**Minutes for Sept. 7, 2012 SWGCOG Board meeting**

**Anasazi Room, La Plata County Courthouse**

**1:30 pm to 3:30 pm**

**Members Present:**

**(Representatives & Alternates)**

Tom Yennerell, Town of Mancos

Bryce Capron, Town of Dove Creek

Rachel Simbeck, Town of Mancos

Michael Lee, Town of Ignacio

Ernie Williams, Dolores County

Bobby Lieb, La Plata County

Dick White, City of Durango

Willy Tookey, San Juan County

David Mitchem, Town of Pagosa Springs

Jason Wells, Town of Silverton

Chris La May, Town of Bayfield

Ryan Mahoney, Town of Dolores

Clifford Lucero, Archuleta County

Ron LeBlanc, City of Durango

Greg Schulte, Archuleta County

Joanne Spina, La Plata County

**Guests:**

Ken Charles, DoLA

Darelene Marcus, Congressman Tipton’s office

John Ortleb, pille.com

Jan Mayer-Gawlik, La Plata County

**Staff/Consultants:**

Susan Hakanson

Ed Morlan

Dr. Rick Smith

Laura Lewis Marchino

Shirley Jones

John Ehmann

**Call to Order & Introductions:** The meeting was called to order at approximately 1:30 p.m. by Tom Yennerell, Chair. A quorum was present. Introductions were made by those present.

## Additions & Changes to the Agenda: Tom Yennerell indicated a desire to discuss the opportunity to apply for DoLA energy impact grants and to shift use of DoLA grants originally intended for telecom project construction for Pueblo Community College to project administration costs. Jason Wells asked to add a decision item as to whether to allow Frank Ortmann to use the SCAN project as a case study in a publication he is preparing. He also indicated that the decision item for a SCAN letter in support of Silverton / San Juan County’s telecommunication interests with EAGLE-Net was not considered necessary at this time and could be removed from the agenda. David Mitchem made the motion to adjust the agenda as requested and it was seconded by Ryan Mahoney. The motion passed, with all those voting in favor.

## Consent Agenda: The Consent Agenda consisted of Board Meeting Minutes for August 3 and 17, 2012 and the Financial Report for July. Michael Lee made the motion to approve the consent agenda and it was seconded by David Mitchem. The motion passed, with all those voting in favor.

**Public Hearing: Revised SWCCOG Budget- All-Hazards grant**

The agenda listed a public hearing for changes related to The South West All-Hazards Advisory Council grants and the SCAN Project. Ernie Williams asked about the inclusion of the SCAN Project. Shirley Jones explained the need to establish accounts for the All-Hazards grants (Account 200) and SCAN operation activity that is outside the DoLA grant (Account 900). Ernie indicated a preference to do two separate public hearings and Tom agreed to do so, with the public hearing for the All-Hazards grants now and the public hearing for the SCAN project later. **Tom opened the public hearing for the All-Hazards grants at 1:46 pm. No comments from**

**Packet Item**

**the public were offered. Tom closed the public hearing for the All-Hazards grants at 1:47 pm**.

**Reports:**

1. **Telecommunications Report**

**General Manager Report.** No additional comments or questions were made.

**Community Updates & Responsible Administrator’s Report**. Ryan Mahoney asked about an expected follow-up phone meeting related to the bid for his community’s telecom work that hasn’t happened yet. Ed Morlan indicated Paul Recanzone was working on pricing issues. Ryan noted that the different soils in the area could lead to different pricing for boring and that there might need to be further discussion of tailoring their bid to account for that.

**Broadband Knights of the Roundtable materials.** Bobby Liebraised concerns about a letter in the packet to CDOT (page 44 of packet). He noted that the letter had been previously presented to the TPR but that it had not supported the policy position presented or the letter’s submission. Ed noted that the letter was sent on Region 9 letterhead based on his experience as Region 9 Director and his work with the Broadband Knights of the Roundtable. Bobby observed that it referenced the TPR in the body of the letter and questioned whether that was appropriate. Bobby registered his objection to the letter submission as written, indicating he thought it was inappropriate. Ernie concurred. Chris La May indicated that the letter had been presented to the Region 9 Executive Committee. Ryan Mahoney noted that even though the letter was in the COG packet, it was sent by Region 9. Ron LeBlanc observed that this type of situation and discussion had occurred before. Bobby indicated his belief that the official view of policy-making Boards needs honored and respected, even if Ed has a different opinion. Ernie raised concern whether SCAN and issues related to it were being properly recognized as a COG project and not a Region 9 project. Tom stated that the SCAN project is a COG project. Ed indicated that he referred to the SCAN project as a example of a more general point he was making in the letter. Ernie understood the intent but observed that the topic had already caused some previous friction with CDOT staff. Ron asked whether there was a need to clarify who can write official letters on COG matters & how it should be done to avoid confusion. Bobby noted the challenges related to overlapping of organizational involvement and roles but suggested that he might raise the issue at the TPR. David Mitchem asked for clarification about Region 9’s approval of the letter. Chris La May indicated that the letter was distributed to the Region 9 Executive Committee and that it was approved by email voting. David observed that Region 9 is an independent body and he had no objection to its action. He agreed that Ed wears several hats but that is to the COG’s benefit. He also agreed with the need for good coordination. Ernie asked that the different bodies respect the primary responsibilities of the others. After calling for any additional comments, Tom asked that the conversation be recorded in the minutes and then moved the Board onto the remaining agenda.

**Tele-Com Committee Chair Report**

Jason Wells summarized Club 20’s movement toward involvement with the Public Utility Commission decision-making process related to the standard for competitive telecom markets (number of providers versus speed tests). He asked how the COG wanted to respond and encouraged members to stay alert to developments on state rural broadband policy-making. Darlene Marcus noted that Club 20 had contacted Congressman Tipton’s office and she is listening to their concerns and reviewing how they might be of assistance in communicating with the PUC. Jason has interest in having further discussion of the COG’s legislative / policy priorities and process, possibly at the October Board meeting.

**B. Management Report**

1. **COG sustainability and staffing plan**

Susan Hakanson noted recent meetings she has had with the region’s housing agencies and with the Area Agency on Aging (AAA) / ARCH to learn more about what they are doing and how the COG might play a constructive role. She is also talking to other groups about environmental issues (air & water) and they have expressed interest in making a presentation to the COG. She anticipates sharing more on this topic at the next meeting. The topic of COG Dues and COG application for a DoLA energy impact grant will be discussed further later in this meeting and next. She asked for questions. Michael asked about the DoLA grant deadline. Susan indicated it is October 15, 2012. She anticipates having a proposal for Board review & decision at the next meeting.

1. **Update on COG Policies**

Susan talked to Jason about policy for the process of setting & pursuing legislative & policy priorities and anticipates having a policy proposal for first reading at the next Board meeting. She is also working on personnel policy to clarify job descriptions, roles & responsibilities of the various parties involved in COG work. She expressed interest in further conversation about the relationship between the COG and Region 9. Ernie expressed support for that conversation occurring. He indicated concern from his Board of County Commissioners about the overlap in staff in the two organizations and whether that should continue. Tom asked if anyone objected to Susan pursuing this type of inter-agency discussion and there was none.

1. **Transit Council minutes**
2. **CARO meeting report**

No questions were raised on either C. or D.

**Decision- DoLA technical assistance grants**

Ken Charles gave some further explanation about the re-start of the program and how the energy impact grants would be run. He anticipates the grants will range in size from $30-60,000 and be signed in December for a 12 month performance period in calendar year 2013. General administration grants will not be supported but project proposals can include funding for staff support related to that project. Ryan asked Susan about the size of the COG’s likely request. Susan indicated it would probably be in the range of $25-30,000 and probably related to telecommunications. Ken indicated that it would have to be something new, not just related to implementation of the current SCAN grant. Susan indicated that voice over IP and GIS and other shared services over the network were examples of areas of possible extension beyond the current SCAN project. Ryan expressed support for Susan talking with Ken and developing a proposal leveraging dues and possibly in-kind support. Clifford Lucero thanked Ken for helping to make this opportunity available. Ernie also offered his support for pursuing the funding but emphasized that he and his Board are only interested in it if the proposal develops the independent capacities of the COG and does not continue to rely on Region 9 staff for implementation. Ken and Ryan both noted that only the COG can apply for and receive these funds. Susan noted that she intends to transition from Region 9 staff support for administration of the All Hazards grants to COG staff for such work in 2013 and suggested that an element of the DoLA grant proposal could assist with this movement. Ron stated that stabilizing a staff person for the COG for next year was a priority. Joanne Spina agreed that financial support for this was important. Ken Charles expressed openness to review incorporation of such ideas in the grant request. **Ernie Williams made the motion to prepare such a DoLA grant proposal and it was seconded by Bobby Lieb. The motion passed, with all those voting in favor.**

**Decision- Shift use of DoLA grants originally intended for telecom project construction for Pueblo Community College to project administration costs.** Tomindicated that he had talked to Ken about shifting these funds to help pay for the General Manager services and that Ken was amenable. Ken noted that the DoLA grant only has two roll-up line items for construction and administration and that it is possible to make adjustments between them. Laura Lewis Marchino noted that there could be additional local match requirements from communities from such a change. Bobby Lieb asked how much money was involved and Shirley indicated that the remainder of the community college funds to shift (after the previous shift to buy the Durango hub) was approximately $92,000. Ed indicated that in the proposed operating budget he had proposed to shift less than that. Ron asked if Durango would be asked to pay more local match and Laura explained that yes they would if the new use of the money was for the benefit of all communities. Bobby suggested that the item be put on the next Board meeting agenda with clear indication of cost to communities. Ed noted that there is a separate decision item for Allocation Formula for Match Funds listed later on the agenda. The spreadsheet for this was distributed. (Because of an assembly glitch, it was not in the meeting packet materials.) The Board discussed the implications of funding the General Manager services thru the operating budget versus thru the grant. The later allows leverage of DoLA funds but the total amount of such grant funds is limited. Ron noted that Cortez, Durango and La Plata County would pay about 80% of the local match and that Cortez is not represented here today. He suggested that they need to be contacted before action. Shirley explained some of the details of the Allocation Formula for Match Funds spreadsheet. Ed indicated that he would update the numbers based on whatever decisions the Board makes on how to use the grant funds. Ron noted that Durango hub was really a regional asset and that they did most of their own design work and did not rely on many hours from the SCAN General Manager. He questioned the fairness of how the costs of the General Manager are being assigned. Laura noted that MidState Consultants project management expenses are assigned to specific communities where possible and that potential GM services could be done in a similar fashion. Ernie indicated that some communities might prefer to spend its project management budget in other ways. He indicate he got more specifics about addressing right of way issues faster from a local provider than he did from MidState Consultants. Ryan noted that the 3 to 1 leveraging is a powerful argument for using the existing project management resources & process. John Ehmann provided an estimate of the range of costs to communities depending on how much funding were shifted to administrative purposes. Tom expressed a sense that the consensus was to shift only as much as is immediately needed and to vote on it in October.

**Discussion**

**SCAN Implementation and Operation Budgets**

Returning to the discussion section, Ed explained the philosophy behind the recommended separation of the SCAN Implementation and Operation Budgets and some of the steps that would need to be taken, including the public hearing for establishment of the new account for the operating budget. Ed indicated that he could go back and re-work the allocation of future GM service contracts costs between SCAN Implementation and Operation Budgets for 2012 at the Board’s direction but that he would not recommend using grant funds for the GM services in 2013. He suggested using other sources of revenue for this item, including the revenue from dark fiber leases. Joanne asked for more information about the GM is doing under the SCAN implementation budget and under the operation budget. Dr. Rick Smith explained that under the grant, he helps oversee the technical implementation, the build-out of the project. When it is built, the focus shifts to maintaining its functionality and developing the business arrangements to support it. Joanne asked if a clean separation can be made now. Ed said it is difficult to do so, but necessary.

**Allocation Formula for Match Funds**

Ed further explained what had been prepared. There were no additional questions on this topic at this time. It will come back for decision in October.

**Decision- Contacts for Annual Housing numbers**

 **Accepting Census Housing counts as good estimates**

Ed indicated that even though this was an area where Region 9 has a history of work & responsibility he thought this was an area where it is was appropriate to ask the COG Board for any guidance it wishes to give. Laura explained the two requested decisions. The contacts listed are the ones that Donna Graves has suggested and the Counties have agreed to. Bobby expressed the view that this is a County responsibility, not a COG responsibility. Ron agreed and noted the impact of annexation decisions on the city counts. **No Board action was taken on this item.**

**Public hearing-** **Revised SWCCOG Budget** **– SCAN project**

Ed noted that the amount in the budget actuals for GM services needs to be amended to reflect a recent bill received. Bobby asked if the decision was to establish the new budget accounts and amend the amounts. Tom said it was for both. Bobby noted the operating deficit shown on the budget documentation and asked if we were bound to a balanced budget requirement. Shirley said no. As a 3 year project, the revenue and expense numbers must balance. She noted that the deficit for 2012 is now proposed to be less than it was previously adopted. Ken Charles noted that TABOR does not apply to COGs. He also noted that you have to formally amend the budget before you can appropriate the funds. Public notice of the hearing was made. Ken Charles offer to help prepare a formal resolution to amend the budget for Board consideration now, in order to facilitate the timely grant administration action on the All-Hazards grant. **Tom opened the public hearing on the SCAN budget accounts at 3:26 pm. No comments from the public were made. The hearing was closed at 3:27 pm.**

**Clifford Lucero made the motion to authorize the Chair to sign a resolution (to be numbered Resolution 2012-14) to set up the new budget accounts for the All Hazards grants and the SCAN operating budget and accept the budget amendments as proposed and it was seconded by Ryan Mahoney. The motion passed 10-1, with all those voting in favor except Chris La May in dissent. Chris indicated he was uncomfortable with amending the account 830 and 900 SCAN budget numbers without a fuller discussion.**

**Decision COG Telecommunication Policies (first reading)**

Susan asked for deferral of this item due to the time and asked for Board members to give her comments later if they wish. Tom asked about the rationale for the first reading procedure. Susan explained that she wanted to provide the information and then get firm decisions on issues previously discussed but not formally decided. David Mitchem asked for clarification about what Susan preferred to do at this point. Susan indicated that either the Board can pass it on first reading and bring it back for second reading or defer and consider it later. Ernie preferred to just take it under advisement / read it further and not pass it even on first reading. A motion to table the decision was made by Bryce Capron and seconded by Michael but later withdrawn after a procedural note was provided by Ron. David Mitchem observed that this was very important work and that it should have settled before. He thanked Susan for bringing it back to the Board for resolution. **A motion to postpone the item to the October meeting was made by Ernie Williams and seconded by David Mitchem. The motion passed, with all those voting in favor.** Susan reiterated her desire to receive comments on the policies.

**Decision- General Manger Services Contract**

**Ernie Williams made a motion to extend the contract with Arona Enterprises for 3 additional months at $5,000 per month and Willy Tookey seconded. The motion passed, with all those voting in favor.**

**Decision- 2013 COG Dues**

Susan asked the Board to consider raising the dues to try to facilitate further development of the COG and give us something to use to try to get matching funds from DoLA and other sources. **Chris La May moved that resolution 2012-11 be adopted to set the dues for 2013 at twice the current rate according to the distributed worksheet and David Mitchem seconded.** **The motion passed, with all those voting in favor.** Chris indicated that the Town of Bayfield was not unanimous in support of this dues level and had asked him to share that information with the COG Board. This is a one year support decision and progress of the COG will affect whether they will support such a level in future years. Ernie indicated his Board had a similar perspective. Bobby indicated La Plata County also had the same posture. Susan indicated she understood the posture and expectations.

Decisions- **Contract with Region 9 staff to administer Homeland Security Grant**

 **Signature Authority for All Hazards Committee (Resolution 2012-13)**

The contract with Region 9 will allow Shirley Jones to be compensated for the hours spent on project accounting for the All-Hazards grants through the end of this year. Ernie asked if a transition from Region 9 accounting support to COG self-provision in 4 months was specified in the Resolution. It is not, but Susan noted that is the goal if the COG is able to establish internal capacity for such work. Ernie does not want the Region 9 involvement to be open-ended. Tom agreed and Susan indicated she understood the Board’s desire. **Ryan Mahoney made a motion to contract with Region 9 staff to administer Homeland Security Grant and authorize signature authority for All Hazards Committee grant administration as specified in Resolution 2012-13 and that the COG be authorized to accept the $586,000 in All-Hazard grant funds into account 200 and Michael seconded. The motion passed, with all those voting in favor.**

**Decision-** **allow Frank Ortmann to use the SCAN project as a case study in a publication**

Jason Wells explained that Frank Ortmann is preparing a publication using the SCAN project as a case study. He indicated that the GM had suggested to him that this get Board approval. Jason has reviewed the material and offered revisions. He thought the case study was basic, maybe on the early side, but satisfactory. Ryan asked if COG staff time would be required. Jason said he didn’t think it would. Ryan said he was ok with it. Bobby expressed the view that approval was not really needed. Jason said that Ed felt that way too, but given the difference of opinion, he thought it was worth asking the Board. No one felt the Board needed to formally act or oppose the case study publication.

**Announcements-**

Ron provided information about the CML regional meeting. Among the items to be covered is discussion of a municipality summit.

The next regular Board meeting will be held Friday October 5, 2012 from 1:30 pm to 3:30 pmat the La Plata Courthouse.

**Adjourn-** **The Chair adjourned the meeting by consensus at about 3:55 p.m.**

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