

## Local Marketing District meeting

Thursday, May 12, 6:30 pm

Maybell Community Center

406 Collom Street Maybell, CO 81640

### Minutes:

**In attendance:** (City of Craig) Ray Beck, Tony Bohrer, John Ponikvar, Jim Ferree, Sherman Romney, Derek Duran, Joe Bird, (Moffat County) Frank Moe, Chuck Grobe, (Town of Dinosaur) David Heinrich, Toby Cortez, Richard Blakely, (Audience) Randy & Cindy Looper, Kerry Moe, Ken & Rose White, Dale & Andrea Camp, Dave DeRose, Patrick Kelly, Melody Villard, Tammie Thompson-Booker.

Ray Beck, as acting chairman, called the meeting to order. The Pledge of Allegiance was recited and a moment of silence was observed. A motion was made to accept minutes from the last meeting (4/28/16 – See attached). The motion was seconded and approved.

**Frank Moe** gave the financial report: As of 5/12, \$22,145.83 has been collected.

### By-Laws Review:

**Sheman Romney** stated that the Governing Board needs to approve the “Mission” statement portion of the by-laws. Better City had made some wording suggestions that were very different from what the subcommittee had originally developed. Their suggestion is: *“The MCLMD will support, enhance, encourage and develop programs that lead to economic diversification by increasing business retention, development and recruitment in Moffat County that will in turn increase tourism, including funding for special events.”*. The Better City version (Option 2 – Institutionalized Strategic Project Development) is based on project development that makes the community more attractive to business & employers. This wording change moves tourism away from being the initial focus, makes it the result of economic development that occurs through project development. **Frank Moe** observed that project development could also include things that are specific to tourism. **David Heinrich** said that Dinosaur is not ready infrastructure-wise to attract businesses, like schools, natural gas, home health, etc. the original mission statement fits Dinosaur better. After some discussion, it was voted on to approve the Mission statement with the Better City tweaking.

The only other change made to the by-laws was wording in the “Board Member Compensation” section. The original language was *“COMPENSATION: Board Members shall receive reimbursement of reasonable mileage and travel expenses.”* There was discussion about changing the word “shall” to “can”. Motioned, seconded & approved.

**Tony Bohrer** pointed out that in the “Operating Plan & Budget” section of the by-laws (pg 4, Section 2 – A & E), there needs to be rewording of the language to match the Mission Statement, to have consistency. Motioned, seconded & approved. There was a motion to officially adopt the by-laws of the Moffat County Local Marketing District (see attached), it was seconded and approved.

### Board Member Selection PowerPoint slide show:

**Frank Moe** showed a PowerPoint slide show based on a presentation that Better City gave at the April LMD meeting. One of the themes of the slide show was suggestions for board member selection.

Board candidates should:

- Have for profit experience
- Be able to effectively analyze risk

- Demonstrate a pattern of excellence
- Have the ability to identify market opportunities
- Be experienced in project development
- Be able to form public/private partnerships

There is the understanding that not everyone would have all of these qualities, but at least some of them would be the preference. This board will need to be operationally independent, held accountable for their performance, project focused, show tangible progress, and be a catalyst for other things to happen. In the selection process, the board needs to be treated like top executives (recruited via head hunting) and empowering them to succeed, the governing board would want applicants to not only fill out the application form that would be distributed for this process, but also submit resumes and participate in a full interview process. Once selected, the board should go through an orientation period with the governing board. The #1 goal for the permanent LMD Board would be to complete the agreed upon Better City projects that will be the catalysts for economic growth.

There was further discussion about moving forward as a whole, developing a process that would be beneficial for everyone. **John Ponikvar** suggested that the City and the County should work together to appoint their members so there wouldn't be any replication of efforts. **Chuck Grobe** said that the County should work with Dinosaur in the selection of their member, whether that person would actually be from Dinosaur or from somewhere else in the County. It was agreed that there does need to be an in-depth application process, involving not only applications that would be turned in, but recruitment, too. A strict timeline should be the top priority to get the application/interview process going and completed, and strict transparency in the procedure needs to be observed. **Ray Beck** asked **Sherman Romney** if the attorneys needed to be involved in the formulation of the application. Sherman said no, they did not need to be involved. A timeline for the application process was discussed. It was decided that the process should begin May 23, with ads in the appropriate newspapers and notices on the City and County websites; the application submittal deadline will be June 27. Applications will be sent to or dropped off at the Commissioner's office. There will be discussion at the next LMD meeting regarding the interview process.

Next meeting scheduled for June 7<sup>th</sup> (moved to June 9<sup>th</sup>), at the Courthouse Main Floor Conference Room. 6 pm.

#### **Audience Comments:**

**Dave DeRose:** Commented that the Town of Dinosaur should definitely pick someone that is from their area to represent them as a resident would have a better understanding of the citizens and the region.

Meeting adjourned

(The electronic version of these minutes is available by calling 824-5517)

ATTACHMENTS:

**LOCAL MARKETING DISTRICT  
MEETING MINUTES**

**APRIL 28, 2016**

Moffat County Commissioner Frank Moe opened the meeting of the Local Marketing District (LMD) committee at 6:00 p.m. on April 28, 2016, in the City Council Chambers. Those officials and staff present were Mayor Ray Beck, City Council members John Ponikvar, Kent Nielson, Derek Duran, Moffat County Commissioners Frank Moe and John Kinkaid, Town of Dinosaur representatives Richard Blakeley, Toby Cortez, David Heinrich, Moffat County Attorney Becky Tyree, City Attorney Sherman Romney, City Clerk Kathy Larson and City Manager Jim Ferree. Mayor Beck moved with a second by Councilman Nielson to approve the minutes from the March 29, 2016, meeting. Motion passed unanimously.

Commissioner Moe gave the financial report as of the end of February. He indicated that taxes collected so far were \$22,145.83.

Commissioner Moe then introduced Adam Hughes and Jason Godfrey from Better Cities, a municipal consulting services company, located in Utah. They have been retained by Moffat County and are currently doing a county-wide economic analysis of Moffat County. They gave a Power Point presentation on the history of their company and some of the services they have provided for other cities. Several ideas were offered on how to promote the unique opportunities in our area to help develop our local economy. Following their presentation, the LMD committee and others asked several questions and a lengthy discussion ensued.

Mr. Hughes and Mr. Godfrey discussed at length different ways they have used in financing development and re-development in communities such as establishing urban renewal authorities (URAs), funding through tax increment funding (TIF) and other ways. They indicated that already having a local marketing tax district in place is a very important step for our community.

They felt the most important thing that the LMD board can do is to hire the correct leader or director for the LMD. They suggested hiring someone from the private sector that had strong for-profit experience. They offered suggestions for qualities to look for in permanent board members and to allow these board members to work as an independent board. Better Cities will present the final results and recommendations of the Moffat County analysis on August 24<sup>th</sup>.

Commissioner Moe thanked them for their presentation.

City Attorney Romney and Moffat County Attorney Tyree reviewed the changes in the by-laws that were recommended at the March 29<sup>th</sup> meeting. The board discussed with the attorneys wanting to implement some of the suggestions from Better Cities into the mission and mission statement for the LMD. A suggested mission from Better Cities might be "*Institutionalize strategic project development that continually targets desired workforce demographic and strategic industry cluster.*" The revisions Better Cities offered on the mission statement are "*The MCLMD will support, enhance, encourage and develop programs that lead to economic diversification by increasing business retention, development and recruitment in Moffat County that will in turn increase tourism, including funding for special events.*" Some discussion was held and board members would like to include some of these ideas into the existing mission and mission statement.

Attorney Romney then clarified, in detail, the definition, makeup, and responsibilities of a local marketing district. He then more clearly defined the "ex-officio" board and their responsibilities. The board wanted to leave the definition for "compensation" flexible so that it can be changed at a later date, if needed. This board also requested that the term limits for permanent board members be eliminated. Romney mentioned that there were no changes to the board makeup and that staggered terms for board members were part of the by-laws. He also changed the requirement to fill a vacancy on the board from 60 to 90 days.

The attorneys then talked about indemnification and the need for the permanent board to have their own liability and Director's and Officer's insurance. Mayor Beck has researched this and offered some suggestions.

Commissioner Moe then asked for comments from the board. After a few items were discussed, they reached a consensus that the next steps for this board are 1) recruitment of board members, and 2) finalize the by-laws. Then, the board started discussing the process for recruiting board members.

Under audience comments, Tom Gilchrist asked that this board please expand the reporting of the LMD meetings to the community not only through the newspaper, but, also on Facebook and the city and county websites. Dave DeRose encouraged this board to quickly recruit a permanent board to enable the long term success of the LMD. Ken Wergin commented on keeping the community informed quickly. Pattie Snidow, area director of USDA Rural Development, encouraged the ex-officio board to appoint the permanent board and "get out of their way and let them

do their job.” She strongly supported an autonomous board. Adam Hughes and Jason Godfrey offered some final comments to the board.

**Next meeting: May 11, 2016 in Maybell at 6:30 p.m.**

There being no further business, the meeting adjourned at 7:50 p.m.

BYLAWS OF THE

MOFFAT COUNTY LOCAL MARKETING DISTRICT

**ARTICLE 1**

**General Provisions**

Section 1

NAME: This organization is formed in the State of Colorado under the Local Marketing District Act, specifically Part 1 of Article 25, Title 29, Colorado Revised Statutes (hereinafter "C.R.S.") ("the Act") and is known as the Moffat County Local Marketing District ("the LMD" or "MCLMD").

Section 2

PURPOSE: The purposes of the MCLMD are as follows:

(OPTION 1 – original language)

**Vision:** The MCLMD funding will help promote Moffat County as a premier recreation – tourism destination as well as a desirable business friendly location for those that enjoy a varied outdoor lifestyle with a western atmosphere.

**Mission:** The MCLMD will support, enhance, encourage and develop programs that lead to economic diversification by increasing business retention, development and recruitment in Moffat County that will in turn increase tourism, including funding for special events.

DEFINITIONS: When used in these Bylaws, the following words, terms and phrases shall have the following meaning:

- a. The term "District" or "Local Marketing District" or "LMD" shall mean the MOFFAT COUNTY LOCAL MARKETING DISTRICT, a local marketing district formed under the provisions of C.R.S. Section 29-25-101 *et seq.* The District is an entity of its own but is governed by the Three Entities whose

elected officials are all members of the “Ex Officio Board” when convened as described in Article II, Section 8.

- b. The phrase “the Three Entities” shall mean the Moffat County Board of County Commissioners, the City of Craig City Council and the Town of Dinosaur Town Council. Each of those shall be known in the singular as an “Entity”.
- c. “Board Member” means an individual appointed to the Board of the LMD.
- d. Colorado Open Meetings Law as defined in C.R.S. 24-6-401.

#### Section 4

**BUSINESS OFFICE:** The principal office of the District shall be designated from time to time by the Board, but initially the office shall be the office of the Moffat County Commissioners.

## **ARTICLE II**

### **Board of Directors**

#### Section 1

**COMPOSITION:** The Board of Directors shall consist of seven (7) Members appointed by Three Entities. Moffat County Board of County Commissioners shall appoint three (3) Members. The City Council for the City of Craig shall appoint three (3) Members. The Town Council for the Town of Dinosaur shall appoint one (1) Member.

#### Section 2

**QUALIFICATIONS FOR BOARD APPOINTMENT:** A person shall be considered for appointment to the Board if they have the following qualifications:

- a. Be a resident of or property owner in Moffat County, Colorado;
- b. View the County as one interdependent and interconnected economic system; and
- c. Each Entity can choose other criteria as that Entity deems if important.

#### Section 3

**TERM:** Except as provided in Section 4 of this Article II pertaining to the initial staggering terms, each Board Member shall serve a term of three (3) years. Any Board Member is eligible for re-appointment at the discretion of the Board who appointed the Board Member. Otherwise, there shall be no maximum number of terms that a Board Member may serve.

#### Section 4

**FIRST BOARD:** The first Board shall be appointed by the Three Entities with staggering terms, as outlined below, and shall meet the qualification requirements of Section 2 above. The appointments of Board Members shall be as follows:

- a. The City of Craig shall appoint one Member to serve a three (3) year term, one Member to serve a two (2) year term, and one Member to serve a one (1) year term.
- b. The Town of Dinosaur shall appoint one Member to serve a three (3) year term.
- c. Moffat County shall appoint one Member to serve a three (3) year term, one Member to serve a two (2) year term, and one Member to serve a one (1) year term.

#### Section 5

**VACANCY:** When there is a vacancy on the Board, the Entity whose position is vacant shall make an appointment to fill the vacancy for the remaining term of that vacant position within 90 days.

#### Section 6

**RESIGNATION:** A resignation by a Board Member shall occur after the Board Member gives notice of resignation to the Board President and the Entity that appointed the Board Member. It is requested that a resigning Board Member give two weeks notice. A vacancy created by such a resignation shall be filled in accordance with Section 5.

#### Section 7

**REMOVAL OF BOARD MEMBER:** Any Member may be removed from the Board in accordance with the provisions of C.R.S. Section 29-25-108(1)(e) for “inefficiency”, neglect of duty” or “misconduct in office”. Each Entity in its sole discretion may make the determination of whether a Board Member appointed by the Entity is subject to removal under any of these criteria. Missing 3 consecutive Board Meetings without good cause shall be considered neglect of duty.

#### Section 8

**EX OFFICIO BOARD OF DIRECTORS.** Until the first Board of Directors is appointed and at any time during the duration of the District, the Three Entities shall act by virtue of the Ex Officio Board of Directors which shall consist of all the elected board members of the Three Entities. The Three Entities may convene the Ex Officio Board at any time that is deemed necessary for the continued governance of the District.

## **ARTICLE III**

### **Duties of the Board**

#### Section 1

GENERAL STATEMENT: The activities and affairs of the Moffat County Local Marketing District shall be managed and carried out by and under the direction of the Board. The Members shall have the specific powers and duties as set forth in these Bylaws and in the Act, subject to the delegation of authority by the Three Entities who have ultimate powers and authority.

#### Section 2

OPERATING PLAN AND BUDGET: No later than October 1 of each calendar year, the Board shall submit an updated Viable Business Plan, which will be the Operating Plan, and accompanying budget for the next calendar year. The final version shall be submitted by October 1st to the governing bodies. The Viable Business Plan shall address at a minimum, the following:

- a. Proposed results and measurements set forth by the LMD Board consistent with the purposes of promoting marketing and economic development/diversification and tourism within Moffat County, the City of Craig and the Town of Dinosaur.
- b. Proposed strategies and associate budgets to achieve the proposed goals along with measurable results for the upcoming year.
- c. Strategy for creation, maintenance and coordination of an effective broadband presence for and within the County.
- d. Strategies for marketing in-county experiences and fulfillment.
- e. Propose performance based contracts with economic development and marketing/tourism vendors/subcontractors that contract with the Board.
- f. Coordination with strategic partners including but not limited to CNCC, Craig Chamber of Commerce, Moffat County Tourism, Craig Moffat Economic Development Partnership and anyone or any groups that set forth goals and objectives to enhance marketing, tourism and economic development/diversification within the City of Craig, Moffat County and the Town of Dinosaur.

#### Section 3

REPORTING: The Board shall report on a quarterly basis to the Three Entities, which will include the performance of the Operating Plan and budget report. Such reporting will be performed as directed by the Three Entities. The Board shall issue an Annual Report no later than February 28 of the following year.



#### Section 4

**REGULAR MEETINGS:** The Board shall meet once each month and shall determine the specific dates and times of meetings. The meetings will be held within Moffat County, including in the Town of Dinosaur on occasion, at a place to be determined by the Board. The Board will comply with the Colorado Open Meetings Law in the conduct of its meetings. The Board President may reschedule a regular meeting at least 24 hours before the regular meeting.

#### Section 5

**SPECIAL MEETINGS:** The Officers or any two (2) Board Members may call a special meeting by giving at least 72-hours advance notice to each Member and by posting such meeting pursuant to the Colorado Open Meetings Law.

#### Section 6

**QUORUM AND VOTING:** A quorum shall exist when at least four (4) members are present at any regular or special meeting. Action shall occur by the vote of a simple majority of those Members present at each meeting. In the event that a quorum of the Board is not present at any meeting, the meeting shall be adjourned until such time as quorum may be present. The next meeting will be the next scheduled regular meeting unless a special meeting is called for and notice of such meeting is given to all Board Members. Board Members may appear at and participate in meetings by conference call or by video-conference provided all Board Members may hear each other and communicate. The President shall vote on all matters before the Board. There shall be no voting of Members by proxy or assignment.

#### Section 7

**FINANCIAL POLICIES:** The Board shall adopt and follow acceptable financial practices, which provide transparency and accountability for the financial affairs of the District. Moffat County shall be the fiscal agent for the District and shall provide financial account services to the Board. The Board is entitled to apply for and receive grant money as well as donations, which are acceptable forms of revenue in addition to the revenues generated by the tax levy.

#### Section 8

**COMPENSATION:** Board Members can receive reimbursement of reasonable mileage and travel expenses.

#### Section 9

**CONFLICTS OF INTEREST:** Any Board Member, Officer or Employee who may be associated with other entities which have interests adverse to the interests of the District, shall not disclose or use confidential

information received as a Member in a manner contrary to the District's interests without approval of the Board. A Board Member shall disclose any potential conflicts of interest to the Board and recuse himself or herself from any discussions, actions or votes regarding the conflicting matters. Each year all Board Members, Officers and Employees will sign a written statement disclosing any conflicts and agreeing to adhere to the conflicts of interest policy of the District.

## **ARTICLE IV**

### **Officers**

#### Section 1

OFFICERS: The Officers of the District shall be President, Vice President, and Secretary, as well as any other appointments that the Board deems appropriate.

#### Section 2

ELECTION OF OFFICERS: At the first meeting after each annual appointment of Members, the Board shall elect the Officers. Each Officer so chosen shall hold office for one year or until their successor is appointed. Officers cease to act in such capacity if they are removed from the Board or otherwise cease to act, or if they resign as an Officer or from the Board.

#### Section 3

DUTIES OF THE OFFICERS: The duties of the Officers shall be as follows:

- a. President: The President shall be the principle executive officer of the Board and shall
  1. Be the principle Officer of the Board and shall approve agendas and chair meetings of the Board of the District;
  2. Sign all notes, contracts or other legal instruments which the Board has approved or otherwise authorized to be executed, including anything of a ministerial nature which is required by statute or these Bylaws;
  3. Be a signatory to sign all checks or other orders for payment to of the District unless otherwise provided for in the Financial Policy of the Board; and
  4. Perform all duties incidental to the office of President and such other duties as my be prescribed by the Board from time to time.
  
- b. Vice President: The Vice President shall assist the President and the Board and shall perform such duties as may be assigned by the President or the Board. In the absence of the President, the Vice President shall have all the powers and perform all the duties of the President.

c. Secretary: The Secretary may be a Board Member or may be a nonmember of the Board appointed by the Board to act in such capacity. The Secretary shall:

1. Keep or cause to be kept the recording and preparation of minutes of all meetings of the Board and that such minutes are made available for to the public;
2. See that all notices of meetings and other notices are duly given in accordance with the Act, these Bylaws and the Colorado Open Meetings Law; and
3. In general perform all duties incidental to the office of Secretary and such other duties as from time to time may be assigned by the President or the Board
- d. Treasurer: Initially Moffat County shall act as the Fiscal Agent for the District and as such shall be an agent for the Board in the collection, management, and disbursement of all funds. As such, the Board with the assistance of the Fiscal Agent has fiscal responsibility for the District and may or may not need to appoint a Treasurer. The Board of Directors will have discretion to change this arrangement.

#### Section 4

LIABILITY OF DIRECTORS, OFFICERS AND EMPLOYEES. To the fullest extent permitted by law, the Directors, Officers and employees shall not be liable for any of the Board's obligations or for any act or failure to act by the Board. Nothing in these Bylaws shall constitute a waiver of any and all rights and protections from liability of governmental entities under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 *et seq.*, or from sovereign immunity in general.

The Board shall purchase and maintain insurance of a sufficient level on behalf of its Directors, Officers and employees against any liability asserted against or incurred by such Directors, Officers and employees.

#### Section 5

INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES. The District shall defend, hold harmless and indemnify any Director, officer, agent or employee, against any tort or liability, claim or demand, without limitations, arising out of any alleged act, error or omission occurring during the performance of official duty, as more fully defined by law. The provisions of this Section shall be supplemental and subject to and to the extent of any inconsistency therewith, shall be modified by the provisions of the Colorado Governmental Immunity Act, 24-10-101, *et seq.* C.R.S. Such indemnity shall extend to and include the payment by the District of all costs, expenses (including attorney fees), damages, and penalties incurred by any Director, officer, agent, or employee against whom any such claim or demand has been made, EXCEPT that the District shall not indemnify any Director, officer, agent or employee with respect to any act or omission which is a crime or with respect to any willful and wanton act.

## **ARTICLE V**

### **Employees**

#### Section 1

EXECUTIVE DIRECTOR: If approved by the Board, an Executive Director may be employed. An Executive Director will be the primary paid staff person for the Board. The Executive Director shall be responsible to the Board for the implementation of the Operating Plan and efforts to obtain measurable results. The Executive Director shall serve at the pleasure of the Board and shall have the following authority and responsibilities, unless otherwise expanded or modified by action of the Board:

- a. Administration and supervision of all employees, subcontractors and vendors;
- b. Administration of all policies, programs and efforts of the District;
- c. The responsibility to provide staff support for and to attend all meetings of the Board;
- d. Preparation of the annual budget, financial reports and all financial matters related to the District;
- e. Develop and submit the annual Operating Plan for the District to the Three Entities for their consideration and approval; and
- f. All other duties of the administrative officer as assigned by the District to implement and carry out the purposes of the District.

#### Section 2

EMPLOYEES: Any employees will be hired by the Board President or the Executive Director, after approval of the Board. Employees shall be under the supervision of the Executive Director or Board President, if there is no Executive Director. All employees including the Executive Director shall be employees at will.

#### Section 3

SUBCONTRACTORS AND VENDORS. All Subcontractors and Vendors shall be contracted by the Board, but shall be accountable and report to the Executive Director, if there is one.

## **ARTICLE VI**

### **Amendments, Maintenance and Dissolution**

#### Section 1

AMENDMENTS : These Bylaws are adopted by the Three Entities acting as the initial board of the District. After the new Board has been appointed and is operating as the Board for the District, the Bylaws may be amended by a supermajority of the Board which is described as at least five of the seven board members. Any changes to the Bylaws must be ratified by each of the Three Entities prior to becoming effective.

## Section 2

**MAINTENANCE OF RECORDS:** Every Member of the Board and the Three Entities shall have all the rights of inspection of the records of the District.

## Section 3

**SUNSET PROVISION:** The authority of the District to collect tax revenues shall end on December 31, 2025, by virtue of a sunset provision in the ballot measure approved by the registered electors on November 3, 2015. If the authority is extended through a subsequent ballot measure, then the District will continue beyond that date. Upon ceasing to have revenues that Three Entities will direct the Board to wind down the District and upon completion of the mission and activities of the Board, the District will be dissolved.

## Section 4

**DISSOLUTION:** Upon the dissolution of the LMD, all records, assets and property of the LMD will be placed in the custody of the fiscal agent on behalf of the Three Entities.

(Approved by motion of the joint ad hoc board consisting of a majority of members from the group consisting of the Board of Trustees of the Town of Dinosaur, the Board of County Commissioners and the City Council for the City of Craig on May 12, 2016 at Maybell, Colorado.)