



AGENDA
for the Board of Trustees
of the Town of Palisade, Colorado
341 W 7th Street (Palisade Civic Center)

October 22, 2024

6:00 pm Regular Meeting

A live stream of the meeting may be viewed at:

<https://us06web.zoom.us/j/3320075780>

- I. **REGULAR MEETING CALLED TO ORDER AT 6:00 pm**
- II. **PLEDGE OF ALLEGIANCE**
- III. **ROLL CALL**
- IV. **AGENDA ADOPTION**
- V. **ANNOUNCEMENTS**
 - A. **GET INVOLVED WITH OUR COMMUNITY! UPCOMING PUBLIC MEETINGS (Palisade Civic Center 341 W 7th Street):**
 - 1. **Board of Trustees** – Tuesday, November 5, 2024, at 6:00 pm TRAINING ROOM – Special Meeting and Work Session
 - 2. **Planning Commission** – Tuesday, November 5, 2024, at 6:00 pm
 - 3. **Board of Trustees** – Tuesday, November 12, 2024, at 6:00 pm
 - 4. **Tourism Advisory Board** – Wednesday, November 20, 2024, at 9:00 am
 - B. **PALISADE HALLOWEEN TRICK-OR-TREAT STREET is Thursday, October 31, 2024, in downtown Palisade. Please visit <https://palisade.colorado.gov/> for more information.**
 - C. **PALISADE LEAF PICK-UP will begin Monday, October 28, 2024. Please visit <https://palisade.colorado.gov/> to view the map of pick-up days and instructions on what will be picked up.**
 - D. **TOWN HALL WILL BE CLOSED on Monday, November 11, 2024, in observance of VETERANS DAY.**
- VI. **PRESENTATIONS**
 - A. Palisade Little League 2025 Funding Request
 - B. State of Colorado—Division of Oil and Public Safety (OPS) Presentation
- VII. **TOWN MANAGER REPORT**

VIII. CONSENT AGENDA

The Consent Agenda is intended to allow the Board to spend its time on more complex items. These items are generally perceived as non-controversial and can be approved by a single motion. The public or any Board Member may ask that an item be removed from the Consent Agenda for individual consideration.

A. Expenditures

- Approval of Bills from Various Town Funds – September 27, 2024 – October 10, 2024

B. Minutes

- Minutes from October 08, 2024, Regular Board of Trustees Meeting

C. Resolution 2024-25 - Parklet Lease Agreement

- Resolution 2024-25 formalizes a lease agreement with El Rey’s Mexican Food, LLC, for the use of a downtown parklet at 528 Iowa Avenue (formerly Palisade Picnic).

I. NEW BUSINESS

A. Troyer Avenue Lift Station Change Order Request

The Board of Trustees will consider granting a change order to the contract with MA Concrete for the Troyer Lift Station project.

1. Staff Presentation
2. Board Discussion
3. Decision - Motion, Second, and Rollcall Vote to:

Approve, deny, or postpone (until November 12, 2024), a change order for the contract with MA Concrete for the Troyer Avenue Lift Station project to reflect project materials saving of \$22,172.29, an increase to construction fees of \$7,494.20 for repairs to the Troyer Avenue irrigation line, and an additional \$31,337.42 for the cost of Xcel Energy electrical installation, for a total increase of \$16,659.33.

B. Ordinance 2024-07 – Palisade Municipal Code Amendment regarding Tobacco Products

The Board of Trustees will consider amending the Municipal Code to prohibit the furnishing of or possession of cigarettes or tobacco and nicotine products to individuals under the age of 21.

1. Staff Presentation
2. Board Discussion
3. Decision - Motion, Second, and Rollcall Vote to:

Approve, deny, or postpone (until November 12, 2024), Ordinance 2024-07 to Prohibit the Furnishing of Cigarettes, Tobacco Products, or Nicotine Products to Individuals Under the Age of 21 and Possession of Cigarettes and Tobacco Products by Individuals Under the Age of 21.

C. Audit Company Contract for the Town of Palisade 2024 Audit

The Board of Trustees will consider directing the Mayor to enter into a contract with Hinkle & Company, PC, for 2024 financial audit services for the Town of Palisade.

1. Staff Presentation
2. Board Discussion
3. Decision - Motion, Second, and Rollcall Vote to:

Approve, deny, or postpone (until November 12, 2024), directing the Mayor to enter into a contract with Hinkle & Company, PC, for 2024 financial audit services for the Town of Palisade.

D. Emergency Sewer Line Replacement

The Board of Trustees will consider directing the Town Manager to have the sewer line in the alley between 6th and 7th Street replaced.

1. Staff Presentation
2. Board Discussion
3. Decision - Motion, Second, and Rollcall Vote to:

Approve, deny, or postpone (until November 12, 2024), directing the Town Manager to have the sewer line in the alley between 6th and 7th Street replaced for an amount not to exceed \$30,000.00 from the Sewer budget.

II. PUBLIC COMMENT

All those who wish to speak during public comment must sign up on the sheet provided outside the boardroom doors. Please keep comments to 3 MINUTES OR LESS and state your name and address. Any member of the public who wishes to have a statement or email read into the Minutes is required to appear in person and make said statements to the Board directly. Neither the Board of Trustees nor staff will respond to comments at this time. The Board may direct staff to look into specific comments to bring back as an Agenda item at a future meeting; however, the Board reserves the right to clarify information from comments that are factually incorrect.

III. COMMITTEE REPORTS

IV. ADJOURNMENT



PALISADE BOARD OF TRUSTEES Staff Report

Meeting Date: October 22, 2024
Department: Police Department
Department Director: Jesse James Stanford, Chief of Police

Stats for September 2024:

- The month of August had 318 Calls for service, 18 less than last month, which is about the same as last year. It is also normal to see a bit of a slowdown as school begins. We have seen a significant increase in calls for service over the past years, this has been noticed and has increased the workload for officers within the department. Total CFS in 2024, 3165 this is 481 more than last year. This is a 17% increase year over year.

Grand Junction Comm Center:

In summary 2024 current month Palisade Police has had 318 calls for service compared to the last year same month 322 calls for service. Year to date we have 3,331 calls for service compared to last year at this time we were at 2,633. Response time for priority one calls which is an urgent call response, from dispatch to arrival 6 minutes and 10 seconds which for the month of September which showed our agency with the fastest response time comparable to other law enforcement agencies in the valley. Grand Junction Comm Center handled 26,961 total calls with 25% of those calls being 911 emergencies. 85% of the calls handled were from cell phones and the rest were from landline.

Reports and Summons:

Case Reports 23
Supplement Reports 7

Arrests
26 arrests

Traffic:

23 traffic citations were issued this month.

Training:

- One officer attended a course on Homicide Investigations training.

Investigations:

- PPD investigations has been working diligently on multiple cases including the recent Arson/Homicide case as well as many other cases.
- PPD investigations is working two adult sexual assault cases.

Significant Events:

- The agency also continues to grow and build a better foundation for operations with the talented staff we have. We are building policies and procedures to better handle and accommodate the needs of the town and agency.
- Palisade PD lost Officer Higgins and have been actively recruiting for the last few months with minimal results.

Palisade Code Compliance Statistics Report: September 2024

Open issues before September: 9

September issues: 13

- PMC Sec. 7-92 Weeds: 3
- Code Compliance Referral No issue: 5
- LDC Sec. 4-08 Planning clearance needed: 1
- LDC Sec. 10-10 Prohibited sign: 2
- Towed Vehicle: 2

Total September issues: 22

Closed issues in September: 10

Open issues at end of September: 12

Issues Year to Date: 122

Message from Chief Jesse James Stanford:

I'm happy to report the month of September was smooth, the Wine Festival was the last of the larger events for the town and there were no major events reported associated with the festival. Proactive policing is priority with 6 DUI contacts, 70 traffic stops total for the month, crimes against persons calls, property crimes, drug related calls, alarm calls, business checks, animal calls, and one search and rescue call. I am proud of the police staff for remaining focused on serving the community and police officers are ready and willing to respond swiftly when needed. Lastly, we have one patrol spot available on our staff and are actively seeking qualified applicants to join our team. I welcome feedback, questions and or comments from the public we serve.



PALISADE BOARD OF TRUSTEES

Meeting Date: October 22, 2024

Re: Consent Agenda

The Consent Agenda has been attached as a separate document for ease of reading.

Included in the consent agenda are:

A. Expenditures

- Approval of Bills from Various Town Funds – September 27, 2024 – October 10, 2024

B. Minutes

- Minutes from October 8, 2024, Regular Board of Trustees Meeting

C. RESOLUTION 2024-25 - Parklet Lease Agreement

A Resolution of the Board of Trustees for the Town of Palisade, Colorado, formalizing a lease agreement with El Rey's Mexican Food, LLC for the use of a downtown parklet at 528 Iowa Avenue (formerly Palisade Picnic).



PALISADE BOARD OF TRUSTEES
Agenda Item Cover Sheet

Meeting Date: October 22, 2024

Presented By: J Hawkinson, Town Manager - B Flenniken, PW Director

Department: Public Works

Re: M.A. Concrete Change order/ Troyer Lift Station

SUBJECT:
Change order request for the contract with MA Concrete for the Atroyer Lift Station project.

SUMMARY:
On July 23, 2024, the Board of Trustees approved a contract with MA Concrete for the construction of the Troyer Avenue Lift Station project for an amount not to exceed \$187,309.72.

MA Concrete was able to save \$22,172.29 in un-used materials, but is requesting an additional \$7,494.20 in labor costs due to necessary repairs to the Troyer Avenue irrigation line. There is also a request for \$31,337.42 for Xcel Energy electrical installation.

With the subtraction of the savings, and addition of the requested additional costs, a change order is being requested to increase the overall contract amount by \$16,659.33.

BOARD DIRECTION:
Approve a change order for \$16,659.33 for the contract with MA Concrete for the Troyer Avenue Lift Station project.



PALISADE BOARD OF TRUSTEES
Agenda Item Cover Sheet

Meeting Date: **October 22, 2024**

Presented By: **Chief Jesse Stanford**

Department: **Police Department**

Re: **Ordinance 2024-07 - Tobacco Ordinance**

SUBJECT:

An Ordinance of the Town of Palisade, Colorado, Amending and Restating Chapter 10, Article X of the Palisade Municipal Code to Prohibit the Furnishing of Cigarettes, Tobacco Products or Nicotine Products to Individuals Under the Age of 21 and Possession of Cigarettes and Tobacco Products by Individuals Under the Age of 21.

SUMMARY:

This is an ordinance designed to keep tobacco products out of the hands of individuals under the age of 21. This ordinance gives law enforcement the authority to hold individuals accountable under the law for the jurisdiction of the Town of Palisade. This ordinance also includes vape pens and other electronic devices.

BOARD DIRECTION:

Approve Ordinance 2024-07

**TOWN OF PALISADE, COLORADO
ORDINANCE NO. 2024-07**

**AN ORDINANCE OF THE TOWN OF PALISADE, COLORADO,
AMENDING AND RESTATING CHAPTER 10, ARTICLE X OF THE
PALISADE MUNICIPAL CODE TO PROHIBIT THE FURNISHING OF
CIGARETTES, TOBACCO PRODUCTS OR NICOTINE PRODUCTS TO
INDIVIDUALS UNDER THE AGE OF 21 AND POSSESSION OF
CIGARETTES AND TOBACCO PRODUCTS BY INDIVIDUALS UNDER
THE AGE OF 21.**

WHEREAS, the Town of Palisade (“Palisade” or the “Town”) is a Colorado municipality organized pursuant to Title 31 of the Colorado Revised Statutes and with the authority set forth therein; and

WHEREAS, the General Assembly for the State of Colorado has prohibited the furnishing of cigarettes, tobacco products, or nicotine products to minors in Section 18-13-121, C.R.S.; and

WHEREAS, the General Assembly for the State of Colorado has prohibited the possession of cigarettes, tobacco products, or nicotine products by minors in Section 25-14-301, C.R.S.; and

WHEREAS, Section 10-207 of the Palisade Municipal Code (the “Code”) sets forth the standards and law for the sale and possession of tobacco products to individuals under the age of 21; and

WHEREAS, the Town Board of Trustees finds and determines that the following updates and amendments to Chapter 10, Article X of the Code are in the best interest of the public health, safety and welfare of the citizens of Palisades.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALISADE, COLORADO THAT:

Section 1. The foregoing recitals are incorporated herein as if set forth in full.

Section 2. Article X of Chapter 10 of the Palisade Municipal Code is hereby amended and restated as follows:

Sec. 10-207. Furnishing, purchasing or possessing tobacco products.

- (a) Any person who knowingly furnishes to an individual under 21 years of age, by gift, sale or any other means, any cigarettes, tobacco products or nicotine product commits a misdemeanor as set forth in Chapter 1, Article IV of the Palisade Municipal Code.

- (b) Any individual under twenty-one (21) years of age who purchases or attempts to purchase any cigarettes, tobacco products or nicotine product, and/or is found to be in possession of any cigarettes, tobacco products or nicotine product commits a violation of this ordinance.
- (c) As used in this section, *cigarette* means any product that contains nicotine, is intended to be burned or heated under ordinary conditions of use, and consists of or contains:
 - (1) Any roll of tobacco wrapped in paper or in any substance not containing tobacco, including, but not limited to, cigarettes, cigars, cheroots, stogies, periques, granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco, snuff, snuff flour, cavendish, plug cuttings and sweepings of tobacco, and other kinds and forms of tobacco, prepared in such manner as to be suitable for chewing or for smoking in a pipe or otherwise, or both for chewing and smoking, including all synthetic derivative products, simulated tobacco or hybrid products used in vape pens and other electronic devices;
 - (2) Tobacco, in any form, that is functional in the product, which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette; or
 - (3) Any roll of tobacco wrapped in any substance containing tobacco that, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette.
- (d) As used in this section, *possession* means that a person:
 - (1) Has or holds any amount of cigarettes or tobacco products anywhere on his or her person;
 - (2) Owns or has custody of cigarettes or tobacco products;
 - (3) Has cigarettes or tobacco products within his or her immediate presence and control.
- (e) As used in this section, *cigarette*, *tobacco product*, *nicotine product*, or *synthetic derivative* means:
 - (1) A product that contains nicotine or is derived from tobacco and is intended to be ingested or inhaled by or applied to the skin of an individual;
 - (2) Any device that can be used to deliver tobacco, nicotine, or any synthetic of either, to the person inhaling from the device, including an electronic cigarette, cigar, cigarillo, or pipe.

(f) Penalties:

- (1) A person under twenty-one (21) years of age who possesses, uses, or openly and publicly displays any of the listed items in paragraph 3 anywhere within the Town of Palisade for a first offense commits a noncriminal municipal offense and shall be subject to a fine up to one hundred dollars (\$100.00) and any treatment program or other conditions ordered by the Municipal Court; and/or
 - (2) A person under twenty-one (21) years of age who possesses, uses, or openly and publicly displays any of the listed items in paragraph 3 anywhere within the Town of Palisade commits for a second offense or subsequent offense a criminal municipal offense punishable by up to a three-hundred-dollar fine (\$300.00), up to ninety (90) days incarceration or by both such fine and jail sentence.
- (g) Notwithstanding any provision of this section to the contrary, cigarette, tobacco product, or nicotine product does not mean a product that the Food and Drug Administration of the United States Department of Health and Human Services has approved as a tobacco use cessation product.

INTRODUCED, READ, PASSED, APPROVED AND ORDERED PUBLISHED BY TITLE, at the regular meeting of the Board of Trustees of the Town of Palisade, Colorado held on October 8, 2024.

TOWN OF PALISADE, COLORADO

By: _____
Greg Mikolai, Mayor

ATTEST:

Keli Frasier, CMC
Town Clerk



PALISADE BOARD OF TRUSTEES
Agenda Item Cover Sheet

Meeting Date: **October 22, 2024**

Presented By: **Keli Frasier, CMC**

Department: **Independent Accounting Firm**

Re: **Firm to Perform Yearly Audit**

SUMMARY:

The Town of Palisade Board of Trustees hired Hinkle & Company, PC in 2023 to perform the 2022 audit.

Attached is the letter of engagement, which constitutes a contract with Hinkle & Company, PC to perform the audit for the fiscal year ending December 31, 2024.

The estimated cost of \$19,500.00 matches the estimated cost for 2024 listed in the response to the original RFP from Hinkle & Company, PC in 2023.

BOARD DIRECTION:

Give direction to the Mayor to enter into contract with Hinkle & Company to perform the audit on 2024 year end budget.



**HINKLE &
COMPANY**
Strategic PC
Business Advisors

October 4, 2024

Board of Trustees
Town of Palisade
175 E. 3rd Street
Palisade, Colorado 81526

We are pleased to confirm our understanding of the services we are to provide to the Town of Palisade (the Town). We will audit the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Town as of and for the year ended December 31, 2024.

In addition, we will audit the entity's compliance over major federal award programs for the period ended December 31, 2024, if required. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal award programs.

Accounting principles generally accepted in the United States of America require that supplementary information (RSI), such as management's discussion and analysis (MD&A), budgetary comparison schedule for the General Fund, schedules of the Town's proportionate share of the net pension liability and the Town's contributions, if applicable, be presented to supplement the Town's basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussions and Analysis
- Budgetary Comparison Schedules
- Schedule of the Town's proportionate share of the net pension liability, if applicable
- Schedule of the Town's contributions, if applicable

Office Locations:

Colorado Springs, CO
Denver, CO
Frisco, CO
Tulsa, OK

Denver Office:

750 W. Hampden Avenue,
Suite 400
Englewood,
Colorado 80110
TEL: 303.796.1000
FAX: 303.796.1001
www.HinkleCPAs.com

Supplementary information other than RSI will accompany the Town's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following information in relation to the financial statements as a whole:

- Schedule of expenditures of federal awards (if required)
- Combining financial statements
- Local highway finance report

Schedule of Expenditures of Federal Awards (if required)

We will subject the schedule of expenditures of federal awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements as a whole.

Data Collection Form (if required)

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the earlier of 30 days after receipt of our auditor's reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.



Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and, if applicable, in accordance with any state or regulatory audit requirements. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance (whether caused by errors, fraudulent financial reporting, misappropriation of assets, detected abuse, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and Government Auditing Standards of the Comptroller General of the United States of America and, if applicable, in accordance with any state or regulatory audit requirements. Please note that the determination of abuse is subjective and Government Auditing Standards does not require auditors to detect abuse.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.



We will issue a written report upon completion of our audit of the Town's basic financial statements. Our report will be addressed to the governing body of the Town. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In accordance with the requirements of Government Auditing Standards, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Audit of Major Program Compliance

If a Single Audit is required, our audit of the Town's major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the Uniform Guidance, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the entity has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major federal award programs. Our procedures will consist of determining major federal programs and performing the applicable procedures described in the U.S. Office of Management and Budget OMB Compliance Supplement for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal award programs. However, our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the entity's major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.



Management Responsibilities

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
3. For identifying, in its accounts, all federal awards received and expended during the period and the federal programs under which they were received, including federal awards and funding increments received prior to December 26, 2014 (if any), and those received in accordance with the Uniform Guidance (generally received after December 26, 2014);
4. For maintaining records that adequately identify the source and application of funds for federally funded activities;
5. For preparing the schedule of expenditures of federal awards, if required, (including notes and noncash assistance received) in accordance with the Uniform Guidance;
6. For the design, implementation, and maintenance of internal control over federal awards;
7. For establishing and maintaining effective internal control over federal awards that provides reasonable assurance that the nonfederal entity is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards;
8. For identifying and ensuring that the entity complies with federal statutes, regulations, and the terms and conditions of federal award programs and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal award programs;
9. For disclosing accurately, currently, and completely the financial results of each federal award in accordance with the requirements of the award;
10. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
11. For taking prompt action when instances of noncompliance are identified;
12. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
13. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
14. For submitting the reporting package and data collection form, if required, to the appropriate parties;
15. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
16. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, and relevant to federal award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
17. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
18. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;



19. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
20. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the schedule of expenditures of federal awards referred to above, if applicable, you acknowledge and understand your responsibility (a) for the preparation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance, (b) to provide us with the appropriate written representations regarding the schedule of expenditures of federal awards, (c) to include our report on the schedule of expenditures of federal awards in any document that contains the schedule of expenditures of federal awards and that indicates that we have reported on such schedule, and (d) to present the schedule of expenditures of federal awards with the audited financial statements, or if the schedule will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by you of the schedule and our report thereon.

As part of our audit process, we will request from management, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Fees and Timing

Jim Hinkle is the engagement partner for the audit services specified in this letter. His responsibilities include supervising the auditing services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fees are based on the amount of time required at various levels of responsibility, plus actual out-of-pocket expenses. Invoices will be rendered every two weeks and are payable upon presentation. We estimate that our fee for the audit will be \$19,500. We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the Town's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit.

Other Matters

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.



The audit documentation for this engagement is the property of Hinkle & Company, PC and constitutes confidential information. However, we may be requested to make certain audit documentation available to state and federal agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Hinkle & Company, PC's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

With respect to any non-attest services we perform, the Town's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to the Board of Trustees, the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files.



Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements, Single Audit (if required) and compliance over major federal award programs including our respective responsibilities (if required).

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Hick & Company, PC

This letter correctly sets forth our understanding of the Town of Palisade.

Authorized Signature

Date

Title



Report on the Firm's System of Quality Control

To the Partners of Hinkle & Company, PC and
the Peer Review Committee of the Oklahoma Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Hinkle & Company, PC (the "firm") in effect for the year ended September 30, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants ("Standards").

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

To the Partners of Hinkle & Company, PC and
the Peer Review Committee of the Oklahoma Society of CPAs
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Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Hinkle & Company, PC in effect for the year ended September 30, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Hinkle & Company, PC has received a peer review rating of *pass*.

A handwritten signature in black ink that reads "Finley & Cook, PLLC". The signature is written in a cursive, flowing style.

Shawnee, Oklahoma
August 30, 2023

December 04, 2023

James Hinkle
Hinkle & Company PC
5028 E 101st ST Ste A
Tulsa, OK 74137-5821

Dear James Hinkle:

It is my pleasure to notify you that on November 30, 2023, the Oklahoma Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is March 31, 2026. This is the date by which all review documents should be completed and submitted to the administering entity. Since your due date falls between January and April, you can arrange to have your review a few months earlier to avoid having a review during tax season.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

OSCPA Peer Review Committee

Peer Review Committee
peerreview@oscpa.com
1-800-522-8261 ext. 3810

cc: Danny Bledsoe

Firm Number: 900010140928

Review Number: 601404



PALISADE BOARD OF TRUSTEES
Agenda Item Cover Sheet

Meeting Date: October 22, 2024

Presented By: J Hawkinson, Town Manager - B Flenniken, PW Director

Department: Public Works

Re: Emergency sewer line replacement

SUBJECT:
Alleyway between 6th & 7th Street- sewer line replacement

SUMMARY:
The sewer line in the N/S alley between 6th and 7th street (and between Logan and Lincoln) has had an ongoing issue of multiple clogs and backups due to an undersized pipe and tuberculation in the line. A portion of the line was upgraded previously with larger PVC but the remaining metal section continues to have problems. When the line backs up into the customer's homes a sewer jetting service is required to clear the blockage at the Town's expense (\$400-\$800 per trip).

At the recommendation of the Town's engineer, Wiseland construction has provided the attached estimate to replace the remaining metal line with PVC as well as install a manhole at the Logan avenue connection and 2nd manhole at the terminal end of the line in the alleyway and all related work. Wiseland performed the previous upgrade and are familiar with the layout and requirements. No as-builts or design drawings of the original construction are available.

BOARD DIRECTION:
Direct the Town Manager to have the sewer line in the alley between 6th and 7th Street replaced by Wiseland Construction for a cost not to exceed \$30,000 out of the sewer budget.

Wiseland Construction & Excavation

PO Box 974
 Palisade, CO 81526 US
 +19707302974
 accounting@wiselandgj.com
 www.wiselandgj.com



Estimate

ADDRESS
 Town of Palisade
 175 East 3rd Street
 P.O. Box 128
 Palisade, CO 81526

ESTIMATE 200991
 DATE 10/11/2024
 EXPIRATION DATE 12/11/2024

DATE	SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
	Address	* Alleyway Between Lincoln Ave and Logan Ave on 6th St * (Revised 10/09/24)	1	0.00	0.00
	Demo	1.) Saw cut and demo 6 LF. of concrete gutter 2.) Saw cut and demo 130 sq. ft. of asphalt 3.) Export concrete and asphalt	1	650.00	650.00
	Manhole	* 1ST MANHOLE* 1.) Excavate approx. 10' x 10' x 8' depth 2.) Section 8" concrete main for manhole 3.) Install concrete man hole in 6th St. 4.) Install repair coupling and connect to manhole	1	8,060.00	8,060.00
	Manhole	* 2ND MANHOLE* 1.) Excavate and install 1 dead ended manhole on S end of line	1	4,100.00	4,100.00
	Sewer Main	1.) Excavate and install 190' LF of 6" SDR 35 sewer main 2.) Install (5) 6"x 4" taps and connect 4" services at property line 5.) Bed sewer main and taps with 3/4" screened rock 6.) Backfill and compact alley with native soils 7.) Place and compact 6" of 3/4" class 6 road base on top of excavated trench 7.) Spread 3/4" screened rock over disturbed area of alley	1	13,338.00 0	13,338.00

Backfill	1.) Backfill street and manhole with 40 tons of 3/4" class 6 road base 2.) Huddleston-Berry to preform compaction tests every 1' lift	1	1,200.00	1,200.00
Asphalt	1.) Patch 130 sq. ft. of hot mix asphalt	1	1,690.00	1,690.00
Concrete	1.) Prep and pour 30 sq. ft. of concrete gutter pan and drive approach	1	700.00	700.00
Trench Shoring	1.) Trench shoring for manhole installation 2.) Road plates as needed to maintain street usage	1	1,000.00	1,000.00
Notes	1.) Price does not include bypass pumping for existing sewer main in 6th St. while new manhole installation is preformed 2.) Price does not include dewatering if encountered 3.) Traffic control provided by T.O.P	1	0.00	0.00
				Subtotal: 30,738.00
Discount		1	-738.00	-738.00

TOTAL

\$30,000.00

This is a proposal for the 6th St sewer project. This proposal is based off the information obtained at this time. Price is subject to change depending on permitting and other legal costs associated with project and/or change orders. Please reach out with any questions regarding your proposal. Thank you, and have a great day!

-Wiseland Construction & Excavation

Accepted By

Accepted Date