



**TOWN OF PAONIA**  
**214 GRAND AVENUE**  
**THURSDAY, AUGUST 15, 2024**  
**SPECIAL TOWN BOARD MEETING AGENDA 6:30 PM**  
**[HTTPS://US02WEB.ZOOM.US/J/81545331272](https://us02web.zoom.us/j/81545331272)**  
**MEETING ID: 815 4533 1272**

**Roll Call**

**Approval of Agenda**

**Actions & Presentations**

**Agenda** Item #1: Hearing for the Removal of Trustee William Brunner

Agenda Item #2: August Town Administrator Report - to be presented during the meeting.

**Agenda** Item # 3: Police Chief

**Agenda** Item #4: Consideration of Approval of Contract with Professional Management Solutions

**Agenda** Item #5: Sidewalk Fee Ballot Discussion and Decision

**Agenda** Item #6: Consideration of Confirming the Reappointment of Town Administrator and Town Clerk to the 2024-2025 CML Public Policy Committee.

**Agenda** Item #7: Review of DRAFT Procurement/Purchasing Policy - Consideration is needed from the Board of Trustees prior to the final adoption of the policy. Any edits or comments on the draft policy and manual are due on 8/21/2024 by 4PM.

**Adjournment**

I. RULES OF PROCEDURE

**Section 1. Schedule of Meetings.** Regular Board of Trustees meetings shall be held on the second and fourth Tuesdays of each month, except on legal holidays, or as re-scheduled or amended and posted on the agenda prior to the scheduled meeting.

**Section 2. Officiating Officer.** The meetings of the Board of Trustees shall be conducted by the Mayor or, in the Mayor's absence, the Mayor Pro-Tem. The Town Clerk or a designee of the Board shall record the minutes of the meetings.

**Section 3. Time of Meetings.** Regular meetings of the Board of Trustees shall begin at 6:30 p.m. or as scheduled and posted on the agenda. Board Members shall be called to order by the Mayor. The meetings shall open with the presiding officer leading the Board in the Pledge of Allegiance. The Town Clerk shall then proceed to call the roll, note the absences and announce whether a quorum is present. Regular Meetings are scheduled for three hours, and shall be adjourned at 9:30 p.m., unless a majority of the Board votes in the affirmative to extend the meeting, by a specific amount of time.

**Section 4. Schedule of Business.** If a quorum is present, the Board of Trustees shall proceed with the business before it, which shall be conducted in the following manner. Note that all provided times are estimated:

- (a) Roll Call - (5 minutes)
- (b) Approval of Agenda - (5 minutes)
- (c) Announcements (5 minutes)
- (d) Recognition of Visitors and Guests (10 minutes)
- (e) Consent Agenda including Approval of Prior Meeting Minutes (10 minutes)
- (f) Mayor's Report (10 minutes)
- (g) Staff Reports: (15 minutes)
  - (1) Town Administrator's Report
  - (2) Public Works Reports
  - (3) Police Report
  - (4) Treasurer Report
- (h) Unfinished Business (45 minutes)
- (i) New Business (45 minutes)
- (j) Disbursements (15 minutes)
- (k) Committee Reports (15 minutes)
- (l) Adjournment

\* This schedule of business is subject to change and amendment.

**Section 5. Priority and Order of Business.** Questions relative to the priority of business and order shall be decided by the Mayor without debate, subject in all cases to an appeal to the Board of Trustees.

**Section 6. Conduct of Board Members.** Town Board Members shall treat other Board Members and the public in a civil and polite manner and shall comply with the Standards of Conduct for Elected Officials of the Town. Board Members shall address Town Staff and the Mayor by his/her title, other Board Members by the title of Trustee or the appropriate honorific (i.e.: Mr., Mrs. or Ms.), and members of the public by the appropriate honorific. Subject to the Mayor's discretion, Board Members shall be limited to speaking two times when debating an item on the agenda. Making a motion, asking a question or making a suggestion are not counted as speaking in a debate.

**Section 7. Presentations to the Board.** Items on the agenda presented by individuals, businesses or other organizations shall be given up to 5 minutes to make a presentation. On certain issues, presenters may be given more time, as determined by the Mayor and Town Staff. After the presentation, Trustees shall be given the opportunity to ask questions.

**Section 8. Public Comment.** After discussion of an agenda item by the Board of Trustees has concluded, the Mayor shall open the floor for comment from members of the public, who shall be allowed the opportunity to comment or ask questions on the agenda item. Each member of the public wishing to address the Town Board shall be recognized by the presiding officer before speaking. Members of the public shall speak from the podium, stating their name, the address of their residence and any group they are representing prior to making comment or asking a question. Comments shall be directed to the Mayor or presiding officer, not to an individual Trustee or Town employee. Comments or questions should be confined to the agenda item or issue(s) under discussion. The speaker should offer factual information and refrain from obscene language and personal attacks.

**Section 9. Unacceptable Behavior.** Disruptive behavior shall result in expulsion from the meeting.

**Section 10. Posting of Rules of Procedure for Paonia Board of Trustees Meetings.** These rules of procedure shall be provided in the Town Hall meeting room for each Board of Trustees meeting so that all attendees know how the meeting will be conducted.

## **II. CONSENT AGENDA**

**Section 1. Use of Consent Agenda.** The Mayor, working with Town Staff, shall place items on the Consent Agenda. By using a Consent Agenda, the Board has consented to the consideration of certain items as a group under one motion. Should a Consent Agenda be used at a meeting, an appropriate amount of discussion time will be allowed to review any item upon request.

**Section 2. General Guidelines.** Items for consent are those which usually do not require discussion or explanation prior to action by the Board, are non-controversial and/or similar in content, or are those items which have already been discussed or explained and do not require further discussion or explanation. Such agenda items may include ministerial tasks such as, but not limited to, approval of previous meeting minutes, approval of staff reports, addressing routine correspondence, approval of liquor licenses renewals and approval or extension of other Town licenses. Minor changes in the minutes such as non-material Scribner errors may be made without removing the minutes from the Consent Agenda. Should any Trustee feel there is a material error in the minutes, they should request the minutes be removed from the Consent Agenda for Board discussion.

**Section 3. Removal of Item from Consent Agenda.** One or more items may be removed from the Consent Agenda by a timely request of any Trustee. A request is timely if made prior to the vote on the Consent Agenda. The request does not require a second or a vote by the Board. An item removed from the Consent Agenda will then be discussed and acted on separately either immediately following the consideration of the Consent Agenda or placed later on the agenda, at the discretion of the Board.

## **III. EXECUTIVE SESSION**

**Section 1.** An executive session may only be called at a regular or special Board meeting where official action may be taken by the Board, not at a work session of the Board. To convene an executive session, the Board shall announce to the public in the open meeting the topic to be discussed in the executive session, including specific citation to the statute authorizing the Board to meet in an executive session and identifying the particular matter to be discussed “in as much detail as possible without compromising the purpose for which the executive session is authorized.” In the event the Board plans to discuss more than one of the authorized topics in the executive session, each should be announced, cited and described. Following the announcement of the intent to convene an executive session, a motion must then be made and seconded. In order to go into executive session, there must be the affirmative vote of two thirds (2/3) of Members of the Board.

**Section 2.** During executive session, minutes or notes of the deliberations should not be taken. Since meeting minutes are subject to inspection under the Colorado Open Records Act, the keeping of minutes would defeat the private nature of executive session. In addition, the deliberations carried out during executive session should not be discussed outside of that session or with individuals not participating in the session. The contents of an executive session are to remain confidential unless a majority of the Trustees vote to disclose the contents of the executive session.

**Section 3.** Once the deliberations have taken place in executive session, the Board should reconvene in regular session to take any formal action decided upon during the executive session. If you have questions regarding the wording of the motion or whether any other information should be disclosed on the record, it is essential for you to consult with the Town Attorney on these matters.

## **IV. SUBJECT TO AMENDMENT**

**Section 1. Deviations.** The Board may deviate from the procedures set forth in this Resolution, if, in its sole discretion, such deviation is necessary under the circumstances.

**Section 2. Amendment.** The Board may amend these Rules of Procedures Policy from time to time.

## Agenda Item #2

The following constitute the supporting documents for the Public  
Hearing-Removal of Trustee



## Public Hearing – Removal of Trustee

A. Purpose. This is a Public Hearing regarding **the removal of Trustee Bill Brunner under C.R.S. 31-4-307, and the identical Town Code**. On the special meeting held on August 1, 2024, the Board of Trustees approved the motion to provide written charges to Trustee Bill Brunner. The basis of removal is founded in allegations of “misconduct” or “malfeasance” while in office, as those terms are defined in Article XIII, Section 3, of the Colorado Constitution. The Board of Trustee’s (BOT) will determine whether any proven charges affect the performance of Trustee Brunner’s duties, and/or are the charges of a character that directly affects the Town’s interests.

B. Quasi-Judicial. This Hearing is a quasi-judicial matter, and the BOT is not acting as a legislative body, but as the judiciary in this matter. The BOT’s decision must be based on the evidence presented at this Hearing as it applies to the removal of the Trustee, and such decision will not be persuaded by personal or popular opinion. As such, the BOT will only consider the testimonial and written evidence in the Record of Hearing including public comments by interested parties.

C. Evidence. In a quasi-judicial hearing, the technical rules of evidence do not apply. Relevant documents may be received into evidence without formal proof of authenticity. Relevant evidence is such evidence that possesses probative value commonly accepted by reasonable and prudent persons in the conduct of their affairs. The hearing officer has the authority to exclude incompetent or unduly repetitious evidence. The BOT may determine the weight, if any, to be afforded documents received into evidence.

D. Standard of Proof. The standard of proof as to the charges is a preponderance of the evidence standard, which means to prove that the charges are more probably true than not. Any future appeal of the decision made by the BOT will be reviewed to determine whether the BOT’s decision was “arbitrary or capricious” which means an abuse of discretion or exercise of discretion that is unreasonable or without consideration or in disregard of facts or law.

E. Charging Officer. The charging officer will present the charges and the supporting documents and evidence. The Mayor, Paige Smith, will be acting as the charging officer in this hearing, and as such, recuses herself from voting on the removal of the Trustee in question. The charging officer is entitled to cross-examine witnesses presented in rebuttal by the Respondent.

F. Respondent. The trustee subject to removal is the respondent in this hearing. The Respondent will have an opportunity to rebut the charges and such testimony and evidence presented in support of the charges, and make a defense against the same. The Respondent is entitled to cross-examine witnesses presented by the charging officer.

G. Hearing Officer and Decorum. The hearing officer shall conduct the hearing in an orderly manner, maintain proper decorum by all persons present at the hearing, and swear in all witnesses. The intent of the hearing is to provide the Trustee subject to removal a full and fair public hearing regarding the charges, as required by C.R.S. 31-4-307.

H. Order of Proceedings. The Hearing will be conducted according to the Procedural Rules established below and as amended by BOT at the outset of the public hearing.

1. Opening Statements (15 minutes per party). The charging officer and the respondent may make opening statements or waive the same.
2. Presentation of Evidence: The charging officer shall present the basis of the charges and call witnesses, and the Respondent may cross examine the charging officer's witnesses. The hearing officer and members of the BOT may ask questions he/she deems relevant and appropriate. The Respondent may then present his evidence and call witnesses in rebuttal, and the charging officer may cross examine the respondent's witnesses. The hearing officer and members of the BOT may ask clarifying questions he/she deems relevant and appropriate to the matters. Exhibits offered by the charging officer will be numbered in numerical order beginning with the number "1", and the exhibits offered by respondent will be in alphabetical order beginning with the letter "A".
3. Public Comment (3 minutes per party, limited to a total of 60 minutes): Public comment is allowed, and members in the community are encouraged to choose a spokesperson to speak on behalf of those groups in support or against the removal of the Trustee. Members of the public may not present evidence and/or call and/or cross-examine witnesses.
4. Charging Officer Response (10 minutes): Charging officer may respond to public comment or waive response.
5. Response of Respondent (10 minutes): Respondent may respond to public comment or waive response.
6. Hearing Officer/BOT Questions (Time as needed): BOT may ask questions of Charging Officer, Respondent, and any parties-in-interest.
7. Closing Arguments (10 minutes per party): Charging Officer and Respondent may make closing arguments or waive.
8. Deliberations and Findings (Time as needed): BOT will make findings and determinations.

BOT may extend time periods as it deems appropriate and may exclude presentation and arguments considered irrelevant, immaterial, and/or redundant. BOT may not consider presentation and arguments not presented at the Hearing.

At the conclusion of the presentations and questions, BOT may Affirm or Deny, the Written Charges against the Respondent, in whole or in part, and make a motion to remove or retain the Trustee subject to the hearing.

9. Final Decision and Order (10 days): The BOT shall issue a written decision with findings of fact and conclusions of law, setting forth the grounds of the decision based on supporting evidence presented at the hearing.



# Town of Paonia

## Offices of the Mayor & Board of Trustees

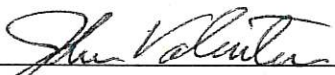
- |                                      |  |
|--------------------------------------|--|
| <b>Paige Smith</b> , <i>Mayor</i>    | <b>John Valentine</b> , <i>Mayor Pro-Tempore</i> |
| <b>Rick Stelter</b> , <i>Trustee</i> | <b>Walter Czech</b> , <i>Trustee</i>             |
| <b>Bill Brunner</b> , <i>Trustee</i> | <b>Lucy Hunter</b> , <i>Trustee</i>              |
| <b>Kathy Swartz</b> , <i>Trustee</i> |  |

MEMORANDUM FOR: Trustee Bill Brunner

DATE: August 1, 2024

SUBJECT: Written Charges pursuant to C.R.S. § 31-4-307

1. This memorandum serves as written charges for removal from the Board of Trustees ("BOT").
2. Charge: Harassment, Abuse of Position
  - a. Over the past several months, you have harassed and bullied town staff to include statements and assertions of "incompetence" and allegations of criminal behavior, all of which are unfounded and have put undue stress on staff and undermines staff's ability to efficiently perform their duties.  
This behavior has been in conflict with the best practices included in formal training for Municipal Officials provided by CIRSA and Resolution 2017-06, Standards of Conduct for Elected Officials and has also created undue stress on your fellow elected officials.
  - b. On July 24, 2024, you wrote in the body of a CORA request: "Anticipate receiving this same request daily until ADU application is denied..." The language in this request denotes personal interest and bias regarding the issue of the CORA request, which precludes your formal participation in the matter. On July 26, 2024, you followed up on your CORA request stating in an email that: "My interest in activity at 215 N. Fork extends to my official role as a trustee. The documents you returned raise additional questions. As a trustee, I want to be kept abreast of developments at that location." However, there has not been any guidance to staff by the BOT to keep any trustee, sub-committee, or any other party "abreast of developments" regarding the issue of the CORA request. This action is a clear violation of C.R.S. 31-4-404 et seq. and expose the Town to possible pecuniary and civil liability. These actions constitute harassment and abuse of authority by a Town Official. This type of behavior is unacceptable in any capacity, and it will not be tolerated by the Town of Paonia and the Board of Trustees.
3. At a public hearing on August 13, 2024, if you so choose to exercise your right to a hearing under C.R.S. 31-4-307, the BOT will discuss removing you as a Trustee under the charges as written above. Otherwise, the BOT will accept your resignation as Trustee on or before August 7, 2024.

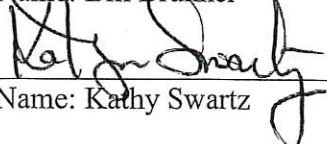
Sign:   
Trustee Name: John Valentine

Sign:   
Trustee Name: Rick Stelter

Sign:   
Trustee Name: Walter Czech

Sign: \_\_\_\_\_  
Trustee Name: Bill Brunner

Sign:   
Trustee Name: Lucy Hunter

Sign:   
Trustee Name: Kathy Swartz

M: [REDACTED]

E-Mail: [REDACTED]

Mayor & Board of Trustees  
214 Grand Avenue  
Paonia, CO 81428

7/29/2024

Mayor & Trustees,

Upon welcoming a new Board in April of this year, myself and Staff were very excited to bring on new team members. We've accomplished many things since my arrival and fixed many broken processes. However, there is one thing that we could not fix and that is the propensity of former Trustees and Planning Commission members to behave errantly, disparage staff and generally disregard any civility and decorum that you have established.

Since April, Trustee William Brunner has engaged in general disregard for the established practices of this Board, and aided Suzanne Watson as a Planning Commissioner to participate in unethical conduct. Over the last few trainings, both Suzanne Watson and William Brunner have attempted to change or rewrite history through comments for a rezoning decision that William Brunner has a direct financial and personal interest in.

During this evening's Planning Commission training with CIRSA, it became apparent that William Brunner and Suzanne Watson have not heard any of the trainings that have been presented and will continue their errant and flippant behavior. Tonight was the culmination of enduring weeks of disparaging, slanderous comments. This has been perpetrated after reporting to you the truth about the situation.

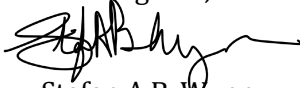
Even more, since becoming a Trustee, William Brunner has refused to use the Town-provided email address and instead has used his own domain: [bill@paoniatruster.com](mailto:bill@paoniatruster.com). That email has difficulty receiving documents from Staff, and it has become apparent that William Brunner has no intention of complying with Town procedures.

Even further, William Brunner in both his capacity as an adjacent property owner and in his official capacity as a Trustee has placed CORA requests for the property that was rezoned and that currently has an application for another quasi-judicial hearing. In his first CORA request, he included a line that intimated his intention to place a daily CORA request until the application was denied.

In addition to the situation this evening, William Brunner and Suzanne Watson have routinely harassed and bullied staff, including myself. If you recall, William Brunner did not want to reappoint me as the Treasurer at his first meeting. In light of the constant weekly attacks on both my professional ability and my character, I no longer believe that I can continue to successfully lead the organization.

I offer my resignation as both the Town Administrator and the Treasurer, §5 (d) of the employment agreement gives the path forward for considering such resignation after receiving a forty-five (45) day written notice. I fully intend for my last day to be Thursday, September 12, 2024, should that be the wish of the Board of Trustees.

Best Regards,



Stefen A.B. Wynn

## Notes for special meeting to remove Bill Brunner from Office

The training Mr. Wynn sites as the last straw in his letter of resignation includes advice from the presenter that Mr. Wynn had exceeded his authority and engaged in ex-parte contact with the Board of Trustees (BOT) in a land use matter. It therefore follows that the BOT failed its duty to disclose said ex parte contact in a subsequent public hearing. The training is on line for all to see (planning commission training, 7/22/2024, on the Town youtube channel)

As a result of my investigation of the application for an ADU at 215 N. Fork, it has come to my attention that Mr. Wynn sold a water tap in violation of Town Ordinance and there may be an attempt to award a vested interest to construct an ADU at that location, also in violation of Town Ordinance. This may not be the only water tap he has authorized in violation of Town Ordinance. If there is a scheduled or imminent public hearing on 215 N. Fork, Mr. Wynn has failed to bring it to my attention. The matters I have investigated are public record and squarely in the realm of oversight by a trustee of the Town. If I determine I have a conflict of interest I will rescue myself in any public hearing. To date, I deny any conflict of interest.

The opinions of the Trustee about me are not shaped only by the things that happen here in public meetings. Mr. Wynn has a habit of circulating discussion critical of my actions to the BOT and, in my opinion, in violation of the Open Meeting Law.

The fact that Mr. Wynn has an emotional fit every time I send him an email or mention his name is not sufficient cause to remove me from office or discipline me in and in any other way.

Mr. Wynn puts his finger on the nub of the problem in his letter of resignation. He states that he will no longer be able to "lead" the Town. The Administrator is not the leader of the Town. He is hired to carry out the policies and ordinances as determined by the BOT. The administrator's ordinances is specific: he is in charge of the administration as directed by the Board. When he interferes in the outcome of legislative matters, such as the long awaited Comprehensive Plan, he has stepped out of the legal confines of his office. Similarly were he to misinterpret the Town Ordinances to sell water taps or allow ADU's he has gone too far. It is my duty as a trustee to resist and expose such excursions.



C 2024-10

Received: 7.23.	10
Deadline: 7.26.24	
Fee(s): _____	
Fulfilled: 7.23.24	

## Town of Paonia Colorado Open Records Act Public Records Request

All copies of requested information shall be charged at 25¢ per page and will be available three (3) business days after the submitted written request is received unless otherwise notified.

Should the request be substantial in time or volume or involve an archive search, an hourly research fee of \$25.00 per hour shall be charged in 15-minute increments.

Copies of Town Board minutes are available seven (7) business days after approval by Town Council.

To facilitate the search, please be as specific as possible in describing the requested document(s).

Number of Copies	Document Name or Detailed Description
1	Permits, plans, approvals inclusive - 215 N. Fork Ave Paonia CO 81428

Name: Bill Brunner Date: 7/23/24

Address: 008 2nd Paonia Telephone: 970 260 2296

In Office  Hard Copy  PDF  E-mail Address: Bill@paonia-tron.com


C.R.S. 24-72-201 to 24-72-309

**CORA 215 N. Fork**

Bill <bill@paoniairon.com>

Thu 7/25/2024 10:49 AM

To: Samira V <SamiraV@townofpaonia.com>

 1 attachments (108 KB)

215 CORA 7-25-24.pdf;

Smira

Please see the attached CORA form.

If there is a procedure to receive updates on this application I may not need to submit the request daily.

Thanks,

Bill B

Received: 7.25.24 12  
 Deadline: 7.30.2024  
 Fee(s): \_\_\_\_\_  
 Fulfilled: \_\_\_\_\_

## Town of Paonia Colorado Open Records Act Public Records Request

All copies of requested information shall be charged at 25¢ per page and will be available three (3) business days after the submitted written request is received unless otherwise notified.

Should the request be substantial in time or volume or involve an archive search, an hourly research fee of \$25.00 per hour shall be charged in 15-minute increments.

Copies of Town Board minutes are available seven (7) business days after approval by Town Council.

To facilitate the search, please be as specific as possible in describing the requested document(s).

Number of Copies	Document Name or Detailed Description
1	All communication with Karen and/or James Robinson re: 215 N. Fork Ave. including but not limited to; response and discussion of plans submitted for review; ammendments to plans, written communication, call log of voice communication, applications for variance.
	Respond via email.
	Documets provided under CORA response 2024-10 need not be included.
	I am concerned that an application for an ADU was entertained by town staff. This request is for any and all documentation and communication concerning that appolication for ADU.
	Anticipate recirving this same request daily until ADU application is denied as per PMC.
	Thank you, Bill Brunner

Name: Bill Brunner Date: 7/24/24

Address: 608 2nd st Telephone: 9705274641

In Office  Hard Copy  PDF  E-mail Address: bill@paoniairon.com

C.R.S. 24-72-201 to 24-72-309

[Print Form](#)

[Email Form](#)



# Town of Paonia

## Colorado Open Records Act

### Public Records Request Form

Front Desk: _____	13
Received by Clerk: 7.29.20_____	
Deadline: 8.1.2024_____	
Extension: _____	
Fee(s): _____	
Fulfilled: _____	

All requested information shall be charged at 35¢ per page and will be available three (3) business days after the submitted written request is received unless otherwise notified.

Should the request be substantial in time or volume (more than 25 pages) or involve an archive search, an hourly research fee of \$33.58 per hour shall be charged in 30-minute increments.

To facilitate the search, please be as specific as possible in describing the requested document(s).

Number of Copies	Document Name or Detailed Description
1	All records of communication between Karen and or James Robinson regarding 215 N. Fork Ave. Paonia, CO 81428 including but not limited to plans and applications, plan reviews, amendments to plans, response and or discussion of plans, receipts, invoices, email, call logs and any other records.
	Via email.
	Documents provided under CORA response 2024-10 need not be included.

Name: Bill Brunner Date: 7/26/24

Address: 608 2nd st. Telephone: 970 260 2296

In Office  Hard Copy  PDF – E-mail Address: bill@paoniairon.com

C.R.S. 24-72-201 to 24-72-309

Note: The request is considered received when received by the Town Clerk.

## Fwd: CORA Requests

Clayton Buchner <[cmbllawllc@gmail.com](mailto:cmbllawllc@gmail.com)>

Thu 8/1/2024 12:47 PM

To: Samira V <[SamiraV@townofpaonia.com](mailto:SamiraV@townofpaonia.com)>; Paige S <[paiges@townofpaonia.com](mailto:paiges@townofpaonia.com)>

 1 attachments (66 KB)

Fw: 45-Day Notice of Intent to Resign.eml;

Clayton M. Buchner  
Attorney at Law, LLC  
444 Lewis Street  
P.O. Box 3855  
Pagosa Springs, CO 81147  
(970) 507-0227

The information transmitted herein is intended only for the person(s) or entity to which it is addressed and may contain confidential and/or legally privileged material. Delivery of this message to any other person than the intended recipient(s) is not intended in any way to waive privilege or confidentiality. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by individuals or entities other than the intended recipient is prohibited. If you are an unrepresented party dealing with this law firm in a potentially adversarial arrangement you are advised that retention of your own counsel is recommended. If you receive this transmission in error, please contact the sender and delete the material from any computer, server or other electronic storage medium.

----- Forwarded message -----

From: **trustee Bill** <[bill@paoniatrustee.com](mailto:bill@paoniatrustee.com)>

Date: Thu, Aug 1, 2024 at 11:28 AM

Subject: Re: CORA Requests

To: Clayton Buchner <[cmbllawllc@gmail.com](mailto:cmbllawllc@gmail.com)>

Clayton M. Buchner,

Thank you for reaching out in your email re my interest and CORA requests concerning 215 N. Fork and thank you for your legal advice to me personally as an individual trustee. I welcome your opinion, this opportunity to express my concerns and enumerate certain facts that you may not be aware of.

I am unaware of any legally identifiable personal interest in 215 N. Fork Ave. I have no ownership and released claims of any kind in a mediated settlement to a lawsuit that was initiated by a previous owner. The rezoning of that parcel brings the possibility of conflict between activity in my commercial zone with neighbors zoned R1, but the rezoning is settled law, so to speak, and not at issue. The only link to a conflict I can identify might be some infinitesimal difference in property value based on the presence or absence of a ADU? Even if that had a measurable affect it would be minute and insufficient to affect my judgment. Further,

the nature and extent of ethical conflict of interest was thoroughly explored in a CIRSA training this last Tuesday that covered the very material you enclosed and in great detail. This training re-enforces my conclusion that I have no conflict of interest.

In the body of the request I wrote *...until the ADU application is denied **as per P.M.C.*** It has come to my attention that the display of the automatic formatting feature included in the CORA form varies depending on the application used to view it. Some applications cut off the end of the line, some do not. On the one I tried that did not display the entire line, clicking on the line did make the rest of the text viable. Is it possible your application failed to display the full text? After considerable effort to study and understand the P.M.C. I can say an ADU is impermissible, on numerous counts. It is my fear that some vested right to an ADU may be established, in violation of Paonia's Code, either by an administrative error or intentional evasion of a responsibility to enforce the Code. It makes no difference to me if the location of the requested ADU is in my back yard or at the farthest reach of the Paonia water system. As a trustee I have a fiduciary duty to protect the Code and shield the Town from liability arising from misapplication of it. This is the sum total of my interest in the matter.

You write: *However, there has not been any guidance to staff by the BOT to keep any trustee, sub-committee, or any other party "abreast of developments," beyond the existing process delineated by municipal code.* Please review **Sec. 2-11-10. - Infrastructure and finance records; trustee access. (b) To the extent allowed by law, the Board of Trustees shall not be denied access to: (1) inspect all public records of the Town;...** This section of the Code is a direct result of a citizen's initiative, sponsored by me, specifically to give every trustee not only the right but the responsibility to exercise their fiduciary duty to the best of their ability to keep abreast of the evidence in the Town record base.

As for the origin of my CORA request, please understand that I asked to see material as a trustee, exactly as I and every other trustee have asked for and received all manner of records. The Clerk asked that I fill out a CORA form "for her records". I complied but tried to explain that a CORA request had to come from me as an individual, consequently the response should be sent to my personal email. In retrospect agreeing to her request was an error on my part. I have every right as a trustee to access the records of the town and do not want to set a precedent that staff can obstruct trustee access to public records by demanding a formal CORA process and ensuing delays. As a side note I will point out that the CORA form states that the time to fulfill a request begins when the Clerk gets around to it, potentially adding days of delay, contrary to the law.

Please let me know soonest if you wish to revise your opinion as expressed in your email or if it is unchanged.

As a result of the records I have reviewed it is now apparent that an owner of 215 N. Fork has been allowed to purchase a water tap in violation of our Code. The decisions made by the administrator to facilitate this purchase are, in my opinion, beyond the scope of his office. This knowledge doubles my concern that an improper vested interest is eminent in regard to the ADU in question. In my view, the application and fee should never have been accepted.

It is a fact that numerous ADU's and other living units continue to be established in violation of our laws. My concerns are well founded.

Regardless whether or not you agree with my conclusion on the facts of this case, please describe the exact procedure a trustee, or any citizen, should undertake to intervene with any abuse of the town code, should one be eminent or have recently occurred. It is likely that this 215 tap is not the only water tap recently purchased/sold in violation of our Code.

I attach for your information an email from the Clerk a response from the mayor that the clerk has circulated to the BOT. It seems she may have taken your (possibly premature) opinion and run with it. It appears

someone may have had access to legal advice from the town attorney to an individual trustee? I would think this would concern you. I remind you that it was her decision to obstruct trustee access to public records by demanding a formal CORA proceeding.

The clerk's email to the BOT, including the mayor's response to her (in which the mayor expresses a wish it could be read by "all"), raises another concern. I will argue that the Clerk is simply mimicking the administrator's long standing habit of taking trustee emails discussing town business, addressed only to him, and forwarding them to the entire BOT, as though "bouncing" a trustee email through a 3rd party changes the fact that it then becomes an email discussion of town business before the BOT, in violation of the OML. This is of great concern to me. I fear the Town is at risk of action to force compliance with the OML and the attendant embarrassment, expense of court proceedings, awards and loss of public trust incurred when court proceedings expose improper actions by Town officials.

Thank you

Bill Brunner

On 7/29/2024 12:02 PM, Clayton Buchner wrote:

Mr. Brunner,

As you may or may not be aware, I often review CORA requests in my capacity as Town Attorney. In doing so, I came across your CORA request (attached) and follow-on emails, and have the following input. The below is my legal advice and not necessarily the opinion of any other staff or the BOT.

On July 24, 2024, you submitted the attached CORA request regarding 215 N. Fork Avenue in your individual capacity. Staff is working on fulfilling that request, as is your individual right to request these documents under CORA.

However, please see below regarding your role as Planning Commissioner and Trustee in regards to any further official involvement with 215 N. Fork Ave. (hereinafter, the "Property").

On July 24, 2024, you write in the body of the CORA request: "*Anticipate receiving this same request daily until ADU application is denied...*" The language in this request denotes personal interest and bias regarding the Property. This stated bias, in my opinion, precludes your participation in any future hearings/discussions regarding the Property, as you would not be an impartial arbiter.

Further, on July 26, 2024, you followed up on your CORA request stating in an email that: "*My interest in activity at 215 N. Fork extends to my official role as a trustee. The documents you returned raise additional questions. As a trustee, I want to be kept abreast of developments at that location.*" However, there has not been any guidance to staff by the BOT to keep any trustee, sub-committee, or any other party "abreast of developments," beyond the existing process delineated by municipal code.

As Town Attorney, one of my roles is to advise the BOT and sometimes individual trustees regarding conflicts of interest. It is my understanding that, in addition to the statements above, your personal address at 608 2nd St. is adjacent to 215 N. Fork Ave., and that you were previously involved in litigation with the prior owners of 215 N. Fork Ave.

Thus, based on the foregoing, it is my opinion that you have a personal conflict of interest in the property located at 215 N. Fork Ave. and should not be participating as a Commissioner and/or Trustee in any discussions/hearings regarding the Property. I respectfully advise that you recuse yourself in any future matters regarding the Property (See C.R.S. 31-4-404). Please see the CML primer attached for statutory references regarding conflicts of interest and recusals as discussed.

Thank you for your consideration of this matter, and please let me know how you choose to handle this moving forward, so I can appropriately advise and reply to staff, the Planning Commission, and the BOT, if and when this issue arises.

V/r

Clayton M. Buchner  
Town Attorney  
Paonia, CO  
(970) 507-0227

The information transmitted herein is intended only for the person(s) or entity to which it is addressed and may contain confidential and/or legally privileged material. Delivery of this message to any other person than the intended recipient(s) is not intended in any way to waive privilege or confidentiality. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by individuals or entities other than the intended recipient is prohibited. If you are an unrepresented party dealing with this law firm in a potentially adversarial arrangement you are advised that retention of your own counsel is recommended. If you receive this transmission in error, please contact the sender and delete the material from any computer, server or other electronic storage medium.

C2024-17

Received:	8.8.24	18
Deadline:	8.13.24	
Fee(s):	_____	
Fulfilled:	_____	

## Town of Paonia

### Colorado Open Records Act

### Public Records Request

All copies of requested information shall be charged at <sup>35¢</sup>~~25¢~~ per page and will be available three (3) business days after the submitted written request is received unless otherwise notified.

Should the request be substantial in time or volume or involve an archive search, an hourly research fee of ~~\$15.00~~ <sup>\$33.57</sup> per hour shall be charged.

Copies of Town Board minutes are available seven (7) business days after approval by Town Council.

To facilitate the search, please be as specific as possible in describing the requested document(s).

Number of Copies	Document Name or Detailed Description
	All records relevant to 215 N. Fork Ave not included in responses to previous CORA request from me including but not limited to; receipts, invoices, correspondence, records of payments to or from the town.
	Via email
	Please include a log detailing any records not release and a statement detailing the statutory authority to withholding each record withheld.

Name: Bill Brunner Date: 8/8/2024

Address: 608 2nd st Telephone: 970 260 2296

In Office  Hard Copy  PDF  E-mail Address: bill@paoniairon.com  
C.R.S. 24-72-201 to 24-72-309

Print Form

Email Form

## trustee access to public records

trustee Bill <bill@paoniatruster.com>

Fri 7/26/2024 8:35 AM

To:Samira V <SamiraV@townofpaonia.com>

RE: trustee access to town records vs CORA.

Samira

Earlier this week I asked to see the record of permit activity for 215 N. Fork Ave. You asked me to make an official CORA request. My interest in activity at 215 N. Fork extends to my official role as a trustee. The documents you returned raise additional questions. As a trustee, I want to be kept abreast of developments at that location.

Is it your policy, unstated until now, that all trustees engage in formal CORA proceedings to access public records kept by the town?

Thank you

Bill B

Re: Planning Commission meetings

trustee Bill <bill@paoniatruster.com>

Mon 7/8/2024 8:34 AM

To:Stefen Wynn <StefenW@townofpaonia.com>

Mr. Wynn

Should I assume this has gone out to "all"? My copy only lists you, the attorney and the clerk as recipients.

Bill B

On 7/6/2024 7:59 PM, Stefen Wynn wrote:

Mayor, Trustees and Planning Commission,

To be clear, this wasn't the entirety of the conversation with the Town attorney on the phone. It was very clear that established practices for creating agendas are very important to not erode the public trust. Scheduling a meeting on a Friday afternoon without going through proper channels to post the agenda, such as on the town's website, seems to be very opaque and not transparent to the general public. During the meeting it was alleged that I obstructed a lawful meeting of the Planning Commission, which is entirely not true. To be very clear, there wasn't any obstruction of the planning commission. Instead, a member of the commission decided not to meet, and a quorum wasn't established. It is highly unusual that an ex-officio member of the Planning Commission should have an occasion to contact other planning commissioners without staff involvement to set a quick meeting during a Sunday evening. The agenda was sent to me on a Friday afternoon after 3:30 PM with instructions to post it, no consideration was given to my schedule, nor was any coordination or communication given to me prior to receiving the email. After already working over 40 hours last week, I decided to go home early on a Friday, and was unable to access the email until I was made aware of it later in the weekend via phone call. The statute that Trustee Brunner referenced in his email below was not misunderstood nor overlooked, and the Planning Commission has been doing its lawful duty by working with a consultant to produce a comprehensive plan, a final draft of which has been published for the public and will be discussed during the meeting on July 18, 2024, at 6:30 PM (this was the date that most trustees and the commissioners could meet after being individually polled by staff about their availability).

I would caution everyone not to reply to Trustee Brunner's emails as it could be a violation of the Colorado Open Meetings Law.

The meeting ended with me asking that Trustee Brunner and Ms. Watson work with me and staff should they want to schedule a meeting of the Planning Commission to discuss it. We'd like to see the Town move forward with several very important updates to its land use comprehensive plan. I should also note that what was also discussed is that the Planning Commission receives its authority from the Board of Trustees and serves at the pleasure of the Board of Trustees and the statute does not inherently give the Planning Commission power or authority, it is a pass-through authority from the Board of Trustees. Even more, it was discussed that the Planning Commission should not operate in



opposition to the Board of Trustees but should act as a satellite to the Board of Trustees.

I would also like to bring up that these two items from Trustee Brunner's email were never expressly discussed during our meeting on Friday, " Study and discuss law and code concerning land use independent of pending land use applications. This would not include ex parte discussion of pending applications. To formulate questions and identify areas of concern to be addressed in trainings. To discuss and act upon matters relating to land use and planning." Instead, it was made clear to both of us that the Planning Commission is an advisory board to the Board of Trustees.

I'd like the planning commission to join the team and work with us, rather than appearing to be defiant and in opposition of the Board of Trustees. I've now spent two weekends away from my family attempting to mitigate the Town's exposure to liability (as I discussed with Trustee Brunner, I accept civil process on behalf of the Town and my name gets put onto lawsuits when the Town is sued) and to try to save the progress that we've made in repairing the trust with the public, but staff and I are met with opposition, and are getting worn out. On Tuesday's Board of Trustees meeting, there is an item placed on the agenda where the Board may give the Planning Commission a task to look into, and the process that was taken to get it on the agenda was appropriate and matches already established processes.

In Public Service,

Stefen Wynn, M.P.A.  
ICMA-CM  
Paonia Town Administrator & Treasurer

P : (970) 527-4101  
F : (970) 527-4102  
E : [StefenW@TownofPaonia.com](mailto:StefenW@TownofPaonia.com)

214 Grand Ave.  
Paonia, CO 81428

<https://townofpaonia.colorado.gov/>

-----Original Message-----

From: trustee Bill [bill@paoniatruster.com](mailto:bill@paoniatruster.com)  
Sent: Saturday, July 6, 2024 6:07 PM  
To: Paige S [paiges@townofpaonia.com](mailto:paiges@townofpaonia.com); Pete McCarthy [petefromsf@gmail.com](mailto:petefromsf@gmail.com);  
Plan Commission 2 [plancommission2@townofpaonia.com](mailto:plancommission2@townofpaonia.com); [bill@paoniatruster.com](mailto:bill@paoniatruster.com);  
Stefen Wynn [StefenW@townofpaonia.com](mailto:StefenW@townofpaonia.com)  
Subject: Planning Commission meetings

In conversation with Stefen Wynn and the Town Attorney on Friday, July 5, a

certain clarity was attained concerning meetings of the Planning Commission. It has been established that the Commission has every legal right to meet, consider and conduct public business germane to the commission in addition to meetings requested by staff, the Board of Trustees or required by State law or Town code.

Areas within the purview of the Commission include but are not limited to;

Study and discuss law and code concerning land use independent of pending land use applications. This would not include ex parte discussion of pending applications.

To formulate questions and identify areas of concern to be addressed in trainings.

To discuss and act upon matters relating to land use and planning.

To consider other matters within its scope of authority.

The ability of the Commission had been artificially constrained, in part, under the mistaken assumption that meetings of the Commission were legally limited to those listed in P.M.C. 2-6-20.

Apparently P.M.C. 2-6-20 (c) "... and any and all other powers and duties set out by state statute. ...." had been overlooked or misunderstood.

I suggest discussion of a robust schedule of study and action for the commission.

Bill B.

# Town of Paonia



Tuesday, May 16, 2023

Mr. Bill Brunner  
PO 172  
Paonia, CO 81428  
Via certified mail

Dear Mr. Brunner,

I am responding to your emails issuing edicts to the Town and Town staff, directing staff as to what they are to do, and accusing staff of crimes. I have directed the staff to send any correspondence from you to me from now on. At the special meeting on May 15, both the Town Attorney and I made comments responding to your emails sent over the last few days.

You are entitled to express your opinion within the process of public comment established by the Town.

However, the Town also has a right to respond to your communications, ask you to conduct yourself with civility, and stop making up stories. Your communication conveys an intentional air of entitlement, including a right to special treatment. You cross over to harassment, intimidation, and bullying. You may not mistreat the staff of the Town of Paonia. Spreading fabricated and malicious lies and accusations are irresponsible, and you deceive the public every time you choose to do this. If you continue to conduct yourself and treat the staff this way, I will publicly respond to you with the truth.

You have access to facts and have intentionally ignored them. You seem to think you know more about interpreting codes and laws than trained professionals, including attorneys. I strongly suggest that you read the meeting packets and listen to what knowledgeable professionals say at the Town meetings. The staff is not lying. We are working hard to address a myriad of problems, including the deferred maintenance of facilities and infrastructure.

You have rightly pointed out things the Town needs to improve in the past. The Town is working on improvements and fixing what is truly broken, yet you still make accusations that staff members are up to sinister conspiracies and are incompetent.

Lastly, I have heard you repeat what appears to be still another criticism of the Town – the budget has significantly increased over the years. I would argue that the breakdown in some

# Town of Paonia



functions of the Town was because the Town was not spending money on training its existing staff, not hiring professionally trained staff, not offering salaries to attract qualified people, and not staffing the Town adequately. The principal increases have been to hire and train expert staff to repair, replace and maintain Town's infrastructure properly. This is a result of the water system breakdown in 2019 and was in response to an outside professional assessment of the Town's failures to maintain its system properly. The Town also expected untrained staff to complete tasks that require significant education and experience. That resulted in innocently making bad decisions.

Have there been personnel issues in the Town? Yes, of course. At about the same rate as the national average – 10%. The Town is addressing them by following the law, including labor laws and its own laws and personnel policies. Now that the Town is making tremendous strides toward addressing past mistakes, including those you have pointed out, with enough experts to do the work properly, you seem to be set on making the same old damaging accusations. I wonder what your motivation is because your statements contradict your own criticisms.

I take your comments seriously and will protect the staff from bullying and harassment.

Sincerely yours,

Leslie Klusmire  
Interim Town Administrator



**Nicolas D. Cotton-Baez**

(303) 298-1601 tel

(303) 298-1627 fax

*nick@kellypc.com*

May 16, 2023

Bill Brunner  
PO Box 172  
Paonia, CO 81428

*via certified mail*

RE: Recent Communications with Town Staff

Dear Mr. Brunner:

When requested by a citizen, the Town includes citizen correspondence in Board meeting packets. The Town is not legally obligated to do so. Nor is the Town staff required to fulfill specific citizen requests for the dissemination of information. You have the same rights as other members of the public. You are not entitled to, and will not receive any special treatment, no matter how loud your voice. Like any other member of the public, you may submit comments for inclusion in meeting packets and make comments in public meetings at the appropriate time. However, your orders and demands directed to the Town staff, and your bullying tactics, will not be tolerated and will be ignored.

You are entitled to your opinion regarding the Town's financial system. However, your statements on the topic have served only to interfere with the efforts the Town has taken to address the issues. Each moment the Town takes to respond to your statements and behavior, is a moment lost in addressing the issues with the Town's financial accounting system.

The Town is not "Simply relying on statements of the Interim Administrator that there is no indication of fraud and therefore nothing to see here," as you so state. Rather, the Town is relying on careful evaluation of the Town's financial accounting system by the Interim Town Administrator and two separate independent contractors, each of whom have specialized training, experience, and intimate knowledge of the government fiscal affairs, and who are much better situated than you are to make a rational choice on whether to commit the Town's limited resources to a forensic audit of the Town's financial system.

As stated several times in response to your various statements on the topic, the Town will conduct a forensic audit of the Town's financial system if, and only if, the Town uncovers evidence that there has been a crime amounting to probable cause. As further detailed in the Town's letter rejecting your recent citizen initiative petition, the Town administration is best suited to determine

the proper course of action, if any. As a citizen, you do not have the requisite expertise to even recommend such a course, much less the right to compel the Town to do so.

Your statements regarding the propriety of the executive session are similarly misguided. Indeed, the settlement amount, if approved by the Board, will be a public record. However, that does not give you, a citizen, the right to participate in the contract negotiations. The Town Board has the authority to enter into an executive session for the purpose of determining negotiation strategy and instructing negotiators. Considering a draft of the employee separation agreement in open session would expose that strategy, compromise the Town's negotiating leverage, and thus could lead to a higher dollar-amount settlement figure to be borne, ultimately, by the taxpayers. It would, thus, be irresponsible not to convene in executive session.

The Town is not, as you say, "strategizing containment of a scandal." It's your statements, which are based not in fact but on baseless conspiracy theories, that are irresponsible. As a particularly-vocal citizen, you should consider your own responsibility to speak truths and refrain from spreading baseless conspiracy theories that promote mistrust in the Town government.

Sincerely,

KELLY PC,

By:           /s/ Nicolas Cotton-Baez            
Nicolas Cotton-Baez  
Town Attorney

**FW: background info**

Melinda Culley <melinda@kellypc.com>

Tue 5/21/2024 11:57 AM

To: Samira V <SamiraV@townofpaonia.com>

Hi Sam,

Below is the email I sent on Friday. Thanks.

**Melinda A. Culley**

Kelly PC

999 18<sup>th</sup> Street, Suite 1450S

Denver, CO 80202

P: (303) 298-1601 x212

F: (303) 298-1627

Cell: (316) 640-1013



\*\*\*\*\* CONFIDENTIALITY NOTICE \*\*\*\*\*

This electronic transmission contains information from the law firm of Kelly PC, which may be confidential or protected by the attorney-client privilege, work product doctrine, or both. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the content of this information is prohibited. If you have received this communication in error, please notify us immediately by email and delete the original message.

---

**From:** Melinda Culley

**Sent:** Friday, May 17, 2024 3:54 PM

**To:** 'bill@paoniatruster.com' <bill@paoniatruster.com>

**Cc:** 'Paonia@TownofPaonia.com' <Paonia@TownofPaonia.com>

**Subject:** RE: background info

Trustee Brunner,

I received a copy of your email below in which you requested copies of the surveys used in creating the housing needs assessment. Are you referring to the employer questionnaires that were sent to local employers?

The Town does not have copies of the completed questionnaires. Because they are not "made, maintained or kept" by the Town, they are not public records under the Colorado Open Records Act.

Further, in the contract between the Town and Urban Rural Continuum, the Town agreed that the questionnaires "will be confidential and only reported on in aggregate to ensure sensitive business information is not published and cannot be associated with any business in Paonia." See Exhibit A, Section 4. The aggregate data is available in the completed needs assessment, which is available on the Town's website, as Ms. Coburn mentioned in her email.

Finally, the Town Board designated the Town Administrator (as well as Trustees Smith and Knutson) as the project representatives for the needs assessment. Therefore, I recommend that you direct future questions about this project to Stefen who can reach out to the contractor if needed.

If you have any questions, please let me know.

**Melinda A. Culley**  
Kelly PC  
999 18<sup>th</sup> Street, Suite 1450S  
Denver, CO 80202  
P: (303) 298-1601 x212  
F: (303) 298-1627  
Cell: (316) 640-1013



\*\*\*\*\* CONFIDENTIALITY NOTICE \*\*\*\*\*

This electronic transmission contains information from the law firm of Kelly PC, which may be confidential or protected by the attorney-client privilege, work product doctrine, or both. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the content of this information is prohibited. If you have received this communication in error, please notify us immediately by email and delete the original message.

---

**From:** trustee Bill <[bill@paoniatruster.com](mailto:bill@paoniatruster.com)>  
**Sent:** Friday, May 17, 2024 11:11 AM  
**To:** Shay Coburn <[shay@urbanruralcontinuum.com](mailto:shay@urbanruralcontinuum.com)>; Bill Brunner <[BillB@townofpaonia.com](mailto:BillB@townofpaonia.com)>  
**Cc:** Samira V <[SamiraV@townofpaonia.com](mailto:SamiraV@townofpaonia.com)>  
**Subject:** Re: background info

Shay

Please see article 15 from your contract below.

Regarding your concern about confidentiality, the only anticipated use of the documents requested is for internal review by Planning Commissioners as members of the local public body in review of the Master Plan et al. I respect your concerns but cannot agree that members of the public body using a survey for internal review while carrying out Town Business could be denied access and am unaware of any legal principal that would suggest that. I would assume CORA requests for the documents by members of the public would be handled by the Custodian of Record in the usual manner.

Thank you,

Bill Brunner

Paoina Trustee/Planning Commissioner

#### 15.0 DOCUMENTS

All computer input and output, analyses, plans, documents photographic images, tests, maps, surveys, electronic files and written material of any kind generated in the performance of this Agreement or developed for the Town in performance of the Services are and shall remain the sole and exclusive property of the Town. All such materials shall be promptly provided to the Town upon request therefor and at the time of termination of this Agreement, without further charge or expense to the Town. Contractor shall not provide copies of any such material to any other party without the prior written consent of the Town.

On 5/17/2024 8:42 AM, Shay Coburn wrote:



Good morning Bill,

The Housing Needs Assessment and Housing Action Plan are on the Town's website [at this link](#). Otherwise the Town has all public records for the project and can get them to you per their typical process. I have copied in Samira to this email to help facilitate that.

Best,  
Shay

**Shay Coburn**  
Urban Rural Continuum LLC  
970.872.8682  
[shay@urbanruralcontinuum.com](mailto:shay@urbanruralcontinuum.com)  
[www.urbanruralcontinuum.com](http://www.urbanruralcontinuum.com)

On Fri, May 17, 2024 at 7:54 AM trustee Bill <[bill@paoniatruster.com](mailto:bill@paoniatruster.com)> wrote:

Shay

As a member of the local public body directly involved with legislative action dependent on the housing needs assessment, please forward the housing needs assessment, all associated surveys and the housing action plan for internal review.

Thank you,

Bill Brunner 970 260 2296


Paonia Trustee/ex-officio Planning Commissioner

**FW: Agenda item, please**

Paige S &lt;paiges@townofpaonia.com&gt;

Fri 8/9/2024 12:06 PM

To: Samira V &lt;SamiraV@townofpaonia.com&gt;

 1 attachments (104 KB)

Suzanne Watson's proposed agenda elements for the Planning Commission meetings 5 29 2024.JPG;

---

**From:** Paige S**Sent:** Friday, June 7, 2024 1:47 PM**To:** trustee Bill <bill@paoniatruster.com>**Subject:** RE: Agenda item, please

Hello Trustee Brunner,

I'm not sure what initiated your email content or what information you may have been provided, but you've drawn conclusions that aren't accurate and have made unfounded accusations.

Please know that in the future, you're welcome to call me with concerns and I'll do my best to either provide clarification, get answers to your concerns or direct you to the person who can get you accurate answers. However, because you have put your thoughts and assertions in an email open to public records and asked for the content of your email to be included as an agenda item, I'm obligated to respond in writing.

I don't see the cancellation of the June 5<sup>th</sup> meeting as "usurpation" of the Commission's duties. Stefen sent an email dated June 3<sup>rd</sup> to the Commission and Trustees explaining the existence of a revised draft from the contractor and that it would not be submitted until the 21<sup>st</sup> of June.

It had been determined earlier in May that the previously scheduled and noticed public hearings (June 5 and June 12) had to be cancelled for a lack of Comprehensive Plan content available to be presented at those hearings. And upon learning what we did at the May 30<sup>th</sup> meeting with the contractor, Stefen and I instructed the Clerk to reaffirm the cancellation of the June 5<sup>th</sup> Commission meeting as there was no content for the agenda.

The Clerk's May 31<sup>st</sup> email is provided below:

"Due to the Public Hearings on the Comprehensive Master Plan presentations and adoption being cancelled, there will not be a Planning Commission Meeting on the 5<sup>th</sup> of June. With new timeline on the Master Plan there will likely be new public hearings scheduled. I will keep you posted as I know more."

With regard to your reference to the "Commission Chair submitting an agenda with several items of business," I would like to clarify what took place on Thursday May 29<sup>th</sup> when Suzanne came into the office. I was in the office that afternoon and took a photo of her draft agenda (which is attached) with Suzanne's proposed additional agenda elements for consideration. She did not expect that it would become the de facto agenda for a meeting. Instead, as I understand it, she wanted to submit it for discussion purposes. Meaning that there was no expectation that Suzanne's attached draft with

additional proposed elements would be part of any meeting without prior legal and public consideration.

BTW, under her suggested agenda element “New Business” Suzanne included “PC 101-State Statute/Role of the Commission.” The need for training (which she and I have always agreed on) is exactly why there is a training scheduled for Monday, July 29 at 6:00 p.m. and Sam reminded Suzanne of that scheduled training. I hope this date and time are on your calendar. The Clerk organized this training with Nick Cotton-Baez, now with CIRSA and it is specifically for the Planning Commission. Suzanne’s proposed agenda will be shared with Nick so it can be a part of the discussion. I think this is important because I agree with your reference to CRS 31-23-204 Planning Commission, Organization and Rules that it’s important that we clarify “rules for transaction of business,” which again requires legal input and a public process.

What you have asserted in your email as quoted below is not true:

The town board under the last administration decided to hire contractors to prepare a master plan and now someone other than the commission is doing the work of the commission without the commission's input. They are reviewing draft documents, returning them for revision and performing other duties of the commission. I am unaware of any statutory authority for anyone to take over these functions. It is clear to me the commission is being obstructed and reduced to a rubber stamp that is expected to await a summons to a public hearing to approve a plan prepared without this commission's involvement.

No one is reviewing draft documents that haven't been provided to the Commission and no one is “returning them for revision.” You yourself reviewed the May 7<sup>th</sup> consolidated draft which is the same version we all received. There is absolutely no obstruction of the Commission, and no plan has been prepared without them. In point of fact, the consolidated draft was the first time the Commission was offered the “Introduction” section for review and none of us (including you) had ever seen it before. The “elements” content included in the consolidated draft had been provided over the course of four public hearings for public review. In addition, as Stefen explained in his June 3 email...

“I’m checking unread emails from a few weeks ago and replied to Trustee Brunner. I think it’s best that all of you have the same information – Mayor Paige and I met with Phoenix Rising last week and we learned that a new working draft is coming to us on or about June 21<sup>st</sup>. Our understanding is that the draft will be completely different from the elements that we’ve already seen and from the draft that we’ve already reviewed. “

He explained that we learned in the May 30<sup>th</sup> meeting that the contractor had a new draft for submittal. Neither Stefen nor I were aware of the new draft. We were under the impression that the consolidated draft submitted on May 7<sup>th</sup> WAS the draft and were surprised to learn of a new draft. We had no choice other than to ask that they submit it and ask when that would occur. Therefore, your accusation that “The administrator has negotiated some sort of a rewrite in an attempt to correct stunning deficiencies” is a baseless and false and therefore very negative accusation.

The funding for the contract is going to be exhausted soon, as Stefen explained in his email sent on June 5th. Therefore, we needed to have a meeting with the contractor (the Town of Paonia is managing the contract, as required in the contract, not the Planning Commission) to ensure that the Town received all of the background information created and used in the development of the draft before funds were exhausted. The other main topic of the meeting was a reiteration of Stefan’s concern regarding the inclusion of “light industrial” in the proposed *mixed use* and where this use has been identified on the FLUM. Stefen specifically identified this concern in his email to all of us, dated May 12, 2024, where he provided the comments he made on the May 7<sup>th</sup> consolidated draft.

In his Administrator's report to be presented at the June 11<sup>th</sup> meeting, the Administrator will request that a joint special meeting of the Trustees and Planning Commission be scheduled in order to provide the contractor the opportunity to present the draft (expected on June 21<sup>st</sup>) to the commissioners, elected officials, staff, and the public. This special meeting will also require decisions regarding the timeline needed for review of the draft, revision(s) as needed, and ultimate acceptance of the final Comprehensive Plan.

In summary, the Commission has not been prevented from doing its work and your insistence that it has is not true.

In addition, I will not be including your email as an Agenda Item in the June 11<sup>th</sup> Agenda Packet because I cannot condone the numerous baseless claims in your email being a part of the Town of Paonia's official permanent public record.

Paige Smith  
Mayor, Town of Paonia

---

**From:** trustee Bill <[bill@paoniatruster.com](mailto:bill@paoniatruster.com)>  
**Sent:** Wednesday, June 5, 2024 1:52 PM  
**To:** Paige S <[paiges@townofpaonia.com](mailto:paiges@townofpaonia.com)>  
**Subject:** Ageda item, please

Mayor Smith

The cancellation of the regular June meeting of the planning commission without the permission of the commission has forced matters to a head. I am compelled by my oath of office to make a statement at the next available moment in a public meeting. The most graceful way to accomplish this is to have it placed on the agenda. I now ask you for that action.

I submit the following as an outline of my remarks and a brief description of my position. Please include this in the packet.

-----

It seems the Planning Commission is being inappropriately manipulated and rendered unable to fulfill its mission.

The "Town" is quite heavenly invested in a master plan process which was nearing completion at the last election but was not pushed over the finish line. Now we have a new planning commission with the statutory mandate to now be in charge of the process.

State statutes empower the commission as a semi autonomous body with specific duties.

***Colorado Revised Statutes, 31-23-204 Planning Commission, Organization and Rules, " ... The commission shall hold at least one regular meeting in each month. It shall adopt rules for transaction of business ... "***

***C.R.S. 31-23-206. Master Plan: (1) It is the duty of the commission to make and adopt a master plan for the physical development of the municipality. .... When a commission decides to adopt a master plan, the commissions shall conduct public hearings .....***

**31-23-205. Staff and finances. “ ... The commission may also contract, with the approval of the governing body, with municipal planners, engineers, and architects and other consultants for such services as it requires. .... “.**

The town board under the last administration decided to hire contractors to prepare a master plan and now someone other than the commission is doing the work of the commission without the commission's input. They are reviewing draft documents, returning them for revision and performing other duties of the commission. I am unaware of any statutory authority for anyone to take over these functions. It is clear to me the commission is being obstructed and reduced to a rubber stamp that is expected to await a summons to a public hearing to approve a plan prepared without this commission's involvement.

Meetings are scheduled and canceled without consulting the commission. The regularly scheduled June meeting was canceled even though the commission chair has submitted an agenda with several items of business.

This situation must be corrected. State statutes clearly empower the commission as an autonomous body with the duty and privilege of active participation in preparation of master plan. This does not mean they sit idly by until a plan is presented to them. Statutes clearly empower only the commission to prepare and decide when it is ready to consider adoption of a plan.

The current draft is deeply flawed. The administrator has negotiated some sort of a rewrite in an attempt to correct stunning deficiencies. It is the duty of the commission to consider the draft plan as submitted and to decide what the next steps are.

The ultimate downside to the current approach is that the entire process may now be challenged with the possible result the Town is judged so far off the rails of due process that all our attempts at land use regulation are declared invalidated.

Please, let the commission do its work.

Thank you

Bill Brunner

3/29/24

34

## Planning Commission Meeting Agenda Format

- 1 Approval of Agenda
- 2 Approval of Minutes
- 3 Public Comment
- 4 Staff Reports (pending business etc)
- 5 Commissioners Reports & Comments
- 6 Special Business (Public Hearings Etc)
- 7 Unfinished Business
- 8 New Business  
P.C. 101 - State Statute / Role of Commission
- 9 Scheduling next meeting
- 10 Adjournment

**FW: Best practice**

Stefen Wynn <StefenW@townofpaonia.com>

Fri 7/19/2024 5:25 PM

To:Stefen Wynn <StefenW@townofpaonia.com>

Mayor & Trustees,

Please see below for an email from Trustee Brunner from 7.16.2024. I've not replied, but believe all of you should see what has been written. To be clear, the travel reimbursement for the Town's new staff account was completed in accordance with Policy 607 of the Personnel Manual. The employee does not have a town-issued credit card, incurred all of the expenses while at training with the Town's ERP (accounting software) provider, and was reimbursed for them after submitting all relevant documentation. This process was also vetted by and approved by the finance committee.

Even more, I take great care in ensuring that our financial processes have been updated, that adequate internal controls are in place, and they've proven to work as those issues were caught during the disbursement processes and the Town was reimbursed for erroneous charges. During the 6.25.2024 meeting, I also stated that we've noted a deficiency in policy and would have a credit card policy drafted for your approval. The credit card policy is on the agenda for the 7.23.2024 meeting.

I should also note that the employee dinners that we've had were all potlucks and the main dish, which always has consisted of a type of meat, has been wholly paid for by my wife and I. Even more, the candy that is available for the public has been purchased by myself using my Sam's club membership. I take the allegations very seriously and suspect that all of you would want to know what has been alleged.

In Public Service,



**Stefen Wynn, M.P.A.**  
*ICMA-CM*  
**Paonia Town Administrator  
& Treasurer**

P: (970) 527-4101  
F: (970) 527-4102  
E: [StefenW@TownofPaonia.com](mailto:StefenW@TownofPaonia.com)

214 Grand Ave.  
Paonia, CO 81428

<https://townofpaonia.colorado.gov/>



---

**From:** trustee Bill <bill@paoniatruster.com>

**Sent:** Tuesday, July 16, 2024 10:50 AM

**To:** Stefen Wynn <StefenW@townofpaonia.com>

**Cc:** Samira V <SamiraV@townofpaonia.com>; Kaja Bowman <KajaB@townofpaonia.com>; Paige S



**Subject:** Re: Best practice

Stefen

Let me clearly state my concern with the invoices discussed in recent emails. The BOT was presented with a slate of approved expenditures without comment. These expenditures contained an acknowledged impropriety. The silence by multiple individuals privy to this impropriety is what if not a conspiracy or a cover up? Now you reveal additional personal expenses by the same individual were bundled and thus hidden in the same slate of expenditures. Why was this not revealed at the time of the public discussion? The implications are shocking.

This is a serious matter. What does it suggest about staff's sense of immunity, entitlement, privilege and lack of oversight? The reason the break room in every school, firehouse and governmental office has a collection jar for coffee and snacks is the Colorado Constitution mandates all public money be spent on public expenses.

Personal use of Town resources is malfeasance. What example did this episode set? Here is a person embarking on a career of public service and Town staff is instilling the seeds of corruption in the very foundation of that career.

Your response raises a number of questions:

Why wasn't the BOT informed the expenditures contained an impropriety?

What is the current practice for purchase of staff refreshments?

Why did Mr. Santiago have a Town credit card?

What training did he receive prior to being entrusted with the credit card?

Why did he think he had authorization to use it in this way?

Who else participated in the meal?

Was he disciplined in any way? Is there a record of this in his personnel file? In the file of each staff member privy to the presentation of the expense as approved?

Please provide the approved policy specifying circumstances under which staff meals may be reimbursed.

What does this episode say about your commitment to transparency, honesty and best practices?

Bill B.

On 7/15/2024 10:09 AM, Stefen Wynn wrote:

Hi Trustee Brunner,

You're welcome to come in and review the invoices, what time will work for you today? While I was out of the office, the credit card purchase that you're referring to as "KA Lunch," was caught due to



our internal controls. The Town Clerk caught it while reviewing credit card charges for her department. Since the charge had already cleared the credit card, it appeared on the statement, and once made aware of the erroneous purchase, the Deputy Clerk refunded the town.

As I mentioned during the meeting, situations like this would be better served through a credit card policy, and that I would work on getting a credit card policy completed with a procurement policy. Your additional question is related to a training for the Staff Accountant with the Town’s financial software provider, Caselle, in Provo, Utah. The reason for the note saying, “approved by Stefen”, was to document that I approved the reimbursement request while out of the office. These charges were originally borne by Kaja while she went to training and the Town reimbursed her for her meals and travel. Since these were costs covered by a new employee for a training that she was required to attend, I wanted to ensure that she was reimbursed as quickly as possible, thus the reason for the note (instead of waiting two additional weeks).

You’re welcome to come in and see the invoices that make up the reimbursement.

Most of these questions can be answered by the Finance Committee as they’re deeply involved in the finances of the Town. These are great questions that you should ask during a board meeting and the Finance Committee should be able to answer them for you. Is there something else that I can answer to help you understand why it’s a good practice to sign your name to disbursement reports in addition to a voice vote for approval?

In Public Service,



**Stefen Wynn, M.P.A.**  
*ICMA-CM*  
**Paonia Town Administrator  
& Treasurer**

P: (970) 527-4101  
F: (970) 527-4102  
E: [StefenW@TownofPaonia.com](mailto:StefenW@TownofPaonia.com)

214 Grand Ave.  
Paonia, CO 81428

<https://townofpaonia.colorado.gov/>



---

**From:** trustee Bill [bill@paoniatruster.com](mailto:bill@paoniatruster.com)  
**Sent:** Friday, July 12, 2024 4:20 PM  
**To:** Stefen Wynn [StefenW@townofpaonia.com](mailto:StefenW@townofpaonia.com)  
**Subject:** Re: Best practice

Stefen

Thanks for forwarding that.

Quoting below: "Invoices are coded by department heads or the town administrator...." I

Who coded the "KA" lunch?

"Invoices are then entered into our database by town staff and reviewed and approved by either the town administrator or the staff accountant."

Who reviewed the lunch?

Please forward the invoice.

So while we are on the subject, I was going to ask you to forward the specific individual invoices for the \$5xx.xx "approved by Stefen" item in the same packet as the lunch, please.

Question re the Purchasing Policy included in the Trustee packet handed out on taking office: I notice it doesn't have an attribution. Is there a resolution backing this?

On 7/12/2024 11:40 AM, Stefen Wynn wrote:

Hi Trustee Brunner,

Please see below for an email that was sent to your town issued email about this issue. I know that you take great care in reviewing disbursements and have given excellent questions about them during meetings. Signing disbursement approvals is also a great way to show that you've reviewed them as well.

In Public Service,

Stefen Wynn, M.P.A.  
ICMA-CM  
Paonia Town Administrator & Treasurer

P : (970) 527-4101  
F : (970) 527-4102  
E : [StefenW@TownofPaonia.com](mailto:StefenW@TownofPaonia.com)

214 Grand Ave.  
Paonia, CO 81428

<https://townofpaonia.colorado.gov/>

From: Kaja Bowman <[KajaB@townofpaonia.com](mailto:KajaB@townofpaonia.com)>  
Sent: Wednesday, July 10, 2024 10:29 AM  
To: Bill Brunner <[BillB@townofpaonia.com](mailto:BillB@townofpaonia.com)>  
Cc: Stefen Wynn <[StefenW@townofpaonia.com](mailto:StefenW@townofpaonia.com)>; Paige S <[paiges@townofpaonia.com](mailto:paiges@townofpaonia.com)>  
Subject: Disbursement Approval Processes

Hello Trustee Brunner,

I wanted to reach out as the new staff accountant about the approval of disbursements process. I noticed you had not signed the disbursement approval last night and was informed that you had asked for more clarification around the process before signing.

The town's process for disbursement approval is quite a few steps to assure accountability and transparency. Invoices are coded by

department heads or the town administrator. Invoices are then entered into our database by town staff and reviewed and approved by either the town administrator or the staff accountant. A printed copy of proposed payments and the hard copy of invoices are also provided to the finance committee for review and approval. A printed list of the approved invoices is then provided to the mayor and trustees at the town meeting for final approval.

In regard to signatures being required by the mayor and trustees at the meeting rather than just a raise of hands is for transparency and accuracy in our financial processes. This also expedites the processes as we can review all signatures are present and begin disbursements the morning following meetings. We desire citizens to be assured that the town's finances are in order, transparent, and accountable. We also strive to pay vendors in a timely manner.

Thank you for your help as a trustee in this matter and please let me know if you would like any further clarification or have any questions.

Be excellent to each other,  
Kaja Bowman  
Staff Accountant

P : (970) 527-4101  
F : (970) 527-4102  
E : [KajaB@TownofPaonia.com](mailto:KajaB@TownofPaonia.com)

214 Grand Ave.  
Paonia, CO 81428

<https://townofpaonia.colorado.gov/>

-----Original Message-----  
From: trustee Bill [bill@paoniatruster.com](mailto:bill@paoniatruster.com)  
Sent: Wednesday, July 10, 2024 11:24 AM  
To: Stefen Wynn [StefenW@townofpaonia.com](mailto:StefenW@townofpaonia.com)  
Subject: Best practice

Stefen

Would you please send me some documentation on the best practice of having trustees sign the disbursements? I don't understand waiting for approval of minutes to pay bills. I thought the checks got signed the next morning and disbursed.

Bill B.

## Fw: attorney questions

Paige S <paiges@townofpaonia.com>

Thu 8/8/2024 1:53 PM

To: Samira V <SamiraV@townofpaonia.com>

**From:** Bill <bill@paoniairon.com>

**Sent:** Tuesday, May 7, 2024 3:04 PM

**To:** Paige S <paiges@townofpaonia.com>

**Subject:** Re: attorney questions

Paige

I yield to your decision on the questions for interviews. Frankly, I'm more interested in an attorney's answers to my questions than Stefan's and at this point the current attorney's opinions don't interest me. I'm completely open to including you in a conversation with Stefan. Sometime next week would be good, let's see how time evolves. As for the minutes, ROR is pretty clear. Think about it.

Thanks

Bill

On 5/6/2024 11:28 AM, Paige S wrote:

Hi Bill,

Your proposed interview questions appear to be asking for a legal opinion. I'm not comfortable with these sorts of questions in an interview setting and haven't asked Stefan to include any of them. However, as these are issues of concern to you, I'd like to suggest that you, Stefan and I get together to discuss each of them. Can we schedule a meeting next week to discuss (Stefan is out of the office Wed., Thurs. and Friday of this week and I'm unavailable this afternoon or tomorrow)? I'm available anytime all next week with the exception of the 2:00 facilities tour on the 15<sup>th</sup>.

Also, please know that Stefan's door is open anytime and he especially encourages Trustees to visit with him about Agenda Packets prior to each regular meeting.

With regard to "the distillation of stuff" are you referring to the single continuous document for the draft Comp. Plan we had asked from the contractor at the Planning Commission meeting? I don't believe it's been provided and have asked Sam about that and with this email I'll ask Stefan too.

I need to take a look at Meeting minutes more thoroughly to respond to your suggestion that they are not meeting Robert's Rules of Order. I'll follow-up on that later, but at this time I'm not ready to make a Mayor's opinion.

Thank you,

Paige Smith  
Mayor, Town of Paonia

---

**From:** Bill <[bill@paoniairon.com](mailto:bill@paoniairon.com)>

**Sent:** Sunday, May 5, 2024 3:41 PM

**To:** Paige S <[paiges@townofpaonia.com](mailto:paiges@townofpaonia.com)>

**Subject:** attorney questions

Paige

FYI here is what I submitted to Stefan for the attorney interviews.

I haven't received the distillation of the stuff presented to us at the last PC meeting. I thought we were going to have it Wednesday? Did I miss it?

Also, I am troubled with the way our minutes are out of line according to ROR. It seems to be a point of order for the chair to rule, are our minutes in line with ROR or not? I want to run it by you to see what you think.

I think the "summary" type minutes are by definition a biased narrative, no matter the motive of the minute keeper. It's just human nature. We all have a view point. Better to stick to the facts, Mam.

Thx

Bill B

An administrator deliberately allows construction of several new dwelling units in the downtown core in stark violation of zoning and a water moratorium. There are public complains and requests from a Board member to have the Board review the matter but the Mayor succeeds in keeping it off the agenda until construction is complete. Now a Board member moves to ignore the violations because it's gone so far there is a high likelihood of a lawsuit. No one ever seeks accountability from the administrator.

We are advised to follow the code or risk lawsuits against the Town and/or ourselves. After ignoring violations of code, can we chose to ignore the law to prevent a lawsuit for enforcing it? How can we or the Town be liable for enforcing the law?

There is an application for a new bar with a request for a variance on off street parking. Zoning requires Special Review by the broad for the proposed use, the Planning Commission shall determine the number of off street parking spaces and a variance from the Board of Appeals if the parking is not provided or is not within 300 ft.

In a public hearing the broad approves the use and following the administrator's advise grants a parking variance, without review by the other Boards and grants use of the Town parking lot (more than 300 ft away) because another entity was allowed to meet parking requirements that way. There are no findings of fact and no statements from the Board explaining their reasoning underlying the decisions.

Do you see any problems with the Board usurping the codified roles of the other committees and ignoring code requirements? If so, would you have watched this without comment? What if a Board member ask for your opinion? What your your recommendation be in a similar situation?

An intern administrator realizes that for many years the finance officer has been keeping two sets of books and opening undisclosed, unauthorized funds and accounts. Reporting this in a regular meeting the administrator states the obvious, "laws have been broken". They report the Town "doesn't know where its money is".

The books are "realigned" after months of work by experts and pass audit a year late. There are no other reports or investigations. The audit makes no mention of the irregularities.

A new trustee feels a fiduciary duty to understand what happened and seeks access to all the relevant records. The administrator defers to the Board which denies the trustee access because they don't trust the trustee and just want to "move on".

Your thoughts? What does fiduciary duty mean? Does a trustee have the privilege of ignoring violations of law by Town staff? Should the new trustee take some action to be free from a charge of tolerating malfeasance by the finance officer.

Three candidates team up as a slate to defeat a fourth candidate for the Trustee. One of the three is the wife of a sitting Board member. The fourth candidate prevails over the wife of the Board member.

There is an opening on the Board and the defeated candidate applies for the empty seat. The two Board members they teamed up with and her husband want to nominate and vote her onto the Board. The Board member who defeated No. 3 is more impressed with another applicant and would like to contrast the actions of No. 3 during the election against the attributes of his preferred candidate.

Are there any conflicts of interest here? Do you offer ethical advise?

**Re: FW: Audit Status ps**

trustee Bill <bill@paoniatruster.com>

Fri 6/28/2024 7:52 AM

To:Stefen Wynn <StefenW@townofpaonia.com>

Mr. Wynn

Would any of these statutes apply?

29-1-114. Record of expenditures.

29-1-605. Contents of report.

18-8-406. Issuing a false certificate.

18-8-405. Second degree official misconduct.

Thanks again

Bill B

On 6/27/2024 12:21 PM, Stefen Wynn wrote:

Mayor & Trustees,

Trustee Brunner had a few very good questions about the FY-2023 Audit that I think all of you benefit from learning about. Please see below for Trustee Brunner’s questions and my answers.

In Public Service,



**Stefen Wynn, M.P.A.**  
*ICMA-CM*  
**Paonia Town Administrator**

P: (970) 527-4101  
F: (970) 527-4102  
E: [StefenW@TownofPaonia.com](mailto:StefenW@TownofPaonia.com)

214 Grand Ave.  
Paonia, CO 81428

<https://townofpaonia.colorado.gov/>



---

**From:** Stefen Wynn  
**Sent:** Thursday, June 27, 2024 12:20 PM

**To:** trustee Bill <[bill@paoniatruster.com](mailto:bill@paoniatruster.com)>

**Subject:** RE: Audit Status

Trustee Brunner –

Thanks for your questions. The Board will have an opportunity to review the audit after the Management Discussion & Analysis portion is complete and prior to the Auditors' presentation during a public meeting. When repairs, renovations, or alterations are made to fixed assets, such as fixing a roof, it adds additional value to the life of that fixed asset, such as what has happened with the Clock Treatment Plant's roof from 2014 – 2015. Therefore, that asset may not be fully depreciated due to investment to it.

I'm unaware of any financial irregularities under the previous administration, aside from strange financial management practices, which have been fully reported to the auditors. The auditors are fully aware of strange financial management practices because of issues that they ran into trying to make sense of budget documents for both FY-2022 and FY-2023. Strange financial management practices don't necessarily mean that misfeasance, malfeasance, or fraud has occurred. I'm unaware of what the Interim Administrator said about laws being broken, if you could direct me to a meeting, I'd be happy to review the recording.

The auditors have conducted an oral interview of elected officials and staff that have knowledge of the financial practices for 2023. Personally, I was given an interview and answered the questions that they had for me. In my experience, there are two ways to conduct that interview, either written or oral and it's the preference of the auditors on which to use.

If you have more questions, you'll have an opportunity to ask them of the Auditors during a public meeting.

In Public Service,



**Stefen Wynn, M.P.A.**  
*ICMA-CM*  
**Paonia Town Administrator**

P: (970) 527-4101  
F: (970) 527-4102  
E: [StefenW@TownofPaonia.com](mailto:StefenW@TownofPaonia.com)

214 Grand Ave.  
Paonia, CO 81428

<https://townofpaonia.colorado.gov/>



---

**From:** trustee Bill <[bill@paoniatruster.com](mailto:bill@paoniatruster.com)>

**Sent:** Wednesday, June 26, 2024 6:03 PM

**To:** Stefen Wynn <[StefenW@townofpaonia.com](mailto:StefenW@townofpaonia.com)>; [bill@paoniatruster.com](mailto:bill@paoniatruster.com)

**Subject:** Re: Audit Status

Stefen

Three things today.



What status does the Clock Treatment Plant have in the audit? In many past years it has been claimed at full value of a functional unit, which it was and is not. It is a pile of used pipe and obsolete electronics, not a functioning asset.

I would like to confirm that there is a document showing the auditor is fully aware of the irregularities that transpired under Ms. Jones and Ms. Ferguson. I was surprised that there was no mention of that in the '22 audit. Ms. Klusmeyer revealed in a public meeting that laws had been broken. Doesn't the auditor have to deal with irregularities like that?

In the past the auditor has provided trustees with a form letter asking if trustees wished to raise any issues. Is that not a thing anymore? I haven't received a copy.

Bill B.

On 6/26/2024 12:09 PM, Stefen Wynn wrote:

Mayor & Trustees,

The auditors have let us know that a draft of the audit will be sent to the audit partners for their review on Friday. Once the partners have reviewed it, I'll be able to complete a Management Discussion and Analysis letter for inclusion in a Comprehensive Annual Financial Report. We're so very close to being on target for timely audits moving forward.

In Public Service,



**Stefen Wynn, M.P.A.**  
*ICMA-CM*  
**Paonia Town Administrator**

P: (970) 527-4101  
F: (970) 527-4102  
E: [StefenW@TownofPaonia.com](mailto:StefenW@TownofPaonia.com)

214 Grand Ave.  
Paonia, CO 81428

<https://townofpaonia.colorado.gov/>



### **CRS Section 29-1-114 - Record of expenditures**

The officer or employee of the local government whose duty it is to disburse moneys or issue orders for the payment of money shall keep in his office a record showing the amounts authorized by the appropriation and the expenditures drawn against the same and also a record of the transfer of moneys from one fund to another and of any authorized additional expenditures as provided in section 29-1-111. Such record shall be kept so that it will show at all times the unexpended balance in each of the appropriated funds or spending agencies. Such officer or employee shall report on such record as may be required by the governing body. No such officer or employee shall disburse any moneys or issue orders for the payment of money in excess of the amount available as shown by said record or report.

### **CRS Section 29-1-605. Contents of report.**

(1) All reports on audits of local governments shall contain at least the following:

- (a) Financial statements which shall be prepared, insofar as possible, in conformity with generally accepted governmental accounting principles setting forth the financial position and results of operation of each fund and activity of the local government and a comparison of actual figures with budgeted figures for each fund or activity for which a budget has been prepared, which financial statements shall be the representations of the local government;
- (b) The unmodified opinion of the auditor with respect to the financial statements of the local government or, if an unmodified opinion cannot be expressed, a modified opinion or disclaimer of opinion containing an explanation of the reasons therefor;
- (c) Full disclosure by the auditor of violations of state or local law which come to his attention.

(2) In addition to the information required by subsection (1) of this section, the report on the audit of a special district, as defined in section 32-1-103 (20), C.R.S., that has authorized but unissued general obligation debt as of the end of the fiscal year of the special district shall specify the amount of the authorized but unissued debt and any current or anticipated plan to issue the debt

### **Section 18-8-406 - Issuing a false certificate**

A person commits a class 6 felony, if, being a public servant authorized by law to make and issue official certificates or other official written instruments, he makes and issues such an instrument containing a statement which he knows to be false.

### **Section 18-8-405 - Second degree official misconduct**

- (1) A public servant commits second degree official misconduct if he knowingly, arbitrarily, and capriciously:
- (a) Refrains from performing a duty imposed upon him by law; or
  - (b) Violates any statute or lawfully adopted rule or regulation relating to his office. **(2)** Second degree official misconduct is a petty offense.

## Re: FW: Audit Status

trustee Bill <bill@paoniatruster.com>

Fri 6/28/2024 7:45 AM

To:Stefen Wynn <StefenW@townofpaonia.com>

Mr. Wynn

Thank you for the prompt reply and thank you for forwarding to the board. As you know, COML limits our ability to communicate. It is ironic that the law allows us to circumvent the intent by bouncing our communication through you, but the law is what it is. Please feel free to forward this as well.

Referring to Ms. Klusmire's report in the April 11, 2023 meeting packet.

***...the Town's broken accounting system...The following deficiencies have been found...Improper creation of Funds...many more than...you may have seen. Most of these funds were not approved by the Board as is required by state statute. ...accurate financial reports cannot be produced...accurate trial balances cannot be run...Accounts payable are out of balance... <the official accounting system> cannot be used to do... cash allocations ...March 2023 shows a \$21,000 error....Recommendation...preserving only ... governmental funds that were approved by the Board....Town's budget documents do not follow GFOA best practices.... Chart of accounts has been set up contrary to best practice....The Town Administrator has not been able to access accurate information regarding the amount of reserves the Town has....Extraordinary number of bank accounts...Erosion of Proper Internal Controls...internal control functions...were reclaimed by the Finance Director.***

At a minimum I ask the auditor to directly reconcile each aspect and every statement in Ms. Klusmire's report with all relevant accounting standards and State Statues. By my limited understating, at a minimum, malfeasance had to be involved. Simply staggering forward without dealing with the past guarantees future repeats of the same old clown show.

As for the Clock plant, I confess I need help understanding the accounting wizardry you can work with the books. Would you please forward the depreciation schedule to me?

I don't think there is any evidence that plant has produce a meaningful amount of water since it was shut down in 2015. Let me know if there is a Monthly Operating Report or utility bill that shows otherwise. The software subscription to run the filters has been abandoned and the tank cannot be use because, despite investments, it remains a bird bath and swimming pool for rodents. In all honesty it seems like a liability, not an asset.

It seems listing the Clock plant at actual value would reduce the position of the Town by a significant amount. This is unfortunate, but without evidence it has been more useful to the Town than on old brick and with no appropriation or plan to make something useful out of it, isn't that just the way it goes?

Accounting wizardry may prove me wrong but please ask the auditor to address this directly.

Please copy me on your communication with the auditor on these questions or send me the contact information and I will be happy to contact them myself.

Thank you

Bill B.

On 6/27/2024 12:21 PM, Stefen Wynn wrote:

Mayor & Trustees,

Trustee Brunner had a few very good questions about the FY-2023 Audit that I think all of you benefit from learning about. Please see below for Trustee Brunner’s questions and my answers.

In Public Service,



**Stefen Wynn, M.P.A.**  
*ICMA-CM*  
**Paonia Town Administrator**

P : (970) 527-4101  
F : (970) 527-4102  
E : [StefenW@TownofPaonia.com](mailto:StefenW@TownofPaonia.com)

214 Grand Ave.  
Paonia, CO 81428

<https://townofpaonia.colorado.gov/>



---

**From:** Stefen Wynn  
**Sent:** Thursday, June 27, 2024 12:20 PM  
**To:** trustee Bill <[bill@paoniatruster.com](mailto:bill@paoniatruster.com)>  
**Subject:** RE: Audit Status

Trustee Brunner –

Thanks for your questions. The Board will have an opportunity to review the audit after the Management Discussion & Analysis portion is complete and prior to the Auditors’ presentation during a public meeting. When repairs, renovations, or alterations are made to fixed assets, such as fixing a roof, it adds additional value to the life of that fixed asset, such as what has happened with the Clock Treatment Plant’s roof from 2014 – 2015. Therefore, that asset may not be fully depreciated due to investment to it.

I’m unaware of any financial irregularities under the previous administration, aside from strange financial management practices, which have been fully reported to the auditors. The auditors are fully aware of strange financial management practices because of issues that they ran into trying to make sense of budget documents for both FY-2022 and FY-2023. Strange financial management practices don’t necessarily mean that misfeasance, malfeasance, or fraud has occurred. I’m unaware of what the Interim Administrator said about laws being broken, if you could direct me to a meeting, I’d be happy to review the recording.

The auditors have conducted an oral interview of elected officials and staff that have knowledge of the financial practices for 2023. Personally, I was given an interview and answered the questions

that they had for me. In my experience, there are two ways to conduct that interview, either written or oral and it's the preference of the auditors on which to use.

If you have more questions, you'll have an opportunity to ask them of the Auditors during a public meeting.

In Public Service,



**Stefen Wynn, M.P.A.**  
*ICMA-CM*  
**Paonia Town Administrator**

P : (970) 527-4101  
F : (970) 527-4102  
E : [StefenW@TownofPaonia.com](mailto:StefenW@TownofPaonia.com)

214 Grand Ave.  
Paonia, CO 81428

<https://townofpaonia.colorado.gov/>



---

**From:** trustee Bill <[bill@paoniatruster.com](mailto:bill@paoniatruster.com)>  
**Sent:** Wednesday, June 26, 2024 6:03 PM  
**To:** Stefen Wynn <[StefenW@townofpaonia.com](mailto:StefenW@townofpaonia.com)>; [bill@paoniatruster.com](mailto:bill@paoniatruster.com)  
**Subject:** Re: Audit Status

Stefen

Three things today.

What status does the Clock Treatment Plant have in the audit? In many past years it has been claimed at full value of a functional unit, which it was and is not. It is a a pile of used pipe and obsolete electronics, not a functioning asset.

I would like to confirm that there is a document showing the auditor is fully aware of the irregularities that transpired under Ms. Jones and Ms. Ferguson. I was surprised that there was no mention of that in the '22 audit. Ms. Klusmeyer revealed in a public meeting that laws had been broken. Doesn't the auditor have to deal with irregularities like that?

In the past the auditor has provided trustees with a form letter asking if trustees wished to raise any issues. Is that not a thing anymore? I haven't received a copy.

Bill B.

On 6/26/2024 12:09 PM, Stefen Wynn wrote:

Mayor & Trustees,

The auditors have let us know that a draft of the audit will be sent to the audit partners for their review on Friday. Once the partners have reviewed it, I'll be able to complete a Management Discussion and Analysis letter for inclusion in a Comprehensive Annual Financial Report. We're so very close to being on target for timely audits moving forward.

In Public Service,



**Stefen Wynn, M.P.A.**  
*ICMA-CM*  
**Paonia Town Administrator**

P: (970) 527-4101  
F: (970) 527-4102  
E: [StefenW@TownofPaonia.com](mailto:StefenW@TownofPaonia.com)

214 Grand Ave.  
Paonia, CO 81428

<https://townofpaonia.colorado.gov/>



**To: The Honorable Mayor Mary Bachran and Board of Trustees**

**From: Leslie Klusmire, Interim Town Administrator**

**RE: Administrator’s Report**

**Date: April 11, 2023**

**2023 Board Priorities Survey:** Survey results are attached to this memo. I will bring the original list of priorities to the meeting. Please direct the staff regarding your final priorities.

**Water and Sewer Improvements, including those necessary to lift the tap moratorium:** The Mayor sent in three grants to cover the costs of the hydrogeologic study. The Town committed to a cash and in-kind contribution of \$50,000. These funds will come from the \$45,000 budget for spring redevelopment and in-kind contributions of labor to install two meters.

As you know, we had a significant sewer line collapse Thursday night, and you met in an emergency meeting to approve funding to fix it. I will continue to work with DOLA to fund this unexpected major expense. Tonight, we need you to ratify your decision on Friday.

**Town Administrator Search:** Good news. Even though this is the third round, we are receiving applications.

**Report on the Town’s financial management and data**

Two expert Finance Directors have reviewed the Town’s broken accounting system, viewed the extensive number of bank accounts, and reached similar conclusions. CML recommended Professional Management Systems to help the Town diagnose problems and develop a roadmap to achieving financial management best practices resulting in accurate financial records and reporting.

Professional Management Systems sent an experienced former Finance Director and Caselle expert on Monday, April 3, to diagnose why the Town cannot access accurate financial information.

First, the good news. The consultant interviewed staff members involved in accounting and told me Paonia has an excellent and very capable staff - Ruben Santiago, Sam Vetter, and Joann Katzer. They were especially impressed with Deputy Clerk Amanda Mojarro’s expertise and knowledge.

The following deficiencies have been found:

1. **Improper creation of Funds:** There are an extraordinary number of funds in Caselle, many more than what has been presented on the Excel spreadsheets you may have seen. Most of these funds were not approved by the Board as is required by state statute. The result is that the system is so complicated that accurate financial reports cannot be produced. 2022 bank accounts have yet to be reconciled, and accurate trial balances cannot be run. Accounts payable are out of balance for March. Caselle cannot be used to do accurate cash allocations because of these problems. March 2023 shows a \$21,000 error.

**Professional Management Systems Recommendation:** Reorder the accounting system according to a governmental account standard practices (GASP) including all governmental activities in the General Fund preserving only two additional governmental funds that were approved by the Board or required by the state statute - the Capital Improvement Fund and the Conservation Trust Fund. The board established the Sidewalk Replacement Fund, but since it is a fee, it should be incorporated as a revenue stream, not a separate fund. Many of the funds were set up for grants. Grants are not funds; they are revenue streams and should be accounted for that way. Three enterprise funds would remain: Sewer, Water Enterprise, and Trash Funds.

Two options for reordering the system were recommended. Either:

- I. Archive the accounting structure and start afresh with a properly structured accounting system. This is less expensive but does not allow the Town to run financial data analysis with past years' data.
- II. Restructure the entire accounting system. This will be somewhat more expensive but will allow the financial data analysis needed to obtain loans and bonds.

**Staff Recommendation:** Given that the Town is embarking on significant capital improvement work, I recommend the second alternative because funders will need the historical financial analysis.

**Benefit to Town:** This reordering follows GFOA (Government Finance Officers Association best practices and GASP (Government Accounting Standard Practices). It significantly cut down on audit costs and the extraordinary number of hours it took to download raw data and reorder it in Excel. Data in manipulated Excel spreadsheets were found to have errors.

2. **Budget has never been entered in Caselle.** The Town's budget documents do not follow GFOA best practices. According to the reviewer, 2023 is "massively long" and difficult to understand. I noticed this as well.



**Professional Management Systems Recommendation:** Restructure the 2023 budget so that it can be easily understood and is in a format that can be entered into the accounting system after Caselle is restructured.

**Staff Recommendation:** I will do this work under the instructions of Professional Management Systems.

**Benefit to Town:** This reordering follows GFOA (Government Finance Officers Association) best practices and GASP (Government Accounting Standard Practices). It will significantly cut down on audit costs and the extraordinary number of hours it took to download data and reorder in Excel. Data in manipulated Excel spreadsheets were found to have errors.

After this is accomplished, Board members, the Town Administrator, and Department Heads can access up-to-date and accurate financial information from Caselle as needed. Department Heads can manage their own budgets.

- 3. **Chart of accounts has been set up contrary to best practice:** Some line items have the same account numbers, and the accounts don't match the budget. This may be part of the reason Caselle is returning errors.

**Professional Management Systems Recommendation:** Align the chart of accounts so that it will serve Caselle and allow financial activity actions to work. This will save time and be accurate.

- 4. **The Town Administrator has not been able to access accurate information regarding the amount of reserves the Town has in each fund:** This is probably due to the "extreme"—the term used by Professional Management Systems—number of funds in the system. Aggregating governmental activities so one can determine what reserve monies are still available is impossible. Until the system is fixed, we have had to use the 2021 audit reserve amounts in our grant applications. After determining reserves from the 2022 closeout, we can update our grant applications.

- 5. **When the Professional Management Systems was in Caselle, it kept crashing.** There is a problem with the software stored on the Phonz server.

**Professional Management Systems Recommendation:** Hosting Caselle on a third-party server may not be the best option. Professional Management Systems recommends that Phonz, contact Caselle. The Town may want to consider switching to Caselle cloud hosting. In addition, the Town has no service contract with Caselle. The Town Clerk has contacted Caselle regarding a service contract.

This will allow staff to contact Caselle anytime for help with operations and problems.

- 6. **Caselle has free training available in Provo, Utah, through August:** I recommend we send two staff members to the training including Amanda who has the most knowledge of the Caselle system.
- 7. **The Town has purchased Caselle modules that aren't being used:** The Professional Management Systems recommended that we use Professional Management Systems to help them set up.
- 8. **Extraordinary number of bank accounts:** An extraordinary number of bank accounts have been created, some with abnormally low balances. The usual structure for a town this size is one or two checking accounts and one to three investment accounts. Bank accounts may have been used as accounting devices, although the reason for this large number is not known. Accounting software is the only accounting device that should be used.

**Professional Management Systems Recommendation:** This fall, consolidate the bank accounts so the Town can easily track its reserves and cash flow.

- 9. **Erosion of Proper Internal Controls:** I understand that internal controls were implemented after the embezzlement of Town funds eleven years ago. Most of those internal control functions properly done by other staff were reclaimed by the Finance Director. One crucial internal control remains the Finance Committee's invaluable involvement in reviewing disbursements and signing checks. I have been reestablishing internal controls, and staff is scheduled to be trained to properly execute those activities once the system is fixed.

**Staff recommendation:** The Board of Trustees should be familiar with internal control best practices for small communities and insist on staff preserving them. If there are problems, the problems should be addressed in a way that preserves internal controls.

- 10. **Audit:** Professional Management Systems advises that we are not ready for the auditor because of the problems they found. Lisa Herman, the auditor, has informed me that she is retiring this year and will no longer be available next year. She cannot change the April 16 appointment scheduled for information gathering, and we have to find another auditor. Professional Management System can produce the necessary financial reports for the auditor for this year after fixing the system. They know a retired auditor that can

perform the audit from those statements. In the meantime, I will prepare an RFP for auditing services for the Town.

11. **Meter reading is done manually**, and reads are entered manually. Professional Management Systems recommends we switch to radio reads immediately. They were very impressed with Amanda's skill set. They believed that if Amanda could free up countless hours now spent entering reads manually, she could take on other necessary bookkeeping activities.

All of this will be expensive to reconcile. I have discussed methods with the experts to keep costs to a minimum. DOLA has pledged grant support to provide the Town some relief for the costs.

I recommend we proceed post haste to address all these issues. The Board of Trustees and the staff need accurate, reliable and easy-to-understand financial information to skillfully manage public funds and ensure trust in the Town of Paonia's management of public monies. I have attached the agreement with Professional Management Systems for your approval. Overall, the Board of Trustees is ultimately responsible for the financial management of the Town. The work of staff should be accessible to the Board in a readily understandable and accurate format at all times. It is my goal to return the ability to manage Town finances to the Board of Trustees.

FW: the memo

Stefen Wynn <StefenW@townofpaonia.com>

Fri 7/19/2024 5:36 PM

To:Stefen Wynn <StefenW@townofpaonia.com>

Cc:Paonia <paonia@townofpaonia.com>

Mayor & Trustees –

Please see below for an email from Trustee Brunner. After reviewing both my June Town Administrator Report and the referenced memo, it was clear that I had left out names and even gender pronouns of the people involved. The memo also included no additional information on the application for rezoning, but instead discussed the events that occurred during the planning commission. I've also highlighted two sections below that are important to note in Trustee Brunner's email as one of them admits that a Planning Commissioner actively sought out information from Trustee Brunner, which is an admission that ex-parte communication had occurred. Additionally, I've highlighted another section that is particularly disturbing as they are slanderous. It is especially important to note that my staff reports only include information provided to the Town, contemplate existing code, and even call to question inconsistencies with the code.

Myself and staff have been attacked and retaliated against for the last few months and it has culminated in the last few emails that you've been forwarded. We've made great strides at professional management and administration to the Town, and these attacks from a Trustee have burdened progress towards completing critical projects for our Residents. We've built an incredible team of dedicated professionals, and I'm worried that continuing to meet resistance will cause them to leave.

In Public Service,



**Stefen Wynn, M.P.A.**  
*ICMA-CM*  
**Paonia Town Administrator  
& Treasurer**

P: (970) 527-4101  
F: (970) 527-4102  
E: [StefenW@TownofPaonia.com](mailto:StefenW@TownofPaonia.com)

214 Grand Ave.  
Paonia, CO 81428

<https://townofpaonia.colorado.gov/>



---

**From:** trustee Bill <bill@paoniatruster.com>  
**Sent:** Tuesday, July 16, 2024 10:50 AM  
**To:** Stefen Wynn <StefenW@townofpaonia.com>  
**Subject:** the memo

I sent this to Mayor Smith. I am sending it to you as "best practice" on the off chance she hasn't shared it with you yet. I had a copy in hand to discuss with you at our last meeting but time did not permit that discussion. Given subsequent events I see little point in personal confrontation but it is important that you know your accusations against myself and Ms. Watson are false.

I think you have overlooked a best practice. When making serious accusations it is best practice to make the complaint known to the person you are accusing. In the case of your "secret" memo to the BOT slandering Ms. Watson and myself your accusations are unfounded. I will tell you the extent of our discussion on the matter. She ask me if I was planning to speak at the BOT hearing on 215 N. Fork. My response was "no", and that we should not discuss the matter, that we should avoid any situation where she would have to reveal a potentially disqualifying ex parte contact.

Ms. Watson has been involved in town matters probably longer than myself. She is an avid researcher with good recall and takes her involvement with the town seriously. We discuss town matters frequently and often see things in similar light. She did not need ex parte contact with me to see obvious failings in your presentation.

Bill B.

Mayor Smith

In conversation prior to the election you asked for my help, I am giving you that help now. I suspect Mr. Wynn's memo is largely responsible for your refusal to allow the PC to perform it's lawful function. Even if Mr. Wynn's accusations were true that does not give you license to obstruct the work of the PC. Your obstruction is beyond the scope of your office.

**P.M.C. Sec. 2-2-20.** - *Mayor. (f) Except as may be required by statute, the Mayor shall exercise only such powers as the Trustees shall specifically confer upon him or her.*

The Planning Commission has functions granted by statute and ordinance. There is no statute or ordinance granting the Mayor authority to control the schedule or function of the Planning Commission.

As a courtesy to Ms. Watson I intend to hold my tongue in this meeting about Mr. Wynn's allegations and the apparent conspiracy to deny myself and the new Board member access to it. As you may imagine she is reluctant to be dragged through the mud, again, over false and slanderous accusations. She is preparing her response while working 10 hour days travel and over night stays for the post office. Despite her repeated requests and the existence of a pile of devices in Mr. Wynn's office, she lacks a device on which to do her official composing and email. Much to my frustration she will be unable to finish her remarks prior to this meeting.

Mr. Wynn's allegations are false and corrosive. His manner of making them is cowardly and unprofessional. Ms. Watson is faced with smirks and passive aggressive disrespect in every contact with town staff. We now understand why. The secrecy around this puts the lie to lip service about honesty, inclusion, team building and transparency. The essence of quasi judicial action is that decisions not be based in whole or part on factors revealed and kept in secret. The memo was a factor in Trustees' minds. In addition, it is unlawful to discuss the actions of a member of the public body in executive session. Mr. Wynn's secret accusations and Trustees' holding those secrets violate at least the spirit of the law.

I have witnessed four land use hearings involving Mr. Wynn. He has marred all four with false, misleading and inaccurate information. This is the true source of the Town's exposure over land use decisions. Ms. Watson did not need or receive ex parte contact from me to see the failings in the materials Mr. Wynn provided. The essence of his "memo" is a hissy fit over justified criticism and the exposure of his professional failings.

Ms. Watson's welfare is of concern to me. The charges against her dissolve with the truth she did not have ex parte contact as Mr. Wynn accuses. His lack of professionalism is another matter. His ill conceived "memo" forces Board consideration of his failings. The best interest of Ms. Watson and the Town may be best served if these two issues are handled separately. I would suggest Mr. Wynn withdraw his accusations and the Board handle his lack of professionalism in executive session, as provided by law.

**Bill B**



## Town of Paonia

Office of the Town Administrator

214 Grand Ave.

Paonia, CO 81428

O: (970) 527-4101

F: (970) 527-4102

4/4/2024

Hon. Mayor & Trustees

**RE: April 3, 2024, Planning Commission Meeting**

Mayor & Trustees,

I believe that it is in the best interest of the Town that I share with you the events that happened during the Planning Commission yesterday evening. It became clear that there are Planning Commission members that do not know their role as commissioners. The things that were said during the meeting, and their actions outside of the Planning Commission, increase the Town's liability for lawsuits. Planning Commissioners may only contemplate the Code, and only act as an advisory commission to the Board of Trustees. The Commissioners are also charged with assuring that the Comprehensive Plan is implemented by reviewing development applications on a case-by-case basis.

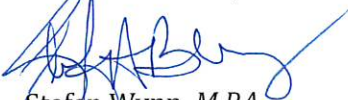
During the meeting last night, after being presented with a Staff Report on Rezoning, a Planning Commission member attempted to make inferences that were not discussed or presented as evidence during the Public Hearing. The arguments that were being made were similar, if not verbatim, to remarks that were spoken to me by an adjacent property owner that also had sold the property being discussed to the current owner that requested rezoning. The Chair of the Planning Commission had asked about ex-parte communication, and the Planning Commissioner that had made arguments against the rezoning was silent when it came to their turn for disclosure. That same Planning Commission member made a verbal denial during the next public hearing for a Special Review.

Just before the end of the meeting, I was praised for the detail of the staff reports submitted, but publicly admonished for the timeliness of the reports. However, as people attending the meeting were leaving, and before the adjournment of the meeting, I made certain defenses as to the timeliness of the staff reports. By the Town's Code, §16-4-40 – Procedures for securing approval of special review application, I submitted the Staff Report and Recommendations at the Planning Commission's next regularly scheduled meeting. After the Chairman had adjourned the meeting, the Planning Commission member that failed to disclose ex-parte communications made sure to tell me that I could be, "proactive, and give the staff report ahead of meetings."

I explained to the Planning Commission member that I too have experience serving as a commissioner on both Town and County Planning Commissions. I explained that during my tenure, especially during quasi-judicial hearings, we were given staff reports on the day of the Public Hearings and they were entered as evidence for the hearing. It is a Planning Commissioner's duty to know the Comprehensive Plan, to know the Land Development Code, and to make their own inferences based on the information ahead of the public hearing so that they can be discussed during the hearing. This is especially relevant since the Planning Commission agenda and packets were available for a month prior to the public hearing.

Having experienced times in my career where information like this wasn't documented, and that resulted in personally being blamed for the failures of another, I find it compelling to submit this letter to you for consideration. Further, I think that it is absolutely necessary that Planning Commission members receive adequate training on their duties, responsibilities, and authority. Setting clear expectations for Planning Commissioners will assist in reducing the Town's liability for lawsuits regarding property rights.

In Public Service,



Stefen Wynn, M.P.A.  
ICMA-CM

**Paonia Town Administrator & Treasurer**  
E: [StefenW@TownofPaonia.com](mailto:StefenW@TownofPaonia.com)



**Here is an email expressing concerns that Mr. Wynn refused to forward to the auditor. I contacted the auditor myself. Bill Brunner**

**From:** trustee Bill [bill@paoniatruster.com](mailto:bill@paoniatruster.com)  
**Sent:** Friday, June 28, 2024 7:45 AM  
**To:** Stefen Wynn [StefenW@townofpaonia.com](mailto:StefenW@townofpaonia.com)  
**Subject:** Re: FW: Audit Status

Mr. Wynn

Thank you for the prompt reply and thank you for forwarding to the board. As you know, COML limits our ability to communicate. It is ironic that the law allows us to circumvent the intent by bouncing our communication through you, but the law is what it is. Please feel free to forward this as well.

Referring to Ms. Klusmire's report in the April 11, 2023 meeting packet.

*...the Town's broken accounting system...The following deficiencies have been found...Improper creation of Funds...many more than...you may have seen. Most of these funds were not approved by the Board as is required by state statute. ...accurate financial reports cannot be produced...accurate trial balances cannot be run...Accounts payable are out of balance... <the official accounting system> cannot be used to do... cash allocations ...March 2023 shows a \$21,000 error....Recommendation...preserving only ... governmental funds that were approved by the Board....Town's budget documents do not follow GFOA best practices.... Chart of accounts has been set up contrary to best practice....The Town Administrator has not been able to access accurate information regarding the amount of reserves the Town has....Extraordinary number of bank accounts...Erosion of Proper Internal Controls...internal control functions...were reclaimed by the Finance Director.*

At a minimum I ask the auditor to directly reconcile each aspect and every statement in Ms. Klusmire's report with all relevant accounting standards and State Statues. By my limited understating, at a minimum, malfeasance had to be involved. Simply staggering forward without dealing with the past guarantees future repeats of the same old clown show.

As for the Clock plant, I confess I need help understanding the accounting wizardry you can work with the books. Would you please forward the depreciation schedule to me?

I don't think there is any evidence that plant has produce a meaningful amount of water since it was shut down in 2015. Let me know if there is a Monthly Operating Report or utility bill that shows otherwise. The software subscription to run the filters has been abandoned and the tank cannot be use because, despite investments, it remains a bird bath and swimming pool for rodents. In all honesty it seems like a liability, not an asset.

It seems listing the Clock plant at actual value would reduce the position of the Town by a significant amount. This is unfortunate, but without evidence it has been more useful to the Town than on old brick and with no appropriation or plan to make something useful out of it, isn't that just the way it goes?

Accounting wizardry may prove me wrong but please ask the auditor to address this directly.

Please copy me on your communication with the auditor on these questions or send me the contact information and I will be happy to contact them myself.


Thank you  
Bill Brunner

## planning commission meeting agenda

trustee Bill <bill@paoniatruster.com>

Fri 6/28/2024 3:11 PM

To:Stefen Wynn <StefenW@townofpaonia.com>;Samira V <SamiraV@townofpaonia.com>

 1 attachments (36 KB)

June 30 email agenda.pdf;

Hello

Please post this agenda is posted as required by the COML and email it to the commissioners. The meeting has been called by a quorum of the commission. As the agenda is rather simple, the commission can take the minutes, alleviating Rubin of the need to attend.

Thanks


Bill B.

## Fw: planning commission meeting agenda

Paige S <paiges@townofpaonia.com>

Thu 8/8/2024 7:48 PM

To: Samira V <SamiraV@townofpaonia.com>

 1 attachments (36 KB)

June 30 email agenda.pdf;

**From:** trustee Bill <bill@paoniatruster.com>

**Sent:** Friday, June 28, 2024 5:08 PM

**To:** Paige S <paiges@townofpaonia.com>; Pete McCarthy <petefromsf@gmail.com>; Plan Commission 2 <plancommission2@townofpaonia.com>; bill@paoniatruster.com <bill@paoniatruster.com>

**Subject:** planning commission meeting agenda

A meeting has been called by a quorum of the commission. I hope you can attend.

Thanks

Bill B.

TOWN OF PAONIA  
NOTICE OF SPECIAL MEETING of the PAONIA PLANNING COMMISSION  
June 30, 2024 6:00 pm in front of Paonia Town Hall

AGENDA:

- Roll call
- Approval of agenda
- Assignment of duty to take minutes
- Public Comment
- Create questions relative to the Planning Commission and Colorado State Statutes in advance of upcoming training with the Town Attorney
- Meeting and agenda suggestions and scheduling
- Commissioner reports and comments
- Adjournment

RESOLUTION 2024-05  
TOWN OF PAONIA, COLORADO

A RESOLUTION OF THE TOWN OF PAONIA REGARDING THE  
APPOINTMENT OF OFFICERS

WHEREAS, CRS 31-4-304 provides that, after each regular election, the Board of Trustees shall appoint a Clerk, Treasurer, and Town Attorney; and

WHEREAS, the Paonia Municipal Code chapter 2, Article 3 Section 2-3-10 requires the appointment of officers by a vote of the Board of Trustees; and

WHEREAS, the Board of Trustees of the Town of Paonia, Colorado, is required to appoint officers to carry on the Business of the Town.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Town of Paonia, Colorado, that the following persons are appointed.

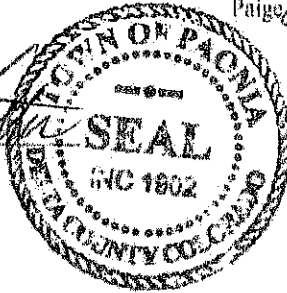
- Town Administrator/ Treasurer – Stefan Wynn
- Town Clerk – Samira Vetter
- Municipal Court Judge – Julie Huffman
- Town Attorney – Kelly PC

APPROVED AND ADOPTED: April 23, 2024.

*Paige Smith*  
\_\_\_\_\_  
Paige Smith, Mayor

ATTEST:

*Samira M Vetter*  
\_\_\_\_\_  
Samira M. Vetter, Town Clerk



Approved as to form and contents:

*Melinda Culley*  
\_\_\_\_\_  
Melinda Culley, Town Attorney

Clerk Vetter explains the options that the Board has to fill the vacant seat created by Trustee Smith becoming Mayor.

Public Comment:

C. Patterson: speaks in favor of the Resolution

Trustee Swartz comments that she did talk to Linda McCone and she is not willing to take the vacant seat.

Trustee Brunner makes a motion, seconded by Trustee Stelter to accept Resolution 2024-04 Declaring a Vacancy on the Board of Trustees.

The motion carries unanimously.

Agenda Item 4: Board Appointment of Mayor Pro-Tem

Public Comment:

C. Patterson: suggests Trustee Brunner for Mayor Pro-Tem.

M. Bachran: suggests a person who has been on the Board the longest.

*Board Discussion:*

Trustee Stelter makes a motion, seconded by Trustee Czech, to appoint John Valentine Mayor Pro-Tem.

The motion carries unanimously.

Consideration of Approval of Resolution 2024-05: Appointment of Officers

Board discussion includes delaying decision to another meeting, finding an outside Treasurer, staff qualifications and personnel matters.

Trustee Stelter makes a motion, seconded by Mayor Pro-Tem Valentine, to approve Resolution 2024-05 Appointment of Officers

Voting Aye: Mayor Pro-Tem Valentine, Trustee Swartz, Trustee Czech, Trustee Stelter

Voting Nay: Trustee Brunner

Consideration of Approval of Resolution 2024-06: Authorized Signatories on Accounts  
Trustee Swartz makes a motion, seconded by Trustee Stelter, to approve Resolution 2024-06 Authorized Signatories on Accounts.

The motion carries unanimously.

Appointing the Mayor and one other Board Member as well as two in-town Community Members to the Planning Commission

Trustee Swartz makes a motion, seconded by Trustee Stelter to lay this agenda item on the table until after the Board Appointments to Committees item.

The motion carries unanimously.

Board Appointments to Committees and Local Government Designee to the Energy & Carbon Management Commission.

Trustee Swartz volunteers to be on the finance committee and Mayor Smith also volunteers to stay on the finance committee.



# Paonia Police Department

DEPARTMENT BRIEFING: SUMMARY OF PROGRESS

08/01/2024

- With school back in session the department asks that everybody please be aware of the increased pedestrian and bicycle traffic and reduce speeds accordingly.
- Stage 1 fire restrictions are in effect. The list of restrictions is available on the PD website as well as the town homepage.
- Traffic citations have steadily increased over the last few months, as has the number of vehicles frequenting town. However, the preliminary data suggests that the new speed limits are being recognized and respected during high volume times during the day.
- The department took approximately 100 reports during the month of July. July is traditionally a busy month with several events and festivals resulting in an increase in the number of people in town.

# Paonia Police Department

## Law Incident Table, by Date and Time

**Date Occurred:** 07/01/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
10:48:47	WELFARE CHECK	VISTA DR, Paonia, CO	PPD	PPD	
17:58:14	WELFARE CHECK	NIAGARA AVE, Paonia, CO	PPD	PPD	
<b>Total Incidents for this Date: 2</b>					

**Date Occurred:** 07/02/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
06:22:14	TRAFFIC HAZARD	NORTH FORK AVE, Paonia, CO	PPD	PPD	
13:30:00	CITIZEN ASSIST	GRAND AVE; , Paonia, CO	PPD	PPD	
14:50:00	CITIZEN ASSIST	GRAND AVE; Paonia, CO	PPD	PPD	
17:44:42	SEX OFFENSE	NIAGARA AVE, Paonia, CO	PPD	PPD	
19:20:12	CITIZEN ASSIST	ONARGA AVE, Paonia, CO	PPD	PPD	
20:49:52	BUSINESS CHECK	Grand Ave, Paonia, CO	PPD	PPD	
22:37:12	AGENCY ASSIST	GERMAN CREEK LN, Paonia, CO	PPD	DIST3	
<b>Total Incidents for this Date: 7</b>					

**Date Occurred:** 07/03/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
11:05:29	VIN INSPECTION	GRAND AVE; Paonia, CO	PPD	PPD	
13:22:07	SUSPICIOUS	BOX ELDER AVE, Paonia, CO	PPD		UTL
13:54:25	VIN INSPECTION	GRAND AVE, Paonia, CO	PPD	PPD	
13:56:30	Information	GRAND AVE; , Paonia, CO	PPD	PPD	
<b>Total Incidents for this Date: 4</b>					

**Date Occurred:** 07/04/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
10:19:11	AGENCY ASSIST	GERMAN CREEK LN, Paonia, CO	PPD	DIST3	
19:44:38	FIRE	NIAGARA AVE, Paonia, CO	PPD	PPD	
22:14:52	Traffic Stop	1st St./Niagara Ave., Paonia, CO	PPD	PPD	VW
<b>Total Incidents for this Date: 3</b>					

**Date Occurred:** 07/05/24



<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
09:32:39	Parking Problem	GRAND AVE, Paonia, CO	PPD	PPD	
15:53:27	Traffic Stop	GRAND AVE, Paonia, CO	PPD	PPD	
16:07:53	Traffic Stop	GRAND AVE, Paonia, CO	PPD	PPD	CIT
19:02:09	Traffic Stop	400 Block of 4th St., Paonia, CO	PPD	PPD	VW
19:59:39	Traffic Stop	400 Block 2nd St., Paonia, CO	PPD	PPD	VW
20:45:04	CITIZEN ASSIST	GRAND AVE; , Paonia, CO	PPD	PPD	
21:14:48	Traffic Stop	SAMUEL WADE RD, Paonia, CO	PPD	DIST3	CIT
22:16:00	SUSPICIOUS	4TH ST, Paonia, CO	PPD	PPD	

**Total Incidents for this Date: 8**

**Date Occurred:** 07/06/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
14:12:10	Traffic Stop	BOX ELDER AVE, Paonia, CO	PPD	PPD	CIT
14:14:59	MISSING PERSON	BOX ELDER DR, Paonia, CO	PPD	PPD	
18:03:26	Traffic Stop	NIAGARA AVE, Paonia, CO	PPD	PPD	CIT
22:08:52	ALCOHOL OFFENSE	PAONIA TOWN PARK, Paonia, CO	PPD	PPD	

**Total Incidents for this Date: 4**

**Date Occurred:** 07/07/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
00:38:35	RESTR/PROT ORDR	CLARK AVE, Paonia, CO	PPD	PPD	
08:21:15	AGENCY ASSIST	GRANGE RD, Paonia, CO	PPD	DIST3	
17:59:25	Traffic Stop	GRAND AVE, Paonia, CO	PPD	PPD	VW

**Total Incidents for this Date: 3**

**Date Occurred:** 07/08/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
12:02:03	CIVIL PROBLEM	BOX ELDER AVE, Paonia, CO	PPD	PPD	NAT

**Total Incidents for this Date: 1**

**Date Occurred:** 07/10/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
09:10:41	ANIMAL CONTROL	MAIN AVE, Paonia, CO	PPD	PPD	
15:20:23	SUSPICIOUS	GRAND AVE., Paonia, CO	PPD	PPD	

**Total Incidents for this Date: 2**

**Date Occurred:** 07/11/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
12:36:46	TRAFFIC	SAMUEL WADE RD; , Paonia, CO	PPD	PPD	CIT
16:09:08	Traffic Stop	SAMUEL WADE RD;, Paonia, CO	PPD	PPD	CIT

---

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
18:11:14	ERROR	ONARGA AVE; PAONIA, Paonia, CO	PPD	PPD	
18:47:15	DUI	ONARGA AVE; PAONIA, Paonia, CO	PPD	PPD	A
21:26:36	TrafficAccident	300 Block 3rd St., Paonia, CO	PPD	PPD	CIT
<b>Total Incidents for this Date: 5</b>					

---

Date Occurred: 07/12/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
15:14:35	DUI	3RD ST; , Paonia, CO	PPD	PPD	A
18:25:42	Traffic Stop	OAK AVE, Paonia, CO	PPD	PPD	CIT
<b>Total Incidents for this Date: 2</b>					

---

Date Occurred: 07/13/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
15:45:35	Medical/transfe	2ND ST, Paonia, CO	PPD	PPD	
18:53:02	Traffic Stop	BOX ELDER AVE, Paonia, CO	PPD		
22:29:08	Traffic Stop	ONARGA AVE, Paonia, CO	PPD		CIT
<b>Total Incidents for this Date: 3</b>					

---

Date Occurred: 07/14/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
17:15:44	Extra Patrol	NIAGARA AVE, Paonia, CO	PPD	PPD	
17:19:34	Traffic Stop	2ND ST;, Paonia, CO	PPD	PPD	CIT
21:27:47	Extra Patrol	GRAND AVE;, Paonia, CO	PPD	PPD	
21:46:56	Extra Patrol	GRAND AVE;, Paonia, CO	PPD	PPD	
<b>Total Incidents for this Date: 4</b>					

---

Date Occurred: 07/15/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
17:04:43	Information	SHADY LN; RIVER PARK, Paonia, CO	PPD	DIST3	
<b>Total Incidents for this Date: 1</b>					

---

Date Occurred: 07/16/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
12:08:36	Traffic Stop	2ND ST & GRAND AVE, Paonia, CO	PPD	PPD	CIT
14:30:38	VIN INSPECTION	GRAND AVE;, Paonia, CO	PPD	PPD	
16:37:30	CIVIL PROBLEM	CLARK AVE, Paonia, CO	PPD	PPD	
<b>Total Incidents for this Date: 3</b>					

---

**Date Occurred:** 07/17/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
15:53:32	AGENCY ASSIST	GRAND AVE., Paonia, CO	PPD		
17:18:58	Code Enforce	OAK AVE, Paonia, CO	PPD	PPD	
17:59:57	SUSPICIOUS	OAK AVE, Paonia, CO	PPD	PPD	

**Total Incidents for this Date:** 3

**Date Occurred:** 07/18/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
10:08:51	Certified Vin	GRAND AVE; Paonia,CO	PPD	PPD	
14:14:35	Elder Abuse	MEADOWBROOK BLVD., Paonia, CO	PPD	PPD	
16:51:11	Medical/transfe	2ND ST; , Paonia, CO	PPD	PPD	
18:06:47	Code Enforce	2ND ST, Paonia, CO	PPD	PPD	
22:00:32	Extra Patrol	GRAND AVE, Paonia, CO	PPD	PPD	

**Total Incidents for this Date:** 5

**Date Occurred:** 07/19/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
10:54:22	CIVIL PROBLEM	Onarga Ave., Paonia, CO	PPD	PPD	
20:56:31	Traffic Stop	NIAGARA AVE, Paonia, CO	PPD	DIST3	CIT
21:33:11	Traffic Stop	GRAND AVE, Paonia, CO	PPD	PPD	CIT

**Total Incidents for this Date:** 3

**Date Occurred:** 07/20/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
00:25:56	Extra Patrol	GRAND AVE;, Paonia, CO	PPD	PPD	
00:32:15	Extra Patrol	NIAGARA AVE, Paonia, CO	PPD	PPD	
00:44:32	Extra Patrol	ONARGA AVE, Paonia, CO	PPD		
14:25:34	Traffic Stop	NIAGARA AVE, Paonia, CO	PPD	PPD	CIT
14:44:02	Information	MEADOWBROOK BLVD, Paonia, CO	PPD	PPD	
17:42:45	Traffic Stop	NIAGARA AVE, Paonia, CO	PPD	PPD	CIT
20:02:30	AGENCY ASSIST	MATHEWS LN, Paonia, CO	PPD	DIST3	

**Total Incidents for this Date:** 7

**Date Occurred:** 07/21/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
00:31:39	Information	ALDER DR, Paonia, CO	PPD	PPD	
16:48:38	THEFT	BOX ELDER AVE; , Paonia, CO	PPD	PPD	
17:14:07	DUI	RIO GRANDE AVE., Paonia, CO	PPD	PPD	A

**Total Incidents for this Date:** 3

**Date Occurred:** 07/22/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
00:04:25	Traffic Stop	Niagara, Paonia, CO	PPD	PPD	CIT
08:42:19	CITIZEN ASSIST	DORRIS AVE, Paonia, CO	PPD		CIT
12:13:34	VIN INSPECTION	GRAND AVE, Paonia, CO	PPD	PPD	
<b>Total Incidents for this Date: 3</b>					

**Date Occurred:** 07/23/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
13:19:01	Traffic Stop	GRAND AVE, Paonia, CO	PPD		CIT
20:51:00	ANIMAL PROBLEM	OAK AVE, Paonia, CO	PPD	PPD	
22:20:04	CITIZEN ASSIST	BOX ELDER DR, Paonia, CO	PPD	PPD	
<b>Total Incidents for this Date: 3</b>					

**Date Occurred:** 07/24/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
11:03:00	Information	MEADOWBROOK BLVD; Paonia, CO	PPD	PPD	UNF
16:02:14	Parking Problem	GRAND AVE, Paonia, CO	PPD		WW
20:26:13	Traffic Stop	GRAND AVE, Paonia, CO	PPD		CIT
<b>Total Incidents for this Date: 3</b>					

**Date Occurred:** 07/25/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
14:59:59	TrafficAccident	2ND ST; Paonia, CO	PPD	PPD	
15:52:36	SUSPICIOUS	SAMUEL WADE RD, Paonia, CO	PPD	PPD	
18:35:35	Traffic Stop	NIAGARA AVE, Paonia, CO	PPD	PPD	CIT
23:17:07	Extra Patrol	GRAND AVE., Paonia, CO	PPD	PPD	
<b>Total Incidents for this Date: 4</b>					

**Date Occurred:** 07/26/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
14:53:57	Traffic Stop	400 Block Rio Grande Ave., Paonia, CO	PPD	PPD	VW
17:46:03	AGENCY ASSIST	N 2ND ST & E BRIDGE ST, Hotchkiss, CO	PPD		
20:49:02	Extra Patrol	3RD ST, Paonia, CO	PPD	PPD	
<b>Total Incidents for this Date: 3</b>					

**Date Occurred:** 07/27/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
19:30:51	WELFARE CHECK	GRAND AVE;, Paonia, CO	PPD	PPD	VW

---

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
20:00:00	Extra Patrol	GRAND AVE; , Paonia, CO	PPD	PPD	
20:45:47	Traffic Stop	3RD ST & GRAND AVE, Paonia, CO	PPD	PPD	CIT
21:20:23	Traffic Stop	3RD ST & ORCHARD AVE, Paonia, CO	PPD		CIT
22:32:55	AGENCY ASSIST	PAN AMERICAN AVE, Paonia, CO	PPD	PPD	
<b>Total Incidents for this Date: 5</b>					

---

Date Occurred: 07/28/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
19:00:00	Extra Patrol	LAMBORN AVE, Paonia, CO	PPD	PPD	
23:05:32	Extra Patrol	RIO GRANDE AVE, Paonia, CO	PPD	PPD	
<b>Total Incidents for this Date: 2</b>					

---

Date Occurred: 07/30/24

<u>Time</u>	<u>Nature</u>	<u>Address</u>	<u>Agency</u>	<u>Loctn</u>	<u>Dsp</u>
09:23:02	Code Enforce	OAK AVE, Paonia, CO	PPD	PPD	
<b>Total Incidents for this Date: 1</b>					

---

Total reported: 97

A-2, CIT-19, NAT-1, UNF-1, UTL-1, VW-7, WW-1

- A=ARREST
- CIT= CIATION
- NAT=NO ACTION TAKEN
- UNF=UNFOUNDED
- UTL=UNABLE TO LOCATE
- VW= VERBAL WARNING
- WW=WRITTEN WARNING

**Report Includes:**

All dates between `00:00:01 07/01/24` and `00:00:01 07/31/24`, All agencies matching `PPD`, All disposition's, All natures, All location codes, All cities



**TOWN OF PAONIA  
BOARD OF TRUSTEES MEETING  
STAFF REPORT**

<b>AGENDA ITEM:</b>	Agenda Item #3: Consideration of Approval of Contract with Professional Management Solutions
<b>SUBMITTED BY:</b>	Stefen Wynn, Town Administrator
<b>DATE:</b>	8.13.2024
<b>BACKGROUND:</b>	<p>The current agreement with Professional Management Services was approved by the Board during a meeting on April 11, 2023. Motion made by Trustee Smith and seconded by Trustee Weber and unanimously passed. The existing agreement included the following assistance billed at \$135.00/hour: Work with Caselle Accounting software for setup and training; Work with Town Staff to resolve operating/training/usage issues; Perform bank reconciliations and make journal entries; Prepare monthly financial transactions or reconciliations; Review and/or prepare monthly and/or quarterly financial statements; Consult on issues or tasks with taxes, banking, payroll, grants, intergovernmental revenues, inter-fund transactions, or unusual financial items; Train employees; advise or consult on current or long-range issues.</p> <p>The updated agreement includes: performing monthly accounting tasks including bank reconciliations; prepare monthly financial statements including balance sheet and statement of revenues &amp; expenditures; assist and advise on issues with accounting; assist with preparation of annual financial audit by the Town's independent auditor; evaluate, recommend and assist with implementing any needed internal financial controls and separation of duties.</p>
<b>BUDGET:</b>	<p>\$2,400/month up to 20 hours/month any hours in excess of 20 hours is \$155.00/hour.</p> <p>FY-2023, spent \$75,265 for services from 04/23 - 12/23. FY-2024 spent \$22,916.25 to date.</p>
<b>RECOMMENDATION:</b>	<p>Staff finds that the services provided by Professional Management Solutions have been invaluable in preparation for annual audits, and while completing necessary bank reconciliations.</p> <p>RECOMMENDED MOTION:</p> <p>I move to approve the agreement with Professional Management Solutions</p>
<b>ATTACHMENT:</b>	<p>Attachment A: 2024 Paonia Proposal for Financial Services--ProMgmt.pdf</p> <p>Attachment B: 2024 Professional Management Solutions Contract.pdf</p>

# Professional Management Solutions

P.O. Box 1848, Broomfield, CO 80038-1848

(303) 910-9197

[www.professionalmanagementsolutions.net](http://www.professionalmanagementsolutions.net)

June 14, 2024

Mr Stefen Wynn, Town Administrator  
Town of Paonia  
214 Grand Ave.  
Paonia, CO 81428

VIA ELECTRONIC MAIL

Dear Ms. Wynn:

As we discussed early last week, I'm proposing to **convert our contractual relationship with the Town of Paonia to our standard contract for on-going financial services**. As you know, our current contract was developed in 2023 prior to your employment with the Town, when the Town had several disparate financial services needs that would require an unknown number of monthly hours. Under that contract, the Town is billed \$135 per hour (discounted from our standard rate of \$155 per hour).

Now that the various initial projects are complete, **a draft of our standard contract is proposed as attached. It would provide on-going financial services for \$2,400 per month for up to 20 hours per month**, which is our estimate of the current level of monthly accounting and financial services required for most months of the year. In those months where additional hours are needed, such as for annual audit preparations or special projects, they will be billed at our standard rate.

I appreciate your continued interest in my firm's services. Please let me know if you desire any additional information.

Sincerely,

*Lorraine H. Trotter*

Lorraine H. Trotter  
President

Attachment

# Professional Management Solutions

P.O. Box 1848, Broomfield, CO 80038-1848  
(303) 910-9197

[www.professionalmanagementsolutions.net](http://www.professionalmanagementsolutions.net)

June 14, 2024

Mr Stefen Wynn, Town Administrator  
Town of Paonia  
214 Grand Ave.  
Paonia, CO 81428

VIA ELECTRONIC MAIL

Dear Ms. Wynn:

As we discussed early last week, I'm proposing to **convert our contractual relationship with the Town of Paonia to our standard contract for on-going financial services**. As you know, our current contract was developed in 2023 prior to your employment with the Town, when the Town had several disparate financial services needs that would require an unknown number of monthly hours. Under that contract, the Town is billed \$135 per hour (discounted from our standard rate of \$155 per hour).

Now that the various initial projects are complete, **a draft of our standard contract is proposed as attached. It would provide on-going financial services for \$2,400 per month for up to 20 hours per month**, which is our estimate of the current level of monthly accounting and financial services required for most months of the year. In those months where additional hours are needed, such as for annual audit preparations or special projects, they will be billed at our standard rate.

I appreciate your continued interest in my firm's services. Please let me know if you desire any additional information.

Sincerely,

*Lorraine H. Trotter*

Lorraine H. Trotter  
President

Attachment





CONTRACT FOR PROFESSIONAL SERVICES

THIS CONTRACT FOR PROFESSIONAL SERVICES ("Contract") is entered into this \_\_\_\_ day of \_\_\_\_\_, 2024 by and between the Town of Paonia, Colorado (hereinafter known as "Client" or Town) and Professional Management Systems, d.b.a. Professional Management Solutions, a Colorado S Corporation (hereinafter known as "Contractor").

WHEREAS, Client wishes to obtain the services of Contractor to provide professional financial services; and

WHEREAS, Contractor agrees to provide such services to Client; and

WHEREAS, Client and Contractor agree to set forth the terms and conditions of this relationship;

NOW, THEREFORE, based upon the terms, covenants and considerations set forth herein, the adequacy and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

I. SCOPE OF SERVICES

Contractor shall furnish all labor and materials required for the complete and prompt execution and performance of all duties, obligations, and responsibilities which are described or reasonably implied from the Scope of Services set forth in Exhibit A, attached hereto and incorporated herein by this reference. Contractor represents that it has the special expertise, qualifications and background necessary to complete the services. Contractor shall exercise its performance of the Services hereunder in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.

II. COMPENSATION

Services will be performed at the rate of \$2,400.00 per month for up to 20 hours per month. Hours in excess of 20 per month will be billed at 155.00 per hour. Contractor shall submit monthly invoices for payment to Client after the end of each month of services provided. Town shall pay all invoices within 30 days of invoice date.

III. TERM OF CONTRACT

This Contract shall begin on or about \_\_\_\_\_, 2024 and continue from month to month at the direction of Client, however, Client and Contractor acknowledge that neither Client's nor Contractor's resources are exclusively dedicated to performance of this Contract. Each will work with reasonable diligence to accomplish tasks from the Scope of Work, which will be prioritized and staged for completion based on Client's and Contractor's staff availability. Nothing in this Agreement is intended or shall be deemed or construed as creating any multiple-fiscal year direct

or indirect debt or financial obligation on the part of the Town within the meaning of Colorado Constitution Article X, Section 20 or any other constitutional or statutory provision. All financial obligations of the Town under this Agreement are subject to annual budgeting and appropriation by the Paonia Board of Trustees, in its sole discretion. Notwithstanding anything in this Agreement to the contrary, in the event of non-appropriation, this Agreement shall terminate effective December 31 of the then-current fiscal year.

IV. TERMINATION

This Contract may be terminated upon ten (10) days written notice by either party or by mutual written consent. Upon termination of this Contract, Contractor shall provide Client with all work performed under the Contract to date. Client shall compensate Contractor for all work performed prior to the date of termination at the rates set forth in Section II.

V. OWNERSHIP

All documents produced by Contractor under this Contract are and shall remain the property of Town. Contractor shall provide Client with all such documents prepared by Contractor under this Contract, and Client shall be entitled to continuous use of such documents.

VI. ADDITIONAL PROVISIONS

- A. Contractor shall be responsible for providing the highest professional quality workmanship and advice, technical accuracy, and timely completion of tasks. Contractor shall indemnify and hold Client harmless in accordance with Colorado law from all damages to Client or claimed by third parties against Client arising directly, or the portion arising indirectly, from Contractor's negligent performance of any of the services furnished under this Contract. Client shall indemnify and hold Contractor harmless, to the extent permitted by Colorado law, from all damages to Contractor or claimed by third parties against Contractor arising directly, or the portion arising indirectly, from Client's negligence or arising from duties performed by Contractor with due diligence on Client's behalf. The parties understand and agree that the Client is relying on, and does not waive or intend to waive by any provision of this Contract, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, § 24-10-101 et seq., C.R.S., as from time to time amended, or otherwise available to the Client, its officers, or its employees.
- B. If at any time a conflict of interest between the services provided under this Contract and professional services provided by Contractor to other persons or entities arises, Contractor shall immediately provide Client with written notification thereof and shall withdraw from the conflict at Client's discretion.

- C. The parties intend that the work performed under this Contract may be performed at Client's offices or Contractor's offices at Contractor's discretion and as practical with regard to documents and systems necessary to be accessed by Contractor in order to complete the scope of services. Client agrees to arrange secure remote computer access to Client's Caselle accounting system for Contractor's staff assigned to the project. Contractor agrees to cooperate fully with protocols established by Client for security of Client's files, documents, and computer system access.
- D. Services provided by Contractor under this Contract are those of an independent contractor and not those of an agent, representative, officer, or employee of Client.
- E. The parties to this Contract agree that each shall treat as confidential all information provided by a party to the others regarding such party's business and operations, including without limitation the investment activities or holdings of the Town's accounting system. All confidential information provided by a party hereto shall be used by any other parties hereto solely for the purposes of rendering services pursuant to this Contract and shall not be disclosed to any third party without the prior consent of such providing party. The foregoing shall not be applicable to any information that is publicly available when provided or which thereafter becomes publicly available other than in contravention of this subsection, or which is required to be disclosed by any regulatory authority in the lawful and appropriate exercise of its jurisdiction over a party, any auditor of the parties hereto, by judicial or administrative process or otherwise by applicable law or regulation.

**INSURANCE**

Contractor agrees to procure and maintain, at its own cost, a policy or policies of insurance sufficient to insure against all liability, claims, demands, and other obligations assumed by Contractor pursuant to the Contract, including:

- A. Commercial General Liability insurance with minimum combined single limits of one million dollars (\$1,000,000) each occurrence and one million dollars (\$1,000,000) general aggregate.
- B. Professional Liability insurance with minimum limits of one million dollars (\$1,000,000) each claim and one million dollars (\$1,000,000) general aggregate.
- C. Workers' Compensation insurance as required by law.

VII. MISCELLANEOUS

- A. This Contract shall be governed by the laws of the State of Colorado and any legal action concerning the provisions hereof shall be brought in the County of Delta, Colorado.
- B. There are no intended third-party beneficiaries to the Contract.
- C. Any notice under this Contract shall be made in writing by U.S. mail or electronic mail to the addresses set forth below.
- D. If any provision of this Contract is found by a court of competent jurisdiction to be unlawful or unenforceable for any reason, the remaining provisions hereof shall remain in full force and effect.
- E. Neither this Contract nor any of the rights or obligations of the parties hereto shall be assigned by either party without the written consent of the other. Any assignment in violation of this subsection shall be voidable by the non-assigning party.

IN WITNESS WHEREOF, the parties have executed this Contract on the date first set forth above.

PROFESSIONAL MANAGEMENT SOLUTIONS  
 P.O. Box 1848  
 Broomfield, CO 80038-1848  
[lhrotter@professionalmanagementsolutions.com](mailto:lhrotter@professionalmanagementsolutions.com)

By: \_\_\_\_\_ Date: \_\_\_\_\_

TOWN OF PAONIA  
 PO Box 460  
 214 Grand Avenue  
 Paonia, CO 81428  
 Phone: 970-527-4101  
[StefenW@TownofPaonia.com](mailto:StefenW@TownofPaonia.com)

By: \_\_\_\_\_ Date: \_\_\_\_\_

Attest: \_\_\_\_\_

Exhibit A

Services

Services to be provided under this contract would include the following types of financial services as identified and requested by the Town:

1. Perform **monthly accounting tasks** as assigned, including bank reconciliations, preparation of journal entries, and reconciliation of various liability accounts **to balance and close each month**.
2. **Prepare monthly financial statements** including *Balance Sheet* and *Statement of Revenues & Expenditures Compared to Budget* for each fund.
3. Assist with, advise on, or handle **issues, problems, or tasks associated with accounting, bookkeeping, banking, accounts payable, cash receipting, payroll, utility billing, grants, intergovernmental revenues, interfund transactions, or unusual financial items**, as requested.
4. Assist with **preparation for annual financial audit** by the Town's independent auditor, such as overseeing and/or preparing account reconciliation schedules for all major asset and liability accounts as requested by auditors; preparing/updating capital asset and depreciation schedules; preparing year-end journal entries; reviewing draft financial statements prepared by auditor; preparing/reviewing Management's Discussion & Analysis of financial statements and financial condition, and/or reviewing/presenting audited financial statements at Town Board meeting.
5. Evaluate, recommend, and assist with implementing any **needed internal financial controls** and separation of duties.

Please note that assistance with issuance of debt would not fall under this contract and would be billed separately as a Cost of Issuance.

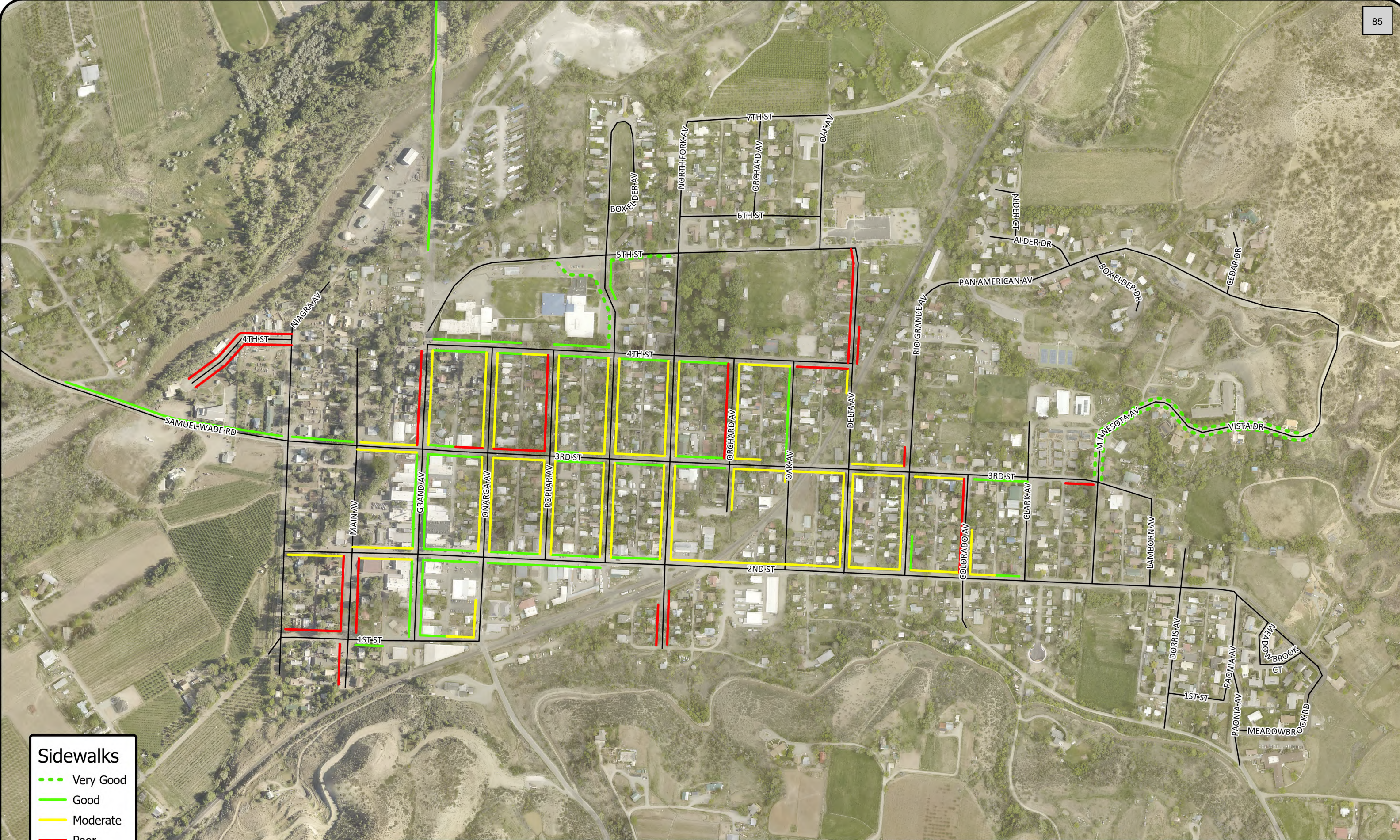




**TOWN OF PAONIA  
BOARD OF TRUSTEES MEETING  
STAFF REPORT**

<b>AGENDA ITEM:</b>	Agenda Item #4: Sidewalk Fee Ballot Discussion & Decision
<b>SUBMITTED BY:</b>	Stefen Wynn, Town Administrator & Cory Heiniger, Public Works Director
<b>DATE:</b>	8.13.2024
<b>BACKGROUND:</b>	<p>The Town has receipted a Year-to-Date amount of: \$17,655.39 into the Sidewalk Revenue account, and has fore-casted to receive an amount of \$30,000 for the year. The draft of the FY-2023 Audit shows an Unassigned Fund Balance in the Sidewalk Fund of: \$93,344. There is an estimated \$110,999.39 available in the Sidewalk fund as of 7/31/2024. This fund will have expenditures for the 5th and Grand Realignment project scheduled for next year to repair, and replace sidewalks for the project to create a safer route to Paonia K-8 and to the River Park.</p> <p>The FY-2020 Audit detailed an itemization of sidewalks repaired in 2020 and are as follows:</p> <p>Box Elder Avenue = 1640 sq ft 4" sidewalk + 40 l.ft curb and gutter + 2 handicap ramps = \$18,342.          Box Elder Avenue = 1370 sq ft 4" sidewalk = \$12,398.50          4 th Street &amp; Box Elder = 170 sq ft 4" sidewalk = \$1,538.          4 th Street &amp; Onarga = 530 sq ft 4" sidewalk = \$4,796.          3 rd Street &amp; Onarga = 750 sq ft 4" sidewalk = \$6,787</p> <p>Staff believe that this fund could be more effective by allowing for the construction of new sidewalks in addition to repair and replacement of old sidewalks. An attachment showing current sidewalk conditions will help to guide which sidewalks repairs to prioritize. The Town should also consider a 50/50 sidewalk split program for property owners that want to move their sidewalks higher within the priority list.</p>
<b>BUDGET:</b>	
<b>RECOMMENDATION:</b>	
<b>ATTACHMENT:</b>	Attachment A: TOP - SidewalkConditionAssessment-240628.pdf





**Sidewalks**

- Very Good
- Good
- Moderate
- Poor
- Roadways

**SGM**  
 118 W. Sixth St., Suite 200  
 Glenwood Springs, CO 81601  
 970.945.1004  
 www.sgm-inc.com

**Town of Paonia  
 Sidewalk Condition Report**

Date:	6/28/2024	Job No.:	2013-471.001	Map by:	SGM
Coordinate System:	NAD_1983 StatePlane_Colorado_Central_FIPS_0502_Ft_US		Projection:	Lambert Conformal Conic	
Data Sources:	SGM, Delta County, ESRI		Page:	1 of 1	
File:	J:\Projects_Replica\2013\2013-471_Town of Paonia\H-Dwgs\GIS\MXD\PaoniaSidewalkInventoryRating\PaoniaSidewalkInventoryRating.aprx				
The information displayed above is intended for general planning purposes. Refer to legal documentation/data sources for descriptions/locations.					

0 600 1,200 Feet





**TOWN OF PAONIA  
BOARD OF TRUSTEES MEETING  
STAFF REPORT**

<b>AGENDA ITEM:</b>	Agenda Item #5: Consideration of Confirming the Reappointment of Town Administrator and Town Clerk to the 2024-2025 CML Public Policy Committee
<b>SUBMITTED BY:</b>	Stefen Wynn, Town Administrator & Samira Vetter, Town Clerk
<b>DATE:</b>	<b>8.13.2024</b>
<b>BACKGROUND:</b>	<p>Last year, the Board of Trustees appointed Stefen Wynn as the member and Samira Vetter as the Alternate to the CML Public Policy Committee. Throughout the year, the Town Administrator produced updates about the activity on the committee within his Town Administrator Monthly Reports.</p> <p>Should the Town wish to continue to be included and represented on the CML Policy Committee, representatives need to be appointed.</p>
<b>BUDGET:</b>	N/A
<b>RECOMMENDATION:</b>	<p><b>RECOMMENDED MOTION:</b></p> <p>I Move to Reappoint Stefen Wynn and Samira Vetter as Member and Alternate, Respectively to the CML Public Policy Committee.</p>
<b>ATTACHMENT:</b>	



**TOWN OF PAONIA  
BOARD OF TRUSTEES MEETING  
STAFF REPORT**

<b>AGENDA ITEM:</b>	Agenda Item #6: Review of DRAFT Procurement/Purchasing Policy
<b>SUBMITTED BY:</b>	Stefen Wynn, Town Administrator/Treasurer
<b>DATE:</b>	8.13.2024
<b>BACKGROUND:</b>	<p>The Town Administrator spent considerable time drafting this policy using existing Town documents, and utilizing best practices from the GFOA including reviewing manuals from other Colorado Communities. A formal procurement/purchasing policy is necessary for good governance and the existing document for the Town is from 2017 and outdated. The comprehensive manual provided as a draft is meant to give guidance and direction to Town staff on acceptable purchasing procedures. Upon adoption of the manual it will immediately be in effect, and a three-way match purchase authorization will also be implemented: 1.) Purchase Order; 2.) Invoice; 3.) Goods Receipt or Deliverable received, must all match PRIOR to invoice approval and payment.</p> <p>The document is currently being reviewed internally by staff and comments are already being received. Any edits or comments on the draft policy must be to the Town Administrator by 8/21/2024 by 4PM in order to be included in the final document for consideration by the Board of Trustees on 8/27/2024.</p>
<b>BUDGET:</b>	N/A
<b>RECOMMENDATION:</b>	
<b>ATTACHMENT:</b>	<p>Attachment A: DRAFT 2024-12 Resolution Adopting Procurement and Purchasing Policy</p> <p>Attachment B: DRAFT Purchasing Policy Manual</p>

**TOWN OF PAONIA, COLORADO  
RESOLUTION NO. 2024-\_\_\_\_**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, COLORADO, ADOPTING A PURCHASING POLICY AND MANUAL**

**WHEREAS**, the Town of Paonia (the “Town”) is a statutory town in Delta County, Colorado;

**WHEREAS**, the Board of Trustees for the Town of Paonia determined that it is necessary to create a comprehensive purchasing policy and procurement manual.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, COLORADO, COUNTY OF DELTA, STATE OF COLORADO:**

The following Purchasing Manual attached is declared the appropriate Purchasing and Procurement Policy for the Town.

**APPROVED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_ 2024, by the Board of Trustees, Town of Paonia.

**TOWN OF PAONIA, COLORADO**

\_\_\_\_\_  
Paige Smith, Mayor

ATTEST:

\_\_\_\_\_  
Samira M. Vetter, Town Clerk

Approved as to form and contents:

\_\_\_\_\_  
Clayton Buchner, Town Attorney



---

# Town of Paonia

## Purchasing Policy Manual

---

## TABLE OF CONTENTS

<b>INTRODUCTION</b>	<b>1</b>
<b>1.0 ETHICAL STANDARDS FOR PURCHASING ACTIVITIES</b>	<b>2</b>
1.1 Policy Statement	
1.2 Discovery of an Actual or Potential Conflict of Interest	
1.3 Supplier Ethics	
1.4 Unlawful Purchases	<b>3</b>
<b>2.0 PURCHASING AUTHORITY</b>	<b>3</b>
2.1 Scope	
2.2 Objectives	
2.3 Competitive Purchasing – General	<b>4</b>
2.4 Exceptions to Competitive Process	<b>5</b>
2.5 Procurement Thresholds	
2.6 Emergency Purchasing	
2.7 Change Order Management	
2.8 Standards	
2.9 Local Preference – Purchasing of Goods and Services	
2.10 Environmental Purchasing	
2.11 Results Driven Contracting	
2.12 Underserved Businesses Program	
<b>3.0 TYPES OF SOLICITATIONS</b>	
3.1 Request for Information (RFI)	
3.2 Request for Qualifications (RFQ)	
3.3 Invitation for Bid/Request for Quote (IFB/RFQ)	
3.4 Request for Proposals (RFP)	
3.5 Sole Source Requests	
<b>4.0 CONTRACT PROCUREMENT POLICIES</b>	
4.1 Commodities/Equipment	
4.2 Services	
4.3 Software	
<b>5.0 FORMAL SOLICITATION POLICY</b>	
5.1 Bid Documents	
5.2 Form of Submission	
5.3 Bid & Project Security	
5.4 Receipt of Bids	
5.5 Opening of Bids	
5.6 Correction or Withdrawal of Bids	
5.7 Bid Evaluation	
5.8 Rejection of Bids	
5.9 Written Quotations	

**5.10 Fixed Assets****6.0 DEPARTMENTAL POLICIES**

- 6.1** Requisitioning Process
- 6.2** Signature Authority
- 6.3** Specifications
- 6.4** Record Retention
- 6.5** Receiving
- 6.6** Materials Expediting
- 6.7** Manufacturers Warranties
- 6.8** Energy Conservation
- 6.9** Special Receiving Assistance
- 6.10** Material Safety Data Sheets (MSDS)
- 6.11** Vehicles

**7.0 DISPOSAL OF SURPLUS PROPERTY**

- 7.1** Prohibition Against Purchase by Employees
- 7.2** Donations
- 7.3** Surplus Personal Computer (PC) Systems

**8.0 GRANT FUNDED PURCHASES****9.0 PURCHASING/CREDIT CARD PROGRAM****10.0 DEBARMENT OF SUPPLIERS/CONTRACTORS**

- 10.1** Causes for Debarment
- 10.2** Other Actions
- 10.3** Federally Funded Vendor Exclusion Records

**GLOSSARY**

## INTRODUCTION

The purpose of this Purchasing Policy Manual (Manual), approved by the Town Administrator and the Board of Trustees, is to describe the acceptable conduct of purchasing activity for the Town of Paonia, Colorado following the guidelines outlined in the Colorado Revised Statutes (CRS). If there is a conflict with this Manual, the CRS are the superseding rules. The failure of a Town employee to comply with this Manual may result in disciplinary action.

The Administration Department, which includes Finance and the Town Administrator's Office, is generally responsible for providing direction and guidance in all phases of material utilization, e.g. acquisition, storage, distribution, re-utilization, and disposal. Administration, with the assistance of individual Department Heads, also provides direction and guidance to departments on all matters relating to pre-requisition investigation of possible supply sources and alternative product examinations. The Manual instructs the Town of Paonia with how Administration, with the assistance of individual Department Heads, facilitates specification preparation, inspection and receiving practices, quality control, order follow-up, materials expediting, and the enforcement of the terms and conditions of purchase orders issued by the Town.

Further, this Manual is meant to ensure that a standard of integrity is met when purchasing goods and services on behalf of the Town. The Manual also provides for fair and equitable treatment by the Town of all persons involved in public procurement and maximizes the purchasing value of public funds. Finally, this Manual is meant to provide safeguards for maintaining a procurement system of quality and integrity, and foster effective, broad-based competition within the free enterprise system.

In Public Service,

Stefen Wynn *M.P.A.*

*ICMA-CM*

*Paonia Town Administrator/Treasurer*



---

## 1.0 ETHICAL STANDARDS FOR PURCHASING ACTIVITIES

### 1.1 Policy Statement

It is the policy of the Town of Paonia to promote government integrity and guard against the appearance of impropriety by prescribing the following essential standards of ethical conduct.

- (a) Town Employees shall discharge their duties impartially to assure fair, competitive access to governmental procurement by responsible contractors and to foster public confidence in the integrity of the Town's procurement system and processes.
- (b) Town Employees shall not solicit, demand, accept, or agree to accept a gratuity, an offer of employment, or any other benefit in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement, specification, standard, solicitation, or contract.
- (c) Town Employees shall not participate directly or indirectly in procurement when an employee knows that:
  - (1) The Employee or any member of the employee's immediate family has a personal financial interest pertaining to the procurement.
  - (2) A business or organization in which the employee, or any member of the employee's immediate family has a personal financial interest pertaining to the procurement.
  - (3) Any other person, business, or organization with which the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning employment is involved in procurement.
- (d) Town employees who fail to comply with this policy may be subject to disciplinary action and criminal prosecution.

### 1.2 Discovery of an Actual or Potential Conflict of Interest

Upon discovery of an actual or potential conflict of interest, an employee shall promptly withdraw from further participation in the transaction involved and notify their Department Head, and/or Town Administrator. The Town Administrator will consult with the Town Attorney for an opinion whenever there is a question of an appearance of conflict.

### 1.3 Supplier Ethics

- (a) It shall be a breach of ethical standards for any person to offer, give, or agree to give any Town employee a gratuity, an offer of employment, or any other benefit in

connection with any decision, approval, disapproval, recommendation, specification, standard, solicitation, or contract.

- (b) It shall be a breach of ethical standards for any person, or firm to present false documents, or falsely represent its firm.
- (c) Suppliers shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the Town's best interests. This obligation shall apply to suppliers' employees, agents, subcontractors, and third parties associated with accomplishing the work for the Town.
- (d) A breach of Manual Section 1.3 (a) or (b) may result in debarment for consideration of awards.
- (e) Personal purchases shall not be made by or for Town employees through the Town's procurement system or Purchasing Card program unless such purchases have been authorized as a special program available to all Town employees, or programs such as a duty firearm buy-back program, specifically for the employees of the Police Department.

#### **1.4 Unlawful Purchases**

If any office, department, or employee, other than employees specifically authorized to make purchases for their Department, contracts for any supplies, materials, equipment, or contractual services contrary to the purchasing policies as described in this Manual and provided in CRS, such purchase or contract shall be void and of no effect, and the cost shall not constitute a legal charge against the Town.

---

## **2.0 PURCHASING AUTHORITY**

It is the Town's intent to reduce the total costs associated with the acquisition and management of commodities and services by purchasing competitively and wisely.

The Town Administrator/Treasurer and each Department Head are designated as the Town's Purchasing Agents, with respect to the limits and thresholds as may be established, set, and modified by the Board of Trustees.

### **2.1 Scope**

Administration, the Town Clerk, and Department Heads shall:

- (a) Review all purchasing activity for compliance with the Purchasing Manual and associated Purchasing Policies.
- (b) Assist departments in the development of solicitation documents, manage the formal, public solicitation process, receive, and distribute responses received to solicitation to appropriate Department Heads.
- (c) Assists departments with external requests for information in accordance with the Colorado Open Records Act (CORA).

- (d) With the Town Attorney's office, manage contract development, negotiations, execution, approval, and archive processes as assigned.
- (e) Assist with the sale, auction, or disposal of all property determined to be surplus to the Town's needs in accordance with CRS.
- (f) Review and approve Sole Source Justification (SSJ) and Request to Proceed (RTP) requests within parameters of assigned authority.
- (g) Initiate and manage centralized procurement activity for goods and services consistent with the strategic procurement goals of the Town.

## **2.2 Objectives**

- (a) To provide increased economy in the Town's procurement activities and to maximize, to the fullest extent practicable, the value of public funds expended for purchased materials, or services.
- (b) To provide safeguards that ensure the maintenance of a procurement system of high quality and integrity.
- (c) To ensure the fair and equitable treatment of all persons and businesses that deal with the Town for purchasing, or procurement.
- (d) To buy the right material of an appropriate quality and in the correct quantity at the right time from the proper source.
- (e) To reduce the overhead cost of purchasing by using an efficient workflow that reduces the volume of individual orders and minimizes paperwork.
- (f) To seek values that provide the best combination of price, quality, and service.
- (g) To reduce costs by consolidating departmental requests and making volume purchases.
- (h) To promote a system of procurement standardization throughout the Town whenever appropriate and practical.

## **2.3 Competitive Purchasing – Generally**

- (a) The Town is committed to a program of purchasing competitively and wisely. Departments are forbidden to artificially divide purchase requisitions to circumvent any competitive bidding requirement. In addition, no department or employee shall draft or cause to be drafted any specifications in such a manner as to limit the bidding directly or indirectly to any one specific concern, or any specific brand, product, thing, or service. Certain items are approved as exempt from competitive bidding requirements or are approved as sole source purchases as provided for under Manual Section 2.4 – Exceptions, and Section 3.5 – Sole

Source Requests. Administration's objective is to obtain competition from responsible suppliers, and to ensure that the materials purchased through competition are properly suited to the job that they are intended, both as to price and quality.

- (b) Administration is authorized to make purchases from other public agencies without seeking competitive bids and may use Cooperative Purchasing Programs and other recognized types of agreements used by governments to combine agency requirements for purchases. However, the prices paid must be competitive with comparable products offered in the marketplace.
- (c) Except as otherwise provided by law, the Town may reject all bids received during a response to a solicitation if it is determined that the price, terms, or surrounding circumstances of the bids received are such that award of a contract based on that solicitation would not be in the Town's best interests.

## **2.4 Exceptions to the Competitive Process**

The Administration Department maintains a list of goods and services where competitive bids are not required, and issuance of a purchase order is not mandated.

Except as otherwise directed by law, or by the Board of Trustees, competitive bidding is not required for the following purchases:

- Any good/service or combination of goods and services under \$1,000.
- Any good/service purchased with a Purchase Card under \$1,500.
- Any good/service made during the normal course of a contract or agreement that has already been through a competitive bidding process.
- Advertising (employment, bid advertisements, public notices, etc.)
- Benefit Payments – Human resources (medical/dental/life/LTD Insurance, etc.)
- Books, periodicals, and similar items.
- Town & County shared services (operating expenses only)
- Classes, Training, and Similar events.
- Conference/Seminar Registration Fees.
- Copying/Duplication Services.
- Debt Payments.
- Emergency Purchases.
- Emergency Medical Expenses.
- Employee Reimbursements.
- Fees – Bank, Filing, Tax, Title, License, Vehicle Registrations, etc.
- Grant pass-through payments (one-time only and contract not required).
- Insurance Premium Payments.
- Intra-agency payments.
- Lodging.
- Meals and Refreshments.
- Membership Dues/Fees.
- Postage.

- Rebates/Refunds.
- Shipping.
- Sponsorships (approved as part of the fiscal budgeting process).
- Subscriptions (newspaper, magazine, electronic, online).
- Temporary Agency Services and Contracted Employees.
- Travel (airfare, train tickets, rideshare, etc.).
- Utility Payments (telephone, internet, gas, water, electric).

## 2.5 Procurement Thresholds

Supplier selection shall be based on a competitive process whenever feasible and when in the Town's best interests.

A verbal or written solicitation shall be made as follows:

### (1) Commodity Purchases/Contracts to \$999

Departments are authorized to make purchases up to \$999 without a requirement for a purchase requisition or purchase order. Use of a Purchasing Card or Credit Card is encouraged for purchases at this level. Departments are encouraged to obtain competitive pricing and "shop around", but competitive bidding is not required.

Issuance of a purchase order for purchases \$999 and below is not mandatory. Payment via a Purchasing Card or Credit Card, or direct invoice entry is acceptable.

### (2) Commodity Purchases/Contracts \$1,000 to \$5,000

Departments are authorized to solicit suppliers at this level. Comparison shopping is strongly encouraged. Formal purchase orders must be issued for purchases of goods and services between \$1,000 and \$5,000. Departments must attach to the electronic requisition at least three (3) documented quotes attached to the requisition that contains the scope of work or item(s) to be purchased. One (1) "no bid" from a qualified vendor can be used to satisfy (1) of the three (3) required bids. Documentation of quotes must be attached to the electronic requisition to verify compliance.

### (3) Commodity Purchases/Contracts \$5,001 to \$9,999

(a) Departments are authorized to solicit suppliers at this level with prior approval from the Town Administrator/Treasurer. A minimum of three (3) written quotations are required for the commodity or service. One (1) "no bid" from a qualified vendor can be used to satisfy (1) of the three (3) required bids. Documentation of quotes must be attached to the electronic requisition to verify compliance.

#### (b) Informal Bidding Process Required.

- a. Written quotes are required as referenced above.
- b. The Town Administrator/Treasurer may waive written quotation requirements if it is determined that it is not practical or advantageous to the interest of the Town. Such a determination shall be made in writing with justification from the Town Administrator/Treasurer. Proposals in this range

must be submitted to the Town Board for approval before the purchase can be made.

c. Steps to Complete an Informal Bid:

- i. Develop Specifications. Upon finalization of the specifications, prepare any documents required by the informal bid.
- ii. Disseminate specifications to relevant vendors, including dissemination by email, mail or other method as appropriate.
- iii. Evaluate the bid results and determine which bid serves the Town's best interests.
- iv. Prepare a Purchase Order and obtain required approval for the level of purchasing.

(4) Commodity, Service, & Construction Purchases/Contracts \$10,000 and Greater

Purchases of goods and services \$10,000 and greater require a formal, public bid process. The project manager or designated staff member must work with the Finance Department to develop the appropriate formal solicitation document. Once the solicitation document is finalized, the solicitation will be posted on a website used by the Town for procurement purposes for an agreed upon timeframe, which is typically no less than thirty (30) days. The use of electronic vendor submissions is strongly encouraged.

(5) Consulting Services

Any purchase of consulting services may require a formal contract to be completed and signed by the Mayor, the Town Administrator, the Town Attorney, and the Town Clerk.

## **2.6 Emergency Purchasing**

Emergency purchase orders may be issued when unforeseen circumstances require an immediate purchase to avoid a substantial hazard to life, health, and welfare of the Residents of Paonia; or there is an imminent threat to property or threat of serious interruption to the operation of a Town Department, or the necessary repair of Town equipment or heavy equipment required for the operation of a Town Department.

If an emergency arises, departments must work directly with the Town Administrator/Treasurer to obtain purchase authorizations through as normal purchasing processes as possible. If an emergency situation arises after normal Town business hours, a Department Head, or their designee, may authorize an immediate purchase of commodities or services, if necessary, after notifying the Town Administrator/Treasurer.

Authorization for emergency purchases shall be documented and properly included in the purchasing record as required. The department shall advise the Town Administrator/Treasurer of any emergency purchases as soon as reasonable after the commitment is made. An immediate report shall be made to the Board of Trustees by the Town Administrator/Treasurer detailing the purchase and the cause of the emergency.

## **2.7 Change Order Management**

Change orders to projects that have previously been approved is commonplace. If a change order results in a total project value surpassing the formal bid threshold, Town management approval must be secured. In addition, a project previously issued with a value of \$50,000 or greater, that has a change order value increase of 10% or greater, also requires approval of the Town Administrator/Treasurer.

The Town Administrator/Treasurer and the Department Head shall work with the Town Attorney's Office to update, as appropriate, any accompanying contract changes resulting from the change order for the project.

## **2.8 Standards**

The Finance Department is primarily responsible for standardization. Standardization is the organized process of obtaining solutions to common problems by establishing agreement on specific quality, design, size, color, etc. and the established agreement as a standard.

The Town purchases many products that are standardized (carpet, furniture, copy paper, office supplies, etc.). When standards are adopted, only items meeting those standards may be purchased. However, no standard is meant to be unchangeable, and each standard is subject to review on a case-by-case basis and referred to the department with related expertise. The Finance Department shall be the chair of any such committees, which may include department heads or their representatives, and/or other staff.

## **2.9 Local Preference – Purchases of Goods and Services**

It is the Town's goal to promote the purchase of services and goods provided by United States companies and employees, and a strong preference for local vendors. Off-shore services are defined as services provided from an off-shore location (foreign country). Examples of such services may include, but are not limited to, customer support services, telemarketing services, and financial auditing services.

Preferential considerations for local vendors or contractors will be given for non-capital purchases in the event that solicited bids from the local vendors are within 10% of non-local vendor bids and all factors, including quality, terms, and delivery are determined by the soliciting employee or Finance Department to be equal to non-local vendors.

For the purposes of this policy, a vendor is considered local if it has maintained a place of business in Delta County, Colorado, for at least twelve (12) months prior to date of bid solicitation, at least 50% of the employees are Delta County, Colorado residents, and at least 50% of the fleet used for the project are registered within Delta County, Colorado.

Preferential consideration for local vendors and contractors will be given for Capital purchases in the event that solicited bids from local vendors are within 2% of non-local vendor's bids and all factors, including quality, terms, and delivery are determined by the soliciting employee or the Finance Department to be equal.

For the purposes of this part of the policy as it applies to Capital purchases, the following terms are applicable:

- The vendor has maintained a place of business in Delta County for at least twelve (12) months prior to the date of the bid solicitation.
- Fifty-one percent (51%) of the work is self-performed (49% or less is performed by a subcontractor).
- Whether or not this policy will apply will be determined on a case-by-case basis at the discretion of the Board of Trustees at the time the project is authorized for bid. Local preference will be stated in each and all bid documents.
- If a vendor has received a 2% credit in the preceding year and the contract is still in place at the time the bid is solicited, the vendor does not qualify for the 2% local preference.

## **2.10 Environmental Purchasing**

The Town's goal is to reduce the effects of climate change generated by government operations. Purchasing activity is encouraged to use and buy recycled and environmentally preferable products. By purchasing products that are recycled or environmentally preferable it strengthens the markets for such products; diverts more materials from the solid waste stream, and promotes both human and environmental health.

Purchasing agents have the following options:

1. Accept a bid which is not the lowest if:
  - A. The lowest bid is for a non-recycled product; and
  - B. A recycled content product meets the performance criteria specified; or
  - C. A bid other than the lowest bid meets the criteria for environmentally preferable products or services; or
  - D. A cost analysis is conducted over the life and disposal of the product that reveals lower total costs than are reflected in short-term analysis.
2. Award a portion of the contract to bidders offering recycled content or environmentally preferable products.

## **2.11 Results - Driven Contracting**

The Town supports initiatives to integrate Results Driven Contracting (RDC) strategies and data-driven decision processes into its solicitation, evaluation, award, contracting, and project management processes. RDC and data-based decision making serve as a foundational element to meeting organizational objectives and promoting a high performance, transparent government. Where practical, RDC practices and data-based decisions should be incorporated



into procurement activities. RDC and data-based decision methodologies are available through the Town Administrator/Treasurer's Office, one such resource is the Harvard Kennedy School's article: What is Procurement Excellence?

## 2.12 Underserved Business Program

The Town commits itself to applying a racial equity lens in its decision-making with the goal of continuing to build an equitable community to ensure a healthy community for all Paonia Residents and visitors.

There is an inherent need within the commercial makeup of the Town to expand small businesses within the Town's marketplace to increase the tax base, to provide new employment opportunities, to stimulate economic development, and to assist in the implementation of the comprehensive plan for the Town.

The Town encourages all underserved businesses to submit responses to all solicitations. The Town will promote the use of underserved businesses by encouraging staff to consider these businesses for award in all solicitations by including it as an appropriately weighted and scored criteria in the evaluation of all vendor submissions. The Town will participate in outreach programs to aid underserved businesses in understanding the Town's procurement process, improve their access to solicitations, and increase the visibility of underserved businesses within the organization.

The Town will permit vendors to self-identify any underserved business status which will be maintained in the vendor files of the ERP system (Caselle). The Town may perform periodic audits to determine if the vendor certifications are current and valid.

The Town will measure awards made to underserved businesses on a regular basis and review award amounts against stated organizational goals.

---

## 3.0 Types of Solicitations

Solicitations are purchasing processes designed to seek and obtain goods and/or services. Four types of solicitations utilized by the Town for purchasing are discussed in this section.

- Request for Information (RFI) – RFIs are used to obtain general information from the vendor community on a specific topic related to a project. RFIs are a market research tool used to obtain price, delivery, capabilities, interest, etc. for planning purposes. RFIs must clearly indicate that an award of contract will not automatically follow.
- Request for Qualifications (RFQ) – RFQs are used when requirements are uncertain, and the project manager is seeking potential vendors to provide proposals once requirements have been finalized. RFQs are solicitations documents that request submittal of qualifications or specialized expertise in response to the scope of services required. Pricing is not solicited with RFQs documents issued prior to RFPs, but typically describe the project in enough detail to let potential bidders determine if they wish to compete, and forms the basis for requesting qualifications submissions in a two-phase or prequalification process. Used most often with construction projects.

- Invitation For Bid/Request for Quote (IFB/RFQ) – IFBs/RFQs are formal requests to prospective bidders soliciting price quotations or bids. IFBs/RFQs contain, or incorporate by reference, the specifications of the scope of work and all contractual terms and conditions. An IFB/RFQ is only a solicitation, and it does not qualify as an offer since the Town will review bids and select a vendor prior to entering into a binding contract. Awards are generally made to the lowest priced quote.
- Request for Proposals (RFP) – RFPs are generally used when there are a variety of ways to meet a need, specifications are not available or not fully determined, and/or when professional services or certain personal services are required. RFPs are typically documents used in sealed-bid procurement procedures through which a buyer advises potential bidders of the statement and scope of work, specifications, schedules or timelines, contract type, data requirements, terms and conditions, description of goods and/or services to be procured, general criteria used in evaluation procedure, special contractual requirements, technical goals, instructions for preparation of technical, management, and/or cost proposals. RFPs are publicly advertised, and bidders respond with a detailed proposal, not just a price quote. They provide for negotiations after sealed proposals are opened, and contracts may not necessarily be awarded to the lowest bidder.

### 3.1 Request for Information (RFI)

a) When to Use:

1. An RFI may be used to obtain general information from vendors regarding products and services. Responses to RFIs are often largely assembled from vendor standard literature for a good or service. RFIs generally contain no project specific financial or cost information and do not result in an award.

- b) Acceptance of Late Submissions: Late submissions may be accepted with the discretionary approval of the Finance Department and when in the Town's best interests.

### 3.2 Request for Qualifications (RFQ)

a) When to Use:

1. An RFQ may be used to obtain specific information regarding a vendor's qualifications and ability to provide supplies, equipment, and certain services. RFQs contain more specific vendor information and responses may be tailored to highlight a vendor's capability to meet a specific scope of work for a Town project. RFQs generally contain no specific financial or cost information and do not result in an award.

- b) Acceptance of Late Submissions: Late submissions to an RFQ may only be accepted with the discretionary approval of the Town Administrator/Treasurer and when in the Town's best interests.

### 3.3 Invitation for Bid/Request for Quotes (IFB/RFQ)

- a) When to Use: An IFB/RFQ may be used to obtain supplies, equipment, and certain services that can be clearly specified and awarded to the lowest responsible, responsive bidder. The IFB/RFQ is also used for public construction projects valued at \$50,000 and above.

1. Pre-Qualification of Bidders: A two-step process may be used to pre-qualify bidders when deemed appropriate by the Finance Department. Bidders are pre-qualified by responding to an RFI/RFQ to establish competency. The information requested from vendors may include financial background, capacity to perform, lines of credit, manufacturers' authorizations and relevant experience.

Qualified bidders may then be asked to participate in a price solicitation via a targeted RFB process.

2. Prequalification of Commodities: Commodities may be prequalified through study and recommendation by an evaluation team for the specific project.

3. The Following Factors, Among Others, May be Used for Prequalification:

- Quality of commodities or services
- Experience with the commodities involved
- Maintenance cost
- Economic life cycle cost
- Length of time the commodity has been on the market
- Compatibility of existing equipment
- Available warranties
- General reputation and experience of the bidder
- Evaluation of the bidder's ability to serve the Town
- Prior knowledge of experience with the bidder in terms of past performance
- Other legal protection provided in the purchase

- b) Format for IFB/RFQ Document: IFB/RFQ are prepared by the Department seeking the to purchase with guidance from the Town Administrator/Treasurer. IFB/RFQ documents are to use specifications and Scope of Work information provided by the Project Manager. RFBs contain the following elements:

1. Specifications: Clear, concise specifications must be provided. Frequently, specifications state, *Brand Name or Equal*. *Brand Name* includes identification of products by manufacturer, make, and model. Such identification is intended to be descriptive, but not restrictive. Bidders offering an *equal* must submit complete specifications and/or samples with their bids. Determination of equality shall be at the sole discretion of the Town. If it has been justified and accepted by the requesting department and the Finance Department or an evaluation team has determined that only one brand can meet the Town's expectations, *no exceptions* shall be noted in the specifications.
  2. Responsibility Criteria: Include items such as business references, plant capacity, credit data, financial statements, recent tax returns, licenses, bonding and insurances.
  3. Bid Submission Information: Includes the time and date for bidder's conference (if applicable); where, when, and how bids are to be returned; contacts for information during the solicitation period; required signatures on bids; cost/price submission instructions, etc.
  4. Terms and Conditions: Include standard terms and conditions that will be incorporated in the purchase order/contract and any special conditions in the bid document.
- c) Acceptance of Bids: Bids must be received prior to or at the time specified in the bid. Late bids shall not be considered under any circumstances.
- d) Bid Opening: The Purchasing Agent (may be a department director, deputy director, Town Administrator, etc.) or designee shall administer all bid openings and all hard copy bids shall be opened in the presence of one or more witnesses at the time and place designated in the RFB. The opening of the bids shall be recorded by video, voice or both.
- e) Rejection of Bids: The Town may reject any or all bids when deemed to be in the Town's best interests; reject any bid not accompanied by any required bid security or by other data required by bid documents; reject any bid which is in any way incomplete, irregular, or otherwise not in compliance with bid documents in all material respects or reasonable interpretation; and/or waive any informality, irregularity, immaterial defect, or technicality when deemed to be in the Town's best interests.
- f) Bid Award Consideration
1. Cost Factors: in addition to the total bid price (including any discounts), unit or extended price, and administrative costs (if applicable), hourly rates for specified personnel, the Town's administrative costs, maintenance costs and warranty provisions may be considered. Life cycle costs, repurchase value, residual value of equipment after a specified number of years, and or cost and

rate of use of consumables may be considered in cases where these costs are relevant and measurable.

2. The following responsibility factors may be considered:

- Bidder's general reputation and experience.
- Bidder's ability to service the Town.
- Bidder's financial ability to successfully meet the requirements of the contract.
- Town's prior knowledge of and experience with the bidder in terms of past performance.
- Nature and extent of company data furnished by bidder upon request of the Town.
- Size and location of the bidder's warehouse.
- Bidder's ability to meet delivery and stocking requirements.
- Bidder's experience with the commodities or systems.
- Length of time the commodities or systems have been on the market.

Awards shall be made to the lowest, responsible, responsive bidder(s). A responsible bid is one that has demonstrably met the following criteria in the solicitation:

1. Capacity to perform – fiscal, physical, experience on schedule, etc.
2. Ability to comply with applicable laws and regulations – licenses, insurance, bonding, etc.

3. The following responsiveness factors may be considered:

- Adherence to all conditions and requirements of the bid specifications.
- Quantity and quality of merchandise or service offered.
- Compatibility and/or continuity with existing commodities or systems.
- Overall completeness of the commodity line or service offered.
- Delivery or completion date.

A responsive bid is one that adequately meets all solicitation requirements. To be responsive, the bid or proposal must not constitute a different offer or make substitutions for requirements stated in the solicitation.

4. Local Preference: When all other factors are determined to be equal, preference shall be given to firms meeting the conditions of Policy 2.9 – Local Preference.

### 3.4 Request for Proposals (RFP)

- a) When to Use: An RFP may be used with the Town's requirements are not precisely defined or quantified. RFPs are required to be used when it is necessary to obtain the services of professional consultants, contractors, architects, engineers, and design firms when the contract for services is expected to exceed \$50,000. Awards made as a result of RFP solicitations are not based solely on cost factors but upon the technical and programmatic superiority of the offeror's proposal. However, the selected proposal should include a price that is within reasonable proximity of other qualified offerors.
- b) Pre-Qualifications: It is sometimes advantageous to conduct a two-phased RFP process in which the first phase is a pre-qualification of firms. This initial phase screens potential offerors for qualifications prior to requesting proposals.
- c) Advertising/Notice: If appropriate, an advertisement announcing the RFP should be placed in at least one local newspaper of general circulation. Notice should be made through the Town's online bidding announcement platforms, including but not limited to the Town's website. Notice may also be sent to firms identified by Town management and the requesting department, other interested firms and/or those firms who have been screened through a prequalification process.
- d) Basic RFP Format: To develop consistency in the preparation of RFPs, a standardized RFP format must be used. Using this format helps to ensure that the RFP contains adequate information about the needed service, facility or program and the RFP requirements. More technical proposals may require additional information. The Town Administrator/Treasurer, or their designee, will assist in the development of RFPs. The basic format for the preparation of an RFP, including a description of what should be included in each section follows.
  1. General Project Description: Provide a summary of the needed facility or program and a general description of the services required.
  2. Project Background: Provide relevant background information on the project. A description of the site or program, significant historical data and information on existing facilities and/or programs may be provided. A clear concept of the needed facilities or program should be outlined. A vicinity map and scale site map may be provided. Any available resources such as completed studies, surveys and preliminary feasibility work that are relevant to the project and available to consultants may be listed information on the overall project budget, including funding sources, may be listed if available.
  3. Scope of Work: Provide the scope of work and services needed in detail. Provide a clear understanding of what will be required, including items such as the degree of community input expected and any required time schedules. Clearly define whether the consultant or the Town will be responsible for related services such as obtaining feasibility studies and permits, coordinating construction, conducting public meetings, and developing

budgets. If construction coordination is required, the consultant's role and level of responsibility should be clearly defined to ensure contractor compliance related to construction documents and responsibilities for contract administration.

4. Services and Materials to be Provided by Town: List all services to be provided by the Town, and available documents relative to the project. Typical services that may be handled by either Town Staff, or the Contractor include, but are not limited to, obtaining surveys, processing permits, coordinating construction, preparing bid documents, obtaining geological data, and conducting public hearings and/or meetings (including open houses).
5. Town Liaison (Point of Contact): Provide the name and contact information of the person acting as the Town's liaison on the project, if applicable, and advise the consultants to direct all questions regarding the project to the liaison.
6. Terms and Conditions: Include the Town's standard contract terms and conditions and insurance requirements. If an increase in insurance policy limits is necessary, based on project value or type, include that information in a separate section of the RFP package. Contact the Town Administrator/Treasurer to obtain the appropriate language for insurance requirements if necessary.
7. Selection Criteria: List the criteria that will be used to evaluate proposals and the relative importance of each criterion. Outline the process that will be used to select a contractor. A rating sheet may be prepared which lists the selection criteria and their relative weighting in the scoring process. A copy of the rating sheet may be provided to the offerors so that they understand the scoring factors and their relative importance to each other.
  - Typical selection criteria may include the following:
    - Technical approach.
    - Qualifications of firm.
    - Qualifications of the specific personnel who will work on the project.
    - Project management and adherence to required time schedules. *Consideration may be given to the location of the firm's office and the resulting availability of the firm for meetings with staff and the public, if necessary.*
    - Cost.
    - References.
8. Proposal Requirements: List the specific proposal requirements including the date, time and place for submittal, and any specific insurance, licensing or legal requirements.

- Typical proposal requirements may include, but are not limited to, the following:
  - Name, address, contact email address, and telephone number of the business submitting the proposal.
  - Identification of the project manager, and/or principal contact.
  - A complete description of the approach to the analysis and how the major work elements are to be accomplished.
  - Detailed estimate of work hours per task.
  - A listing of personnel who would perform the work, including any subcontractors, and the amount of time that each would commit to the project by task.
  - Reference information including contact information.
  
- e) Acceptance of Proposals: Proposals are to be received at the time and place specified in the RFP. All proposals will be date-stamped upon arrival. Late proposals will only be considered when it has been determined to be in the Town's best interests to do so and may only be accepted within twenty-four (24) hours after the scheduled closing. Approval of the Department Head, or their designee, and, if the proposal is administered by the Finance Department, the approval of the Town Administrator/Treasurer shall be required for acceptance of late proposals.
  1. A Responsible proposal is one that has demonstrably met the following criteria in the solicitation:
    - Capacity to perform – fiscal, physical, experience and schedule.
    - Ability to comply with applicable laws and regulations – licenses, insurance and bonding.

### **3.5 Sole Source / Request to Proceed**

The Sole Source/Request to Proceed policy should be followed for purchases \$10,000 and greater where a competitive solicitation process will not be used. A sole source justification is to be used in a situation where only one vendor can provide a solution for the Town. A request to proceed is to be used in a situation where the normal procurement process cannot be followed. Sole Source justifications or Requests to Proceed are strongly discouraged and must be signed by the Town Administrator/Treasurer at any dollar amount.

Circumstances sometimes require that certain goods and services can only be feasibly obtained from a single or sole source. Sole Source acquisitions must be justified in sufficient detail to explain the basis for suspending the usual competitive procurement process.

Sole source justification is not needed in cases where a contract renewal provision, or continuation of services, is expressly stated in the solicitation.

Continued on Next Page



a) The following factors, if verified, may justify sole source purchases:

1. What capability does the proposed contractor have that is critical to the specific effort and makes the contractor clearly unique compared to other contractors in the same general field?
2. What prior experience of a highly specialized nature does the proposed contractor have that is vital to the proposed effort?
3. Does the proposed contractor have a substantial investment that would need to be duplicated at the Town's expense by another contractor entering the field?
4. If timelines are involved, why are they critical and why can the proposed contractor best meet them?
5. Is competition precluded because of the existence of patent rights, or copyrights?
6. Does this acquisition require compatibility with any existing Town equipment?
7. What unique characteristics does the equipment or material offered by the proposed contractor possess that are required to meet the Town's needs?
8. Is competition precluded because of existing equipment maintenance program/contracts/warranties?

b) Documentation/Approval

Sole source requests should be documented through a memorandum outlining the justification and submitted to the Town Administrator/Treasurer for consideration. The requesting employee must notify their respective department director and provide the Town Administrator/Treasurer with evidence of concurrence from the director.

The Town Administrator/Treasurer is authorized to approve sole source requests valued up to \$5,000. Any Sole Source requests over that amount must be approved by the Board of Trustees and must have received a favorable recommendation from the Town Administrator/Treasurer prior to being placed on an agenda for consideration.

c) Negotiation

Sole source acquisitions require non-competitive negotiation and may require price/cost analysis by the Finance Department to determine price reasonableness.

## 4.0 Contract Procurement Policies

This section describes procurement policies for the various types of purchases and agreements utilized by the Town of Paonia.

### a) Length of Contract Term

Generally, the Town does not enter into contracts for longer than one (1) fiscal year. While contracts for the purchase of commodities/equipment may be renewed annually, all contracts for commodities and equipment must be reviewed for certification or renegotiation not less than every five (5) years to ensure the Town is still receiving good value for the public.

### b) Consolidation

Contracts shall be consolidated whenever feasible. Contracts shall not be intentionally split to avoid approval or procurement requirements.

## 4.1 Commodities/Equipment

Commodities/Equipment contracts include all contracts and purchase orders for supplies, materials, and equipment. Equipment (fixed assets) is defined as a capital asset costing \$5,000 or more, and its useful life expectancy is one year or more.

## 4.2 Services

### a) Continuing Services Agreements/Contracts (CSA)

For services, it is advisable to establish and implement Continuing Services Agreements (CSAs). CSAs can be beneficial in circumstances where the same type of service, such as consulting, landscape services, laundry services, janitorial services, security services, etc., are repetitive in nature and potentially needed by multiple Town departments.

The Finance Department may establish a CSA after reviewing Town departmental needs for a specific type of service and analyzing vendor responses to an RFP conducted by the Finance Department based on biddable specifications, qualification, and/or an informal review of competitiveness of rates for other similar services. A CSA enables the Finance Department to take advantage of any economy of scale resulting in significant savings to the Town by standardizing and fixing cost rates for a service over an extended period of time. It also allows departments to utilize the service without having the burden of developing their own separate independent contractor agreements for the same type of service. CSAs are generally issued for

individual projects that do not exceed \$50,000 in value. CSAs can be renewed for an additional four (4) years at the option of the Town as determined by the Town Administrator/Treasurer in consultation with the Finance Department and the department that uses the contract. After issuance of the CSA, the Finance Department has primary responsibility for renewal and places the agreement on the Town's continuing list of agreements.

b) Qualification Based Selection (QBS)

Certain professional consulting services (engineering, architect, etc.) may be awarded under a QBS process using Town approved guidelines for award of those services.

QBS contractors are typically selected via a public, competitive process (typically via RFQ) where vendors are selected primarily based on their qualifications. Award to a QBS vendor must be supported by a receipt of competitive proposals from other QBS contractors for the scope of work to be awarded. The helps to ensure that a QBS award is based on rates that are commensurate with rates from peer group companies.

A purchase order is necessary to facilitate payment against a QBS contract.

#### **4.3 Software**

Software is defined as any computer program installed on a Town of Paonia computer ("Licensed Software") or accessed by a Town employee in the course of their work ("Hosted Software" or "Software as a Service" also known as "SaaS"). Software of any type may only be purchased through the use of an IT Agreement for Software and Services, which is first reviewed by the Town's IT provider, and approved by the Town Administrator/Treasurer and the Town Attorney's Office before placing on an agenda for approval by the Town's Board of Trustees.

---

#### **5.0 Formal Solicitation Policy**

A formal solicitation is required for the purchase of goods and services that have a value of \$10,000 or greater.

Formal bidding is a procurement method involving competitive sealed offers that require:

- Adoption of plans, specifications, working details, scope of work, etc.
- Formal advertising in a general circulation newspaper during a solicitation process typically not less than (10) days.
- Submissions at a pre-designated time and place depending on the project needs.
- Referral of submissions to the department for evaluation.
- Award of a contract to the responsive and responsible vendor who has submitted the lowest bid that meets the requirements and criteria set forth in the invitation for solicitation.
- Notice of award to the selected bidder.

- Completion of all required contract documentation.
- Notice to proceed is issued to the contractor.
  - If grant funded, a notice to proceed from the granting agency is required before any work is to proceed by the contractor and must be received by the Town before a notice to proceed is sent to the contractor by the Town.
- The notice inviting responses shall state the time and place for submissions and distinctly state the project to be completed and the place where plans, scope of work, and specifications are on file.
- In addition to the notice published in a newspaper of general circulation, the Finance Department may also publish notice in a trade publication and/or through other means designed to encourage competition, such as bidnet.

## 5.1 Bid Documents

### a) Copies of Bid Documents

- 1) Bidders shall use complete sets of bidding documents in preparing bids; the Town will not assume any responsibility for errors or misinterpretations resulting from the use of incomplete sets of bidding documents, or documents not received directly from the location where the Town has posted the documents.
- 2) The Town makes copies of the bidding documents available on the above terms only for the purpose of obtaining bids for the specified commodities or services and does not confer a license or grant for any other use.

### b) Interpretation or Correction of Bidding Documents

- 1) Bidders shall promptly notify the Finance Department of any inconsistency or error discovered upon examination of the bidding documents, or of the site and local conditions.
- 2) Any interpretation, correction or change of the bidding documents will be made by written addendum. Interpretations, corrections or changes of the bidding documents made in any other manner will not be binding, and bidders shall not rely upon such interpretations, corrections and changes.

### c) Alternate Bids

- 1) The materials, products and equipment described in the bid documents establish a standard of required function, dimension, appearance and quality to be met. An equal product must meet minimum specifications and the burden of proof of merit of proposed alternate or substitute is on the bidder.
- 2) Non-solicited alternates may be considered for award if submitted by the bidder who would otherwise be the low bid.

3) Solicited alternates may be awarded based on the sole judgement of the Town.

d) Addenda

- 1) Addenda will be posted at the same location as the original solicitation.
- 2) No addenda will be issued later than two (2) calendar days prior to the date for submissions except an addendum withdrawing the request for submission or one that includes the extension of the due date.
- 3) Each bidder shall be responsible for ascertaining prior to submitting a bid that it has received all addenda issued.
- 4) Bidders shall acknowledge receipt of addenda to receive award consideration unless otherwise indicated in the bid documents.

## 5.2 Form of Submission

To receive consideration, submissions shall be made on the forms and in the manner described and/or provided within the solicitation.

- Late submissions to a solicitation may only be accepted with the discretionary approval of the Town Administrator/Treasurer and when determined to be in the Town's best interests.
- Each bid must be signed by an authorized vendor representative, include the legal name of the company, and a statement of non-collusion signed by the company.

## 5.3 Bid and Project Security

A bid bond or bid deposit (certified or cashier's check) made payable to the Town of Paonia is required to protect the Town in the event the bidder awarded the contract does not execute the contract, furnish any required performance bond, and/or proceed with performance. A required bid bond or bid deposit must be submitted with the bid and be the amount as specified in the solicitation. In the event a low bidder is allowed to withdraw its bid due to claim of error, the Town may retain the bid guarantee.

For construction projects valued at \$50,000 or greater, the Town may choose to withhold retainage to be used to satisfy unresolved project claims.

## 5.4 Receipt of Bids

All bids must be received in accordance with the instructions in the solicitation document.

## 5.5 Opening of Bids

The purchasing agent or designee shall administer all bid openings and coordinate them with the Town Clerk's office. The Town assumes no responsibility over the confidentiality of bid information unless specifically stated otherwise in the solicitation document.

## 5.6 Correction or Withdrawal of Bids

Mistakes in submissions detected prior to opening may be corrected or withdrawn by the submitting vendor. Any request made to correct or withdraw a submission prior to opening must be made by a bona fide representative of the bidder. Mistakes in bids detected during or after a bid opening may not be corrected by the bidder.

Exceptions allowed to be corrected include:

- A vendor may be permitted to correct a material mistake that would cause such vendor to have the low-cost submission if the mistake is clearly evident from examining the document; for example, mathematical errors. However, a vendor shall not be permitted to correct a bid for errors of judgement. The vendor of the lowest cost submission shall not be permitted to increase its price and still be considered the low bidder.
- An otherwise low bidder may be permitted the opportunity to furnish other information called for by the solicitation and not supplied due to oversight, so long as it does not affect responsiveness.

The Purchasing Agent shall maintain complete and sufficient records of evaluations to ensure there is no abuse of the competitive process. All reasons for making the award recommendation shall be made in writing by the Project Manager and retained in the archives.

## 5.7 Bid Evaluation

The Purchasing Agent shall maintain complete and sufficient records of evaluation to ensure there is no abuse of the competitive process. All reasons for making the award recommendation shall be made in writing by the Project Manager and retained in the archives.

## 5.8 Rejection of Bids

The Town may, in its discretion, reject any submissions presented. The Town may also:

- Reject a submission not accompanied by any required bid security or by other data required by the bidding documents.
- Reject a submission that is in any way incomplete, irregular, amplified, unqualified, or otherwise not in compliance with the solicitation documents in all material respects.

- Reject a submission that includes a blanket rejection of the Town's contract terms and conditions.
- Waive any informality, irregularity, immaterial defects or technicalities, in any submissions received.
- Cancel any solicitation or reject all submissions because any of the following reasons:
  - Specifications are inadequate or ambiguous.
  - Specifications have been revised.
  - Supplies or services are no longer needed.
  - Town Requirements have changed.
  - All submissions have been deemed unreasonable.
  - Submissions were not independently arrived at and/or were submitted in bad faith.
  - Necessary requirements of the solicitations process have not been met.
  - Competition is insufficient.
  - Cancellation or rejection of all submissions is clearly in the Town's best interest.
  - The company's name appears on either the Federal Excluded Parties list and/or the appearance of the company's name on any debarment list.

### **5.9 Written Quotations**

Any written quotes, including email, received shall be retained as an attachment to the requisition in the ERP system. Written quotes shall include the name of the supplier representative and the date of the quote.

### **5.10 Fixed Assets**

Fixed assets (equipment that has a unit cost of \$5,000 or more and a useful life greater than one year) should be budgeted and the asset tracked by the Finance Department.

-- INTENTIONALLY LEFT BLANK --

## 6.0 Departmental Policies

City departments have important responsibilities in the procurement of goods and services. Departments are encouraged to utilize the resources of the Finance Department for assistance.

### 6.1 Requisitioning Process

#### Departmental Responsibilities

Departments shall contact the Finance Department early in the purchasing process to benefit from advice and assistance on specifications, sources of supplies, price advantages, substitutions, and a determination of each department's precise needs. Further, departments are responsible for:

- a) Determining that sufficient funds are available to pay for requested goods and services.
- b) Ensuring that requested items/services are necessary to operations and are used for their stated purpose.
- c) Ensuring that requisitions and purchase orders are completed and processed for payment satisfactorily.
- d) Ensuring that the Finance Department is informed of annual requirements in a form and manner as requested by the Finance Department.

### 6.2 Signature Authority

All requisitions sent to the Finance Department must be approved by an authorized departmental approver(s) in accordance with the Enterprise Resource Planning (ERP) system workflow. These approvers are typically the department head or their designee.

### 6.3 Specifications

Departments must develop specifications that are nonrestrictive and provide samples (as needed) that clearly describe the item(s) needed in terms of performance. Finance and the requesting department will jointly determine "equal" items. If a purchase requisition specifies a brand name or model, Finance will assume that "equal" items are acceptable.

If a department determines that only a specific make and model will meet its needs, the department shall complete the Sole Source Justification form (See Section 3.5) that details the unique features of the sole source item and states why these features are required. If other brands and models have been tested or used previously, the department shall specify the brands and models used, and why they are unacceptable. Similarly, prior unsatisfactory performance may be used for future source evaluations.



The Finance Department may return the requisition for additional justification if a specific item appears to be unreasonably restrictive or inappropriate.

#### **6.4 Record Retention**

All requisitions and related procurement documents shall be retained in accordance with the record retention policy for the Town. Additional information may be found in the Clerk's office.

#### **6.5 Receiving**

Departments shall provide for the receiving, inspection and acceptance or rejection of merchandise delivered, and services performed. Departments should assign the responsibility for receiving and inspecting shipments to the specific individuals, preferably someone other than the person who approved the requisition. Departments are responsible for ensuring that commodities delivered, and services performed conform to the order specifications as applicable. Assigned staff must inspect merchandise received in a timely manner so that problems, if any, may be identified and more easily resolved. Generally, merchandise should be inspected within three business days of receipt.

Departments should ensure that the invoice is promptly processed for accepted merchandise or services to take advantage of any discounts to which the Town is entitled. Department personnel are also required to submit the invoice to the Finance Department for inclusion in the ERP system to initiate the payment process.

#### **6.6 Materials Expediting**

If a supplier is late meeting specified delivery dates, the department should contact the purchasing agent responsible for the purchase order or contact to aid in expediting the order. The purchasing agent may contact the supplier on the department's behalf and will continue to monitor the supplier's progress until the order is complete.

#### **6.7 Manufacturer's Warranties**

Many items of equipment purchased by departments carry a manufacturer's warranty of acceptable materials and workmanship. All departments shall register and maintain proper records of such warranties to ensure that the manufacturer repairs defects covered by the warranty.

#### **6.8 Energy Conservation**

Prior to the purchase of all new equipment, except in the case of an emergency, the purchasing agent or any other city officer, or employee authorized to purchase such equipment shall evaluate and consider the energy consumption level and the anticipated operating costs over the useful life of the new equipment in addition to the initial cost of the equipment.

## 6.9 Special Receiving Assistance

Because of their technical nature, or support requirements, receipt of the following items should be made by, or shall be coordinated with, the indicated departments.

<u>Items/Services</u>	<u>Coordinating Department</u>
Vehicles	Clerk's Office (Registration and Insurance)
Telecommunications Equipment	Town Administrator and IT provider
Computer Equipment	Town Administrator and IT Provider

## 6.10 Material Safety Data Sheets (MSDS)

A Material Safety Data Sheet (MSDS) must accompany all hazardous materials ordered and received by a department. If the department does not receive an MSDS, the department must contact the supplier and request two copies (one for the Town's Risk Management master folder and one for the receiving department) before approving the invoice for payment. Every department is responsible for maintaining a complete file of all hazardous materials that must be filed by the name of the chemical and be made available in a central location to anyone needing the information.

## 6.11 Vehicles

The Town Clerk's Office is responsible for the administrative aspects of all registration and licensing of Town owned and leased vehicles in the general Town fleet. The Town Clerk's office is also responsible for updating the insurance company for all new vehicles to the fleet and for removing vehicles from insurance that are liquidated.

## 7.0 Disposal of Surplus Property

Surplus Town Property is to be disposed of through a competitive bidding process. Formal competitive bids or conducting a public auction is required for the sale of any item of obsolete, surplus, or unusable Town property with an estimated value of at least \$1,000.00 or for the sale of more than one item of such property with an estimated accumulative value in excess of \$2,500.00.

The property shall be sold to the highest bidder, unless the Town Administrator/Treasurer determines that it is not practical and advantageous to do so. The Town Administrator/Treasurer may require such bonds or other surety as deemed prudent to assure prompt payment. The Board of Trustees shall be promptly notified by the Town Administrator/Treasurer on any determination to donate or otherwise dispose of any item of Town property with an estimated value at least \$1,000.00, other than through a formal competitive bid or a public auction. Prior to the beginning of any competitive bid or public auction the Board of Trustees shall review items to be disposed of and give their approval.

Continued on next page.

The Town will routinely use auction services for the disposal of surplus equipment. However, other methods for disposal of surplus may be used as appropriate.

The Finance Department should be contacted when capital assets are disposed of to ensure that they are properly accounted for in the Town's asset tracking system.

### **7.1 Prohibition Against Purchase by Employees**

Any officer, agent or employee of the Town assigned to the purchasing function, or responsible for surplus declarations, or having privileged information regarding the personal property or the value thereof that is not available to all prospective bidders, or assigned to the organization having custody of the surplus property shall not directly or indirectly submit a bid or purchase surplus personal property, unless the disposal method is competitive bidding through a third party auction house. This policy shall be liberally construed to prohibit any appearance of impropriety and the Town Administrator's office should be consulted for an opinion from the Town Attorney's office whenever there is a question of probable conflict.

The direct sale of surplus property (materials, supplies, machinery, furnishing, equipment and any other tangible article) to Town employees, other than through an auction conducted by a third-party auction house, is prohibited.

### **7.2 Donations**

Departments may donate surplus property with a total estimated value of \$1,500 or less, if, in his/her judgement, donating the property is in the Town's best interests.

The Town Administrator/Treasurer must notify the Board of Trustees and may also direct the Department(s) or the Finance Department to coordinate the donation of an item of surplus property with an estimated value of between \$1,501 and \$5,000 or donate more than one item with an estimated cumulative value up to \$5,000.

Any donation of property should be documented by the Town and expressly state the donation "as is," and carries no warranties, express or implied.

### **7.3 Surplus Personal Computer (PC) Systems**

The Town Administrator/Treasurer's office will have the responsibility to direct and manage disposal of copiers, imaging systems, personal computer systems, and related equipment. Department personnel should contact the Town Administrator/Treasurer when they have surplus computer related items for disposal.

---

## 8.0 Grant Funded Purchases

Projects either fully or partially funded by grants may have their own, specific procurement requirements to maintain funding. Project managers must be aware of and follow any specific procurement requirements to ensure funding. If specific procurement requirements conflict with policies outlined in this document, the requirements attached to the grant prevail, if not in violation of any applicable law. If no specific procurement requirements are outlined in the grant, the policies of this document will prevail.

---

## 9.0 Credit Card/Purchasing Card Program

The use of purchasing and credit cards are intended to save time and money and to avoid the need for payment requests for purchases. This policy applies to Town employees whose jobs require them to use a credit card issued to them by the Town of Paonia.

### a) Conditions of Use

Only the named cardholder may use the issued Credit Card. Any default department credit cards shall be managed by the Town Administrator's designee.

Purchasing cards and credit cards are generally issued to all supervisors, although this may vary by department. All purchases will be reviewed by the Town Administrator and are subject to review from the Department Director, Finance Department, and Finance Committee.

A receipt copy on 8 ½ x 11 is required and must be coded to the proper expense account according to the adopted town budget. These coded receipts must be submitted to the Town Administrator within three days of the purchase date. The Department Head or related credit card holder must also code the expense on the credit card issuers website and attach a photocopy of the receipt. The requirement of a hard copy may change should the card issuer's website prove to meet the requirements of this policy. Until then both the hardcopy and digital processes shall be followed.

The default credit limit on Town purchasing cards is \$1,500. Higher limits may be granted with the Department Director's, or the Town Administrator's approval. Generally, the highest limit is \$5,000. Temporary increases can be requested for a planned purchase, with Board of Trustees approval.

Purchasing cards and Credit Cards are for purchasing appropriate foods and services while conducting business for the Town of Paonia only. These purchases should be necessary for completing your work and within the bounds of your normal purchasing needs or authority per your supervisor and established procurement policies.

b) Food Purchases

The purchase of food and services by an employee of the Town is allowable only when conducting business for the Town of Paonia while attending conferences, trainings, or town business outside of the Town's incorporated limits. When purchasing for food services, you are allowed to tip 10% for carry-out orders and anywhere between 15-20% for waiter/waitress type service, depending on the quality of service, but not to exceed 20%.

Meal receipts must be itemized, and a record must be kept stating the business purposes along with the names and titles of those served. Within these limits, meals can be excluded from employees' taxable pay under IRS regulations.

Alcohol purchases are expressly prohibited.

c) Per Diem

Allowances for meals and incidental costs incurred on official Town travel must follow U.S. General Services Administration per diem rates for the location. Any charges incurred on a Town Credit Card or Purchasing Card that is over the limit as identified in the US GSA for that location may be required to be reimbursed by the employee.

d) Restricted Purchases

Certain purchases have specific requirements or restrictions:

- **Employee Gifts** – The Town Administrator shall approve purchasing of any gift for a current or former employee, such gifts are related to service awards or merit awards and shall not have a greater market value than the current State of Colorado gift ban amount of \$75.00 which may be adjusted from time to time by the Colorado Independent Ethics Commission.
- **Capital – Related Purchases** – Any purchase related to a capital expenditure must be limited and clearly identified by the underlying capital item that the purchase relates to, such as project name and activity number.

e) Minimum Consequences of Violation

It is expressly prohibited to use Town credit cards or purchasing cards for personal use. The misuse or personal use of credit cards and purchasing cards may result in disciplinary action up to and including termination. A memo signed by the Department Head to the Town Administrator is required immediately following any personal use, along with a check, cash or money order, to reimburse the Town for the erroneous purchase.

In the event of a non-routine purchase, prior approval from a Supervisor, Department Head, or the Town Administrator must be obtained. Misuse of any purchasing

authority is cause for deactivation and may result in disciplinary action, up to and including termination.

f) Sales Tax

The Town of Paonia is a tax-exempt entity. Town employees are expected to complete any paperwork a vendor may require to secure tax-exempt status for purchases. The Town tax exempt number or certificate is available upon request from the Finance Department. If sales tax is charged in error, the employee should request a refund from the vendor to be issued back to the Town equal to the sales tax amount. In the event that a merchant does not accept the State of Colorado exemption certificate, it is acceptable to pay applicable sales tax and note the reason tax could not be removed.

g) Security

Employees are responsible for the secure keeping of their credit cards. If the card is lost or if there is any reason to believe that the card has been tampered with, the Town Administrator should be notified immediately, and the card forfeited until it can be replaced. Employees shall also verify the last authorized transaction to ensure that it is a legitimate purchase.

h) Card Deactivation

Cards can be deactivated at any time with or without cause by the Town Administrator. Purchasing cards are deactivated by Finance on the departing employee's last day, per email communication from Human Resources. If an employee is terminated, that employee's supervisor should immediately contact Finance.

i) Personal Use

Town credit cards are to be used for town purchases only. If a personal purchase is made by mistake, the Purchasing Cardholder must reimburse the Town upon identification of the error. Generally, a second occurrence will result in a verbal warning, and a third occurrence will result in termination of the Purchasing Card along with documentation to the employee's personnel file for performance review purposes. However, instances of personal use are reviewed on a case-by-case basis and may result in disciplinary action up to and including termination.

j) Compliance and Signature Required

All employees that are either issued or have an occasion to use a purchasing card or credit card must sign a copy of this policy prior to use and it must be kept within their personnel file.

## 10.0 Debarment of Suppliers/Contractors

The Town Administrator/Treasurer may debar or suspend a vendor or contractor for just cause, but not until the Town Attorney has provided an opinion on the debarment or suspension and the procedures recommended by the Town Attorney have been followed.

### 10.1 Causes for Debarment

The causes for debarment include the following:

- a) Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public contract or subcontract.
- b) Conviction or indictment under a state or federal statute of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
- c) Conviction, pled guilty to, declared nolo contendere, or indictment under a state or federal antitrust statute, a charge of engaging in conspiracy, collusion, price fixing, or combination thereof, or other unlawful act in restraint of trade, or business discrimination, or of similar charges in any Federal court or a court of this or any other state.
- d) Failure or default without good cause to perform in accordance with any contract or unsatisfactory performance with any contract.
  - 1) Continually failed or refused to correct deficient work or replace substandard or unauthorized materials found by the Public Works Department, or its agent, or fails to make prompt progress payments to subcontractors for materials or labor.
  - 2) Continually found to not be in reasonably close conformity with the project document or failed to correct work so as to be reasonably acceptable.
  - 3) Continually failed to carry on the work in an acceptable manner or refused to comply with a written order or directive of the Public Works Director, designee, or their agent, within a reasonable time, or has responded to the Public Works Director, designee, agent, Town official, employee, or the Town in any manner which is either threatening, disparaging, or insulting.
  - 4) Persistently failed to timely complete a contract, or sought unreasonable extensions of time on current projects, or refused to comply with directives of the Public Works Director, designee, agent, Town Administrator/Treasurer, or the Board of Trustees.
  - 5) Failed to perform the contract with skilled workers as required in the project document, or otherwise assigned or disposed of work to an unauthorized contractor, or to subcontract any portion thereof without approval of the Public Works Director, designee, agent, Town Administrator/Treasurer, or the Board of Trustees.

- 6) Forfeited a bid bond or failed to enter into a contract upon an offer of award by the Town in response to a prior advertisement for bids for the same project, or any combination of projects involving the same work for which the award is currently being considered.
  - 7) Failed to comply with the nondiscrimination requirements of the standard specifications or special provisions as outlined in bid documents.
  - 8) Failed to comply with the requirements of the Federal Davis-Bacon Act requirements to pay prevailing wages during the course of a federally – funded project, as required by Federal law.
- e) Debarment, disqualification, or suspension by another government entity for any reason.
- 1) This includes a supplier/contractor that has subcontracted, employed, or otherwise used the services of anyone who has been disqualified by the Town from working on Town projects.
  - 2) Town employees are automatically disqualified by the nature of their employment with the Town, and any supplier/contractor that hires and pays a Town employee for a project is grounds for debarment.
    - i. No Town officer or employee shall have an interest, direct or indirect, in any contract or job of work or material of the profits thereof of services to be furnished or performed for the officer’s or employee’s Town.
    - ii. This provision does not apply to a Town employee that has an employment contract with the Town.
- f) An actual or perceived conflict of interest between the supplier/contractor and other clients serviced by the supplier/contractor.
- 1) For the purposes of this section, a conflict of interest is defined as acts benefitting other clients of the supplier/contractor that have an expressed or implied agreement/contract with the Town that is in direct conflict with the goods or services being supplied by the supplier/contractor.
  - 2) The perception of a conflict of interest between the supplier/contractor and other clients serviced by the supplier/contractor is generally not enough for disbarment, but when combined with a service to another client that has an active contract with the Town it becomes a conflict of interest.
- g) Offered, promised or given a gratuity to any person elected, selected, appointed, employed or otherwise engaged in public service to secure or fulfill a Town contract, or has employed as its own employees during the course of the project any of the foregoing.