

## Discussion of World Financial Crisis Highlights Opening Day

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CCI's 2008 Winter Conference opened with a highly-anticipated discussion of the sub-prime mortgage collapse and the attendant crisis in U.S. and world financial markets. For this session, Colorado's state treasurer, Cary Kennedy, shared the stage with Alex Blumberg, producer of "This American Life" for National Public Radio, contributing editor for "Planet Money" and adjunct professor at Columbia University.

During the first portion of the session, Mr. Blumberg said that he awoke to the issue driving the collapse when he first heard of "NINA" – no income, no asset – loans and wondered why they were being made in the first place. His analysis suggested that until very recently there was about \$70 trillion in the world to be invested – in his words, "looking for a home." In the 80's and early 90's, big investments of this money went to safe places in U.S. markets such as AAA-rated securities, government bonds, and U.S. treasuries.

Then, in the early 90's, Federal Reserve Chairman Alan Greenspan announced that he would be keeping the federal funds rate very low for the foreseeable future. According to Mr. Blumberg, this was a loud and clear message to investment managers to put their money someplace besides U.S. treasuries if they wanted a decent rate of return.

According to Mr. Blumberg, mortgage pooling became the answer for low risk, high yield investment, while mortgage-backed securities became the investment rage. Unfortunately, by around 2003, virtually everyone who was qualified for a mortgage had one, but there was still high demand for the mortgage-backed securities. The only way to package more mortgages was to lower qualification standards, ultimately resulting in mortgages based on credit score alone, no income

and no assets required – the NINA loan. Mr. Blumberg found that informed investment managers knew that these securities were based on loans that were not good risks but everyone was making money and they were satisfying this tremendous demand, so nobody stopped making the loans and packaging them. And then the bottom fell out.



Alex Blumberg with National Public Radio makes a point to conference delegates at the opening session of conference.

As the housing crisis has become a general credit crisis, it has started to affect governments' ability to secure financing. The global pool of \$70 trillion has shrunk because the holders of that capital have become skittish about investing or loaning it. Another exacerbating factor is the involvement of bond insurers in specialized investment instruments, including mortgage-backed securities. When the market for these kinds of investment vehicles crashed, so did the ability of the insurers to cover the losses on everything they insured – including the safe government

obligations that used to be their only business. This lowered the investment ratings of everything they insured – including the government obligations – and caused debt service payments to go up.

In the end, even responsible lenders and borrowers are restricted from access to capital even though they didn't cause the problem and are still only making traditional, fully-documented loans.

Treasurer Kennedy opened the second hour of the session observing what a challenging and interesting time it is to be the state treasurer. She then reviewed a number of statistics concerning the national, as well as Colorado's, economy in recent years, to some comparisons with national averages. She reported that, after 25 consecutive months of job growth, Colorado has seen its first month with job losses.

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## Sen. Salazar Addresses Conference Delegates



Senator Ken Salazar (D, CO) spoke to over 350 county officials at the CCI Winter Conference.

Fresh off the plane from Washington DC, Senator Ken Salazar (D, CO) came to speak as keynote speaker at CCI's winter conference. After greeting the crowd of more than 350 county officials and extolling the virtues of CCI, Sen. Salazar launched into a litany of past accomplishments throughout the state.

When he highlighted his role in achieving full funding for PILT and the Secure Rural Schools Act commissioners applauded loudly. Salazar also spoke about his help in making sure no FSA offices in Colorado closed. Heritage areas throughout the state continue to be on his agenda, as well as a federal veteran's cemetery that has long been a priority for the military communities in the state.

Sen. Salazar emphasized the importance of the recently completed Las Animas/La Plata water project and his desire to expand Mesa Verde National Park. For the north-central mountains, Sen. Salazar helped designate additional money for the USFS and Region 2 forests to fight the continuing bark beetle epidemic in Colorado's forests. Salazar mentioned the need to

find a balance between military needs and local economic development when finding a solution for the proposed Piñon Canyon expansion area in southwest Colorado. Switching to the national stage, Sen. Salazar said he was proud, and relieved, that the 2008 Farm Bill and the 2007 Energy Bill, which increased CAFÉ standards and provided incentives for green building, were adopted.

To wind up his address to the commissioners, Sen. Salazar spoke on the condition of the economy. He expressed frustration with the administration's lack of foresight and the lack of a clear path towards recovery. Sen. Salazar stated, "Doing nothing is not an option". Housing remains at the root of the problem and we are not finished with this problem yet, Salazar said. The Economic Rescue Package will be designed to be a "Marshall Plan for economic recovery for us". It is still unknown how large the dollar amounts will be, anywhere from \$50 million to \$1 trillion. Sen. Salazar warned that Colorado needs to be ready for this economic infusion and county commissioners must know where their needs are in their counties so the money can get there quickly. Summing up his remarks, Sen. Salazar called for ideas from the past that may help move America and Colorado through this current storm. He stated the time of partisanship has passed and now the time for unity is upon us all.

CCI thanks Senator Salazar for returning to speak to CCI at the winter conference and looks forward to working closely with him and all members of the congressional delegation in the future.

## CCI Business Meeting

On Tuesday, December 2nd CCI President Dorothea Farris called the 2008 Winter Conference business meeting to order.

CCI Treasurer Frank Weddig presented the proposed 2009 budget and dues schedule to the membership. During work sessions over the summer the Board developed a balanced budget and dues structure which included a freezing of the county assessment at the 2008 level. The proposed budget and dues schedule passed unanimously.

Commissioners were presented with two proposed NACo resolutions for discussion. The resolutions discussed were Federal Tax Impediments to Public Incentives for Financing Private Energy Efficiency and Renewable Energy Capital Improvements and Coordinate Efforts to Compile Land Parcel Data for Use by Government Agencies. The resolutions were accepted by the membership and will move forward to the NACo Legislative Conference in March 2009.

Following the discussion of proposed resolutions, the 2008 Winter Conference Business Meeting was adjourned.



Commissioners Doug Monger (Routt), Jeanne Nicholson (Gilpin), Dennis Hisey (El Paso), Trési Houpt (Garfield), Kathay Rennels (Larimer), John Sandoval (Conejos), Frank Weddig (Arapahoe) and David Foy (Washington) were sworn in as the 2009 Board of Directors for CCI by current Board President Dorothea Farris.

# District Meetings



## Eastern District Meeting

Yuma County Commissioner and Eastern District President Trent Bushner began the Eastern District Meeting with a round of introductions and the election of the District's Board Representative. Washington County Commissioner David Foy was re-elected by his peers to continue his service on CCI's Board of Directors. Congratulations Commissioner Foy!

Working from a full agenda, the district heard from Yuma County Commissioner Robin Wiley on the status of the Republican River Compact Compliance. Commissioner Wiley announced that Yuma County's ballot measures to create the Yuma County Water Authority Public Improvement District and to purchase water rights with revenue generated by a new mill levy both passed by a substantial margin. With the passage of these two issues, Yuma County will purchase water rights and lease them to the Republican River Water Conservation District to help the state become compliant with the compact.

Randy Kuykendall, Chief of the Emergency Medical and Trauma Service at the Department of Public Health and Environment then spoke to commissioners about a bill to be introduced during the 2009 legislative session to raise additional funding for trauma services throughout the state. The bill will raise, from \$1.00 to \$2.00, the fee that is tacked onto vehicle registrations. Mr. Kuykendall explained that the \$1.00 fee was first adopted in 1989. Much of the revenue generated by this fee was used to buy equipment and to modernize the fleet. Revenue generated by the fee increase will be used to help communities hire personnel.



Washington County Commissioner Dennis Everhart listens during the Eastern District Meeting.

The State's Commissioner of Agriculture, John Stulp, gave an overview of the services offered by the Department of Agriculture. When asked about the Department's relationship with the Division of Wildlife, Commissioner Stulp cited the fact that the Commissioner of Agriculture sits on the Wildlife Commission and that many on the Divisions' staff have agricultural backgrounds and/or interests. Commissioner Stulp also explained that the Department is working closely with the Division to address the state's feral hog infestation. Feral hogs, which are carriers of numerous animal diseases, pose a threat to the commercial hog industry and are notorious for their damage to riparian areas and to the environment in general.

Prior to adjourning, the Eastern District received a quick update from Karen Beye, Executive Director of the Department of

Human Services, on the work of the Child Welfare Action Committee. Director Beye explained that the Committee released its interim report in late October outlining recommendations the state could implement to improve Child Welfare Services. Recommendations include: requiring pre-service training for case workers and supervisors, providing case progress reports to mandatory reporters and completing a workload analysis to help identify staffing and resource needs for child welfare services.

## Front Range District Meeting

All ten counties were represented at the Front Range District meeting which was called to order by District President Jack Hilbert (Douglas) and Vice President Cindy Domenico (Boulder). The first order of business was the re-election of Larimer County Commissioner Kathay Rennels as the CCI Board Member representing the District.



Assistant County Administrator Ruth Kedzior and County Commissioner Alice Nichol, both from Adams County, discuss items during the Front Range District Meeting.

Commissioner Hilbert then introduced Tony Edwards of the Pike & San Isabel Forests, who discussed a new joint federal, state and local agency initiative to identify issues surrounding existing sport shooting ranges and their attendant issues. The goal of the initiative is to identify problems and to seek solutions to effective and safe shooting areas on the Front Range by utilizing available data, public input and systemic measures.

The presentation was followed by a report and discussion by Kelly Weimer of the Grand County Juvenile Services Department. Director Weimer described Grand County's process of having identified core problems with juvenile justice administration and funding, and the innovative steps they have taken to address detention, diversion and prevention services. Grand County has engaged in a consolidation of funding mechanisms, intervention and teaming with other state and local agencies in recent years, which has led to a 100% positive or neutral success rate of SB-94 program participants.

Ravi Malhorta, Executive Director of iCAST, then presented his non-profit organization's goal of connecting governments with local businesses to create jobs, promote economic prosperity and build sustainable communities through existing and future efforts in green building, capacity development and renewable technologies.

## Mountain District Meeting

CCI's Mountain District President and Teller County Commissioner Jim Ignatius, managed both a full agenda and 100% county attendance at the District's 2008 winter meeting. Gilpin County Commissioner Jeanne Nicholson was elected to be the CCI board representative for the District; Karen Beye and George Kennedy, from the Dept. of Human Services, gave an overview of the department's activities and recent child fatality review; and Department of Agriculture Commissioner (and former Prowers County Commissioner) John Stulp discussed some of the activities of his department.

The District received an excellent briefing by Kelly Weimer on Grand County's approach to juvenile services that has had significant success in keeping kids from getting into more trouble. The county's construction of a holding center for juveniles in an existing county building also helped avoid both the undesirable consequences and ongoing expenditure of being required to take kids back and forth to a facility in Grand Junction.

The District also heard from Dan Prenzlow, Colorado Division of Wildlife, about the habitat stamp and issues related to renewing it, including the issuance of one \$10 stamp, rather than multiple \$5 stamps, requiring purchase of the stamp prior to applying for or purchasing a hunting or fishing license and eliminating the requirement that the stamp be purchased in order to access state wildlife areas (so the state can receive certain federal funding). Mr. Prenzlow also noted some other provisions being discussed and how to continue to attract support from non-consumptive users.



Gilpin County Commissioner Jeanne Nicholson, Jackson County Commissioner John Rich and Custer County Commissioner Carole Custer listen while looking over materials during the Mountain District meeting.

The bulk of the meeting was devoted to a conversation among commissioners about budgets and recent election results. By and large, the mountain District commissioners reported that their

budgets were flat and they were holding the line on hiring new county staff. A couple of counties reported that PILT full-funding was helping to save their bottom line and a few have been able to provide cost of living adjustments to their current employees, yet there was general concern about what will happen with county revenues in the next couple of years. Several counties reported that they were either developing fiscal crisis management plans or anticipating the need to use reserves or rainy day funds. County ballot issues in the Mountain District were a mixed bag, with most of the counties opting not to even ask for new taxes. Custer County Commissioner Kit Shy reported on a number of cost-saving measures they have

implemented to try to operate efficiently and to stimulate economic development. The meeting concluded with a pitch by Pitkin County Commissioner Rachel Richards for using the watershed protection check off on state income tax returns.

## Southern District Meeting

Southern District President George Wilkinson, Alamosa County, called the meeting to order. After introductions and roll call the District unanimously reelected Commissioner John Sandoval, Conejos County, to be the Southern District CCI Board representative.



Rio Grande County Commissioners Doug Davie and Dennis Murphy along with Costilla County Commissioner-Elect Crestina Martinez listen to a presentation during the Southern District meeting.

Ravi Malhotra, Executive Director of iCAST presented to Commissioners about clean energy as an economic development tool. iCAST is a seven year old nonprofit with 90% of their programs focusing on creating sustainable clean energy projects throughout the state. Through various programs such as service learning, economic development, capacity building and other strategic projects they are focusing on how to help Colorado's economy benefit from the different clean energies the state has to offer.

Agriculture Commissioner John Stulp updated the commissioners about conservation easements in Colorado. What started as a \$67 million program has grown to more than \$80 million in conservation easements throughout the state. The original intent of these easements was to protect land from development. Recently, however, a lack of oversight and unscrupulous behavior has led to easements being manipulated and abused. A Conservation Easement Oversight Board, created last year through the Legislature, will submit findings regarding the statewide program in about a year.

Karen L. Beye, Colorado Department of Human Services Executive Director, spoke to the commissioners about changes in child safety policy and procedures from last year's legislative session. Responding to critics focusing on child safety at the county level, Beye implemented new rules that require mandatory reporting for HHS staff at workforce centers of any suspected child neglect or abuse. Additionally, subcommittees will work toward developing standards for evidence based practices, cross cultural and diversity issues, as well as developing a new training academy for state workers.

**Western District**

Commissioner Trési Houpt was reelected to the CCI Board of Directors. Lt. Governor Barbara O’Brien reported significant findings on early childhood development and its economic impact on Colorado. A recent study reported \$1 billion impact on Colorado’s economy annually. The majority of the dollars generated stays in the local community. San Miguel County reported a \$5 million impact in their county in a recent study. Colorado’s Jobs Cabinet recent employer survey found in all state regions childcare was a major concern and impediment for workers—turning down jobs, being late, leaving early, absenteeism.



San Miguel County Commissioner Joan May, Routt County Commissioner Diane Mitsch Bush and San Juan County Commissioner Pete McKay listen to introductions at the Western District meeting.

Childcare and development is a long term investment strategy.

Nobel Laureate James Heckman, University of Chicago economist, recently reported on the Perry Project in Ypsilanti, Michigan, where for 40 years children’s lives were studied in a high quality program. In this program participants who obtained early childhood education versus those who did not. Those who did receive early childhood training demonstrated greater literacy, higher grades, greater likelihood to graduate high school, higher post-high school employment rates, higher earnings, less need for welfare, committed less crime and had lower rates of teen pregnancy. The rate of return to the children was estimated to be 16 percent (about 3/4 of this is calculated from the decreased social cost because of lower crime and less prison spending). Prof. Heckman’s study includes economic models of life cycle skill formation.

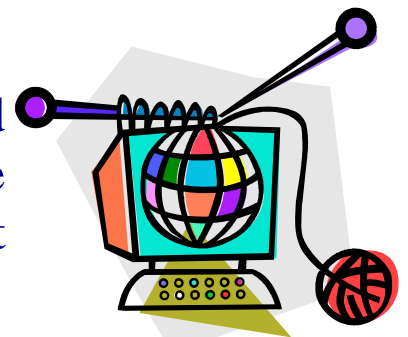
Commissioner Kellie Hotter, La Plata, reported that toxic chemical exposure to workers, medical personnel and citizens has been an occasional problem. Disclosure regulations are currently being negotiated that protect trade secrets, yet makes available to emergency medical personnel the drilling chemical.

Commissioner Craig Meis, Mesa, reported that many factors from current market conditions are constraining oil and gas exploration in Colorado. This will curtail revenue projections in future years.

**CCI to Launch New Website**

CCI is developing a new website that should be up by the date of this publication. We are proud of the newly designed home page and its many wonderful features. A new feature, which will allow you to search for CCI documents using keywords, will be populated over the coming months as we scan in many of our existing paper files. We hope this will eventually be a very useful tool. Please be patient while we review all of our documents and decide what to digitize for your use. Of course feel free to contact us with any questions or comments.

If you have a question on what your login and password is for the secure areas of the site, please contact Jeanne DeHaven at [jdehaven@ccionline.org](mailto:jdehaven@ccionline.org) or 303-861-4076.



## Colorado: the Swing State that Swung

Floyd Ciruli, Colorado's most recognized pollster, joined commissioners on Wednesday morning to help make sense of this past November election results. Declaring that the "swing state has in fact swung", Mr. Ciruli began by noting the political changes that have occurred over the last decade in the state's major elected offices. In 1998, Republicans occupied the Governor's seat, both U.S. Senate seats, four of the six U.S. House seats and held a majority in both chambers of the Colorado Statehouse. Today, Democrats fill the Governor's seat, both U.S. Senate seats, five of the seven U.S. House seats and hold a majority in both chambers of the Colorado Statehouse.

To explain this 180 degree shift, Mr. Ciruli pointed to three "game-changing" factors. First of all, Colorado's economic downturn forced the agenda to shift away from a tax-limit agenda to an emphasis on governmental services and how to pay for them. Secondly, the Democrats chose more moderate and less partisan candidates and finally, the party raised millions and spent it wisely.

While the election may be good news for Democrats, Mr. Ciruli warned against viewing the election as a mandate for their traditional liberal or organized labor agenda. Instead, polls indicate that up to half of Colorado's electorate is pragmatic with many identifying themselves as fiscally conservative. With this in mind, Mr. Ciruli explained that party strategist can no longer win elections by playing solely to their base. Instead the parties must win the pragmatists if they hope to win the election.

Mr. Ciruli then commented on the big issues facing the state. In addition to the economy, the state legislature will have to address Colorado's deteriorating transportation system, renewable and nonrenewable energy development and the "ticking clock" associated with the TABOR time-out (a.k.a. Referendum C). Speaking specifically to voter concerns on the state's transportation system, Mr. Ciruli explained that 59% of those surveyed would rate the state's transportation system as fair or poor with most preferring Regional Transportation Authorities over new taxes and/or fees to fund roadway improvements.

Finally, Mr. Ciruli concluded his comments by reviewing election results on this year's ballot issues. Despite the record number of issues, only two amendments – Amendment 50's Casino Betting and Amendment 54's Political Donations – passed. Mr. Ciruli speculated that this was because the ballot was long and complicated by a confusing slew of numbered amendments. He

also opined that negative ads seemed to lack the salience they have had in past years.

Following Mr. Ciruli's report, Douglas County Commissioner Jack Hilbert engaged the audience and a panel of county commissioners which included La Plata County Commissioner Kellie Hotter, San Miguel County Commissioner Elaine Fischer, Jefferson County Commissioner Kathy Hartman and El Paso County Commissioner Sallie Clark in a lively Q & A session.



Pollster Floyd Ciruli presents on 2008 election results to over 100 commissioners.



On Thursday, December 4th several commissioners and councilmembers were at the Governor's Mansion for a holiday celebration. This photo was provided to County Lines by our friends at CML

Pictured from left to right are: Douglas County Commissioner Melanie Worley, Denver Councilmember Doug Linkhart, Pitkin County Commissioner Dorothea Faris, Broomfield Councilmember Bob Gaiser, Jefferson County Commissioner Kathy Hartman, Governor Bill Ritter, Garfield County Commissioner Trési Houpt, Routt County Commissioner Doug Monger, Arapahoe County Commissioner Pat Noonan and Gilpin County Commissioner Jeanne Nicholson.

## SB 194

Last April, the Colorado General Assembly passed SB08-194 *Public Health Services for the 21<sup>st</sup> Century*. This bill, which was subsequently signed into law by Governor Ritter, was the first major overhaul of Colorado’s public health laws since 1940. In addition to removing antiquated statutes, SB 194 requires the state to develop a comprehensive, statewide public health improvement plan, identify the core public health services that must be provided throughout the state and reexamine the formula for distributing public health funding to communities.

In addition to the new state requirements, SB 194 also contains requirements for counties. Gilpin County Commissioner Jeanne Nicholson outlined these requirements for conference attendees on Wednesday afternoon. Specifically, counties must, by July 1<sup>st</sup>, 2009, pass a resolution designating the county’s public health agency. Counties can either join neighboring counties and create a district public health agency or they can form their own county public health agency. Within 90 days of passing the aforementioned resolution, counties must then appoint their board of health members. In many cases, a county’s board of health can be the county’s board of county commissioners. Counties must also complete a community health assessment and create a county or district public health plan as soon as practicable after December 31, 2009.

One of the questions county commissioners frequently ask regarding SB08-194 is whether or not it is an unfunded mandate. And, while the requirements listed above are not accompanied with any new funding, the actual implementation of public health services within a community is predicated on available appropriations.

Following Commissioner Nicholson’s presentation, Lee Thielen, Executive Director of the Colorado Association of Local Public Health Officials, explained from a public health official’s point of view the importance of SB08-194.

Commissioner Nicholson, Ms. Thielen and Mr. Glenn Schlabs, Vice-President of the Colorado State Board of Health and an attorney for Sherman & Howard, LLC, then fielded questions from the audience. Attendees asked whether or not the Colorado Department of Public Health and Environment (CDPHE) plans to offer counties technical assistance as they develop their local public health plans. CDPHE’s two nursing consultants will be available to help counties develop their plans. Attendees also asked questions pertaining to SB 194’s requirement that the county treasurer create a separate fund for the public health agency.



Commissioner Jeanne Nicholson presents during the SB 194 session at winter conference.

On the front page of CCI’s website ([www.ccionline.org](http://www.ccionline.org)) commissioners can find a copy of SB08-194, an outline of the bill and a sample county resolution establishing the local public health agency.

## DoLA and COGCC Update

This afternoon panel was two-fold and began with a presentation by Susan Kirkpatrick, Executive Director of the Department of Local Affairs (DoLA). Kirkpatrick highlighted recent changes in the structure and policies of DoLA beginning with modifications of the Energy Impact Assistance Fund grant making process and direct distribution structures which were guided by recent legislation and a legislative audit. Changes include a new three-tier distribution structure for grants, improved standards and factor weighting for grants and a three-factor structure for direct distribution considering employee residence, well permits and production figures. Kirkpatrick also noted the uses and process for distribution of Community Development Block Grant (CDBG) funds by the Divisions of Housing, Local Government. She concluded her comments by giving an update on recent federal funds received via the Neighborhood Stability Program focusing on combating the foreclosure crisis and alerting counties to the need to have a pre-disaster mitigation plan in place in order to be eligible for Federal Emergency Management Agency

(FEMA) funding. Currently a majority of counties do not have an approved plan in place. DoLA Regional Managers should be contacted to assist counties in getting an approved plan in place.

The second half of the session was a presentation and overview of the recent history of the Colorado Oil and Gas Conservation Commission’s (COGCC) rule-making process given by Garfield County Commissioner and member of the COGCC Trési Houpt. Commissioner Houpt noted that her comments were given on the eve of a comprehensive review by the COGCC of the rules, set to take place on December 9, 10 and 11. She noted that the rules were crafted under the guidance of statutory changes pursuant to HB07-1298 and 1341 which changed the structure and mission of the COGCC respectively. The rule-making process has resulted in many public hearings over several months involving over 1,700 individuals statewide and culminating with a hearing document set totaling thousands of pages.

# 2008 Annual Winter Conference



El Paso County Commissioners Jim Bensberg, Amy Lathen and Dennis Hisey catch up with Larimer County Commissioner Glenn Gibson.



Hinsdale County Commissioner Linda Matthews, Mineral County Administrator Les Cahill, Saguache County Commissioner Sam Pace and Gunnison County Commissioner Paula Swenson stop and smile for the camera at the opening reception for the 101st Annual CCI Winter Conference.



Saguache County Commissioner Michael Spearman and Rio Grande Commissioner Dennis Murphy enjoy each other's company during the reception which was sponsored by Wagner Equipment Co.



Costilla County Commissioner-Elect Crestina Martinez, Conejos County Commissioner Steve McCarroll, Costilla County Commissioner-Elect Eddie Roybal and Conejos County Commissioner Joe Mestas were in attendance at the CCI Winter Conference.



Montezuma County Commissioner Steve Chappell, Teller County Commissioner Bob Campbell and Prowers County Social Service Director Linda Fairbairn enjoy the CCI reception.



Arapahoe County Commissioners Susan Beckman, Rod Bockenfeld and Frank Weddig chat with Douglas County Commissioner Jack Hilbert.



Delta County Commissioners Wayne Wolf and Olen Lund see familiar faces at the CCI reception.



Huerfano County Commissioner Roger Cain and Custer County Commissioner Kit Shy take a moment to catch up at the reception.



Teller County Commissioner Jim Ignatius is congratulated by Otero County Commissioner Jake Klein as he makes his way to the stage after learning that he won Commissioner of the Year.



Douglas County Commissioner Melanie Worley thanks her family after receiving CCI's Distinguished Service Award.



Lake County Commissioner Michael Hickman welcomes Lake County Commissioner-Elect Mike Bordogna to the team.



Otero County Commissioner Jake Klein (center) takes a moment to celebrate with his family after receiving a special Lifetime Achievement Award from CCI for his 28 years of service as a commissioner.



Larimer County Commissioner Kathy Rennels presents the Special President's Award to Pitkin County Commissioner Dorothea Farris who served as CCI's President for 2008.



CCI Board Members Gilpin County Commissioner Jeanne Nicholson, Arapahoe County Commissioner Frank Weddig, Garfield County Commissioner Trési Houpt and Routt County Commissioner Doug Monger enjoy lunch prior to Senator Salazar's speech.



Jefferson County Commissioner-Elect Faye Griffin listens to comments being made at the Women Commissioner's Breakfast.

## Blumberg Opening Session Well Received

### Cont. from page 1

She also indicated, however, that tax receipts for the state are growing, albeit slowly. Ms. Kennedy expressed some concern about the fact that Colorado depends on capital gains revenues and the attendant income tax, therefore an economic downturn like the current one, is likely to impact state revenues substantially.

She noted that new housing permits have continued to decline since 2005 and to show over a 20% decline in each of the last two years and that foreclosure rates are still at historic highs. Ms. Kennedy also noted that Colorado has a relatively high percentage of subprime mortgages and that well over two-thirds of these are adjustable rate mortgages, which have a much higher risk of foreclosure because of the interest rate/monthly payment adjustments.

Ms. Kennedy then enumerated a number of items the state is doing in response. She noted the Governor's actions to impose a hiring freeze, to postpone the start of some new capital construction projects, to eliminate performance pay for FY 2010 and to propose a limited budget for next year with a rainy day fund included. She also pointed out the taxpayer's exposure to credit risk, primarily due to variable rate borrowing by CHAFA, CollegeInvest, Denver (DIA) and Denver Public Schools. Ms. Kennedy said the state would likely save \$10 million in interest costs next year as a result of legislation initiated by her office to provide credit enhancement for higher education borrowing. Specific to the treasurer's office, Kennedy reported that the state did not hold any of the novel investment products tied to subprime mortgages or the failed investment banks. In 2007, the state discontinued its securities lending program and began posting all of the state's investments on the treasurer's website. Ms. Kennedy said that the treasurer's investments have been very conservative for a long time and "huge amounts" are in accounts

with FDIC insurance.

Ms. Kennedy concluded with thoughts about the state's transportation and education infrastructure needs and the potential for infrastructure investment to act as an economic stimulus. She

noted specifically the BEST program, allowing income from school trust lands to be leveraged, as well as \$230 million of higher education capital construction that is now ready to proceed.

These presentations stimulated numerous questions and discussion concerning the size and scope of the crisis, the role of the government in recovery and the federal bailout package, whether the auto industry ought to receive a bailout, whether other industries are operating with the "relaxed standards" that contributed to the mortgage crisis, options for governments holding devalued assets, and the run-up and crash of commodities prices.

Challenged to leave the audience with a positive thought, Mr. Blumberg suggested that circumstances are different than the Great Depression with many protections in place to keep that from happening again. After some turmoil, he believes we will emerge stronger for the experience. Ms. Kennedy said that our challenge is all about restoring confidence, that is in our American nature, while recognizing that we can come out of this smarter and stronger than we were before.



Alex Blumberg, right, discusses items with Larimer County Commissioner Glenn Gibson and Delta County Commissioner Wayne Wolf during a break.



Larimer County Commissioner Kathay Rennels makes a point during the financial session. Seated next to her is Colorado State Treasurer Cary Kennedy and Alex Blumberg of National Public Radio.

# Transportation



CDOT Director Russ George presents a transportation update to commissioners.

With the national and international economies struggling under unprecedented challenges, Governor Ritter proposed a lean budget for 2009-2010. And while this translates to hiring freezes and delayed capital construction, it also means that the Colorado Department of Transportation's 2009-2010 budget will witness a \$428 million decrease. This decline, however, is not a result of the Governor slashing the Department's

budget. Instead, it is due to a 21.7%, or \$96.4 million, decline in federal funding and a \$332 million decline in Senate Bill 1 revenues. So, rather than relying on a forecasted budget of \$1.2 billion, Russ George, Director of the Colorado Department of Transportation, explained that the department's budget would be around \$880 million.

Director George went on to explain that if an additional \$1.5 billion/year were injected into the state's transportation system, we could maintain our road standards, invest in transit and help local governments address many of their needs. For illustrative purposes, Director George explained that this \$1.5 billion financing goal, which was recommended by the Governor's Blue Ribbon Transportation Panel, equates to \$1/person/day.

Douglas County Commissioner Melanie Worley then summarized the work of the Governor's Blue Ribbon Transportation Panel. She explained that over the course of almost two years, the Panel examined the state's transportation funding crisis and increased public awareness about the crisis. The Panel also generated a list of potential transportation financing mechanisms including user fees, taxes, tolling, private/public partnerships and future vehicle miles traveled (VMT) options. Commissioner Worley said that while the Panel

had a list of guiding principles, two of the most important principles were to identify a long term sustainable revenue stream and to ensure a local share for cities and counties.

El Paso County Commissioner Wayne Williams reminded commissioners that the state's gas tax, which is the primary source of state transportation funding, has remained constant at \$0.22/gallon since 1991. He generalized the politics associated with the state's transportation conversation by stating that Republicans argue that transportation should be funded by making cuts to the state's general fund. Democrats, however, argue that important programs would be cut and prefer the identification of a new revenue stream to support the state's transportation system. Commissioner Williams explained that if we cannot fix the problems at the state level, we will ultimately have a balkanized system where communities are forced to take on their own local problems.

Lincoln County Commissioner Gary Beedy and Clear Creek County Commissioner Kevin O'Malley echoed Commissioner Williams' concerns about a balkanized system. They appealed to commissioners to get involved in the conversation to urge their respective legislators to take action.



Denver Councilwoman Carol Boigon and Garfield County Commissioner Trésí Hought smile at a comment made by Director George.

## Upcoming Steering Committee Meetings

Friday, January 16, 2009

- Tourism, Resorts & economic Development (9 a.m.)
- General Government (10:30 a.m.)
- Taxation & Finance (12:30 p.m.)
- Transportation & Telecommunications (2 p.m.)

Friday, January 23, 2009

- Public Lands (9 a.m.)
- Agriculture, Wildlife & Rural Affairs (10:30 a.m.)
- Land Use & Natural Resources (12:30 p.m.)
- Health & Human Services (2 p.m.)

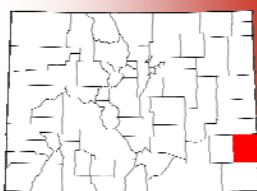
## Prowers County

Prowers County represents rural life at its finest. The wholesome vitality of friendly, attractive communities reflects the diversity of agricultural and cultural heritage coupled with the opportunities of modern technology and exportation of renewable energy.

Prowers County was created from part of Bent County on April 11, 1889 and was named after the first rancher in the area, John Wesley Prowers. His wife was a Cheyenne princess, Amache Ochinee, after whom a World War II era Japanese internment camp (Camp Amache) was later named in her honor.

Located on the Santa Fe Trail, the City of Lamar (County Seat of Prowers County) serves as the industrial and retail center for southeast Colorado. Situated in the fertile Arkansas River Valley, the surrounding agricultural landscape features wide-open spaces with panoramic views of irrigated corn and alfalfa fields, as well as dry land wheat fields. This semi-arid climate is favorable to livestock production and offers an average of 340 days of sunshine annually. Communities within Prowers County are known for their hometown friendliness and character, and offer many incentives for those relocating businesses and homes.

In July of 2003, Colorado Green (Shell WindEnergy and PPM Energy) began construction on the world's fifth largest wind farm in the southern part of Prowers County. Xcel Energy purchases the energy created from Colorado Green Wind Energy and converts it at the AC/DC Electricity Converter Station in northern Prowers County. This is one of seven such transfer stations located along the nation's heartland.



**CCI District: Southern**

**Commissioners:**  
**Joe Marble**  
**Gene Millbrand**  
**Clede Widener**

**Location: Southeastern Colorado on the Kansas Border**

**Square Miles: 1,645**

**Population: 13,800**

**Assessed Value: 124,435,090**

The Prowers County Board of Commissioners has always encouraged and promoted renewable energy. Along with a demonstrated success in large-scale renewable energy production, they embrace partnerships in the development of small-scale renewable energy sources to further capitalize on the abundant wind and solar resources in Prowers County.

The Prowers County Renewable Energy Project's goal is to build a demonstration project to educate the public on residential and small business solar and wind electric technologies for increased use of renewable energy. The objective is to increase consumer awareness of and access to solar and wind electric technologies, to help county residents save money and stabilize their utility



Prowers County is home to the world's fifth largest wind farm.

costs, to stimulate local economies, and to foster a sustainable solar and wind industry that will become an increasing source of quality local jobs.

On the evening of March 28th, 2007, an F3 tornado (in excess of 157mph winds) struck the Town of Holly, located in eastern Prowers County. The results of this tornado were two deaths, eight major injuries requiring hospitalization, 48 destroyed or severely damaged structures, and 114 other structures receiving lesser damage.

After news of the tornado hit the media, people came from all over with very generous donations of money, services, supplies and manpower. Since the tornado disaster, the town board is faced with an amazing and previously unheard of opportunity to carry forth capital fund projects that were never before within reach. The town is moving forward with projects totaling upwards of \$2,500,000. The Town of Holly is coming back bigger and better from its very devastating experience.

Prowers County, the City of Lamar, Town of Granada, Town of Wiley and Town of Holly are all coordinating efforts to enhance recreational health-wise activities. Efforts are underway to build a system of multi-use trails, with long-term overview facilitation from the National Park Service.

Prowers County has always had an agriculture-based industry and is moving toward diversified sustainability using renewable energy sources.

As the Santa Fe Trail brought the commerce and trade that opened the western United States, Highways 287 and 50 (which intersect in Lamar) bring commerce from all corners of this great country to Southeastern Colorado. Prowers County is at the crossroads, growing successful commerce today while fortifying the hopes of tomorrow.

# Routt County



Located in Northwest Colorado, Routt County was created from the western portion of Grand County on January 29, 1877. It was named in honor of John Long Routt, the last territorial and first state Governor of Colorado. The western portion of Routt County became Moffat County on February 27, 1911. Mining, ranching and skiing have created a unique heritage for Routt County and they continue as important elements of its present day economy and culture.

Most of Routt County lies within the Yampa River Valley. The Yampa River and its tributaries provide riparian habitat and water for many uses including agricultural, commercial and residential, as well as, recreation ranging from fishing to kayaking and rafting. Two of the three State Parks in Routt County are on the Yampa River: Stage Coach Lake State Park and Yampa River State Park. The third is Steamboat Lake State park, in North Routt near Hahn's peak. Public lands play an important role in Routt County's economy and quality of life, providing wildlife habitat, a variety of outdoor recreation opportunities, as well as jobs. Land ownership in Routt County is 51% in Federal ownership, 5% in state or county ownership and 44% private ownership.

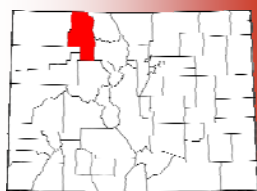


Above is Hahn's Peak where gold was found in 1861 and at one time served as Routt County's county seat.

international competition than any other area in North America. It is the oldest ski area in continuous use in Colorado, and has the largest and most complete natural ski jumping complex in North America. Howelsen has been the training ground for more than 64 Olympians making over 90 Winter Olympic appearances, 15 members of the Colorado Ski Hall of Fame and 6 members of the National Ski Hall of fame. Howelsen Hill was recently acknowledged as a "Pioneer Ski Resort" by the International Skiing History Association and the Colorado Ski Museum Ski & Snowboard Hall of Fame.

Today, outdoor tourism, including skiing, snowmobiling, cycling, hiking, hunting and fishing, kayaking, white water rafting, wildlife viewing, are a major economic base and contribute to a desirable quality of life. In addition to outdoor tourism, arts tourism and cultural heritage tourism, based in ranching and mining heritage are important. Construction, real estate, retail, regional services, and coal mining/power generation are also major components of the economy.

Cattle and sheep ranching emerged as key industries late in the 1800's, facilitated by the railroad in 1908. Also, strawberries, lettuce and potatoes were major crops grown in that area that could be shipped by rail to Denver and beyond. The quarter horse breed was developed in Routt County by several local ranchers, who were instrumental in establishing the American Quarter Horse Association, still in existence today. Cattle, hay, and sheep are still the major agricultural products.



CCI District: Western

**Commissioners:**  
 Diane Mitsch Bush  
 Doug Monger  
 Nancy Stahoviak

**Location:** Northwest Colorado on the Wyoming Border

**Square Miles:** 2,362

**Population:** 21,580

**Assessed Value:**  
 1,093,543,020

Although skiing has long been a tradition of the culture of the area, it is only within the last 30 years that ski-based tourism and construction has become the key to the economic base. Because of the heavy snowfall, skiing became an important mode of transportation for locals in the 19th Century. A ski jumping facility was installed near downtown Steamboat Springs under the direction of Carl Howelsen in the early 1900s. Howelsen Hill Ski Area holds a unique place in the history of skiing. It has sent more skiers to

The county is one of the major coal producing counties in the West, known for its high energy, low sulfur coal. Both the Twenty Mile Mine with its underground long wall production and the Hayden Power plant provide high paying benefited jobs. The mine and the power plant have paid for county road improvements as part of their permits. Near Hayden in west Routt County there have long been oil wells in addition to coal mines. There has been a recent increase in oil, gas and coal bed methane permits, but nothing of the magnitude of development in neighboring counties.

Like other mountain counties, Routt County continues to face numerous growth pressures, resulting in a serious lack of affordable housing for permanent residents/employees, significant transportation problems and a shortage of childcare. Many employees in Steamboat Springs cannot afford to live there, so they commute long distances. Currently the county helps to fund the Craig-Steamboat bus service which is operated by Steamboat Springs Transit.

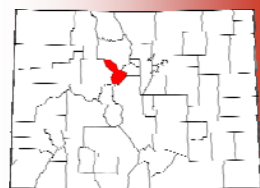
Given the national, state and local economic crisis, the county is very concerned about meeting the goals in its mission statement because of a budget crisis. Routt County will continue to use a collaborative strategy to partner with the private and non-profit sectors and with other local governments to solve problems and continue to "deliver a balance of public services and infrastructure to provide a safe and healthy place to live for present and future generations."

# Summit County

The area that is currently Summit County, Colorado was originally home to nomadic Mountain Ute tribes as long as 6,000 years ago. Its borders have changed several times, originally encompassing most of Northwest Colorado. The present Summit County boundaries were set in 1883 comprising a total of 619 square miles.

Of course the Gold Rush of the mid-1800's played a prominent role in the development of Summit County and the growth and disappearance of many mining towns within the county. Significant efforts have been made to preserve remnants of that mining history. Summit County has a strong open space program dedicated to the preservation of our rural mountain character and active historical and preservation groups work to protect mining structures and historic buildings throughout the county.

Home to four world class ski areas and unparalleled outdoor recreation opportunities the county's snow sports, biking, hiking, golf and boating have prompted significant population and tourism growth. The year-round resident population has grown rapidly from 13,000 in 1992 to 29,000 today. With busy weekends in both the summer and winter, the population balloons to well over 150,000. This represents one of the greatest challenges for Summit County in providing services and infrastructure to satisfy an incredible influx of people, while mitigating the impacts on public safety, traffic, housing, human services and a sense of community.



CCI District: Mountain

**Commissioners:**  
**Thomas Davidson**  
**Bob French**  
**Tom Long**

**Location: Central Mountains**

**Square Miles: 619**

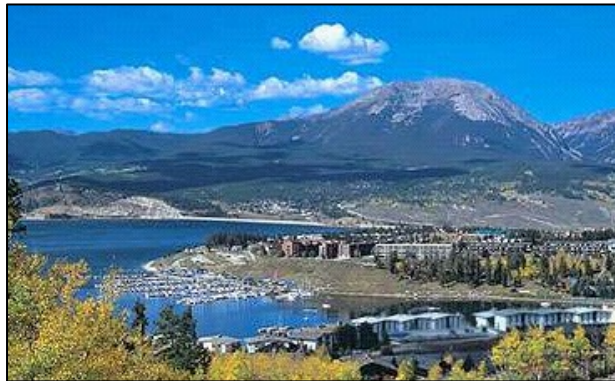
**Population: 27,964**

**Assessed Value:**  
**1,274,674,510**

Summit County faces considerable development pressures, the responsibilities of protecting its water resources as a headwaters county, a lack of affordable housing and a growing number of lower-paid and underinsured individuals who are straining the county's social service, education, public safety and healthcare facilities. Summit County is attacking these challenges head-on with responsible and logical community master plans, planning and zoning codes, dedicated funding for open space acquisition and management, cooperative efforts with western slope and front range water interests to maintain stream flows and lake levels, affordable housing and

early childhood programs, and strong financial support of low or no cost healthcare services.

Summit County has been adversely affected by the increases in fuel and utility costs, the recent financial crisis and the rising costs of doing business in a resort community. As a result, the county is redoubling its efforts to increase and diversify our revenues while reviewing and reducing expenditures whenever appropriate. We have implemented several energy efficiency projects, such as lighting, HVAC and control system upgrades in an effort to reduce operational expenses, made service reductions in Transit to reduce fuel expense and cut operational budgets countywide.



Overlooking the Dillon Marina with Buffalo Mountain in the background.

The county is in the midst of a Pine Beetle epidemic, which will change the forest landscape for decades to come and increase the risk of a catastrophic wildfire. In addition to initiating and financially supporting a Community Wildfire Protection Plan and its recommendations, the Board of County Commissioners has pushed to create markets for the beetle-kill wood to encourage its removal from the forest. A composting operation with wood chips as its primary component is underway at the County run landfill. Cooperative efforts have been undertaken to assist local businesses utilizing beetle-kill wood and solid fuel heating systems utilizing wood chips or wood pellets have been analyzed and are candidates for several existing and new county facilities.

Summit County Government, local leaders and residents recognize that many challenges exist in an effort to preserve and continuously improve this wonderful community, but all are committed to seeing those efforts through to a successful conclusion.



Summit County Courthouse, 208 Lincoln Avenue, Breckenridge, celebrating its centennial, Summer 2009.

# Yuma County

Yuma County includes 2400 square miles on Colorado's eastern border, adjoining Kansas and Nebraska. The first white settlers of this area were a dozen or so large cattle ranchers who headquartered on the Republican and Arickaree Rivers in the 1870's and their cattle enjoyed the free grazing on the open range. The Burlington Railroad established tracks in the early 1880's and encouraged further settlement by farmer-homesteaders. An order by President Cleveland in 1885 forced the ranchers to allow homesteaders in and settlement of this area began in earnest from 1885-90.



The Yuma County courthouse is located in Wray, CO.

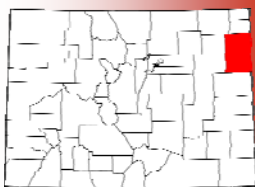
almost anywhere in the county with water became a candidate for irrigation, especially the rolling sand hills. This allowed a wider variety of crops to be grown.

Today, Yuma County ranks second, only to Weld County, in ag-production. Yuma County is the top producer of corn, ranks second in total

beef and in beef cows, and ranks among the top in the state in swine production, wheat, sunflowers and pinto beans. It is also a major producer of sugar beets, alfalfa, potatoes and dairy.

When the Colorado Territory was formed in 1861, the northern half of present day Yuma County was a part of Weld County and the southern half was the eastern portion of Arapahoe County. The northern half became Washington County in 1887 and Yuma County was carved out in 1889. The southern half of the county remained Arapahoe County until 1903, when it then was annexed to Yuma County. The town of Yuma was chosen as the county seat in a questionable election of 1889. The seat was moved to Wray in 1902, following an election that is still being disputed. Yuma, Wray and Eckley are the only incorporated towns in Yuma County.

As a result of irrigation, Yuma County is one of very few counties on the eastern plains that has been able to maintain its population and enjoy a healthy economic growth. The population has remained between 8000 and it's present 10,000 for over fifty years. About half that population lives in Wray and Yuma. Although still considered an agriculture-dependent county, the development and production of natural gas has increased dramatically during the past ten years. Today, natural gas production accounts for over half of Yuma County's assessed valuation and has brought many well-paying jobs to the area.



**CCI District: Eastern**

**Commissioners:**  
Trent Bushner  
Robin Wiley  
Dean Wingfield

**Location: Northeastern Colorado on the Kansas and Nebraska Border**

**Square Miles: 2,370**

**Population: 10,009**

**Assessed Value: 268,392,980**

From the day homesteaders first plowed their sod in the 1880's, Yuma County has depended upon agriculture for its survival. Beef herds have been prominent since the 1870's while corn and wheat were the dominant cultivated crops. Wheat was considered to be more adaptable to the drought conditions of the eastern plains. Irrigation of crops from the underground water aquifer became popular in the 1950's on the county's level hard lands. With the introduction of the center-pivot sprinkler in the 1960's,



Above is the Yuma County Health and Human Services building.

## CCI Legislative Reception

Colorado Counties, Inc.  
Legislative Reception  
Thursday, January 8, 2009  
5~7 p.m.

CCI's Office Building  
800 Grant Street  
Suite 500 (5th Floor)  
Denver, Colorado 80203

Please plan to attend this informal reception for Legislators,  
County Commissioners, Councilmembers and Mayors.

RSVP to Annie Olson, CCI  
303.861.4076  
[aolson@ccionline.org](mailto:aolson@ccionline.org)

CCI

Colorado Counties, Inc.

303.861.4076  
(FAX)303.861.2818

Check out our website  
[www.ccionline.org](http://www.ccionline.org)