



January 11, 2022

Jay Harrington, County Manager  
Routt County

Via email to: [jharrington@co.routt.co.us](mailto:jharrington@co.routt.co.us)

Dear Mr. Harrington:

This letter is provided per our conversation regarding the invoice sent to Routt County for administrative services provided by the Associated Governments of Northwest Colorado (AGNC) during 2021. AGNC understands that Routt County will fund match dollars for the Economic Development District (EDD) through the new economic development organization and the Enterprise Zone administration costs are anticipated to be covered by an increase in administration costs to Routt County contribution projects as approved by the State EDC in December of 2021. These adjustments will be effective beginning in 2022 but will not cover the administration expense born by AGNC for the calendar year 2021.

The administration costs for the EZ and EDD for 2021 are outlined as follows:

AGNC Administration Costs for Routt County:

Enterprise Zone:	
Business support	<b>\$ 7,955.00</b>
Contribution Project support	<b>\$15,265.00</b>
Econ. Dev. District Match	<b>\$14,000.00</b>
<b>TOTAL</b>	<b>\$37,220.00</b>

During prior discussions and documentation provided, it had been determined that, with regard to the Enterprise Zone administration, Routt County businesses previously required 37.9% of AGNC's EZ administrative effort. Routt County Contribution Projects make up 71% of all contribution projects across the region and those non-profits consume more than 71% of AGNC's EZ administrative effort. Routt County contribution projects have collected 75% of the contributions received across the region. OEDIT provides EZ administrators with a stipend of \$21,000 annually to manage ONLY the business portion of the EZ's – these funds must be matched; Routt County's portion of that match at 37.9% is \$7,955.00. EZ administrators are not provided a stipend for management of contribution projects which are often more time consuming than businesses; if a similar stipend were provided for contribution project management, Routt County's share would be \$15,265.00 (72.7% of \$21,000 – this is the average of 71% and 75%).

P.O. Box 593, Grand Junction, CO 81502

Phone: 970-665-1095

These costs are not without benefit for Routt County businesses, communities, and non-profits. Over the previous five (5) year period Routt County benefitted from the EZ as follows:

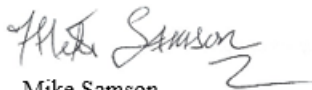
EZ Business Investments made in Routt County (estimated)	\$71,324,900.00
EZ Contribution Project Receipts	\$9,295,388.06

The matches for the EZ and EDD are made through AGNC member dues. The AGNC policy regarding EZ administrative support for non-member counties directs that those counties are to pay administrative costs relative to their use of the program. Routt county use of the EZ program is outlined herein. AGNC seeks sponsorships for events in support of members to aid with any potential funding shortfalls.

Hopefully, this letter provides you the information needed regarding the administrative costs for services AGNC provides for Routt County. As the county will no longer be a member of AGNC, it is not appropriate to ask the remaining members to subsidize these costs for Routt County. County dues for AGNC are \$17,000 per county - Routt County AGNC dues would have been \$17,000 for 2021 had the county continued its membership with the organization.

AGNC submitted an invoice reflecting the administration costs for services provided to Routt County in May of 2021. The attached modified invoice reflects each of the components outlined over the course of last year and in this letter. We appreciate your expeditious attention to the payment of the attached, modified invoice. Please contact Bonnie Petersen, AGNC Executive Director, if you have any further questions.

Sincerely,



Mike Samson  
AGNC Chairman  
Garfield County Commissioner



Chris Nichols  
AGNC Vice-Chairman  
Craig City Councilman

Enclosed: Modified AGNC Invoice #2277

Copies to: AGNC Board Members