



# SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

## Regular Meeting Agenda

Thursday, 03 January 2019

1:30 pm

La Plata County Training Room

1101 East 2<sup>nd</sup> Avenue, Durango, CO

- I. Introductions
- II. Consent Agenda
  - a. December 2018 SWCCOG Meeting Minutes
  - b. November 2018 Financials
- III. Reports (Staff will be available for questions on the written reports)
  - a. Director's Report
  - b. Broadband Report
  - c. Transportation Report
  - d. VISTA Report
- IV. Discussion Items
  - a. Consideration of Board Code of Ethics Policies
- V. Decision Items
  - a. Selection of 2019 COG Treasurer
  - b. Archuleta County Broadband Letter of Support
  - c. Auditor Engagement Letter
- VI. Community Updates (if time permits)

# Consent Agenda

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**Southwest Colorado Council of Governments  
December Board Meeting  
Thursday, 6 December, 1:30pm  
1101 E. 2nd Ave., La Plata County Training Room, Durango, CO 81301**

In Attendance:

Chris La May – Town of Bayfield  
Ron LeBlanc – City of Durango  
Gwen Lachelt – La Plata County  
Joanne Spina – La Plata County  
Karen Sheek – City of Cortez  
John Dougherty – City of Cortez  
Michael Whiting – Archuleta County  
Steve Garchar – Dolores County  
Andrea Phillips – Town of Pagosa Springs

Staff in Attendance:

Miriam Gillow-Wiles – Southwest Colorado Council of Governments  
Sara Trujillo – Southwest Colorado Council of Governments  
Jessica Laitsch – Southwest Colorado Council of Governments  
Martina Pansze – Southwest Colorado Council of Governments

Guests in Attendance:

Mindy Nelson

**I. Introductions**

The meeting was called to order at 1:34 pm, everyone introduced themselves.

**II. Consent Agenda**

October 2018 SWCCOG Meeting Minutes

October 2018 Financials

**Gwen Lachelt motioned to approve the consent agenda, Karen Sheek seconded, unanimously approved.**

**Reports**

Director's Report:

Miriam reported that COG staff have officially moved out of the Carnegie Building and will work remotely until able to move into the new office space in Bodo Park in January 2019.

Miriam said the initial contractor for the Region 9-SWCCOG Facilitation Project, Place Dynamics, was terminated due to lack of communication and work product. In an attempt to settle as the grant funding will only run through June 2019, staff offered \$8,276.08 for work provided and some travel costs. This offer was sent October 22 with no response. Legal recommended sending a check with language printed on the back stating that by cashing the check full payment is accepted in accordance with the contract. Miriam is assuming the check will be cashed.

Miriam reported that staff submitted an application for a Housing as Health in Southwest Colorado project in partnership with Housing Solutions for the Southwest, Region 9 Economic Development District, and Axis Health System with the aim to establish systems to directly increase affordable housing stock in southwest Colorado.

Miriam stated that she was approached by New Mexico's San Juan County and City of Farmington interested in becoming members of the SWCCOG. Although currently members of the NW New Mexico COG located in Gallup, they feel their economies and goals are more in alignment with the SWCCOG. The board discussed what an IGA might look like and how dues could be calculated. Initially, the board suggested inviting those interested NM jurisdictions to a meeting with the COG board so all can better understand the wants and needs. Miriam will arrange a date and meeting space.

Miriam said she will be taking PTO at the end of December.

#### Broadband Report:

Miriam reported that on September 25, 2018 the FCC released new rules that, if adopted, would likely have a significant impact on cable franchise fees, PEG channels and other common cable-related obligations in cable franchise agreements. The proposed rules also would preempt local regulations of non-cable services provided by certain incumbent cable operators, potentially creating disparities between cable operators and non-cable operators in the applicability of these regulations.

#### Transportation Report:

Jessica reported that the SWTPR met earlier that morning. CDOT provided some updates. The 4-Corners Transportation Plan is wrapping up; the consultant team will have a draft plan soon that will be rolled out to stakeholders early 2019.

#### VISTA Report:

Martina said she has been researching potential grants and writing an article on broadband in Cortez.

### III. Discussion Items

#### Strategic Planning:

Chris said there had been discussion about using remaining DoLA 8573 funding for long-term strategic planning. Miriam said she talked to Patrick, DoLA Regional Manager, who said he would support this idea. Chris asked what remaining funds are in grant. Miriam said this depends if Place Dynamics cashes the check staff will send. Andrea asked if the agreement had already been terminated. Miriam confirmed, yes, in August. Sara said there is approximately \$30,000 left in grant funds.

**Andrea Phillips motioned to move this item from discussion to decision, Karen Sheek seconded, unanimously approved.**

### IV. Decision Items

Executive Committee Meeting Minutes from November 15, 2018:

**Karen Sheek motioned to approve the Executive Committee meeting minutes from November 15, 2018, Chris La May seconded, unanimously approved.**

#### Adoption of 2019 Budget:

Chris said the 2019 budget includes the assumption that FCC funding will be awarded. The exact amount is not certain. Miriam said the budget also includes the assumption that a DoLA grant will be awarded to help support the FCC project. Andrea asked if member dues would be increasing with some members not participating in 2019. Miriam said no. Dues for Durango, Mancos, and Silverton were left out of the budget although Mancos and Silverton have not confirmed non-participation in 2019 as of yet. Miriam said reduction in 2019 expenditures

include reduction in salary as Sara will be decreasing in hours from 40 to 32, reduction in COG retirement match from 5% to 4%, and reduction in cell phone allowance from \$65 to \$50 per month until a VOIP system can be obtained. However, the rent expense will be increasing as a new space had to be acquired. There was no other discussion; Chris closed the regular meeting and opened the public hearing for the 2019 budget. Hearing no comments, Chris closed the public hearing and returned to the regular COG session.

**Michael Whiting motioned to approve the 2019 budget, Andrea Phillips seconded, unanimously approved.**

Final 2019 Executive Committee Selection:

Chris said he spoke with the nominating committee and current Executive Committee; it was agreed that to create continuity, the Treasurer, Karen Sheek, would move into the Chair position and Gwen Lachelt would stay in the her current Vice Chair position for 2019. Chris asked Steve Garchar if he would be willing to accept the role of 2019 Treasurer. Steve requested further discussion post meeting.

**Andrea Phillips motioned to approve Karen Sheek as the 2019 Board Chair and reappoint Gwen Lachelt as the 2019 Vice Chair, Michael Whiting seconded, unanimously approved.**

Approval of 2019 Meeting Schedule:

Chris said the 2019 meeting schedule includes two combination meeting dates suggesting June 20 and October 24 for those meetings. The 2019 meeting dates will be:

Thursday, January 3

Thursday, February 7

Thursday, March 7

Thursday, April 4

Thursday, May 2

Thursday, June 20

Thursday, August 1

Thursday, September 5

Thursday, October 24

Thursday, December 5

**Gwen Lachelt motioned to approve the 2019 meeting schedule with June 20 and October 24 as the combination meeting dates, Andrea Phillips seconded, unanimously approved.**

2019 Agenda Posting Location(s):

Chris said with the COG office relocating, the board needs to reestablish the agenda posting location. He recommended moving the posting location to 295 Girard St., Durango. Miriam said the Transit and TPR posting location would be the same.

**Andrea Phillips motioned to approve moving the agenda posting location to the new office location at 295 Girard St., Gwen Lachelt seconded, unanimously approved.**

Animas Crossing Project Letter of Support:

Chris said this is the same letter of support the TPR approved. Andrea asked if there is a local match request. Jessica said no, just support.

**Gwen Lachelt motioned to approve the Animas Crossing Project Letter of Support, Andrea Phillips seconded, unanimously approved.**

Aggregation of Services Pricing Schedule Update:

Miriam said at the June board meeting the board approved a contract for services so staff has been working on a pricing schedule with ForeThought. The board discussed the fiber project,

fiber routes, SCANS fiber, and reviewed the pricing schedule included in the board packet. Andrea asked when this would take effect. Miriam said January 1 quarterly billing will start. **Andrea Phillips motioned to approve pricing schedule 1 to include pricing for COG as presented and merge the other 2 columns into 1 non-COG member pricing column at \$2.63, Gwen Lachelt seconded, unanimously approved.**

2019 SWCCOG Rental Lease:

Miriam said the new office space provides approximately 300 square feet of office space (2 offices), a kitchen, and 2 conference spaces for \$700/month. Legal has reviewed the lease agreement. Chris asked if staff would need furniture. Miriam said no, all current furniture is owned by the COG. The board thanked Durango for the Carnegie space provided for the last 5 years.

**Andrea Phillips motioned to approve the 2019 SWCCOG Rental Lease, Steve Garchar seconded, unanimously approved.**

Strategic Planning:

Chris reminded the board that this item was moved from discussion to decision and involves changing the scope of DoLA Grant 8573 from the Region 9 – SWCCOG Facilitation to long-term strategic planning with a final check being sent to Place Dynamics.

**Andrea Phillips motioned to direct staff to send a check to Place Dynamics to settle a final payment in the amount of \$8,276.08 and to direct staff to write a letter to DoLA requesting to use the remaining grant funds for long-term strategic planning, Karen Sheek seconded, unanimously approved.**

Executive Session:

**Andrea Phillips motioned to move into Executive Session at 2:47 p.m., Gwen Lachelt seconded, unanimously approved.**

The Executive Session was concluded and the board returned to the regular board meeting at 3:19pm.

## **V. Community Updates**

Andrea Phillips, Town of Pagosa Springs:

- Pagosa is closing year-end projects.

Gwen Lachelt, La Plata County:

- The budget will be adopted on Tuesday next week.
- The county is in the process of developing a new land use code.
- The county is looking forward to legislative session and hoping for bills that will address issues with the Gallagher Amendment that is hurting their revenue stream.
- Joanne Spina will be retiring January 2, 2019; the county will begin recruitment to hire a new county manager with the application closing February 8, 2019.

Ron LaBlanc, City of Durango:

- The city adopted the budgeted and is looking for a police chief.

Michael Whiting, Archuleta County:

- The county is looking for a county administrator.
- Being Michael's last meeting he thanked the COG and is grateful for the working relationships and friendships developed.
- Votes were passed on 12/12/2018 for a \$35 million budget that will include \$10 million for a jail facility.

Steve Garchar, Dolores County:

- The county will pass the budget on 12/17/2018. The budget will be used to upgrade their transfer station as they have no landfill. There will also be an initiative to offer recycling.
- Through a Farm Bill, the county will receive 3 acres of land from the Forest Service to build a fire station.

Karen Sheek, City of Cortez:

- The city will approve the budget on Tuesday.
- The annual parade of lights was on Saturday.

Chris La May, Town of Bayfield:

- The town adopted the budget.
- A 10% increase in water and sewer rates is coming.

Adjourned at 3:34 p.m.

# November 2018 Financials

To: SWCCOG Board of Directors  
From: Sara Trujillo  
Date: 3 January 2019

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Comments: The following attachments include:

- Balance Sheet as of November 30, 2018
- January 1- November 30, 2018 Profit & Loss

Items to Note:

*Balance Sheet:* The prepaid expense is for the Zoom software as the contract goes to 2020.

Large amount in accounts receivables. I hope payments will come in soon.

Miriam's credit card balance is due to the Washington DC trip for Miriam to present on a broadband panel. All travel expenses will be reimbursed through the Pew Charitable Trusts.

*P&L vs Budget:* Information Technology is high as this includes the Zoom prepaid expense.

I will present the final 2018 budget amendment at the February board meeting.

***Fiscal Impact: High, Budget changes throughout the year***

***Staff Recommendation: Approve the November 2018 Financials allowing staff to move forward with the 2018 budget.***

***Legal Review: Not Applicable***

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## Southwest Colorado Council of Governments

12/30/18

## Balance Sheet

Accrual Basis

As of November 30, 2018

	Nov 30, 18
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
Alpine Bank	
Alpine Bank Account (UR)	42,883.82
Total Alpine Bank	42,883.82
Petty Cash	
AmeriCorps VISTA	224.49
Petty Cash - Other	22.97
Total Petty Cash	247.46
Total Checking/Savings	43,131.28
Accounts Receivable	
Accounts Receivable	64,677.91
Total Accounts Receivable	64,677.91
Other Current Assets	
Prepaid Expense	5,997.00
Total Other Current Assets	5,997.00
Total Current Assets	113,806.19
<b>TOTAL ASSETS</b>	<b>113,806.19</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	3,072.39
Total Accounts Payable	3,072.39
Credit Cards	
Credit Cards	
Miriam	1,134.15
Sara	314.91
Total Credit Cards	1,449.06
Total Credit Cards	1,449.06
Other Current Liabilities	
Accrued Wages	6,689.00
Payroll Liabilities	
457 Retirement Due	940.13
Total Payroll Liabilities	940.13
Total Other Current Liabilities	7,629.13
Total Current Liabilities	12,150.58
Total Liabilities	12,150.58
Equity	
Retained Earnings	67,835.72
Net Income	33,819.89
Total Equity	101,655.61
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>113,806.19</b>

## Southwest Colorado Council of Governments

## Profit &amp; Loss

12/30/18

January through November 2018

Accrual Basis

	Jan - Nov 18
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>All Hazards</b>	
2015 SHSP	516.60
2016 SHSP	13,940.82
2017 SHSP	72,231.17
<b>Total All Hazards</b>	86,688.59
<b>CDOT Grants</b>	
SWTPR Grant	20,559.57
Transit 5304	21,093.00
<b>Total CDOT Grants</b>	41,652.57
<b>DoLA Grants</b>	
DoLA 8330	70,352.87
DoLA 8573	10,391.88
<b>Total DoLA Grants</b>	80,744.75
<b>Dues Revenue</b>	
COG Dues	150,970.00
SWTPR Contributions	6,842.00
<b>Total Dues Revenue</b>	157,812.00
<b>Grant Match</b>	
COG Member Match	14,923.00
Non-COG Member Match	8,000.00
<b>Total Grant Match</b>	22,923.00
<b>Misc. Income</b>	9,498.80
<b>RHA</b>	10,000.00
<b>SCAN Services</b>	
Dark Fiber Leasing	33,822.00
Internet & Transport	8,280.00
<b>Total SCAN Services</b>	42,102.00
<b>SWIMT</b>	30,089.95
<b>Total Income</b>	481,511.66
<b>Gross Profit</b>	481,511.66
<b>Expense</b>	
<b>Advertising and Promotion</b>	3,201.84
<b>All Hazards Projects</b>	
<b>All Hazards 2015 SHSP</b>	
Grant 2015 Project 2	485.45
Grant 2015 Project 5	31.98
<b>Total All Hazards 2015 SHSP</b>	517.43
<b>All Hazards 2016 SHSP</b>	
Grant 2016 Project 1	6,677.92
Grant 2016 Project 6	3,865.00
<b>Total All Hazards 2016 SHSP</b>	10,542.92

## Southwest Colorado Council of Governments

## Profit &amp; Loss

12/30/18

January through November 2018

Accrual Basis

	<u>Jan - Nov 18</u>
All Hazards 2017 SHSP	
Grant 2017 Project 1	3,748.36
Grant 2017 Project 2	14,060.00
Grant 2017 Project 3	9,408.70
Grant 2017 Project 5	42,519.49
Grant 2017 Project 6	7,851.25
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<b>Total All Hazards 2017 SHSP</b>	<b>77,587.80</b>
<b>Total All Hazards Projects</b>	<b>88,648.15</b>
<b>AmeriCorp VISTA</b>	<b>3,250.00</b>
<b>Bank Service Charge</b>	<b>158.16</b>
<b>Broadband Expenses</b>	
SCAN Dark Fiber Lease	8,455.50
	<hr/>
<b>Total Broadband Expenses</b>	<b>8,455.50</b>
<b>Conference Fee</b>	<b>1,550.40</b>
<b>Consulting</b>	<b>68,150.61</b>
<b>Employee/Board Appreciation</b>	<b>195.85</b>
<b>Information Technology (IT)</b>	
Software	5,263.74
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<b>Total Information Technology (IT)</b>	<b>5,263.74</b>
<b>Insurance Expense</b>	
General Liability	3,644.75
Health	23,562.00
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<b>Total Insurance Expense</b>	<b>27,206.75</b>
<b>Internet Connectivity</b>	
Fast Track	10,800.00
Internet Connection (AT&T)	364.60
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<b>Total Internet Connectivity</b>	<b>11,164.60</b>
<b>Meetings</b>	<b>815.85</b>
<b>Memberships</b>	<b>6,423.00</b>
<b>Misc. Expense</b>	<b>522.00</b>
<b>Office Equipment</b>	<b>1,536.73</b>
<b>Office Supplies</b>	<b>805.37</b>
<b>Postage and Delivery</b>	<b>57.87</b>
<b>Professional Fees</b>	
Audit	5,900.00
Legal	10,864.26
Misc.	24.43
	<hr/>
<b>Total Professional Fees</b>	<b>16,788.69</b>
<b>Rent</b>	<b>271.00</b>
<b>Salary and Wages</b>	
457 Retirement	6,360.48
Car Allowance	2,700.00
Cell Phone Allowance	1,755.00
Payroll Processing Fee	1,494.64
Payroll Tax	10,854.28
Salary and Wages - Other	138,907.31
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<b>Total Salary and Wages</b>	<b>162,071.71</b>

Southwest Colorado Council of Governments

Profit & Loss

January through November 2018

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	<u>Jan - Nov 18</u>
SWIMT 2017-2018	27,284.91
SWIMT 2018-2019	18.95
Travel	<u>13,850.09</u>
Total Expense	<u>447,691.77</u>
Net Ordinary Income	<u>33,819.89</u>
Net Income	<u><u>33,819.89</u></u>

# Reports

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# Director Report

To: SWCCOG Board of Directors  
From: Miriam Gillow-Wiles  
Date: 31 December 2018

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Comments: December felt like a very short month with travel, holidays, and PTO, as a result, my report and the Broadband report will be rather short.

## **SWCCOG Office Update**

The SWCCOG should be in the new offices by mid January. We are excited, and hoping it isn't too snowy on moving day. We will send out an email blast with information about the new location.

## **SWCCOG Strategic Planning**

SWCCOG is working with DOLA to get funding in the 2018 Technical Assistance grant earmarked for the SWCCOG-Region 9 Collaboration project moved into strategic planning.

## **SWCCOG DOLA 2019 Technical Assistance Grant**

The SWCCOG had requested \$91,000 from DOLA in October for the annual COG DOLA grant cycle. We were awarded \$50,000 for CDL program development and recycling, specifically hard to recycle items. Staff is currently reviewing the DOLA contract.

# Broadband Report

To: SWCCOG Board of Directors  
From: Miriam Gillow-Wiles  
Date: 31 December 2018

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**Comments** There is currently no news on FCC funding, it is just a waiting game at this point, the FCC has no set date for funding notification, they get to make up the rules as they go. The FCC continues to create challenges for local governments to develop broadband and the technology on our terms. There is little news about the previously discussed rule making (see December 2018 Broadband Report), however, expect more information as we move into the new year. Additionally, there will likely be some state broadband legislation pertaining to easements in the 2019 Legislative session, staff will keep the Board updated on those happenings.

## **Pew Charitable Trust**

My visit to the Pew Charitable Trust was overall good, and highly beneficial for the development of rural broadband. I was the sole representative of broadband development in rural areas in a room of USDA, Telecom Lobbyists, FCC, and other federal departments. Hopefully hearing from people who are in the literal and proverbial trenches will help federal policy makers.

## **DOLA Broadband Grant**

Way back in January 2018 the Board Approved the SWCCOG to apply for up to \$1,000,000 from DOLA for broadband funding to help with the management and administration of the FCC Funding. We initially applied in April, but DOLA requested we wait until closer to the FCC announcement date and have a smaller request, with the understanding that there will be an additional request. The SWCCOG applied for \$500,000 at the December grant cycle. SWCCOG Staff and DOLA Staff are meeting in early January to start working through the process of the application, as broadband funding is treated slightly differently than other EIAF funding requests.

# Transportation Report

To: SWCCOG Board of Directors  
From: Jessica Laitsch  
Date: 27 December, 2018

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Comments: Transportation:

The last SWTPR meeting was held on 6 December, 2018. The topics included:

- A discussion regarding the US 550 intersection in Silverton
- An update on CDOT's central 70 project
- A presentation regarding the transportation planning process specific to project implementation

The next SWTPR meeting will be held at 9:00 a.m. Thursday, 7 February, 2019 at 295 Girard Street, Durango.

Transit:

5304 Four Corners Coordinated Transit Plan - The consultant team is finalizing the completed plan. The final recommendations will be presented in the first quarter of 2019.

NADO Technical Assistance Cortez/Durango fixed route bus – The consultant is finalizing the report and recommendations, including a proposed route schedule.

The last Regional Transit Council meeting was held on 16 November, 2018. The next Transit Council meeting will be held at 9:00 a.m. Friday, 18 January, 2018 at the La Plata County Administration Building, 1101 E 2nd Ave., Durango.



# Discussion Items

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# Board of Directors Policies

To: SWCCOG Board of Directors  
From: Miriam Gillow-Wiles  
Date: 27 December 2018

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Comments: **Board of Directors Policies**

In 2013 the Board adopted policies related to personnel matters, these policies did not explicitly address issues specific to Board Members. The attached draft policies pertain specifically to Board Members regarding such matters as standards of conduct, conflicts of interest, nepotism, and SWCCOG related travel. These policies were drafted in part based upon similar policies used by other regional organizations.

**Legal Review:** N/A

**Fiscal Impact:** None

**Staff Recommendation:** Review and provide feedback for approval at Feb 2019 Board Meeting

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# SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

## BOARD OF DIRECTORS' POLICIES

### SWCCOG Board of Directors

The SWCCOG Board of Directors is the ultimate policy making authority for the SWCCOG and has the prime responsibility, at will, for changing these Policies with or without notice.

These Policies are in addition to, and shall not be construed to operate in contravention of any provision policies outlined in the Second Amended Bylaws of the Southwest Colorado Council of Governments. Any provision herein determined to be contrary to or in violation of said bylaws shall be null, void, and of no effect.

### STANDARDS OF CONDUCT

#### General

The conduct of a member of the SWCCOG Board of Directors shall be in the public interest—not in the individual's best interest. Board members should demonstrate the highest standards of personal integrity, truthfulness, honesty, and responsibility in the performance of their duties, assignments and tasks in order to inspire public confidence and trust in the SWCCOG and local government. Board members should seek to improve the quality of regional services. High standards of conduct are essential to good governmental services and are expected of Board members, who each hold positions of public trust and should approach their work with dedication and strive to understand and promote the purpose, role and responsibilities of the SWCCOG.

While respecting fully the laws and regulations relating to the public's right to know and public access to matters of public policy, public business and public record, Board members should respect and protect privileged information to which, in the course of their official duties, they may have access or be exposed to; and Board members should not use privileged information acquired in the course of their official duties to further their personal interests.

Board members should not engage in a manner that willfully obstructs or hinders another member from participating. Personal problems between Board members shall not be pursued at SWCCOG meetings or events.

### CONFLICTS OF INTEREST

Board members should avoid any interest or activity which is in conflict with the conduct of official duties and should avoid the appearance of conflict of interest, seeking or accepting no favor,

personal benefit or profit, individually or for family members or friends, secured by privileged information or by misuse of position, public time or public resources.

Board members should not directly or indirectly solicit or accept or receive any payments or gifts of material value-whether it be in the form of objects, money, services, loans, travel, entertainment, hospitality, or favors-that may be intended, perceived, inferred, expected or construed to influence them in the performance of their official duties or reward any official action on their part.

Board members should not engage in, solicit, negotiate for or promise to accept private employment nor should they render services for private interests or conduct a private business, when such employment, service, or business creates a conflict with, impairs or detracts from the proper and faithful discharge of their duties or has the potential for a conflict with their duties or responsibilities.

Board members should never conduct themselves in a manner that gives the impression that they can be improperly influenced in the performance of their professional duties and responsibilities; and Board members in the proper and faithful exercise of those duties and responsibilities should maintain complete impartiality, giving no preferential treatment and showing no favoritism in any manner in conduct of work, performance of services, actions, or attitude.

Board members should refrain from the personal use of any SWCCOG property, equipment or personnel unless such use has been specifically authorized by the governing body.

## NEPOTISM

No Board member should advocate the employment of a family member to a position of employment affiliated with the SWCCOG. Should an applicant turn out to be a family member of a Board member, that member should immediately notify the Board of the relationship and refrain from any influence in the personnel process.

### Disclosure Policy

Board members and members of their *immediate families* should not be excluded from participation in the programs/services offered by the SWCCOG. However, their intent to apply and/or participate in any agency program should be disclosed. SWCCOG Board members who are approached by employee(s) or board/committee member(s) regarding programs/services for themselves or their family member(s) should disclose this request.

The term "immediate family" is here defined as wife, husband, son, daughter, grandchildren, mother, father, brother, sister, (includes half-brother or sister), brother/sister-in-law, mother-in-law, father-in-law, aunt, uncle, niece, nephew, step-parent and step-child.

Thus, the following disclosure procedures will be applied:

Before proceeding with an application or request, the Board member should report, in writing, the intent to make or process an application to the Board.

Any Board member or member of their immediate family (as described above) that will benefit financially from a project recommended and/or developed by the SWCCOG shall be subject to this disclosure policy.

## VIOLATIONS

The Code of Ethics committee of the SWCCOG shall serve as the administrator of the Code of Ethical Conduct. This body should be the custodian of all records regarding this Code of Ethics and may hold hearings and take appropriate action on issues that come before it.

## TRAVEL POLICY AND PROCEDURES

Members of the SWCCOG Board of Directors will be eligible to receive reimbursement for travel at the direction and for the purpose of representing the interests of the SWCCOG. Board members will be eligible for reimbursement only if they have participated in at least two-thirds of the Board meetings for the previous 12 months or two-thirds of the meetings since the effective date of their appointment to the Board, if they have been members of the Board less than one year. Exceptions to this policy may be granted upon approval of the majority of Board members when determined to be in the best interest of the SWCCOG. Transportation to and from the destination may be arranged through the SWCCOG by the most efficient and economical means available.

### General

#### A. Applicability

These Policies and Procedures apply to members of the Board of Directors who travel on behalf of the SWCCOG.

#### B. Responsibility

It is the responsibility of both the traveler and the Executive Director to ensure compliance with the SWCCOG's travel policies and procedures.

### Policy

#### A. Travel on SWCCOG Business

It is the responsibility of both the traveler and the Executive Director to ensure that all travel charged to the SWCCOG, regardless of the source of funds, is necessary and accomplished for the benefit of the SWCCOG and that such travel is accomplished at the most economical and reasonable cost. All travel must have prior approval by the Board of Directors for payment or reimbursement of travel costs.

#### B. Transportation

The most economical available transportation will be used to satisfactorily accomplish the purpose(s) of the trip.

1. Vehicle Transportation

Whenever possible only one vehicle will be used when more than one person is traveling to the same location.

2. A SWCCOG owned vehicle, if available, will be used for all authorized regional travel unless circumstances and conditions make the use of other types of transportation more advantageous to the SWCCOG. Receipt for gas purchases should be saved and given to the Finance Office upon the completion of travel.
3. The U.S. General Services Administration lists two rates for the use of privately-owned vehicles; a higher rate when a government owned vehicle is not available, and a lower rate when a government owned vehicle is available and the employee elects to use their privately owned vehicle. The SWCCOG will reimburse mileage by utilizing this criterion.
4. Rental or lease cars may be utilized when authorized. Every effort should be made to rent from those agencies offering discounts for governmental employees.

C. Lodging and Meal Allowances

Rates will be based on the current year's rates set by the U.S. General Services Administration. To view the current rates for meals and lodging go to [www.gsa.gov](http://www.gsa.gov).

1. Special Circumstances

When, in the judgment of the approving authority, the above restrictions provide an undue hardship on the employee, extra compensation may be provided, with approval of the SWCCOG Director.

2. Reimbursement Exclusions

When overnight accommodations are furnished at no cost to the traveler, no reimbursement may be claimed for lodging. When meals are included in a conference or workshop registration fee, transportation fare, or are otherwise furnished at no additional cost to the traveler.

D. Other Travel Expenses

In addition to the expenses referred to above, the following actual necessary and reasonable costs incurred in approved travel may be claimed on the Travel Expense Request for reimbursement:

- Registration fees (receipt required)
- Official telephone calls (receipt required)

- Commercial transportation costs actually paid by traveler (may include reasonable tip for taxi, not to exceed 15%). Receipt required if over \$20.00 for each individual ride in commercial vehicle.
- Parking fees (receipt required if over \$10.00)
- Rental car costs (receipt required)
- Road toll charges
- Baggage handling

The following expenditures by the traveler are NOT AUTHORIZED for reimbursement:

- Entertainment expense
- Personal expense, such as laundry, valet services, etc.
- Cost of travel insurance
- Cost of alcoholic beverages

## Document Control

Issue Control			
<b>Issue</b>	Original	<b>Date</b>	
<b>Classification</b>	Policy	<b>Author</b>	Miriam Gillow-Wiles
<b>Document Title</b>	Board of Director's Policies		
<b>Approved by</b>	SWCCOG Board of Directors		
<b>Released by</b>	SWCCOG		

Owner Details	
<b>Name/Title</b>	SWCCOG
<b>Contact Number</b>	970 779 4592
<b>E-mail Address</b>	director@swccog.org

Revision History			
Issue/Section	Date	Author	Comments
New policy issue	1/3/2019	MGW	New policy issue presented to SWCCOG Board.



# Decision Items

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# 2019 Treasurer Selection

To: SWCCOG Board of Directors  
From: Miriam Gillow-Wiles  
Date: 27 December 2018

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Comments: In December, the Board selected Karen Sheek as Chair and Gwen Lachelt as Vice Chair for 2019. The decision on the Treasurer/Secretary position was tabled to the January meeting.

Historically, the Chair position cycles off, and the Board moves the existing Executive Committee members into the ascending positions and select another Treasurer/Secretary. However, there is no requirement to do so in the bylaws. Additionally, the Board tries to maintain regional representation in the Executive Committee.

**Legal Review:** Not Applicable.

**Fiscal Impact:** Not Applicable.

**Staff Recommendation:** Select the 2019 Treasurer/Secretary.

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# Archuleta County Broadband Letter of Support

To: SWCCOG Board of Directors  
From: Miriam Gillow-Wiles  
Date: 28 December, 2018

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Comments: Echo IT Consulting and SkyWerx approached the SWCCOG requesting a letter of support to the State Broadband Fund for funding to help offset the cost build 6 new fixed wireless towers to cover un/underserved areas in Archuleta County. The project will deliver broadband speeds (25/3 Mbps) to an estimated 1064 street addresses (businesses, community anchor institutions, and residents). The SWCCOG has previously provided letters of support for other ISPs seeking funding from the State Broadband Fund. A draft letter of support is attached.

**Legal Review:** Not applicable at this time

**Fiscal Impact:** None.

**Staff Recommendation:** Approve Letter of Support for SkyWerx Broadband Fund Grant Application.



# SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

3 January, 2019

Broadband Fund  
Colorado Department of Regulatory Agencies  
1560 Broadway, Suite 1550  
Denver, CO 80202

RE: Archuleta County Broadband Expansion Project

The Southwest Colorado Council of Governments (SWCCOG) is located in the southwest corner of the State of Colorado. The region includes the counties of Archuleta, Dolores La Plata, Montezuma, and San Juan, the municipalities of the Cities of Cortez and Durango, and the Towns of Bayfield, Dolores, Dove Creek, Ignacio, Mancos, Pagosa Springs, Rico, and Silverton, as well as the two Native American Tribes of the Southern Ute and the Ute Mountain Ute. Of great concern to the region is internet connectivity for the businesses and residents in this very rural area. Due to the significant anticipated impact for the residents of Archuleta County, the SWCCOG supports the Archuleta County Broadband Expansion Project request for funding through the Broadband Fund program.

This project will improve connectivity for highly under-served community anchor institutions and residents in Archuleta County. In rural areas such as this, improved connectivity may not only mean better access to information but is also critically important for emergency services, healthcare access, economic vitality and educational opportunities.

This project supports the SWCCOG's goal of facilitating regional communication, cooperation, planning and action by bringing together the Archuleta County government, the town of Pagosa Springs, key community anchor institutions, and a large number of businesses and individuals in this region. This project also supports SWCCOG's specific goal to expand high-speed internet throughout the southwest Colorado region by building broadband in this underserved area.

The SWCCOG supports the Archuleta County Broadband Expansion Project and encourages the Broadband Fund program to fund the request.

Sincerely,

Miriam Gillow-Wiles  
Executive Director  
Southwest Colorado Council of Governments  
PO Box 963  
Durango, CO 81302

# Auditor Engagement Letter

To: SWCCOG Board of Directors  
From: Sara Trujillo  
Date: 3 January 2019

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Comments: Attached is the auditor engagement letter for the 2018 audit from Haynie and Company.

**Legal Review:** Not Applicable at this time

**Fiscal Impact:** Audit fee in budget.

**Staff Recommendation:** Approve the auditor engagement letter from Haynie and Company with signature authority to the Executive Director.

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**Haynie &  
Company**

**Certified Public Accountants** (a professional corporation)

1221 West Mineral Ave, Ste. 202 Littleton, Colorado 80120-4544 (303) 734-4800 Fax (303) 795-3356

December 5, 2018

Southwest Colorado Council of Governments

Attn: Miriam Gillow-Wiles

P.O. Box 963

Durango, Colorado 81302

To the Board of Directors:

We are pleased to confirm our understanding of the services we are to provide for Southwest Colorado Council of Governments (the Council) for the year ended December 31, 2018.

We will audit the financial statements of the governmental activities and the major funds, including the related notes to the financial statements, which collectively comprise the basic financial statements of Southwest Colorado Council of Governments as of and for the year ended December 31, 2018.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A) and the Statement of Revenue, Expenditures and Changes in Fund Balance—Actual and Budget—General Fund, to supplement the Council'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 Council's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) General Fund—Schedule of Revenues, Expenditures and Changes in Fund Balance Budget to Actual
- 2) Management's Discussion and Analysis.



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We will also prepare the Council's financial statements and footnotes for the year ended December 31, 2018.

### **Audit Objective**

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the sixth paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the Council's financial statements. Our report will be addressed to the Board of Directors of Southwest Colorado Council of Governments. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS. 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. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Council's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Our audit will be in conformity with the Colorado Local Government Audit Law (C.R.S. 29-1-601, et seq.). The scope of the audit will include the books and records of all the funds of the Council. Colorado law requires the following illegal alien provisions:

We certify that we will comply with the provisions of CRS 8-17.5-101 et seq. We shall not knowingly employ or contract with an illegal alien to perform work under this contract or enter into a contract with a subcontractor that fails to certify to Haynie & Company, that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract. We represent, warrant, and agree that we (i) have verified that we do not employ any illegal aliens, through participation in the E-Verify Program administered by the Social Security Administration and the Department of Homeland Security, or (ii) otherwise will comply with the requirements of CRS 8-17.5-102(2)(b)(I). We will comply with all reasonable requests made in the course of an investigation by the Colorado Department of Labor and Employment. If Haynie & Company fails to comply with any requirement of this provision or CRS 8-17.5-101, et seq., the the Council may terminate this contract for breach of contract, and Haynie & Company shall be liable for actual and consequential damages to the Council and the Council shall report such violation to the Colorado Secretary of State, as required by law.

If Haynie & Company obtains actual knowledge that a subcontractor performing work under this contract knowingly employs or contracts with an illegal alien, we will:

- a. Notify the subcontractor and the Council within three days that we have actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
- b. Terminate the subcontract with the subcontractor if within three days of receiving the notice required pursuant to sub-paragraph (a) above, the subcontractor does not stop employing or contracting with the illegal alien, unless the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

### **Other Services**

We will also prepare the financial statements of Southwest Colorado Council of Governments in conformity with U.S. generally accepted accounting principles based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.



## **Management Responsibilities**

Management is responsible for designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for any nonaudit services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them. You will be required to acknowledge in the management representation letter the financial statement services provided and our assistance with preparation of the financial statements, supplementary information, and related notes, and that you have reviewed and approved the financial statements, supplementary information, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards.

### Engagement Administration, Fees, and Other

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


The audit documentation for this engagement is the property of Haynie & Company and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State of Colorado or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Haynie & Company personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the State of Colorado or its designee. The State of Colorado or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Our fee will not exceed \$6,100 and includes expenses. You will be billed at our standard rates based on the number of hours worked. Our fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable upon presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. Accounts in excess of 30 days will accrue finance charges at 1.5% per month. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Nick Warnick is the engagement partner and is responsible for supervising the engagement and signing the report.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,



Accepted and agreed to:  
Southwest Colorado Council of Governments

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Executive Director signature

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Title

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Date