



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

Regular Meeting Agenda

Thursday, 06 December, 1:30 pm

La Plata County Training Room

1101 East 2nd Avenue, Durango, CO

- I. Introductions
- II. Consent Agenda
 - a. October 2018 SWCCOG Meeting Minutes
 - b. October 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. Something
- V. Decision Items
 - a. Executive Committee Meeting Minutes from November 15, 2018
 - b. Adoption of 2019 Budget
 - c. Final 2019 Executive Committee Selection
 - d. Approval of 2019 Meeting Schedule
 - e. 2019 Agenda Posting Location(s)
 - f. Animas Crossing Project Letter of Support
 - g. Aggregation of Services Pricing Schedule Update
 - h. 2019 SWCCOG Rental Lease
- VI. Executive Session
 - a. Executive Director Evaluation Overview
For discussion of a personnel matter under CRS Section 24-6-402(2)(f) and NOT involving: any specific employees who have requested discussion of the matter in open session; any member of this body or any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees.
- VII. Community Updates (if time permits)

Consent Agenda

**Southwest Colorado Council of Governments
October Board Meeting
Thursday, 25 October, 1:30pm
1188 E. 2nd Ave., Carnegie Bldg., Durango, CO 81301**

In Attendance:

Chris La May – Town of Bayfield
Mark Garcia – Town of Ignacio
Fred Brooks – Town of Mancos
Kari Distefano – Town of Rico
Gwen Lachelt – La Plata County
Joanne Spina – La Plata County
Ron LeBlanc – City of Durango
Andrea Phillips – Town of Pagosa Springs
Michael Whiting – Archuleta County

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:

Ann McCoy-Herald – Senator Gardner’s Office
Bob Fifer – Colorado Department of Transportation
Ashely Greco – Congressman Tipton’s Office
Karen Thompson – DoLA Grant 8573 Consultant
Paul Roithmayr – DoLA Grant 8573 Consultant

I. Introductions

The meeting was called to order at 1:36 pm, everyone introduced themselves.

II. Consent Agenda

September 2018 SWCCOG Meeting Minutes
September 2018 SWCCOG Special Meeting Minutes
August 2018 Financials
September 2018 Financials

Gwen Lachelt motioned to approve the consent agenda, Mark Garcia seconded, unanimously approved.

Reports

Director’s Report:

Miriam reported that in addition to the director’s report in the board packet, she was recently invited to Washington DC in December 2018 to be on a panel about regionalism on broadband and how policy plays into broadband.

Broadband Report:

Miriam said there is an agenda item in section V. that will cover broadband.

Legislative Report:

Chris said the legislative report covers items on the November ballot and asked if there were questions or comments. There were none.

Transportation Report:

Jessica had nothing to add to the written report. No questions.

VISTA Report:

Martina reported that she attended some VISTA training workshops and completed an online course called the Harwood Institute Public Innovators lab that focused on community outreach. In addition, Martina has been assisting with the HDGP grant in collaboration with the non-profit Housing Solutions for the Southwest that will hopefully secure funds to create working groups in each of the five counties of Southwest Colorado.

III. Discussion Items

2019 Membership:

Chris said that at the September board meeting he had asked members to confirm their 2019 membership so staff can make accurate 2019 budget preparations. The understanding is that the City of Durango and Town of Mancos will not participate. Chris asked if any other communities plan to withdraw their membership. All other members plan to participate in 2019.

2018 Budget Update:

Miriam said there were contracts signed in 2013 that have and will likely continue to negatively impact the budget. The FastTrack contract for \$900/month is utilized by just one community and the COG pays over \$7,000 per year with no revenue to offset the cost. In addition, there has been a substantial amount of money spent on broadband work in 2018 as staff was directed by the board to tackle broadband and apply for FCC funding. Aggregation of services for connectivity has a revenue stream built-in for the COG, but this is not used by members. The culmination of these issues has left the budget in a deficit of approximately \$30,000 for 2018. Miriam said the approved 2018 budget had FCC and DoLA funding for half the year, but neither grant was received, if awarded they would be received in 2019. Staff applied for no other grants as broadband was the focus in 2018. Gwen asked if there are other potential sources of funding to offset the deficit. Miriam said not likely and that staff have talked about some internal solutions, such as skipping a few payrolls in November and December 2018, but as a leader Miriam does not want to do this. Miriam said the fund balance is a little more than \$50,000. Sara confirmed the audited fund balance as of 1/1/2018 was \$59,000. Miriam said this item is just an update and that an amendment will be presented for approval in January or February 2019.

IV. Decision Items

Executive Committee Meeting Minutes from August 16, 2018:

Gwen Lachelt motioned to approve the Executive Committee meeting minutes from August 16, 2018, Chris La May seconded, unanimously approved.

Executive Committee Meeting Minutes from October 11, 2018:

Gwen Lachelt motioned to approve the Executive Committee meeting minutes from October 11, 2018, Chris La May seconded, unanimously approved.

CEBT Participating Employer Certification and HIPAA Confidentiality Agreement:

Miriam said this agreement is a formality that CEBT has the SWCCOG sign every three years, this states that we will adhere to the confidentiality agreement.

Mark Garcia motioned to approve the CEBT Participating Employer Certification and HIPAA Confidentiality Agreement, Michael Whiting seconded, unanimously approved.

Region 9-SWCCOG Collaboration:

Miriam said in 2017 the COG Board felt that a collaboration effort with Region 9 would be worthwhile to explore. The COG received a DoLA grant to fund this and staff hired a consultant. After the consultant breached contract and was terminated, staff contacted Karen Thompson and Paul Roithmayr to see if a collaborative effort with Region 9 was feasible and if so, what it would look like. An official contract between COG and Karen and Paul needs to be signed, but Karen and Paul wanted to talk with the Board first. Miriam introduced Karen and Paul.

Karen said some preliminary research was done through document review and conducting interviews. With information gathered up to this point, Karen and Paul would like to share some concerns, perceptions, and talk about expectations. Karen said there is little to no cost savings as potential cost savings will be offset by increased costs. For example, the inequality between the two organizations in terms of salary, PTO, and benefits are significant. This can lead to a lot of consequences; if one side is lowered to match the other, there could be morale issues, alternatively one side be raised to match the other, which could substantially increase costs. There are consequences both ways. Karen said Region 9 feels they would be saving the COG and the only aspect of the COG that Region 9 would be interested in saving would be broadband. They are not interested in any other projects the COG is working on or intends to work on. Karen said the cultures and management styles between the two organizations are vastly different and culture issues can get in the way of being successful. Karen said Region 9 is a well-established organization with good history, narrowly focused and wanting to grow their loan portfolio, increase funding sources, and build upon banking relationships. Region 9 is a stronger organization and therefore would have the upper hand in negotiating a relationship. Paul said after looking at the mission of the COG and the goal of expanding services, this does not match Region 9's narrow focus of enhancing current services. There is no indication that Region 9 wants to expand their scope or take on other programs aside from broadband, integrating with Region 9 would dilute COG services. The COG would have to decide if they want expand services or dilute down to just broadband. Karen said the other option would be for the COG to partner with other organizations where there is coalition of the willing to build vitality and strength of the COG. Karen also mentioned that Region 9 recently purchased an office building with zero space for additional staff. This indicates that Region 9 is not interested in expanding. Gwen said after hearing Karen and Paul's report, she does not feel it wise to pursue collaboration at this time but perhaps in the future. Gwen would like to see the COG reach its full potential. Miriam said there is approximately \$35,000 left in the DoLA grant to spend and asked the board how they would like to spend those funds. Michael said the COG needs to establish identity and feels the remaining funds should be spent on this. The Board agreed. Karen said she and Paul will close with Laura Lewis and her board.

Mark Garcia motioned to cease formal engagement with Region 9 at this time, Gwen Lachelt seconded, unanimously approved.

Joanne said that she is supportive of the action the Board has taken but said with two partners exiting in 2019, the COG has a sustainability issue and questioned if the COG can survive with remaining members and what the focus should be. Joanne voiced concern with the 2018 budget deficit and using the fund balance.

Executive Committee, Selection Committee:

Miriam said the board needs a volunteer committee to help nominate the 2019 Executive Committee as the board chair position cycles out each year.

Mark Garcia motioned to appoint Michael Whiting, Gwen Lachelt, and Karen Sheek as the nominating committee, Gwen Lachelt seconded, unanimously approved.

CDPHE Housing Solutions – SWCCOG Grant

Jessica reported The Colorado Department of Public Health and Environment has announced a Health Disparities Grant Program (HDGP) for FY20-21. Staff proposes a partnership with Housing Solutions for the Southwest to develop systems to address affordability and housing stability with the goal to overcome health disparities in the prevention and early detection of cancer, cardiovascular disease, and chronic pulmonary disease. Staff would also work with Region 9 Economic Development District and Axis Health System to ensure a multisector, comprehensive approach. The maximum grant request per fiscal year is \$400,000. This will be a 2-year grant. Funds cover expenses for personnel, supplies and operating, travel, contractors, and indirect costs at a rate of 10%. This project supports the SWCCOG's goal to work with existing housing providers in the region to develop a variety of strategies to improve affordability and accessibility of housing. These strategies are also closely tied to the related goals of working with the changing needs of citizens and communities as the population ages and working to improve transportation throughout the region. There is no match required and the application is due October 30.

Michael Whiting motioned for staff to move forward with the application for CDPHE Housing Solutions Grant, Gwen Lachelt seconded, unanimously approved.

Letter of Support: Forethought Broadband Grant:

Miriam said Forethought/Brainstorm Internet approached the SWCCOG requesting a letter of support to the State Broadband Fund for funding to help offset the cost to connect Tamarron to their existing fiber network. This project is the result of currently offered speeds being less than 10 Mbps and that the current provider has given notice that they will no longer be able to provide internet and voice services. A draft letter of support was included in the board packet. Ron said in line 1 of the 2nd paragraph, it should say “City” of Durango versus “town” of Durango. Miriam will update.

Gwen Lachelt motioned to approve the Letter of Support for Forethought/Brainstorm Broadband Fund Grant Application as amended by Ron LeBlanc, Mark Garcia seconded, unanimously approved.

V. Other Items

CDOT Fiber Plan – Bob Fifer

Bob Fifer introduced himself and summarized his background. He gave a power point presentation explaining:

- Fiber planning and development
- Building partnerships to expand CDOT's fiber footprint
- The internet on roads
- CDOT's smart mobility plan

VI. Community Updates

Time did not permit.

Adjourned at 3:47 p.m.

October 2018 Financials

To: SWCCOG Board of Directors
From: Sara Trujillo
Date: 6 December 2018

Comments: The following attachments include:

- Balance Sheet as of October 31, 2018
- January 1- October 31, 2018 Profit & Loss

Items to Note:

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

Miriam's credit card shows a credit balance due to a refunded airline fare.

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

Fiscal Impact: High, Budget changes throughout the year

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

Legal Review: Not Applicable

Southwest Colorado Council of Governments

11/26/18

Balance Sheet

Accrual Basis

As of October 31, 2018

	Oct 31, 18
ASSETS	
Current Assets	
Checking/Savings	
Alpine Bank	
Alpine Bank Account (UR)	72,727.43
Total Alpine Bank	72,727.43
Petty Cash	
AmeriCorps VISTA	224.49
Petty Cash - Other	22.97
Total Petty Cash	247.46
Total Checking/Savings	72,974.89
Accounts Receivable	
Accounts Receivable	6,180.10
Total Accounts Receivable	6,180.10
Other Current Assets	
Prepaid Expense	5,997.00
Total Other Current Assets	5,997.00
Total Current Assets	85,151.99
TOTAL ASSETS	85,151.99
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	3,072.39
Total Accounts Payable	3,072.39
Credit Cards	
Credit Cards	
Miriam	-941.05
Sara	32.99
Total Credit Cards	-908.06
Total Credit Cards	-908.06
Other Current Liabilities	
Accrued Wages	6,689.00
Total Other Current Liabilities	6,689.00
Total Current Liabilities	8,853.33
Total Liabilities	8,853.33
Equity	
Retained Earnings	67,835.72
Net Income	8,462.94
Total Equity	76,298.66
TOTAL LIABILITIES & EQUITY	85,151.99

Southwest Colorado Council of Governments

Profit & Loss

11/26/18

January through October 2018

Accrual Basis

	Jan - Oct 18
Ordinary Income/Expense	
Income	
All Hazards	
2015 SHSP	516.60
2016 SHSP	13,940.82
2017 SHSP	72,231.17
Total All Hazards	86,688.59
CDOT Grants	
SWTPR Grant	17,043.08
Transit 5304	16,832.00
Total CDOT Grants	33,875.08
DoLA Grants	
DoLA 8330	26,448.31
DoLA 8573	3,776.12
Total DoLA Grants	30,224.43
Dues Revenue	
COG Dues	150,970.00
SWTPR Contributions	6,842.00
Total Dues Revenue	157,812.00
Grant Match	
COG Member Match	14,923.00
Non-COG Member Match	8,000.00
Total Grant Match	22,923.00
Misc. Income	9,298.80
RHA	10,000.00
SCAN Services	
Dark Fiber Leasing	33,822.00
Internet & Transport	8,280.00
Total SCAN Services	42,102.00
SWIMT	30,089.95
Total Income	423,013.85
Gross Profit	423,013.85
Expense	
Advertising and Promotion	3,190.92
All Hazards Projects	
All Hazards 2015 SHSP	
Grant 2015 Project 2	485.45
Grant 2015 Project 5	31.98
Total All Hazards 2015 SHSP	517.43
All Hazards 2016 SHSP	
Grant 2016 Project 1	6,677.92
Grant 2016 Project 6	3,865.00
Total All Hazards 2016 SHSP	10,542.92

Southwest Colorado Council of Governments

Profit & Loss

11/26/18

January through October 2018

Accrual Basis

	Jan - Oct 18
All Hazards 2017 SHSP	
Grant 2017 Project 1	2,047.50
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
Total All Hazards 2017 SHSP	75,886.94
Total All Hazards Projects	86,947.29
AmeriCorp VISTA	3,250.00
Bank Service Charge	158.16
Conference Fee	1,550.40
Consulting	66,697.58
Employee/Board Appreciation	195.85
Information Technology (IT)	
Software	5,263.74
Total Information Technology (IT)	5,263.74
Insurance Expense	
General Liability	3,644.75
Health	23,832.00
Total Insurance Expense	27,476.75
Internet Connectivity	
Fast Track	9,900.00
Internet Connection (AT&T)	297.02
Total Internet Connectivity	10,197.02
Meetings	815.85
Memberships	6,423.00
Misc. Expense	522.00
Office Equipment	1,536.73
Office Supplies	805.37
Postage and Delivery	57.87
Professional Fees	
Audit	5,900.00
Legal	6,963.16
Misc.	24.43
Total Professional Fees	12,887.59
Salary and Wages	
457 Retirement	5,830.44
Car Allowance	2,400.00
Cell Phone Allowance	1,560.00
Payroll Processing Fee	1,388.36
Payroll Tax	9,949.61
Salary and Wages - Other	127,258.02
Total Salary and Wages	148,386.43
SWIMT 2017-2018	27,284.91
SWIMT 2018-2019	18.95
Travel	10,884.50
Total Expense	414,550.91
Net Ordinary Income	8,462.94
Net Income	8,462.94

Reports

Director Report

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 6 December 2018

Comments: September and October have been crazier than expected with a number of projects needing significant amount of support and engagement. We hosted the Office of Information Technology, Broadband Executive Director, Tony Neal-Graves and the OIT Director, Brian Shepard for visits to communities, the OIT Quarterly Community Meetings, as well as the Local Technology Planning Team Meeting during their visit.

SWCCOG Office Update

The SWCCOG is officially out of the City of Durango's Carnegie building, as of 11/30. The vast majority of the COG equipment, desks, and files are stored in a storage unit in Bodo, a few blocks from the new space at 295 Girard (the same building Region 9 was in for many years). Southwest Housing Solutions owns the building, and is remodeling the facility. The SWCCOG will rent space in the NE corner of the building as well as have access to conference room facilities (small and large) as well as a kitchen. It is ADA accessible, and has functioning climate control and windows. Staff is very excited.

Region 9 – SWCCOG Facilitation Update

The initial contractor for this 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, the staff offered \$8,276.08, based on work provided and including some travel costs. This was sent on Oct 22nd. We have not heard back. Again, as a response to the lack of communication from them, Legal recommended sending a check with language printed on the check that by cashing the check, is payment in accord of the contract. I am assuming the check will be cashed.

CDPHE HDGP Update

The Colorado Department of Public Health and Environment was accepting applications for the Health Disparities Grant Program (HDGP) for FY20-21. The HDGP is funded by the Colorado state tobacco tax revenue and is intended to “fund local initiatives focused on evidence-based strategies to overcome health disparities in the prevention and early detection of cancer, cardiovascular disease, and chronic pulmonary disease by implementing policy and systems changes related to anti-displacement housing efforts that include land-use planning or affordability that addresses housing stability in communities.”

In October the Board approved staff to submit an application to the program; 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

Director Report

directly increase affordable housing stock in southwest Colorado. The systems to be established are intended to help people experiencing homelessness and other low-income groups attain stable housing in locations with existing or future accessible transportation options, broadband access, and proximity to healthcare facilities and employment opportunities, resulting in increased health equity.

The Housing as Health project includes a comprehensive look at the various needs both similar across the region and specific to each community's individual situation. The project will include identification of the needs specific to each area based on land availability, income distribution, building capacities, homeless population, healthcare facilities, transportation systems, and economic factors. A consultant will coordinate and facilitate working groups within each county, which will include representatives from governmental entities, non-profits, private businesses, and members of the affected populations. A multi-county approach has not been previously explored, allowing for innovative collaboration free of preconceived notions and old habits. The framework for this project was selected because affordable housing has never before been addressed on a regional scale in southwest Colorado—much less using a holistic, multi-sectoral approach.

The anticipated amount of grant awards are expected to range from \$200,000 – \$400,000 per fiscal year. The SWCCOG requested \$212,109 for FY20 (July 1, 2019 through June 30, 2020) and \$170,786 for FY21 (July 1, 2020 through June 30, 2021).

This project supports the SWCCOG's goal to work with existing housing providers in the region to develop a variety of strategies to improve affordability and accessibility of housing. These strategies are also closely tied to the related goals of working with the changing needs of citizens and communities as the population ages and working to improve transportation and broadband access throughout the region.

San Juan County New Mexico

Staff will lead a verbal discussion about this topic during the meeting.

Miriam PTO

I will be taking Tuesday through December 17th -21st and 26-28th off in an attempt to use up my PTO. SWCCOG provides two holiday days in December, this year it is Monday December 24th and Tuesday December 25th.

Broadband Report

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 6 December 2018

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. This makes it incredibly hard for all of us with budgeting and planning for the next few years. The FCC is flexing their powers on a number of items that impact local governments, one of those is the Cable Franchise Fees.

Cable Franchise Fees

The proposed rules were previously sent out, this is a recap with follow up regarding the appeals filed by a number of jurisdictions, including the CUA (Colorado Communications Utility Alliance – of which the SWCCOG is a member).

On September 25, 2018 the FCC released new rules, that, if adopted, would likely will 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.

Specifically, the proposed new rules would:

- Allow all cable-related, in-kind contributions, other than PEG capital costs and build out requirements, to be treated as “franchise fees” subject to the 5% franchise fee cap.
 - This would appear to allow cable operators to deduct from their cable franchise fee payments the value of franchise requirements such as PEG channel capacity, connections to programming origination points, and complementary cable services to schools and other public buildings.
 - The rules propose that the value to be deducted would be the fair market value of these “contributions,” Commission requested comment on whether it instead should be the cable operators’ costs.
- Prohibit local franchising authorities from regulating the non-cable services offered over cable systems, and prohibit LFAs from regulating the facilities and equipment used in the provision of these non-cable services.

Broadband Report

- This holding would apply to incumbent cable operators that are common carriers, and the proposed rules sought comment on whether it should also apply to cable operators that are not common carriers.
- Though ambiguous, the proposed rules can be read to allow certain cable operators to construct and install facilities and equipment for non-cable services in the rights of way without any local regulation or compensation, which raises safety considerations and potential disparities in the application of regulations among competing providers.
- Potentially apply to state-level franchising actions. The draft rules, which expressly excluded state-leveling franchising actions, the final proposed rules seeks comment on whether the new rules should apply to both state and local franchising actions.

The appeal the CCA is engaged with regarding the FCC's rule making is in the Tenth Circuit court along with five other cases. The Tenth Circuit will consolidate the various cases after the deadline for appeal has passed on December 14th. Some jurisdictions that have filed in both the Tenth and Ninth Circuit Courts are: Bakersfield CA, Rancho Palos Verdes CA, Coconut Creek FL, Lacey WA, Olympia WA, Tumwater WA, Thurston County WA, CCA, Rainier Communications Commission, Seattle WA, King County WA, Tacoma WA, Oregon League of Cities, California League of Cities, and Arizona League of Cities and Towns. There is a motion to move the case the CCA is involved in back to the Ninth Circuit. Additionally, a petition to reconsider the rule making order was filed with the FCC in mid-November.

Last week, the Tenth Circuit granted the motion to intervene. This is great news for the local governments! The Court will hear the motion to move to the Ninth Circuit on December 17th.

Finally, the proposed rules are set to take effect on January 14th, 2019, since the FCC has not responded to the petition, the appeal is looking for a stay from the Court to work through all the challenges to these proposed rules.

Transportation Report

To: SWCCOG Board of Directors
From: Jessica Laitsch
Date: 28 November, 2018

Comments: Transportation:

Staff will keep the Board updated as information becomes available about the implications and next steps following the failed ballot Propositions 109 and 110.

The next SWTPR meeting will be held at 9:00 a.m. Thursday, 6 December, 2018 at the La Plata County Administration Building, 1101 E 2nd Ave., Durango.

Transit:

5304 Four Corners Coordinated Transit Plan - The consultant team is compiling draft goals and objectives in preparation for public feedback throughout the region.

NADO Technical Assistance Cortez/Durango fixed route bus – The consultant is working to compile a final report and recommendations.

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.

VISTA's Report

To: SWCCOG Board of Directors
From: Martina Pansze
Date: 30 November 2018

Comments: November was a busy month between the office move and the holiday season ramping up, but during this time I've been working on a few different COG projects. I finished up the ten-week Harwood Institute Lab through Conservation Legacy last week and helped wrap up the HDGP grant for submission at the beginning of the month. I've been researching potential future grants and have begun to work with the state broadband office to write an article about broadband fiber infrastructure, the role of accessible internet in small economies, and the complexities of funding—focusing on Cortez in particular.

Discussion Items

Strategic Planning Discussion

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 6 December 2018

Comments: During the discussion at the October Board Meeting regarding SWCCOG – Region 9 coordination one thing that was mentioned multiple times was that the SWCCOG did not have a strong sense of identity or a strategic plan. It became apparent that to truly move forward in a cohesive manner while providing value to the COG Membership we should look at long range planning rather than only yearly planning.

There is some funding in the 2018 DOLA Grant (which ends 30 June 2019) that is earmarked for the coordination between the two agencies. However, since this project is no longer going to move forward, I would suggest the Board discuss if they would like to use the funding for strategic planning or other such work, or refund the money to DOLA.

Decision Items

SWCCOG Executive Committee Minutes

To: SWCCOG Board of Directors

From: Sara Trujillo

Date: 6 December 2018

Comments: Executive Committee Minutes from November 15, 2018 for approval.

Legal Review: None

Fiscal Impact: None

Staff Recommendation: Executive Committee approve the attached minutes from November 15, 2018.

**Southwest Colorado Council of Governments
Executive Committee Meeting
Thursday, November, 15, 2018, 1:30 p.m.**

In attendance:

Chris La May – Town of Bayfield (via phone)

Karen Sheek – City of Cortez (via phone)

Miriam Gillow-Wiles – Southwest Colorado Council of Governments (via phone)

Sara Trujillo - Southwest Colorado Council of Governments

The meeting began at 1:45 p.m.

Miriam reviewed the usual agenda items then noted other items. Chris asked if the COG had already done a letter for the Animas Crossing. Miriam said the COG has not, but the TPR has. Chris asked if Miriam's performance review needed to be done in Executive Session. Miriam said it had been done in Executive Session in the past; however, that was because it included merit raise information. This year, merit raise is not included as a flat raise was already approved by the board for 2019 based on the FCC grant. This item will be moved from the "decision" section to "other".

Miriam shared two 2019 budgets, the first with Sara full-time and the second with Sara part-time (32 hours/week). Both estimated budgets are based on FCC funding being awarded. Miriam made it clear that these budgets are highly unpredictable and most funding is for consulting or is passed through. Chris asked if there have been any updates from the FCC. Miriam said no. The budget does not include dues from Durango, Mancos, or Silverton; however, Miriam is working with Silverton to find cost savings in other places so they can pay dues and Mancos has not officially said they are out for 2019. Miriam reported that she spoke with Housing Solutions of the Southwest and secured an office space for \$700 monthly rent including utilities. This amount is in the budget as well as two new computers through the CDPHE grant, lowering of the cell phone allowance that is anticipated to be completely removed with an office VOIP system, and a retirement match reduction from 5% to 4%. Chris asked if the budget includes the housing grant. Miriam confirmed yes. The Executive Committee asked for the second budget option to be presented to the board, recognizing that if FCC funding is not awarded the budget will change. Miriam said a preliminary amendment will be done if FCC funding is not awarded. Karen expressed concern about staff capacity with a large grant if staff hours are reduced. Miriam said as changes occur and progress is made throughout the year she will reevaluate staff hours.

Miriam reported that New Mexico's San Juan County and City of Farmington have approached her about becoming COG members as they are closer to the SWCCOG than their COG (Gallup) and the SWCCOG is more regionally comparable to their area. It was discussed how membership fees could be structured for New Mexico members. Chris felt this to be a good conversation for the board to see if moving forward would be warranted and asked Miriam to put this under her director's report.

The meeting ended at 2:40 p.m.



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

To: SWCCOG Board of Directors
From: Sara Trujillo, Accountant
Subject: Final FY2019 Budget
Date: 6 December 2018

Please find attached the final FY2019 budget and summary below.

General Fund FY2018	Final (UNAUDITED)
Revenues	\$8,459,269
Expenditures	\$8,442,629
Net Income	\$16,540

FY2019 Net Income (unaudited) is positive. This budget is with the assumption that FCC funding will be received. Items to note:

- This budget assumes FCC funding will be awarded beginning of 2019.
- Annual membership dues for City of Durango and Town of Mancos are not included due to non-membership renewal in 2019, and Town of Silverton dues are not included due to financial changes.
- Salary and Wages:
 - This budget maintains Miriam's 2018 salary with no pay increase for 2019.
 - This budget maintains Sara's 2018 salary with no pay increase for 2019 and a reduction in hours from 40 to 32 per week.
 - This budget maintains Jessica's 2018 hourly rate for ½ of the year then a pay and hours per week increase bringing her to full time status starting July 2019 with the assumption that the CDPHE grant will be awarded. Benefits have been added for ½ of the year in conjunction with the full-time status change.
- SWCCOG 457 retirement plan match of 5% has been reduced to 4%.
- The monthly cell phone allowance has been reduced from \$65/mo to \$50/mo for all staff. Staff hope to incorporate a VOIP system ASAP that will eliminate the cell allowance for all staff except the Executive Director.
- With a change in office location, rent has increased from \$1/year to \$8,400/year.

Attached include the following:

1188 E. 2nd Ave. • P O Box 963 • Durango, CO 81302
Phone (970) 779-4592
www.swccog.org

- Revenues and Expenditures Summary: General Fund with 3 Year's Comparison
- Revenues and Expenditures Summary: Fiber Fund with 3 Year's Comparison
- Fund Balance Summary: General Fund and Fiber Fund with 3 Year's Comparison

GENERAL FUND

	2017 (AUDITED)	2018 (APPROVED & UNAUDITED)	2018 (UPDATED OCT 18)	2019 (FINAL)
Ordinary Income/Expense				
Income				
All Hazards	223,752.00	163,346.00	88,689.00	160,000.00
Broadband				
FCC	0.00	3,000,000.00	0.00	5,000,000.00
CDOT	0.00	333,333.00	0.00	666,667.00
DoLA	0.00	375,000.00	0.00	500,000.00
Private Equity	0.00	1,666,667.00	0.00	1,666,667.00
CDOT Grants				
SWTPR Grant	21,681.00	22,100.00	22,100.00	22,100.00
Transit 5304 Grant	0.00	27,000.00	25,000.00	0.00
Total CDOT Grants	21,681.00	49,100.00	47,100.00	22,100.00
CDPHE Grant	0.00	0.00	0.00	106,054.50
DoLA Grants				
DoLA 8011	41,321.00	0.00	0.00	0.00
DoLA 8330	30,578.00	28,000.00	29,748.00	0.00
DoLA 9038	44,955.00	0.00	0.00	0.00
DoLA TA 8573	0.00	35,000.00	17,500.00	42,000.00
DoLA 2019 TA	0.00	0.00	0.00	91,600.00
DoLA Grants - Other	0.00	0.00	0.00	0.00
Total DoLA Grants	116,854.00	63,000.00	47,248.00	133,600.00
Dues Revenue				
Admin Position	12,200.00	12,200.00	12,200.00	9,178.00
COG Dues	114,000.00	145,000.00	138,770.00	109,014.00
SWTPR Contributions	7,607.00	7,607.00	6,842.00	7,607.00
Total Dues Revenue	133,807.00	164,807.00	157,812.00	125,799.00
ForeThought	0.00	0.00	0.00	0.00
Grant Match				
COG Member Match	21,039.00	0.00	14,923.00	0.00
Non-COG Member Match	0.00	0.00	8,000.00	0.00
Total Grant Match	21,039.00	0.00	22,923.00	0.00
Misc. Income	5,870.00	10,000.00	9,299.00	0.00
RHA	0.00		10,000.00	10,000.00
RREO Grant				
RREO 2016-2017	28,162.00	0.00	0.00	0.00
RREO Grant - Other	0.00	0.00	0.00	0.00
Total RREO Grant	28,162.00	0.00	0.00	0.00
SCAN Services				
Dark Fiber Leasing	21,287.00	29,328.00	33,822.00	33,822.00
Internet & Transport	8,280.00	8,280.00	8,280.00	8,280.00
Total SCAN Services	29,567.00	37,608.00	42,102.00	42,102.00
SWIMT	0.00	0.00	35,000.00	26,280.00
Total Income	580,732.00	5,862,861.00	460,173.00	8,459,269.50
Gross Profit	580,732.00	5,862,861.00	460,173.00	8,459,269.50
Expense				
Advertising and Promotion	110.00	240.00	3,291.00	240.00

All Hazards Projects	220,523.00	157,346.00	86,947.00	156,000.00
AmeriCorp VISTA	8,000.00	0.00	6,500.00	9,750.00
Bank Service Charge	0.00	200.00	160.00	200.00
Broadband Expenses				
SCAN Dark Fiber Lease	5,322.00	7,332.00	8,455.00	8,456.00
Total Broadband Expenses	<u>5,322.00</u>	<u>7,332.00</u>	<u>8,455.00</u>	<u>8,456.00</u>
Conference Fee	199.00	0.00	1,550.00	0.00
Consulting	92,078.00	5,313,500.00	80,248.00	7,933,354.00
Employee/Board Appreciation	79.00	100.00	195.00	100.00
ForeThought	0.00	0.00	0.00	0.00
Information Technology (IT)				
Internal IT Consulting	50.00	50.00	0.00	50.00
Software	3,033.00	1,324.00	5,259.00	5,324.00
Total Information Technology (IT)	<u>3,083.00</u>	<u>1,374.00</u>	<u>5,259.00</u>	<u>5,374.00</u>
Insurance Expense				
General Liability	2,235.00	8,000.00	2,087.00	18,576.00
Health	26,214.00	36,720.00	25,704.00	32,175.00
Worker's Compensation	1,668.00	1,750.00	1,558.00	1,496.00
Total Insurance Expense	<u>30,117.00</u>	<u>46,470.00</u>	<u>29,349.00</u>	<u>52,247.00</u>
Internet Connectivity				
Fast Track	10,800.00	10,800.00	10,800.00	10,800.00
Internet Connection (AT&T)	388.00	390.00	390.00	390.00
Total Internet Connectivity	<u>11,188.00</u>	<u>11,190.00</u>	<u>11,190.00</u>	<u>11,190.00</u>
Meetings	1,316.00	5,000.00	815.00	5,000.00
Memberships	5,673.00	6,048.00	6,423.00	6,048.00
Misc. Expense	3,641.00	0.00	522.00	0.00
Office Equipment	493.00	6,000.00	1,537.00	1,400.00
Office Supplies	481.00	850.00	762.00	850.00
Office Telephone	0.00	980.00	0.00	0.00
Postage and Delivery	67.00	80.00	80.00	80.00
Professional Development	2,569.00	4,000.00	0.00	4,000.00
Professional Fees				
Accounting Software	220.00	200.00	0.00	400.00
Audit	6,750.00	5,900.00	5,900.00	6,100.00
Legal	3,929.00	7,000.00	12,500.00	7,000.00
Misc.	331.00	500.00	25.00	500.00
Total Professional Fees	<u>11,230.00</u>	<u>13,600.00</u>	<u>18,425.00</u>	<u>14,000.00</u>
Rent	91.00	95.00	95.00	8,500.00
Salary and Wages				
457 Retirement	7,476.00	9,355.00	6,890.00	5,675.00
Car Allowance	3,900.00	3,600.00	3,600.00	3,600.00
Cell Phone Allowance	2,990.00	1,560.00	2,340.00	2,400.00
Housing Allowance	0.00	2,400.00	0.00	2,400.00
Payroll Processing Fee	1,721.00	2,400.00	1,500.00	1,750.00
Payroll Tax	11,628.00	16,783.00	13,354.00	12,917.00
Salary and Wages - Other	140,766.00	196,290.00	158,191.00	151,074.00
Total Salary and Wages	<u>168,481.00</u>	<u>232,388.00</u>	<u>185,875.00</u>	<u>179,816.00</u>
Software Maintenance e-TICS	15,162.00	0.00		0.00
SWIMT Expense	0.00	0.00	31,500.00	21,024.00
Travel	18,787.00	25,000.00	14,000.00	25,000.00
Total Expense	<u>598,690.00</u>	<u>5,831,793.00</u>	<u>493,178.00</u>	<u>8,442,629.00</u>

Net Ordinary Income	-17,958.00	31,068.00	-33,005.00	16,640.50
Other Income/Expense				
Other Income				
Interest Earned	0.00	0.00	0.00	0.00
Total Other Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Other Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Income	<u><u>-17,958.00</u></u>	<u><u>31,068.00</u></u>	<u><u>-33,005.00</u></u>	<u><u>16,640.50</u></u>

FIBER FUND

	2017 (AUDITED)	2018 (UNAUDITED & UNAMENDED)	2019 (FINAL)
Ordinary Income/Expense			
Income			
Fiber Income	9,740.00	0.00	0.00
Total Income	9,740.00	0.00	0.00
Gross Profit	9,740.00	0.00	0.00
Expense			
Fiber Expense	0.00	0.00	0.00
Total Expense	0.00	0.00	0.00
Net Income	0.00	0.00	0.00

Fund Balance

General Fund - FY2017	
Beginning Fund Balance ^a	\$85,735
Ending Fund Balance ^a	\$67,836
Operating Costs	\$238,818
Reserve Requirement	\$79,606
General Fund - FY2018	
Beginning Fund Balance ^a	\$67,836
Ending Fund Balance ^e	\$34,831
Operating Costs	\$265,528
Reserve Requirement	\$88,509
General Fund - FY2019	
Beginning Fund Balance ^e	\$34,831
Ending Fund Balance ^e	\$51,471
Operating Costs	\$289,045
Reserve Requirement	\$96,348
Reserve Deficit	\$-44,877
General & Fiber Funds - FY2019	
Beginning Fund Balance ^e	\$54,329
Ending Fund Balance ^e	\$71,069
Operating Costs	\$289,045
Reserve Requirement	\$96,348
Reserve Deficit	\$-25,279

Notes:

SWCCOG Fund Balance Policy states:

It is the goal of the SWCCOG to maintain an unassigned fund balance equal to four months of operating expenditures.

^a indicates audited information

^e indicates unaudited information

Fund Balance = Assets minus liabilities

2019 Executive Committee Selection

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 6 December 2018

Comments: The Board Chair, Chris La May will lead a discussion on the 2019 Executive Committee.

Current Members are:

Chair: Chris La May, Manager, Bayfield

Vice Chair: Gwen Lachelt, Commissioner, La Plata County

Treasurer/Secretary: Karen Sheek, Mayor, Cortez

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 Executive Committee.

2019 Board Meeting Schedule

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

Comments: Below are the proposed 2019 SWCCOG Board meeting dates (1:30 - 4:00 p.m.):

Thursday, January 3
Thursday, February 7
Thursday, March 7
Thursday, April 4
Thursday, May 2
Thursday, June 6 (see note below)
Thursday, July 4 (see note below)
Thursday, August 1
Thursday, September 5
Thursday, October 3 (see note below)
Thursday, November 7 (see note below)
Thursday, December 5

In 2019, July 4 falls on the first Thursday of July. In 2017 and 2018 the SWCCOG Board held a combined June/July meeting to navigate the Fourth of July holiday without having a two month gap between meetings. Staff recommends again scheduling a combined June/July meeting, potential dates include:

- Thursday, June 13
- Thursday, June 20
- Thursday, June 27

Due to the State's budget deadlines, the Board meeting in October falls during a very busy time for member jurisdictions, which has historically proven challenging for meeting quorum. In 2018 the Board held a combined October/November meeting to navigate the busy October and November period. Staff recommends again scheduling a combined October/November meeting, potential dates include:

- Thursday, October 17
- Thursday, October 24
- Thursday, October 31

Legal Opinion: Not Applicable

Fiscal Impact: None

Staff Recommendation: Approve a schedule for SWCCOG Board Meetings in 2019, including any modified dates for June/July and October/November, if applicable.

Agenda Posting Location

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

Comments: In 2015, the Board selected the SWCCOG's office location as the public posting location for SWCCOG Board meeting agendas, in addition to agendas for any other organizations managed by the SWCCOG including the Southwest Transportation Planning Region and the Regional Transit Coordinating Council. This location was selected because it was the primary location where these meetings were held. Staff recommends updating the public posting location for agendas due to the change in the SWCCOG's office location.

Current Location:

- Carnegie Building, 1188 East 2nd Avenue, Durango

Staff Recommendation:

- 295 Girard Street, Durango

US 550 Animas Crossing Project Letter of Support

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

Comments: The Colorado Department of Transportation requested that the Southwest Colorado Council of Governments write a letter of support for their US 550 Animas Crossing project. The proposal includes shoulder improvements, addressing a structurally deficient bridge and mitigating rockfall issues. The grant application is due December 2018.

A letter of support on this issue partially fits in the SWCCOG's letter of support policy:

- 1) The request is from the Colorado Department of Transportation, not from a member of the SWCCOG
- 2) The request does have regional impact
- 3) This proposal supports the SWCCOG's goals related to transportation

Legal Review: None

Fiscal Impact: None

Staff Recommendation: Approve the letter of support for CDOT's US 550 Animas Crossing project.



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

6 December, 2018

The Honorable Elaine Chao
Secretary
Office of the Secretary
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, D.C. 20590

RE: Support for the US Highway 550 - Animas Crossing Project in Southwest Colorado

Dear Secretary Chao:

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 the strength of the transportation network.

The SWCCOG would like to express its support for the US Highway 550 Animas Crossing Project. US Highway 550 is a critical transportation corridor in southwest Colorado - the only direct, continuous, north-south route in western Colorado. The highway provides essential access between Colorado and New Mexico for both commercial and passenger travel, this connection being critical to the region's transportation goals and its economic stability. The insufficient shoulders, structurally deficient bridge and significant rockfall issues make this section of the highway a considerable safety hazard. Improvements to this section of US 550 will have benefits for the economy, mobility, and safety in southwestern Colorado.

Due to the significant benefits to the southwest Colorado region, the SWCCOG supports the US 550 Animas Crossing Project.

Sincerely,

Miriam Gillow-Wiles
Executive Director
Southwest Colorado Council of Governments

Aggregation of Services Pricing

Schedule Update

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 22 October, 2018

Comments: In June the Board approved the aggregation of services for connectivity, which included the first pricing schedule. The SWCCOG was asked by City of Durango staff if they were still eligible to participate in the aggregation of services contract. As a result of that discussion, I have revisited the pricing schedule for the Board. Additionally, I found an error in my calculations and was able to reduce costs for the Member Jurisdictions. There are several options. No matter the pricing schedule selected the Board will need to decide if the COG eligible members, who are not members are able to participate in the aggregation.

Attachments:

- Schedule 1
 - o Approved Schedule
- Schedule 2
 - o Includes pricing for COG Eligible member, who are non-dues paying
- Schedule 3
 - o Pricing for Private CAIs and Non Dues Paying Eligible entities are the same

Legal Review: Not Necessary

Fiscal Impact: Provides revenue for SWCCOG, as well as reducing pricing for the Member Jurisdictions, and community partners

Staff Recommendation: Approve the pricing schedule for the Aggregation of Services Contract and if COG eligible members who are not COG members are able to participate.



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

PO Box 963, Durango, CO 81302

Aggregated Cost per Mbps Pricing Worksheet

Mbps	COG	Public CAIs	Private CAIs
100	\$ 2.65	\$ 2.70	\$ 2.70
200	\$ 2.65	\$ 2.70	\$ 2.70
300	\$ 2.25	\$ 2.30	\$ 2.30
400	\$ 2.25	\$ 2.30	\$ 2.30
500	\$ 1.95	\$ 2.00	\$ 2.00
600	\$ 1.75	\$ 1.80	\$ 1.80
700	\$ 1.55	\$ 1.60	\$ 1.60
800	\$ 1.45	\$ 1.50	\$ 1.50
900	\$ 1.35	\$ 1.40	\$ 1.40
1000	\$ 1.11	\$ 1.16	\$ 1.23
2000	\$ 1.11	\$ 1.16	\$ 1.23
3000	\$ 1.01	\$ 1.07	\$ 1.18
4000	\$ 0.99	\$ 1.05	\$ 1.16
5000	\$ 0.96	\$ 1.02	\$ 1.13
6000	\$ 0.92	\$ 0.98	\$ 1.07
7000	\$ 0.90	\$ 0.96	\$ 1.05
8000	\$ 0.87	\$ 0.93	\$ 1.02
9000	\$ 0.84	\$ 0.90	\$ 0.98
10000	\$ 0.84	\$ 0.90	\$ 0.98

Existing



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

PO Box 963, Durango, CO 81302

Aggregated Cost per Mbps Pricing Worksheet

Mbps	COG	Public CAIs	Private CAIs	Non COG Members
100	\$ 2.58	\$ 2.63	\$ 2.73	\$ 2.93
200	\$ 2.57	\$ 2.62	\$ 2.72	\$ 2.92
300	\$ 2.18	\$ 2.23	\$ 2.33	\$ 2.53
400	\$ 2.17	\$ 2.22	\$ 2.32	\$ 2.52
500	\$ 1.88	\$ 1.93	\$ 2.03	\$ 2.23
600	\$ 1.68	\$ 1.73	\$ 1.83	\$ 2.03
700	\$ 1.48	\$ 1.53	\$ 1.63	\$ 1.83
800	\$ 1.38	\$ 1.43	\$ 1.53	\$ 1.73
900	\$ 1.28	\$ 1.33	\$ 1.43	\$ 1.63
1000	\$ 1.08	\$ 1.13	\$ 1.23	\$ 1.43
2000	\$ 1.06	\$ 1.11	\$ 1.21	\$ 1.41
3000	\$ 1.01	\$ 1.06	\$ 1.16	\$ 1.36
4000	\$ 0.99	\$ 1.04	\$ 1.14	\$ 1.34
5000	\$ 0.95	\$ 1.00	\$ 1.05	\$ 1.25
6000	\$ 0.92	\$ 0.97	\$ 1.02	\$ 1.22
7000	\$ 0.90	\$ 0.95	\$ 1.00	\$ 1.20
8000	\$ 0.87	\$ 0.92	\$ 0.97	\$ 1.17
9000	\$ 0.85	\$ 0.90	\$ 0.95	\$ 1.15
10000	\$ 0.84	\$ 0.89	\$ 0.94	\$ 1.14

Proposed



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

PO Box 963, Durango, CO 81302

Aggregated Cost per Mbps Pricing Worksheet

Mbps	COG	Public CAIs	Private CAIs and Non COG Members
100	\$ 2.58	\$ 2.63	\$ 2.73
200	\$ 2.57	\$ 2.62	\$ 2.72
300	\$ 2.18	\$ 2.23	\$ 2.33
400	\$ 2.17	\$ 2.22	\$ 2.32
500	\$ 1.88	\$ 1.93	\$ 2.03
600	\$ 1.68	\$ 1.73	\$ 1.83
700	\$ 1.48	\$ 1.53	\$ 1.63
800	\$ 1.38	\$ 1.43	\$ 1.53
900	\$ 1.28	\$ 1.33	\$ 1.43
1000	\$ 1.08	\$ 1.13	\$ 1.23
2000	\$ 1.06	\$ 1.11	\$ 1.21
3000	\$ 1.01	\$ 1.06	\$ 1.16
4000	\$ 0.99	\$ 1.04	\$ 1.14
5000	\$ 0.95	\$ 1.00	\$ 1.05
6000	\$ 0.92	\$ 0.97	\$ 1.02
7000	\$ 0.90	\$ 0.95	\$ 1.00
8000	\$ 0.87	\$ 0.92	\$ 0.97
9000	\$ 0.85	\$ 0.90	\$ 0.95
10000	\$ 0.84	\$ 0.89	\$ 0.94

Updated,
Option 1

SWCCOG – Southwest Housing

Solutions Rental Lease

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 6 December 2018

Comments: Attached is a lease between Housing Solutions and the SWCCOG for the new office space at 295 Girard, the same building that Region 9 was in. The two SWCCOG offices are on the second story, in the NE corner of the building, while slightly smaller than our previous facilities, they are modern, with working climate control, natural light through opening windows, and recently remodeled. The office is currently under remodel and will be available around the second week of January.

Overview

- \$700/Month including utilities, except phones
- SWCCOG will share video conferencing equipment and software
- SWCCOG will share grant software
- SWCCOG pricing for connectivity will apply for this facility
- SWCCOG will share printers with Housing Solutions, but will share the cost of paper and ink.
- Starts 1 January 2019
- Renewable with same terms for two more consecutive years

Legal Review: Legal wrote and reviewed attached document

Fiscal Impact: \$700/month or \$8400/year in expenses.

Staff Recommendation: Approve attached lease agreement for office space with Southwest Housing Solutions for 2019

LEASE

THIS LEASE is entered into by the Housing Solutions for the Southwest whose address is 295 Girard, Durango, Colorado 81301 (“Landlord”) and the Southwest Colorado Council of Governments, whose address is PO Box 963, Durango, Colorado 81302 (“Tenant”).

1. Lease:

Landlord, for and in consideration of the terms and conditions herein, hereby leases to Tenant, and Tenant hereby leases from Landlord, a portion of that office described as 295 Girard, Durango, CO 81301 (the “Premises”), with the exclusive use of 2 offices located at N.E. Corner, and non-exclusive use of conference rooms, kitchen, bathroom, and other common elements, including use of parking lot.

2. Term:

The initial term of the Lease shall be for a period of 1 year, commencing January 1, 2019, and terminating December 31, 2019, at midnight. The January 2019 date is dependent on completion of construction, which is tentatively scheduled for completion in early January. January rent will be prorated depending on the exact move in date.

3. Use:

- A. Tenant shall use the Premises only as office space/ meeting space for its Southwest Colorado Council of Government purposes.
- B. Tenant will not use or permit the Premises, or any part thereof, to be used for any purpose prohibited by the applicable laws and regulations of the United States, or the State of Colorado.

4. Rent:

Tenant shall pay Landlord, as rent for the Premises, the sum of \$700 per month from January 1, 2019 until December 31, 2019 (the initial 1 year term.) Rent is due on the first of each month. As a non-monetary compensation, Tenant will also provide:

- video conferencing software
- video conferencing hardware
- grant researching software
- non-exclusive use of copy machine with Landlord and tenant splitting paper and ink expenses

5. Maintenance:

- A. Tenant agrees to keep the Premises in a clean, neat and orderly condition.
- B. Tenant shall not be responsible for the cost of repairs to the Premises, other than those necessitated by the negligence of the Tenant. During the Lease term, Landlord shall make, at its expense, all necessary repairs to the ceilings, and other parts of the Premises damaged or worn, and shall keep the plumbing, heating and electrical systems of the Premises in working conditions and shall keep the roof, foundation, and outside walls of the Premises in good repair. The Tenant shall notify Landlord promptly of any required maintenance for those portions of the Premises for which Landlord is responsible of which Tenant is aware. Landlord shall be responsible for snow removal in the parking lots on the Premises, and shall remove ice and snow from the sidewalks, which provide direct access to the Premises.
- C. Landlord will pay for utilities including trash removal, water, electricity, sewer and gas for the Premises, and Tenant shall pay for their telephone, VOIP, cable and/or, internet bills related to the Premises.

6. Alterations and Personal Property:

Tenant shall not construct any alterations in or around the Premises without the written approval of the Landlord. Tenant, at Tenant's expense, shall have the right, upon obtaining Landlord's consent, to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Premises from time to time as Tenant may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Premises and fasten the same to the Premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord, except for any of the same which is provided by Landlord for Tenant's use, which shall remain Landlord's property free and clear of any claim by Tenant. Notwithstanding, upon such expiration or sooner termination of the Lease term, title to its improvements, installations, trade fixtures, appliances, furniture, and other personal property, which are not removed by Lessee shall immediately vest in Lessor, free of any and all liens or claims of Lessee or any other person.

Tenant shall have the right to remove the same at any time during the term of this Lease provided that Tenant shall repair, at Tenant's expense, all damage to the Premises caused by such removal.

7. Condition of the Premises:

- A. Tenant agrees that Tenant received the Premises in good condition.
- B. At the expiration of the term of this Lease, Tenant will yield up the Premises to Landlord in as good condition as at the start of this Lease, loss by fire or inevitable circumstance(s) or ordinary wear excepted.

C. Landlord shall have the right to enter upon the Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

8. Insurance:

A. Tenant's Responsibilities:

- i. Tenant shall be responsible for business and personnel property owned by the Tenant, including furniture, fixtures, equipment, inventory and other contents of the Premises. Tenant is not entitled to any proceeds of the property insurance Landlord had on the premises Tenant shall maintain renter's insurance to cover these items.
- ii. Tenant will maintain, at their expense, liability insurance in an amount not less than \$1,000,000. per occurrence, 2,000,000 in aggregate and name the landlord as additional insured.

B. Landlord's Responsibilities:

- i. Landlord agrees to keep in effect during the term of this lease an insurance policy that includes fire coverage, covering the Premises, written by a responsible insurance company authorized to do business within the State of Colorado, in an amount equal to not less than the full replacement value of the Premises.
- ii. Landlord shall maintain in full force during the term of this lease a policy or policies of comprehensive liability insurance including property damage, which will insure Landlord against liability for injury to persons or property or the death of any person or persons occurring in or about the Premises in an amount not less than \$1,000,000. per occurrence, \$2,000,000 in aggregate.

9. Subletting and Assignment:

Tenant shall not sublet the Premises or any part thereof, or assign this Lease, without the written consent of the Landlord, which shall not be unreasonably withheld.

10. Casualty:

Should the Premises be destroyed or rendered uninhabitable through no fault or act of the Tenant, either by fire or otherwise, this Lease shall forthwith terminate, with the unused portion of the year's rent to be refunded to the Tenant.

11. Dispute

A. The laws of the state of Colorado shall govern any dispute between the parties hereunder.

B. The parties will submit to the state courts of La Plata County Colorado, should it be necessary to resolve any dispute that may arise under the terms of this Lease after first seeking to reach an amicable resolution of any dispute.

C. If any party should retain counsel for the purpose of enforcing any provision of the Agreement, including any breach, then the prevailing party shall be entitled to reimbursement by the losing party for all costs, expenses and witness fees incurred by the prevailing party, including, but not limited to, reasonable attorney's fees and costs.

12. Default and Remedies:

If Tenant fails to pay the rent on the due date Landlord, its successors, agents, attorney, or assigns, may at Landlord's election, declare the Lease terminated and take such action as may be lawful to obtain possession of the Premises or take any other action allowed by law.

13. Expiration/renewal:

If, at the expiration of the initial 1 year term, Tenant decides to remain in possession of the Premises, Tenant shall hold such possession as a tenant for an additional 1 year term, renewable for up to two terms for a total of three possible years, and shall pay rent at the same rent, and with the same responsibilities, as under the Lease, unless the parties hereto enter into a written agreement otherwise regarding such continued possession. Either party may choose not to renew the lease by providing written notice at least 90 days prior to the expiration of the lease term.

14. Notices:

Any notice to either party required under this Lease may be given by e-mail, or may be given by registered, first class mail, postage prepaid, addressed as follows:

Landlord

Elizabeth Salkind
Executive Director
Housing Solutions for the Southwest
295 Girard St,
Durango, CO 81301
E-Mail Landlord:
esalkind@sw housingsolutions.com

Tenant

Miriam Gillow-Wiles
Executive Director
Southwest Colorado Council of Governments
PO Box 963
Durango, CO 81302
E-Mail Tenant:
director@swccog.org

15. Additional Provisions:

A. Entire Agreement and Amendment. This agreement contains the entire understanding between the parties pertaining to the subject matter hereof. The parties, whether oral or otherwise, have made no representations, promises, warranties, or covenant of any kind, except those contained herein. This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. No amendment, modification, termination or waiver shall be effective for any purpose unless it is in writing and signed by the party against whom enforcement thereof is sought.

B. Severability. If any provision of this Lease or any application thereof shall be invalid or unenforceable, the remainder of the Lease and any other application of such provision shall not be affected thereby.

- C. Relationship of Parties. Landlord and Tenant shall not be considered or deemed to be joint-venturers or partners and neither shall have the power to bind or obligate the other except as set forth herein.
- D. Non-waiver. No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission or delay to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.
- E. Force Majeure. In the event that Landlord or Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, additional rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riot, insurrections, the act, failure to act, or default of the other party, war or other reason beyond its control, then performance of such act shall be excused for the period of the delay and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond control of either party.

**LANDLORD:
HOUSING SOLUTIONS FOR THE SOUTHWEST**

By: _____ Date _____
 Elizabeth Salkind
 Executive Director

**TENANT:
SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS**

By: _____ Date _____
 Miriam Gillow-Wiles
 Executive Director