

STATE OF WYOMING)
)
COUNTY OF HOT SPRINGS)

OFFICE OF THE BOARD OF
COUNTY COMMISSIONERS
THERMOPOLIS, WYOMING
June 16, 2009

The Hot Springs Board of County Commissioners met in regular session on Tuesday, June 16, 2009, at 4:00 p.m. in the Commissioners Room at the Courthouse.

Present were Commissioners Brad W. Basse, John P. Lumley and Frank T. Manning. Also present were County Clerk Hans Odde, and Administrative Assistant to the Commissioners Penny Herdt. County Attorney Jerry Williams joined the meeting in progress.

Chairman Brad W. Basse led those present in the Pledge of Allegiance.

Approval of Agenda

John P. Lumley made a motion to approve the agenda with the following additions:

ADD: Other Business 10. Airport Maintenance Project – Request for Reimbursement #1
Frank T. Manning seconded the motion. Motion carried.

Network Security Issues – Acceptable Use Policy

Traveling Computers representative Troy Bath presented the Commissioners with an Acceptable Use Policy (AUP) for the Courthouse computer network. The County does not currently have an Acceptable Use Policy, and Mr. Bath indicated that it is in serious need of one. County Attorney Jerry Williams has reviewed and approved the proposed policy. Currently the County computer network is averaging 16.2 outside threat attacks per month – 2.2 in the Courthouse, and 14 on the law enforcement side. Mr. Bath indicated that he would like to see the County take a three-pronged approach to the security issue problems currently plaguing the computer network: 1. Adoption of the AUP, with review and acknowledgement of the policy by all current and future employees; 2. Training of all current employees by Mr. Bath regarding proper use of the computer network; 3. Installation of a Unified Threat Management Firewall on the County's computer system to protect from the ever increasing number of outside threats attacking the network. The firewall would include premier anti-virus protection (updated on an hourly/daily basis), content filtering and threat/attack management. The approximate cost of the firewall would be \$6,000.00, and would come out of the Courthouse Equipment budget. Frank T. Manning moved to adopt the Acceptable Use Policy. John P. Lumley seconded the motion. Motion carried. Clerk Odde told the Commissioners that the AUP would become part of the new employee policy packet, and will be sent with a signature/acknowledgement page to all current employees in their next paycheck.

WyoHOME Project Needs Assessment

Emily Christensen was unable to attend, so this item was tabled for a future meeting.

Health Insurance Renewal

Brad Johnson, the county's insurance consultant, presented the Commissioners with information about the annual renewal premium for the County's health insurance program. Mr. Johnson indicated that, given the cost of claims over the last year, he felt that the 14% increase in premium was fairly reasonable. However, given the upward trend seen in total average cost per claim, Mr. Johnson warned the Commissioners that next year's increase is likely to be much higher, and suggested a review of the contract in mid-year to help with planning for the future. Frank T. Manning moved to authorize Mr. Johnson to finalize the renewal of the County's health insurance policy for the fiscal year 2009-2010 with the current third party administrator (MBA) at the quoted rates. John P. Lumley seconded the motion. Motion carried.

Tonn Land Use Change Application

The Commissioners once again took up the issue of Terry Tonn's request for a land use change on his property from agricultural to light industrial. Planner Lee Campbell reviewed his discussions with the

County Attorney and Dave Deutz of the State Engineer's Office regarding jurisdictional issues involved in putting conditions on the land use change. Harry Hughes, Mr. Tonn's engineering consultant, reminded the Commissioners that the decision before them was strictly whether to grant a land use change. The consensus was that imposition of these conditions was not within the Commissioners' jurisdiction. After considerable discussion, John P. Lumley moved to approve Terry Tonn's request for a land use change from agricultural to light industrial. Frank T. Manning seconded the motion. Motion carried.

Rebates & Supplementals

County Assessor Shelley Deromedi presented the following rebates and supplemental for the Commissioners' approval.

Rebate #8-09 – Shelley Deromedi for Marathon Oil Company - 2006 Parcel #995 — Oil Production at Grass Creek Group #s 50620 and 50621 during 2005. Marathon filed amended returns on their own initiative to decrease gross sales volume, include TIK volume, include Exempt Federal and State Royalty deductions, include transportation deduction and decrease reported unit price, resulting in over-assessment of \$161,381 on Group #50620 and \$155,678 on Group #50621. Taxes in the amount of \$22,442.07 need to be rebated. Frank T. Manning moved to approve Rebate #8-09 in the amount of \$22,442.07 to Marathon Oil Company. John P. Lumley seconded the motion. Motion carried.

Rebate #9-09 – Shelley Deromedi for Nance Oil Corporation – 2005 Parcel #996 – Oil Production at Murphy Dome Group 651 during 2005. DOR issued Notice of Valuation Change 2009-0550 on the basis of an audit which resulted in over-assessment for tax year 2005 of \$21,961 on Group #651. Taxes in the amount of \$1,547.33 need to be rebated. John P. Lumley moved to approve Rebate #9-09 to Nance Oil Corporation in the amount of \$1,547.33. Frank T. Manning seconded the motion. Motion carried.

Rebate #10-09 – Shelley Deromedi for Nance Oil Corporation – 2006 Parcel #996 – Oil Production at Murphy Dome Group 651 during 2006. DOR issued Notice of Valuation Change 2009-0550 on the basis of an audit which resulted in over-assessment for tax year 2006 of \$437.00 on Group #651. Taxes in the amount of \$30.93 need to be rebated. Frank T. Manning moved to approve Rebate #10-09 to Nance Oil Corporation in the amount of \$437.00. John P. Lumley seconded the motion. Motion carried.

Supplemental processed through County Treasurer as follows:

1. Exxon Mobile Corporation-Parcel #295406–DOR NOVC 2009-0480 - 2005 Oil Production at Grass Creek. NOVC issued to amend value certified based on original and amended return filed late by Exxon, resulting in net underassessment of 7,082. Total 2006 supplemental taxes due are in the amount of \$501.28.

Rural Property Splits Involving Water Rights

Assessor Deromedi and Deputy Assessor Judy Carswell discussed a problem that occurs regarding determination of water rights ownership when a rural property that is part of an irrigation or water/sewer district is split and sold. There is often great difficulty determining what the proper assessment for water rights should be due to a lack of information regarding how many acres of the water rights went with the sold property and how many were retained. Currently all the acreage is assessed to the seller if the acreage split is not obtainable. The Assessor would like to see a requirement put into place for each water/sewer or irrigation district to thoroughly research all the land in their boundaries to establish ownership of all the water rights in the district, and maintain those records going forward. Then, upon sale or transfer or subdivision of the land, a Water Allocation Plan signed by the buyer, seller and water/sewer district could be filed with the Assessor's office to enable them to properly assess the water rights. The new State law going into effect July 1st addressing this problem only affects certain subdivisions – not large subdivisions or non-subdivision type splits. Matt Brown, representing Owl Creek Irrigation District, gave his input regarding the severity of this problem. Planner Lee Campbell would like to have a meeting with the Districts, the Assessor, the Commissioners, the County Attorney and himself to address this matter in the near future.

Consider Contract with Thomas Y. Pickett, Inc. for Tax Valuation Service

Assessor Deromedi discussed the hiring of Thomas Y. Pickett, Inc. to assist with tax valuations in the county this year. She feels their expertise would benefit the county, particularly with Wyo-Ben and Wyoming Whiskey, as these are new businesses this year and do not have an established tax assessment on file. The County Attorney has reviewed the contract for services and has no problems with it. The annual cost for T.Y. Pickett's services would be \$3,300.00. This amount is planned for in the Assessor's upcoming budget. John P. Lumley moved to approve the Contract for Tax Valuation Services between Thomas Y. Pickett, Inc. and Hot Springs County in the amount of \$3,300.00. Frank T. Manning seconded the motion. Motion carried.

Lane 3 Funding Discussion

Project consultant Harry Hughes suggested the Commissioners take the following steps if they wish to proceed in a timely fashion with the Lane 3 project: 1. Submit a letter to WYDOT requesting an Industrial Road Program Board of Review to determine whether to apply for funding for the Lane 3 project through the Industrial Road Program; 2. Prepare a formal application to the Wyoming Business Council for CDBG funding (also submit a public comment letter requesting that the maximum grant amount be increased to \$500,000); 3. Begin formalizing the necessary real estate transactions to proceed with the project. It was suggested that EDC representatives be contacted to assist with the real estate transactions. Mr. Hughes offered to continue as project consultant at a fixed hourly rate. Frank T. Manning moved to engage Harry Hughes with Owl Creek Engineering to pursue the items discussed above. John P. Lumley seconded the motion. Motion carried. John P. Lumley moved to approve the drafted letter to WYDOT initiating the IRP process. Frank T. Manning seconded the motion. Motion carried. John P. Lumley moved to apply to the Wyoming Business Council for CDBG funding, including a public comment letter requesting consideration of increasing the maximum grant amount to \$500,000.00.

Other Business

Schmidt Well Permit Application – Clerk Hans Odde presented the 450 Lane 12 Schmidt Residence well permit application for approval. The County's geological consultant, Gretchen Hurley, has reviewed this application and recommended it for approval. Frank T. Manning moved to approve the Schmidt Well Permit Application. John P. Lumley seconded the motion. Discussion: Commissioner Lumley suggested a letter be sent to Mr. Schmidt outlining the revisions to the permit application suggested by Ms. Hurley. Clerk Odde will do so. Motion carried.

Ash #1-Jeunehomme Well Permit Application - Clerk Odde presented the Ash #1 Well Permit Application for approval. The County's geological consultant, Gretchen Hurley, has reviewed this application and recommended it for approval. John P. Lumley moved to approve the Ash #1 Well Permit Application. Frank T. Manning seconded the motion. Motion carried.

Lazy Acres #1 Enlargement-Reid Well Permit Application - Clerk Odde presented the Lazy Acres #1 Enlargement Well Permit Application for approval. The County's geological consultant, Gretchen Hurley, has reviewed this application and recommended it for approval. Frank T. Manning moved to approve the Lazy Acres #1 Enlargement Well Permit Application. John P. Lumley seconded the motion. Motion carried.

Red Rock Commercial Center Deadline Extension Request – EDC Representative Lorraine Quarberg presented a letter to the Wyoming Business Council for Vice-Chairman Lumley's signature requesting a 30-day extension on the construction deadline for the Red Rock Commercial Center. Frank T. Manning moved to request an extension for the construction deadline to July 31, 2009 for the Red Rock Commercial Center. John P. Lumley seconded the motion. Motion carried.

Consider Grant Certificate – Airport Slurry Seal Project – Clerk Odde presented the State Grant Certificate for the 2009 Airport Slurry Seal Project for the Commissioners' signature. The total project cost is \$400,000.00. The grant amount is \$360,000.00, with the County match portion being \$40,000.00. John P. Lumley moved to approve the Grant Certificate for signature. Frank T. Manning seconded the motion. Motion carried.

Red Lane Water & Sewer Board Resignation – Board member Carol Pickett notified the Commissioners in writing of her resignation from the Red Lane Water & Sewer Board. There are now no remaining members on the Red Land Water & Sewer Board. No action was required or taken at this time.

Recreation Center Planning Grant – Draw Down Request #4 – Clerk Odde presented Recreation Center Planning Grant Draw Down Request #4 in the amount of \$5,984.00. John P. Lumley moved to

approve Draw Down Request #4 for the Recreation Center Planning Grant in the amount of \$5,984.00. Frank T. Manning seconded the motion. Motion carried.

Consider Contract for Real Estate Purchase – Clerk Odde reviewed the Contract for Purchase of the Search & Rescue building site which has been submitted for approval to the School Board. Clerk Odde asked for a motion from the Commissioners to authorize Chairman Basse’s signature on this document at the time of closing. Frank T. Manning moved to authorize Chairman Basse’s signature on the contract at closing. John P. Lumley seconded the motion. Motion carried.

Utility License Agreement – Ray & Cindy DeVries – Clerk Odde presented a Utility License Agreement between Hot Springs County and Ray & Cindy DeVries for installation of a water line. Clerk Odde indicated that the agreement has been properly completed and the fee has been paid. Approval has been received from the Road & Bridge Department. John P. Lumley moved to approve the Utility License Agreement between Hot Springs County and Ray & Cindy DeVries. Frank T. Manning seconded the motion. Motion carried.

Airport Maintenance Project THP-04A – Request for Reimbursement #1 – Clerk Odde presented WYDOT Airport Slurry Seal Project Grant Request for Reimbursement #1 for \$16,447.00 for approval. Frank T. Manning moved to approve Request for Reimbursement #1 for the Airport Slurry Seal Project in the amount of \$16,447.00. John P. Lumley seconded the motion. Motion carried. There will be pre-bid walk-through at the airport on June 25th at 2:00 p.m.

Correspondence

- Fairboard Minutes
- BuRec – BHB Runoff Forecast
- Wyoming Planning Association – Scholarship
- Biomass Utilization Working Group – Group Memory – May, 2009 Meeting
- WCDA – Public Hearing Notice
- Dept. of Audit – Owl Creek Irrigation District 2008 Annual Report
- Library Board Minutes
- SLIB – Direct Revenue Distributions Reduction
- Airport Traffic Count – May, 2009

Commissioners reviewed the foregoing correspondence. No action required or taken at this time.

Adjournment

There being no further business to come before the Board of County Commissioners at this time, Frank T. Manning moved to adjourn the meeting at 6:30 p.m. John P. Lumley seconded the motion. Motion carried.

ATTEST:

Brad W. Basse, Chairman

Hans Odde, County Clerk