

**Minutes of Special Meeting of the
Archuleta County Combined Dispatch
Exploratory Subcommittee**

Monday, July 29th, 2019

MEETING LOCATION:

Pagosa Springs Town Hall

551 Hot Springs Blvd, Pagosa Springs, CO 81147

Meeting called by: Greg Schulte, Chairperson

MINUTES

I. Introductions

- a. Meeting called to order by Greg Schulte at approximately 1500hrs.
- b. Present: Greg Schulte, Scott Wall, Don Volger, John Thompson, Tracy Bunning, Matt Mees, Kati Harr, Ron Beckman

II. Discussion of recent newspaper coverage of quorum issue and solution going forward

- a. Discussed recent media coverage and accidental violation of open meeting laws at previous meeting. Greg shared that he had understood the quorum for the Dispatch Board to be four members and was unaware that the law stated it was majority members *or* three. Lesson has been learned and the Subcommittee has been reconstructed to ensure no quorum will be present at upcoming meetings.

III. IGA Revision Review and Discussion – see attached draft IGA with recommendations

- a. All documented changes were agreed upon.
- b. Some additional edits were also proposed or made:
 - i. The penultimate sentence of Section 5.1 was updated to reflect a new due date for comments and budget recommendations to the County as November 15th, annually.
 - ii. The Emergency Communications Manager is going to coordinate with County IT to reword Section 6.7 for clarity and accuracy.
 - iii. Section 10.4 will be updated to reflect a liquidation of assets in the event of termination of the Agreement. More consideration will also be given to the division of licensure/maintenance agreements.

IV. Potential Revenue Sources Review Discussion

- a. Each source was reviewed and outlined by Chairman Schulte and some discussion was held regarding the potential pros and cons of each. It was agreed that information from the upcoming equipment assessment, as well as clarity on a new facility's costs, will be paramount in drafting an accurate and relevant recommendation for the Board.

V. Future Elections Calendar

- a. For the next meeting, Chairman Schulte will provide the future Elections Calendar and all updates and edits will be compiled and redrafted for a second draft of the IGA.

VI. Scheduling and location of next Subcommittee meeting:

- a. **Monday, August 19th, 2019 at 1500hrs. Pagosa Springs Town Hall, 551 Hot Springs Blvd**

Meeting adjourned at approximately 1630 hours.

INTERGOVERNMENTAL AGREEMENT FOR CONSOLIDATION OF EMERGENCY COMMUNICATIONS FOR ARCHULETA COUNTY, TOWN OF PAGOSA SPRINGS, UPPER SAN JUAN HEALTH SERVICE DISTRICT AND PAGOSA FIRE PROTECTION DISTRICT

This INTERGOVERNMENTAL AGREEMENT ("IGA") is dated _____ day of _____, 2019, by and between the Board of County Commissioners of Archuleta County, Colorado ("County"), the Town of Pagosa Springs, Colorado ("Town"), the Upper San Juan Health Service District ("Hospital/EMS District"), and Pagosa Fire Protection District ("Fire Protection District") (collectively, the "Parties").

RECITALS

WHEREAS, section 29-1-203, C.R.S. authorizes governments to cooperate and contract with one another to provide any function, service, or facility lawfully authorized to each, and to establish a separate legal entity to do so; and

WHEREAS, Article XIV, Section 18(2)(a) of the Constitution of the State of Colorado and Part 2, Article 1, Title 29, C.R.S. encourage and authorize intergovernmental agreements, and

WHEREAS, the County has provided dispatch services for the Archuleta County community for many years; and

WHEREAS, as the community has grown, there have been more calls for service; and

WHEREAS, the above four (4) governmental entities rely on effective emergency dispatching; and

WHEREAS, in 2009 the Parties entered into an Intergovernmental Agreement (IGA) to collaboratively manage and fund emergency dispatch services. County has heretofore borne the full cost of providing the dispatch services; and

WHEREAS, the Parties agree that, as time has gone by, it is timely to revisit and revise the IGA governing the operation and management of emergency dispatch services, providing such services at the increased levels has become cost-prohibitive for the County; and

~~**WHEREAS**, the entities using the dispatch services have agreed to join with the County in funding and directing a consolidated emergency communications system to provide effective, efficient emergency communications services.~~

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by the Parties, hereby agree as follows:

- 1.1 Pursuant to the provisions of Section 29-1-203, C.R.S., the Parties hereto agree to continue to cooperate in the provision and funding of emergency communication services in Archuleta County Colorado.
- 1.2 The Parties agree that, by execution of the Agreement, they proportionally shall continue to be responsible for the financing, directing, and utilizing of consolidated emergency communications.

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- 1.3 By entering into this revised Agreement, none of the Parties shall be responsible for liability incurred as a result of any other Party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to the immunities and limitations of Colorado law. This paragraph is intended to define the liabilities between the Parties hereto and is not intended to modify, in any way, the Parties' liabilities as governed by federal, state, local, or common law. The Parties and their "public employees and officials" do not waive sovereign immunity, do not waive and defense, and do not waive any limitation of liability pursuant to law.
- 1.4 The area to which the consolidated emergency communications services shall be supplied is Archuleta County, Colorado, including the Town of Pagosa Springs and service areas for the Parties to this agreement.
- 1.5 The principal place of business of the Communications Center is currently located at 56 Talisman Drive, Suite #4 in Pagosa Springs, in the Archuleta County Sheriff's Department. Future locations of the Communications Center shall be established by the Executive Management Board.

ARTICLE II. GOVERNANCE

2.1 The Executive Management Board shall consist of the following members; provided, however, that in the event a Party terminates its participation in this Agreement pursuant to Section 10 of this Agreement, the size of the Executive Management Board shall be reduced by the two (2) members representing the Party. ~~All members of the Executive Management Board shall maintain a residence in the County or the Town.~~

The members are as follows:

- A. the Consolidated Emergency Communications Manager (ex officio without vote);
- B. the County Administrator;
- C. the County Sheriff;
- D. the Town Manager;
- E. the Town Police Chief
- F. a member selected by the Board of Directors of the Health Service District;
- G. the EMS Operations Manager or designee from EMS;
- H. a member selected by the Board of Directors of the Fire Protection District; and
- I. the District Fire Chief.

2.2 The Health Service District and the Fire Protection District shall select its representative from its respective governing body pursuant to its own rules of procedure.

2.3 The term of office for members of the Board shall be indefinite. The Health Service District and Fire Protection District members of the Executive Management Board shall serve at the pleasure of the entity that appointed them, and they may be replaced at any time, with or without cause, by formal actions of their appointing entity. All members shall serve until their successor has been appointed and formally taken office.

2.4 In the event of the death or resignation of a member of the Executive Management Board, the position shall be deemed “vacated”, and the entity that appointed the member shall thereupon appoint a new member to replace the vacated position.

2.5 The Consolidated Emergency Communications Manager shall call and notice any and all meetings of the Executive Management Board. He/she shall also establish meeting agendas. The Executive Management Board shall elect a new Chairperson annually, who shall be a voting member of the Executive Management Board. A Chairperson may **not(delete)** serve 2 consecutive terms.

- A. Regular meetings of the Board shall be conducted at the ~~meeting principal~~ place ~~indicated in the annual statement of meeting location and times, as required by Colorado state statute. If it is considered desirable, other meeting locations maybe used subject to the proper noticing pursuant to Colorado state statutes, of business of the Center, which shall be identified in any notice of such meetings.~~
- B. A quorum for the ~~purposes of adhering to the Colorado Open Meeting Laws shall be three (3) members of the Board, including the conduct of business at meetings of the Board shall be.~~ Consolidated Emergency Communications Manager. A quorum for the purposes of conducting business and making decisions by the Board shall be five (5) members of the Board, NOT including the Consolidated Emergency Communications Manager. ~~a simple majority of the total of the Board.~~ If less than a quorum is present, the Directors present may adjourn the meeting from time to time, provided further, that the Manager shall notify any absent Directors of the time and place of such adjourned meeting.
- C. Special meetings of the Board may be called by the Manager or the Chairperson and it shall thereupon be the duty of the Manager to cause notice of such meeting to be given as hereinafter provided. Special meetings of the Board shall be held at such time and place as shall be fixed by the Manager or Chairperson calling the meeting.
- D. Written notice of any special meeting of the Board shall be delivered to each Member and each Party not less than ~~24 hours three (3) days~~ before the date fixed for each meeting, either personally, by facsimile, by e-mail, or by ~~phonemail~~, by or at the direction of the Manager, or upon the Manager’s default, by the Chairperson calling the meeting. ~~If mailed, such notice shall be deemed to be delivered three (3) days following deposit in the United States mail, addressed to the Member at the Member’s address as it appears on the records of the Board, with postage thereupon prepaid.~~
- E. Whenever notice is required to be given to any Member under the provisions of law of this Agreement, a waiver thereof in writing by such Member, whether before or after the time **stated** therein, shall be equivalent to the giving of such notice. Attendance of a Member at any meeting of the Board shall constitute a waiver by such Member of notice of such meeting, except when such Member attends such meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully convened.
- F. Each Executive Management Board member shall have one vote, except for the Manager, who will serve ex officio without vote. Decisions of the Board may be

made only at regular or special meetings, called upon notice as required herein, at which a quorum is present. An affirmative majority vote of no less than five members will be required for approval of any measure.

**ARTICLE III.
DUTIES AND RESPONSIBILITIES OF THE
EXECUTIVE MANAGEMENT BOARD**

3.1 General policies and procedures of the Consolidated Emergency Communications Center shall be adopted and approved by the Executive Management Board.

3.2 The Executive Management Board shall interview and extend employment to the Consolidated Emergency Communications Manager ~~in the event of a vacancy in the position, as soon as possible after the execution of this agreement.~~ For purposes of payroll and employment procedures, the Manager shall be an employee of the County. The Executive Management Board, however, shall be the Manager's supervisor for performance evaluation, disciplinary, termination, and appeal purposes.

3.3 The duties and responsibilities of the Executive Management Board shall include:

- A. Governing the business and affairs of the Communications Center;
- B. Ensuring the Communications Manager demonstrates effective control over the supervision, operation, and development of the Communications Center;
- C. Electing from its membership a Chair who will serve a term as the Board may determine to be appropriate;
- D. Meetings quarterly or more often as may be necessary;
- E. Reviewing and approving the annual budget submitted to the appropriate County Budget authorities; and
- F. Ensuring conformance with applicable law and established procedures.

**ARTICLE IV.
POWERS OF THE EXECUTIVE MANAGEMENT BOARD**

4.1 The Executive Management Board shall establish and oversee the Consolidated Emergency Communications Center to provide emergency and law enforcement communications for the County, the Town, the Hospital/EMS District, and the Fire Protection District.

4.2 The Executive Management Board shall have the authorization to implement policies, rules and regulations, and bylaws as the Board deems necessary to provide services under this agreement.

4.3 The Executive Management Board shall pay for equipment, software, installation of equipment and software, maintenance agreements, and related services by way of a lease, purchase or lease-purchase subject to the provisions of the County's Procurement Policy.

4.4 The Executive Management Board shall administer the funds provided for ~~enhanced~~ 911 services as prescribed in C.R.S 29-11-104.

4.5 In addition, the Executive Management Board may perform any other act as may be necessary to provide effective and efficient emergency and law enforcement communications; including, but not limited to, contracting with equipment vendors and service suppliers for the purpose of obtaining the benefit of technological developments which the Executive Management Board deems necessary to improve or enhance the quality and efficiency of service to be provided hereunder. All purchases and contracts are to be conducted pursuant to the County's Procurement Policy.

4.6 The Executive Management Board may recommend to the Parties entering into contracts with other governmental public safety agencies to provide communication services at a cost to be determined by the Executive Management Board. ~~????~~

4.7 The Executive Management Board shall conduct its business and affairs for the benefit of the Communications Center and the people it serves, including residents, property owners and visitors.

**ARTICLE V.
BUDGET AND OPERATING COSTS**

5.1 The annual budget of the Consolidated Emergency Communications Center shall be developed by the Consolidated Emergency Communications Manager no later than September 15th of the previous year. Such budget shall be distributed to the Executive Management Board, and each Board member shall be responsible for notifying his/her respective governing body no later than October 15th. Any and all comments from the governing bodies shall be received by the Executive Management Board no later than October 31st. The Executive Management Board shall consider the comments and recommend to the County adopt the final budget for the Center no later than December 15th. It shall become effective upon adoption by the Board of County Commissioners.

5.2 Notwithstanding the process outlined above, the Archuleta County Board of County Commissioners shall have the authority, as outlined d in the Colorado Revised Statutes, to direct the expenditures of all funds received by the County from the E-911 surcharge on telephone services provided within the jurisdictional limits of the County to the Executive Management Board, which shall administer the fund as prescribed in C.R.S. 29-11-104.

**ARTICLE VI.
OPERATING EQUIPMENT AND ACCESS TO COMMUNICATIONS SYSTEMS**

6.1 All of the Consolidated Emergency Communications Center equipment presently installed and subsequently installed in the Center's facility, ~~where it is currently located in the Archuleta County Sheriff's Department~~ or other future location, shall remain in the facility, should any of the Parties to this Agreement choose to cease its participation in the Center.

6.2 Each entity shall be responsible for acquiring, maintaining and replacing its own field and in-house equipment used to communicate with the Center and shall be considered foremost based upon interoperability.

6.3 The Center shall pay all costs of the communications center NCIC line. The costs of any additional lines and the cost of any future upgrades and line changes will be negotiated with the State of Colorado, but the final decision shall be made by the Executive Management Board.

6.4 Any major change to the records system shall be approved by all Parties to the Agreement. If a major change to the records system will benefit all Parties, payment for that upgrade shall be divided among the using agencies based upon the number of service calls for each agency during the previous year. If a major change will benefit only one agency, that agency shall be responsible for the cost of the upgrade.

6.5 The County shall maintain the Computer Aided Dispatch (CAD) software for the computer at the Center, and the County will be the contact agency with the software company. The County shall have full and final authority concerning all security issues for the CAD at the center. The County shall be responsible for maintaining all updates and changes. The County's Information Technology (I.T.) staff shall assist the Communications Manager and Executive Management Board with all major end-user application system updates and changes.

6.6 The County shall have the responsibility of maintaining security of all files for the Parties. If any Party ceases its participation in this agreement the County shall continue to maintain the records portion of the system on the County's computer.

6.7 The County shall be responsible for system maintenance on the servers. ~~The County's I.T. Department will be the contact with the software company except as pertaining to the CAD software.~~ Each Party shall be responsible for maintenance and replacement of its own equipment within the agency. Each Party is responsible for maintenance and replacement of in-building wiring within the Party's own facilities. The County's I.T. Department shall be the contact with the supplier for maintenance of all telephone lines involved in the records system, and the County's I.T. Department shall be responsible for contacting the appropriate supplier for repairs or installations of telephone lines, including wireless applications.

ARTICLE VII. FUNDS AND OPERATIONS

7.1 The County shall be the administering agency and the fiscal agent for the Center. As the fiscal agent, the County shall manage all revenues, maintain all accounts and receive and disburse all funds on behalf of the Executive Management Board.

7.2 The funds for the Center shall be held in trust in one ~~or more separate accounts~~ Fund and shall not be comingled with the funds of any of the Parties to this Agreement. All funds received pursuant to C.R.S. 29-11-100.5, et seq. shall be utilized and maintained as set out in those statutes.

7.3 The County may invest the funds only in accordance with any applicable laws of the State of Colorado governing the investment of public funds.

7.4 No Party to this Agreement shall have any liability to pay for any debt or other obligations incurred by the Executive Management Board, unless there is a unanimous specific undertaking to do so in writing, accompanied by an appropriation that has been approved by the Board of County Commissioners.

~~7.5 The Parties will jointly contribute each fiscal year the amount necessary to operate the Consolidated Emergency Communications Center. The amount of each entity's contribution shall be determined by the Executive Management Board. For the calendar year 2019, the Member contributions shall be as follows:~~

- ~~• Town of Pagosa Springs: \$80,000~~
- ~~• Fire Protection District: \$25,000~~
- ~~• Hospital/EMS District: \$50,000 (Consisting of two \$25,000 contributions)~~

7.6 Each Party may pay its respective share of the Communications Center's operating costs quarterly each year. ~~(delete)~~During the first three (3) years of this Agreement, to allow each Party an opportunity to plan financially for its respective full shares hereunder, The County shall provide all Center employee benefits, ~~the Center facilities~~, the dispatch system and I.T. support, and any accounting services necessary for the Center.

7.7 The Executive Management Board shall determine a fair share funding formula in 2009 for allocation of Member costs beginning in 2010. Beginning in 2010, the Executive Management Board shall validate the funding ~~(delete)~~ formula annually prior to September 15th for budget planning purposes for the following year. The governing body for each Party to this Agreement shall approve the funding ~~allocation~~ allocation annually prior to September 1st of each year for the following year. The Fair Share Funding Formula is defined in Appendix A.

7.8 Any additional funding for Center equipment, personnel, facility relocation or purchase or construction (i.e., grants, donor gifts, mil levy or property tax increase equivalents, etc.) shall not cause any decrease to a Member's contribution(s) below the amount specified in paragraph 7.5 of this Agreement. Said monies will be required to be deposited in the County General Fund. Any costs for any advertising or public information campaigns for aforementioned mil levy, or the like, above and beyond those limits will be split equally between the Members after approval by their respective Boards.

**ARTICLE VIII.
BOOKS AND RECORDS**

8.1 The County shall maintain adequate and correct accounts of the funds earmarked for activities under this Agreement, properties and business transactions. The accounts shall be open to inspection at any reasonable time by the Parties hereto, their accountants or their agents. The County shall cause an annual audit to be conducted by an independent certified public accountant licensed by the State of Colorado. The Center shall file a copy of said audit with each of the Parties.

8.2 Within ninety (90) days after the end of each calendar year, the Communications Manager shall prepare and present to the Parties a comprehensive annual report of the Board's activities from the preceding year.

8.3 The Communications Manager shall ~~present~~ ~~pare~~ a monthly financial statement and ~~any other present~~ such ~~other~~ reports as may be required by law or requested by the Board.

**ARTICLE IX.
EMERGENCY COMMUNICATIONS ADVISORY COMMITTEE**

9.1 An Emergency Communications Advisory Committee shall be established to assist the Communications Manager in the development and implementation of policies and procedures for the Communications Center. Its charge is to:

- A. Assist the Communications Manager with reviewing and improving the Consolidated Emergency Communications system.
- B. Formulate specific projects and objectives with timelines to present to the Communications Manager and Executive Management Board.
- C. Represent the collective voice of all communications users within the center.
- D. Serve as an Advisory Committee to Communications Manager and Executive Management Board in matters pertaining to policies, procedures, and equipment purchases.
- E. If possible, to assist the Executive Management Board in any other manner requested.

9.2 The Executive Management Board shall establish the initial bylaws governing operation of the Advisory Committee and said bylaws shall be reviewed and amended, as necessary, by request of the Communications Manager and Advisory Committee after appointment of the Communications Manager and Advisory Committee Members.

**ARTICLE X.
TERMINATION OF AGREEMENT**

10.1 This Agreement shall continue in full force and effect, subject to amendments, until a majority of the Parties have terminated their participation in this Agreement pursuant to paragraph 10.2 of this Agreement.

10.2 Any Party's participation in the Agreement may be terminated by written notice from such Party to the remaining Parties and Executive Management Board at least ninety (90) days prior to the effective date of the notice; provided, however, that all equipment shall remain in the Communications Center pursuant to paragraph 6 of this Agreement, and no funds shall be refunded to the withdrawing Party.

10.3 Upon termination of this Agreement by a majority of the Parties to this Agreement, the powers granted to the Executive Management Board under this Agreement shall continue to the extent necessary to make an effective disposition of the property.

10.4 Upon termination of this Agreement by a majority of the Parties, the property at the Communications Center shall remain the County's. If the Executive Management Board has purchased personal property, such personal property shall be divided by the Board among the member entities remaining at the time of termination in proportion to the percentage of each member's contribution as set out in paragraph 7.5 of this Agreement. If a member has withdrawn prior to the final termination of this Agreement, prior to calculating the final distribution of personal property, the withdrawn member's percentage of contribution shall be divided among the members remaining at final distribution, in proportion to the percentage of each remaining member's contribution set out in paragraph 7.5. [Question about this section.](#)

10.5 Upon termination of this Agreement, any surplus of money shall be returned to entities that were Parties to this Agreement at the time of termination in proportion to the contributions made.

**ARTICLE XI.
AMENDMENT**

11.1 This Agreement may be amended by the Parties from time to time, but any amendment shall be in writing and approved and executed by all of the then Parties thereto, prior to the amendment becoming effective.

**ARTICLE XII.
LIABILITY OF BOARD OF DIRECTORS AND OFFICERS**

12.1 The members of the Executive Management Board, whether or not then in office and his/her personal representatives shall be indemnified by the Board against all costs and expenses actually and necessarily incurred by such person in connection with the defense of any action, suit or proceeding arising out of an act of omission of such person during the performance of such person's duties and within the scope of such person's appointment, except in relation to matters as to which such person shall be finally adjudged in such action, suit or proceeding. Such costs and expenses shall include amounts reasonably paid

in settlement for the purpose of curtailing the cost of litigation, but **only** if the Board is advised in writing by opinion of the Party's legal counsel that the foregoing right of indemnification shall not be exclusive of other rights to which such person may be entitled as a matter of law or by agreement.

12.2 Each Party hereto shall maintain liability insurance for its respective members of the Board.

**ARTICLE XIII.
LAW AND SEVERABILITY**

13.1 The laws of the State of Colorado shall govern the construction, interpretation, execution and enforcement of this Agreement.

**ARTICLE XIV.
SUPERSEDES ALL PRIOR AGREEMENTS AND BINDING EFFECT**

14.1 This Agreement supersedes all prior agreements, written or oral, between the Parties for emergency dispatch services.

14.2 This writing constitutes the entire agreement between the Parties and shall be binding upon said parties, their officers, employee, agents and assigns and shall inure to the benefit of the respective survivors, heirs, personal representatives, successors and assigns of the said Parties.

**ARTICLE XV.
PAYMENTS SUBJECT TO ANNUAL APPROPRIATION**

15.1 All payments due hereunder are subject to annual appropriations by the Party from which payment is due, so as to avoid creation of a multiple fiscal year financial obligation without voter approval in violation of TABOR (Article X, Section 20 of the Colorado Constitution). In the event of the Parties fail to appropriate such payments through such Party's budget approval process prior to the calendar year in which such payment is due, the Agreement shall terminate as that Party as of January 1 of the year in which such payment is due.

**ARTICLE XVI.
EFFECTIVE DATE**

16.1 This Agreement shall be in full force and effect upon execution of this Agreement by all of the Parties.

**ARTICLE XVII.
EXECUTION IN COUNTERPARTS**

17.1 This Agreement may be executed in multiple counterparts which shall be effective as if all signatures were affixed to one original document.

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals by their duly authorized officers, agents or representatives.

**BOARD OF COUNTY COMMISSIONERS
OF ARCHULETA COUNTY, COLORADO**

By: _____
Chairman

Date: _____

Approved as to form:

Attorney for Archuleta County

Attest:

County Clerk

**APPROVED BY THE DEPARTMENT OF
FINANCE AND ADMINISTRATION**

By: _____
(Title)

Date: _____

TOWN OF PAGOSA SPRINGS

By: _____
Chairman

Date: _____

Approved as to form:

Attorney for the Town of Pagosa Springs

Attest:

Town Clerk

UPPER SAN JUAN HEALTH SERVICE DISTRICT

By: _____
(Title)

Date: _____

Approved as to form:

Attorney for the Upper San Juan Health
Service District

Attest:

(Title)

PAGOSA FIRE PROTECTION DISTRICT

By: _____
Chairman

Date: _____

Approved as to form:

Attorney for the Pagosa Fire Protection
District

Attest:

District Secretary

APPENDIX A:

The Fair Share contribution by each member Party is calculated as follows:

- Each member's fair share contribution is based upon the average of the most immediate prior 3 years number of "Calls for Service" for that particular member.
- The financial contribution by each member for the next fiscal year is in the same percentage as the 3 years average of number of Calls for Service. The percentage is rounded to the nearest full percentage.
- The Calls for Service for non-member agencies (State Patrol, Forest Service, Depart of Parks & Wilflife, etc.) are not included in the Calls for Service calculation.

Example:

If the most immediate 3 years Call for Service average for Archuleta County were:

2018 = 53% of all Calls for Service

2017 = 51% of all Calls for Service

2016 = 56% of all Calls for Service

The fair share conrbution for 2019 for Archuleta County would be the average of the prior 3 years, which equals 53.3% or 53%. If the overall expense budget to be allocated to all partners was \$800,000, then Archuleta County's share would be 53% or \$424,000.

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POTENTIAL REVENUE SOURCES – COMBINED DISPATCH

1. SALES TAX

Description: A proposal to add an incremental sales tax to the existing 6.9% sales tax in Archuleta County. The existing sales tax is split three ways as follows:

- 2.9% to the State of California
- 2.0% to Archuleta County
- 2.0 % to Town of Pagosa Springs

One cent of sales tax in Archuleta County generates approximately \$2.6 million annually (based upon TOPS 2018 data). Therefore, incremental sales tax increase may be estimated as follows:

- 1 cent increase = \$2.6 million
- ½ cent increase = \$1.3 million
- ¼ cent increase = \$650,000

Sales Tax Pros

- A reasonably consistent revenue stream.
- Due to tourism and visitation, a significant portion of sales tax is generated from people who are not residents of Archuleta County.
- Sales tax is remitted back to Archuleta County from the State on a monthly basis, therefore ensuring a monthly cash stream.
- It can be seen as an equitable assessment as all segments of society purchase goods and services.
- Even at a relatively small increase, it generates significant funding (e.g. ¼ cent increase)

Sales Tax Cons

- It's an increased cost to Archuleta County residents.
- Increasing the sales tax requires a vote of the general electorate pursuant to TABOR requirements.
- An election for a sales tax increase has not been successful for over a decade.
- Depending on when the election is run, there can be an election expense of approximately \$30,000 (the expense could be lower if the election is run concurrent with other ballot measures).
- There is a particular volatility to sales tax as it is tied more closely to the economy of Archuleta County and can go up and down in a more unpredictable manner than other revenue sources.
- Since it's based upon a percentage, sales tax can be seen as a regressive tax as it can impact lower income households disproportionately harder than higher income households.

2. PROPERTY TAX (MILL LEVY)

Description: A proposal to add an incremental increase to the assessed mill levy of 18.33 mills that is currently collected by Archuleta County. The mill levy increase could be specified for the purposes of 9-1-1 services, but since Dispatch is a component unit of the overall County budget, any increase would be added to the existing County assessment. Sample assessments include:

- Archuleta County: 18.298 mills generating \$5.69 million (2019)
- Upper San Juan Health Service District: 3.897 mills
- Upper San Juan Library District: 1.505 mills
- Pagosa Fire Protection District: 7.865 mills
- SW Water Conservation District: 0.407 mills

Incremental mill levy increases (for Archuleta County) may be estimated as follows:

- 1.00 mill levy increase = \$311,000
- 0.50 mill levy increase = \$155,000
- 0.25 mill levy increase = \$78,000

Property Tax Pros

- Property tax is generally a stable revenue stream and is not as volatile as sales tax.
- A significant number of property owners (payers) are people that reside outside of Archuleta County.
- Property taxes are assessed and collected by the County Assessor and Treasurer with greater local accountability.
- All property taxes are collected and remitted at specific times directly by the County Treasurer creating greater cash flow certainty.

Property Tax Cons

- It's an increased cost to Archuleta County property owners.
- Increasing the property tax requires a vote of the general electorate pursuant to TABOR requirements.
- Aside from the Fire District increase and school district mill levy override in 2016, a property sales tax increase has not been successful since 2006 (mill levy for the hospital).
- Depending on when the election is run, there can be an election expense of approximately \$30,000 (the expense could be lower if the election is run concurrent with other ballot measures).
- A property tax is assessed only against property owners and 9-1-1 services are used by all segments of society.

TOURISM TAX /LODGERS TAX

Description: It has been suggested that there potentially be a “tourism tax” and the most efficient and generally accepted way for that to be assessed is a lodgers tax or bed tax. It is essentially a percentage charge added to the room rate for each night stay. There are 2 different lodgers tax in our community with a charge of 4.9% for lodging establishments within the town limits of the Town of Pagosa Springs and a 1.9% for establishments located outside of the Town limits in the unincorporated area of Archuleta County. The interesting nuance for this potential revenue stream is that as an arm of state government, an increase to the lodgers tax for the unincorporated area (1.9%) would have to go through the state legislature. Furthermore, the majority of traditional lodging establishments are located within the Town limits, so for a lodgers tax increase for 9-1-1 purposes, it would absolutely need to go through the Town for it to generate funding in an amount that matters.

As most Archuleta County residents are aware, there has been tremendous growth in short term vacation rentals (STVR). An interesting question would be whether adding a “public safety” tax would be feasible to add to the annual permit fee application. As a “tax” it would still need to be voted on by the general electorate, but most of the owners of STVR are not residents and, therefore, not voters. The “tax” could also apportioned between 9-1-1 as well as the TOPS Police Department and Sheriff’s Office.

- Archuleta County Lodgers Tax of 1.9% generates approximately \$211,000.
- TOPS Lodgers Tax of 4.9% generates approximately \$650,000.
- 1% of Town Lodgers Tax generates approximately \$133,000.

Tourism Tax Pros

- Revenue is derived from visitors to the County, thus not impacting the full time residents.
- The Lodgers Tax is self-collected by the Town staff on a monthly basis.

Tourism Tax Cons

- Imposing the additional tax would require an election by the Town electorate.
- There would be a cost to running the Town election and would require incremental work by the Town staff.
- The Town Lodgers Tax is seen by some as already high and by increasing the Lodgers Tax it would inhibit the ability of the Town to do future increases for actual tourism purposes.
- It’s unknown how the lodging community would view an increase in the lodging tax and would certainly add incremental cost to the cost of a room in Pagosa Springs and make our community less competitive in the lodging / tourism market.
- It might be seen as inequitable to only charge Town establishments.

9-1-1 SURCHARGE

Description: Presently, each phone line (cell and land lines) in Archuleta County are assessed a \$1.25 a month (or \$15 per year) for 9-1-1 purposes. The County Commissioners are the designated 9-1-1 authority to receive the funds and it amounts to about \$227,000 for fiscal year 2019. The funding has been used solely for 9-1-1 purposes and offsets the overall cost assessed to each member of Combined Dispatch. There are an estimated 15,133 lines in Archuleta County that are assessed the 9-1-1 surcharge. The calculation for annual revenue is as follows:

$(15,133 \text{ lines} \times \$1.25) \times 12 \text{ months} = \$226,995.$

Estimated increases to the 9-1-1 surcharge are as follows:

- \$0.25 increase would yield an additional \$43,863 per year.
- \$0.50 increase would yield an additional \$87,726 per year.

9-1-1 Surcharge Pros

- The surcharge is already in place and the revenue is restricted to 9-1-1 purposes.
- As a surcharge and not a tax, it is not subject to TABOR requirements and approvals are subject to the Public Utilities Commission (PUC).
- The actual increase to the consumer may be seen as relatively minimal (\$3.00/year for a \$0.25 increase and \$6.00/year for a \$0.50 increase).

9-1-1 Surcharge Cons

- It's an increased cost to Archuleta County residents.
- If a \$0.50 increase were to be approved, it would be the upper end of surcharges in the state.
- It would mean additional work for County staff as they would have to be the applicant to the PUC and conduct the process to get to the PUC hearing (paperwork, hearings, etc).