATION AND TESTING

The motion carried 3-0.

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

Commissioner Monger noted that the Board heard updates from the County Manager, County Attorney, Building Official, Planning Director, and had an interview for an open Airport Commission seat.

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 July 3, 2018.
- B. Approval of and authorization for signature of Colorado Department of Human Services Office of Early Childhood Systems Building Contract Amendment to add additional funding for 2019 state fiscal year in the amount of \$12,779 for the timeframe of July 1, 2018 – June 30, 2019 for Routt County as fiscal agent for Routt County Early Childhood Council.
- C. Approval of and authorization to sign Wright Consolidation and Rezone Plat; PL-17-171 & PL-17-172.
- D. Approval of and authorization to sign Lot 28 Creek Ranch LPS Building Envelope Adjustment; PL-17-177.
- E. Approval of and authorization for the Chair to sign a Liquor License Renewal for Aid and Abet LLC DBA the Glen Restaurant and Barr for a Hotel Restaurant License.
- F. Approval of and authorization for the Chair to sign a Permit Application and Report of Changes for an additional of optional premises to existing H/R license for Aid and Abet LLC DBA the Glen Restaurant and Barr.
- G. Approval of and authorization to have the Chair sign a Liquor License Renewal for Clark Liquor Company LLC DBA Clark Liquors for a Liquor Store License with storage permit.

MOTION

Commissioner Hermacinski moved to approve items A, B, C, D, E, F, and G on the consent agenda and authorized the Chair to sign the related documents.

Commissioner Monger seconded; the motion carried 2-0.

EN RE: PUBLIC COMMENT

No members of the public were present for comment.

EN RE: PUBLIC WORKS / RAY DUBOIS

Geovanny Romero, Project Manager, was also present.

COUNCIL ON AGING BUS GRANT

Mr. Romero stated that this item is the consideration to approve and authorize Project Manager to sign the agreement with CDOT for the acceptance of the FTA 53-10 grant. He noted that the current bus serves South Routt, is a 2005 model, and is due for replacement in 2019. Routt County has been awarded a grant that will fund 80% for the cost of a replacement. Mr. Romero is acting as the grant manager and he must sign the agreement with CDOT for acceptance of the grant with the total value of \$72,000. The 20% shared cost to Routt County is \$18,000 and this expense is included in the 2019 budget.

Commissioner Monger asked if this bus can be used for other purposes when the Council on Aging is not using it. Mr. Romero replied that there are age and income restrictions on the uses of the van but there have been instances where the vans have been used for other purposes.

Commissioner Corrigan asked what will happen with the old bus once it is replaced. Mr. Romero replied that they will sell it and if it sells for under \$5,000 the County will not need to pay proceeds back to the state.

MOTION

Commissioner Corrigan moved to approve and authorize the Project Manager to sign the agreement with CDOT for the acceptance of the FTA 53-10 grant noting that the Routt County expenditure will be \$18,000.

Commissioner Hermacinski seconded; the motion carried 3-0.

EN RE: PURCHASING / JULIE KENNEDY

Steve Faulkner, Maintenance Operations Manager, was also present.

ROUTT COUNTY JAIL FIRE ALARM UPGRADE PROJECT

Ms. Kennedy state that she is present to request the consideration to waive the formal purchasing process and approve the award and authorization of the County Manager to electronically sign a purchase order for the Routt County Jail Fire Alarm Upgrade Project to

Western Security, LLC for Forty Nine Thousand Two Hundred Forty Four Dollars and Eighty Nine Cents (\$49,244.89).

Ms. Kennedy noted that Western Security has been hired to complete the Combined Law Enforcement Facility (CLEF) upgraded installation and the jail fire alarm system will be integrated with the new CLEF system and that is the reason for the request to waive the formal purchase process.

Mr. Faulkner noted that this was scheduled for replacement and is budgeted for. The panel that will be installed in the jail will monitor the entire CLEF building. Commissioner Corrigan asked if a portion of this can be shifted to the CLEF project. Mr. Faulkner noted that the cost sharing has already been done and the \$49,244.89 reflects that deduction.

MOTION

Commissioner Hermacinski moved to waive the formal purchasing process and approve the award and authorization of the County Manager to electronically sign purchase order for the Routt County Jail Fire Alarm Upgrade Project to Western Security, LLC for Forty Nine Thousand Two Hundred Forty Four Dollars and Eighty Nine Cents (\$49,244.89).

Commissioner Corrigan seconded; the motion carried 3-0.

EN RE: ENVIRONMENTAL HEALTH / SCOTT COWMAN

COMMUNITY OF PHIPPSBURG WASTEWATER TREATMENT SYSTEM SRF LOAN AGREEMENT / CONTRACT TO FUND LAGOON LINER REPLACEMENT

Mr. Cowman stated that he is requesting the consideration of the Board of Routt County Commissioners and signature from the Chairman of the Board on a loan agreement authorizing funding assistance from the Colorado Water Resources and Power Development Authority (CWRPDA) for construction and engineering support for sewage lagoon liner replacement at the Phippsburg Community Wastewater Treatment Facility.

The replacement of the liner is necessary in order to meet the state seepage standards. This is the final step in the process to secure funding for lagoon liner replacement at the Phippsburg Wastewater Treatment Facility. The County Attorney has reviewed these materials. The closing date of the loan is August 17th. Bids are expected to go out early next year (2019) and construction is expected to be complete by the end of October 2019.

Commissioner Monger asked if interest is charged on the loan only after funds are drawn out of it. Mr. Cowman replied yes and it is his understanding that no interest is paid until the funds are drawn.

Mr. Cowman noted that the total cost of this project is \$300,200 with 50% funding from a DOLA grant and 50% funding from this low interest loan. The expenditure is included in the 2019 budget.

MOTION

Commissioner Corrigan moved to approve resolution 2018-033, authorizing the execution of a loan agreement and a bond to document the loan, and authorize the Chair to sign the associated documents related to the funding assistance from the Colorado Water Resources and Power Development Authority (CWRPDA) for construction and engineering support for sewage lagoon liner replacement at the Phippsburg Community Wastewater Treatment Facility.

Commissioner Hermacinski seconded; the motion carried 3-0.

EN RE: EMERGENCY MANAGEMENT / DAVID DEMORAT

STAGE 2 FIRE RESTRICTIONS

Mr. DeMorat stated that the weekly fire restriction call occurred this morning. The local fire districts were on the call and the indices were determined last evening. Routt County is currently meeting four of the seven indices which has been where we have stood most of the season. Rio Blanco County and Jackson County have been in Stage 2 restrictions and they will remain in Stage 2. Moffat County and Grand County will remain in Stage 1. The unanimous recommendation among the Routt County fire districts is for Routt County to remain in Stage 1 restrictions.

Mr. DeMorat noted that the North Routt Fire District had the highest inclination to enter Stage 2 restrictions because of the dryness in that area. He also believes that all of the fires that Routt County has experienced this season would not have been prevented by enacting Stage 2 fire restrictions because they have been due to lightening or trees falling on power lines. Further, Stage 2 restrictions are difficult to enforce such as the no smoking clause.

Commissioner Monger asked for a reminder as to why this item was tabled instead of simply rescheduled as a special meeting if necessary. Mr. DeMorat replied that the weekly fire restriction conference calls happen on Tuesdays at 9:00 am. By keeping this item on the agenda each Tuesday it gives Routt County the opportunity to immediately take action to modify the level of restriction without needing to give the notice necessary with a special meeting.

MOTION

Commissioner Corrigan moved to table the consideration to enact Stage 2 fire restrictions to August 21, 2018.

Commissioner Hermacinski seconded; the motion carried 3-0.

EN RE: HUMAN RESOURCES / CHRIS HENSEN

Justin Troupe, Chris Ewing and Jesse Stuedemann, Hays Companies, Dan Strnad and Randa Walters, Accounting, and Kathy Nelson, Human Resources, were present. Commissioner Hermacinski was absent for this item.

HAYS COMPANIES PRE-RENEWAL MEETING FOR 2019 BENEFITS

Mr. Troupe stated that this meeting is to provide updated projections based on what is available from a renewal standpoint. Hays also ran some plan scenarios based on potential impacts to the budget and to provide food for thought as the Board begins the renewal process. Mr. Troupe distributed a packet containing the financial report and renewal analysis.

Mr. Ewing discussed how the benefit plan has run year to date for 2018. Through July 2018 enrollment is up 3%, fixed costs are up 9%, net medical claims are up 13%, and total plan costs are up 12%. The stop loss is running at 151% loss ratio therefore he expects that the stop loss premium will have a substantial impact come renewal time.

Mr. Ewing reviewed the large claims analysis. In 2018 the list of large claims is shorter than 2017 but year to date they are accounting for 65% of total claim cost. The packet contained the historical 2017 data and a quarterly historical plan cost from 2011 through 2018. The data in the packet was used to establish trends to calculate the 2019 projections.

Mr. Ewing discussed the 2019 projections. Medical claims are being projected at an 8.5% annual trend and pharmacy claims at a 12% annual trend. The 2019 total per employee per month claims projection is \$1,470.39 and the 2019 projected blended medical/Rx claims is \$3,929,734. In 2018 approximately \$3,700,000 had been projected.

Commissioner Monger asked for clarification regarding the Rx increasing costs. Mr. Troupe replied that the amount of money being spent on drugs is increasing however nationally the increase is 10-20% so Routt County is on the lower end. Hays went back and renegotiated the Rx PBM contract in order to get a better rate.

Mr. Ewing reviewed the 2018 projections and the 2019 medical/Rx total cost projections at the expected claim liability. The 2019 projections took into consideration a fairly large assumption regarding the increase for stop loss at a 50% increase to the individual and 15% increase to the aggregate stop loss. Once accurate numbers are available they will share those will be shared with the County.

Mr. Ewing discussed plan design changes and cost shifting options. These options include increasing the out of pocket maximum amounts or cost shifting to employees. Mr. Ewing notes that one option is to add a specialty pharmacy tier to the plan. This would be a separate cost tier of co-insurance for individuals using specialty drugs. This option is becoming more commonplace for plans because of the increased frequency of specialty drugs and the impact on plans. Mr. Troupe also noted regarding specialty drugs that individuals using those medications are not doing so based on choice. Those drugs are typically used because they are the only option for a patient.

Two additional plan options are the Step Therapy option and the Restrictive Formulary option. The Step Therapy option has a \$3,700 savings but the effect to subscribers is going to be much more impactful. The Restrictive Formulary option has the potential to produce the

largest cost savings and it would change the preferred drug list and the drugs that can be prescribed with ease to members. Mr. Troupe noted that this does not remove lifesaving drugs however some brands may not be available to subscribers.

Commissioner Corrigan commented that this update wasn't as bad as he anticipated. He feels that if the reserves are in a safe place then he would be in favor of not increasing the out of pocket max and simply cost shifting to maintain the same split between the employees and the County.

Commissioner Monger noted that he feels very leery to lay back on the reserves particularly because there are some unknown changes that could impact the County budget. Further he does not want to avoid changes now only to double down and cost shift a larger amount to employees in two years.

Commissioner Corrigan noted that Commissioner Hermacinski has previously shared with the Board that she supports any increase in cost to be shared by the employees on a proportionate basis. Commissioner Monger commented that he supports this approach as well.

Mr. Troupe commented that Hays Companies can return to meet with the Board in late September once August 2018 data and finalized stop loss numbers are available. This can also give the Board additional time to discuss their feeling regarding the plan change options.

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

Kim Bonner, Clerk and Recorder

Douglas B. Monger, Chair

Date