

**Southwest Colorado Council of Governments
October Board Meeting
Thursday, 05 October 2017, 1:30pm
1188 E. 2nd Ave., Carnegie Bldg., Durango, CO 81301**

In Attendance:

John Egan – Town of Pagosa Springs
Michael Whiting – Archuleta County
Fred Brooks – Town of Mancos
Gwen Lachelt – La Plata County
Mark Garcia – Town of Ignacio
Chris La May – Town of Bayfield (via video)
William Tookey – San Juan County (via video)

Staff in Attendance:

Miriam Gillow-Wiles – Southwest Colorado Council of Governments
Jessica Laitsch – Southwest Colorado Council of Governments
Dylan Lucas – Southwest Colorado Council of Governments
Sara Trujillo – Southwest Colorado Council of Governments

Guests in Attendance:

Ann McCoy-Harold – Senator Gardner’s Office
John Whitney – Senator Bennet’s Office
Elizabeth Garner – State Demography Office

I. Introductions

The meeting was called to order at 1:46 pm, everyone introduced themselves.

II. Consent Agenda

- a. 7 September, 2017 SWCCOG Meeting Minutes
- b. August 2017 Financials

Michael Whiting motioned to approve the consent agenda, Gwen Lachelt seconded, unanimously approved.

III. Reports

Director’s Report

Miriam reported that the board packet includes a memo from Laura Lewis Marchino regarding the Four Corners Film Office. This was requested at the September meeting; Laura was unable to attend the October meeting, staff will be happy to compile any additional questions to send to Laura.

The Southwest Colorado Incident Management Team (SWIMT) has asked that the SWCCOG become the fiscal agent again. Miriam said staff is working on a contract with the same conditions as the previous contract from 2013, which expired in 2016. The SWCCOG will receive 10% of any funds for management and administration, including reimbursements from call outs, state funding, and any grant funding. This should be on the November agenda as staff is still working on ironing out some questions in regards to the contract.

Miriam reported that health and dental rates have increased for 2018; medical 5.5% and dental 2%. The SWCCOG utilizes CEBT for health/vision/dental/life insurance. Staff has looked at

other carriers, but the cost savings was minimal, and would require a switch to an HMO from a PPO plan, which staff was very hesitant about.

The CIRSA (property/casualty and worker's compensation insurance) will see a reduction in rates for 2018 as there have been zero losses reported. However, if FCC funding is awarded, CIRSA rates will increase. These increases will be based on the amount of funding received and is one of the aspects creating challenges with the 2018 budget.

Miriam said she will be at the National Association of Regional Councils (NARC) Executive Director conference October 23-25. She has been asked to present on building relationships. Mark asked if Miriam sits on the NARC board. Miriam responded yes, she is part of the Executive Director Committee.

Broadband Report

Miriam reported that staff has been in communication with Colorado Telehealth Network (CTN) to help with the FCC funding application/process as it is tremendously complicated. CTN is a statewide nonprofit whose mission is "...to maximize access to health care services, especially in underserved regions of the state, through information and communications technology." They are experts in rural healthcare FCC funding and have successfully received funding for multiple areas and agencies across the state. While there will be a fee to utilize their services, staff is discussing the cost and benefits and will present more specifics at the November board meeting regarding specifics of proposed costs and benefits. CTN does not request upfront payment and is flexible on a fixed rate vs percentage of the overall cost.

Miriam said in regards to broadband legislation the overall expectation is that not much will get done at the State Capitol. Chris said at a CML meeting last week there were indications of activity on broadband. Miriam said there is potential legislation regarding the broadband high cost fund as there is talk about putting more money in that fund to help more private companies build out, not just CenturyLink. John asked how board members felt the September meeting went and in what direction the board wants to address issues with CenturyLink. Miriam said Mayor Sheek had mentioned that an education campaign for our elected officials and citizens would be useful this year. Ideally, an educational push will have lasting impacts on future legislation and could help further citizen engagement with the legislative process and proposed legislation from incumbents. Michael said a morning meeting was held with CenturyLink about Archuleta broadband deployment prior to the September COG meeting with CenturyLink and CenturyLink was more defensive in the regional conversation. If CenturyLink's goal is to divide and conquer, Archuleta County will maintain regional relationships first and Michael will ensure the COG is kept up-to-date with Archuleta and CenturyLink communications. In addition, Michael said if CenturyLink contacts him for regional discussions of broadband, he will refer them to Miriam. Gwen asked if the COG has a project list from CenturyLink and what they are committed to. Miriam said this information is difficult to find. John Whitney and Ann McCoy-Herald both have tried obtaining this information from the FCC with no documents received still. Michael said the information is based on census block versus customer and that this information is considered proprietary even though it is public money. Archuleta will agree to sign a non-disclosure because this information must be known in order to fill the gaps on the map. Miriam mentioned that at the September meeting CenturyLink had said the Lemon Reservoir area was not covered under the CAFII funding; however, it is clearly covered and funds were given to CenturyLink according to the FCC website for the Lemon area. John said the COG should send a letter to CenturyLink saying that according to the FCC information, they are obligated to provide broadband to the Lemon area. The COG needs to keep pushing them to be responsible

for our region. Ann asked if she could be copied on that letter. Miriam said she will write the letter to CenturyLink and copy the FCC chair.

Transportation Report

Jessica reported that last Friday the Regional Transit Council met. The Southwest Center for Independence is starting a transportation service. The SUCAP service to Grand Junction is having issues with busses and being able to get them out of service in a timely fashion and keep on the road.

The TPR board had an update on the road usage charge pilot and what issues need to be explored before implementation. Miriam said there was a presentation that she will email to the board members for review.

VISTA Report

Dylan reported that he is working on a potential RREO recycling grant. The application would request \$25,000 out of a \$400,000 pot. This would help put together lesson plans that will provide leverage as it will make talking to other schools much easier. Mark said Ignacio recently put out an RFP for recycling and received a competitive proposal from a company out of Bayfield. The town plans to implement a curb-side recycling pick-up starting early in 2018 for \$5 per month. He is willing to share information with Dylan and Miriam. Dylan reported that the Spanish recycling website will be going live soon. In addition, Dylan is looking to update the COG website with more relevant information.

IV. Presentation by State Demographer: Elizabeth Garner

Elizabeth Garner from the State Demography office gave a presentation on transitions in the population and economic trends for Colorado and Region 9. Elizabeth discussed details and said some transitions to watch include:

- Migration
- Disparate growth across the state
- Industrial transitions – retail, manufacturing, construction
- Aging
- Increase racial and ethnic diversity
- Slowing income growth
- Growing and slowing population

Miriam will send the power point presentation to all board members.

V. Discussion Items

a. 2018 Preliminary Budget

Miriam said the 2018 preliminary budget has many uncertain parts because of the tentative FCC funding, how funding will flow with FCC funding, increased staff, etc. Staff did budget for insurance rate increases, health insurance for 4 staff (currently 2 eligible) and other increases that will be seen with a large budget change. Staff will have more information in December when the 2018 budget is adopted. John asked that members bring any questions on the 2018 budget to the November meeting.

Mark asked if the 2017 budget is ending in a deficit. Miriam said yes and that this deficit has been known and talked about since the March 2017 meeting. William said it looks like the fund balance is moving in the wrong direction. Miriam said yes and that a fund balance explanation

can be sent out. She summarized that grants are not covering staff time or project management, which hurts the bottom line. Essentially, grantors want to cover projects but not the people to do the projects.

VI. Decision Items

a. Enterprise Zone Contract

Miriam said the state approved the SWCCOG Broadband Enterprise Zone application in June. This Enterprise Zone (EZ) is specifically for broadband development. The project would allow private land owners to donate rights-of-way, private companies to donate equipment (such as conduit, switches, or fiber) and labor, and private companies or land owners to donate cash. Of note, the EZ cannot accept more than \$750,000 in donations per year, though likely will likely not be an issue. This contract formalizes the relationship between Region 9 as the Enterprise Zone Administrator and the SWCCOG. The SWCCOG will be approving applications and the day to day work. Region 9 is ultimately responsible for our work on the EZ. A significant portion of this contract is standard contract language from SWCCOG Legal Counsel.

Quorum was lost before this item was presented; therefore, no vote could be made.

b. Contract with Haynie and Company

Miriam said earlier this year that the SWCCOG Board awarded the SWCCOG 2017, 2018, and 2019 audit to Haynie & Company. A basic Professional Services Agreement developed by legal was included in the board packet. Miriam said there will be an update to exhibit A, the letter, as it erroneously states on page two and paragraph one that the SWCCOG does not want a management discussion and analysis (MD&A) presented with the basic financial statements. This will be corrected in the final version of exhibit A for the contract as we do want an MD&A included as has been done in the past.

Quorum was lost before this item was presented; therefore, no vote could be made.

Other Items

None

VII. Community Updates

Chris La May – Town of Bayfield:

- The bridge will be complete mid-November.

William Tookey – San Juan County:

- A 1.5% increase in sales tax will be on the November ballot.

Fred Brooks – Town of Mancos:

- The town is working on the main street bridge.

Gwen Lachelt – La Plata County:

- A life size horse statue has been donated to the county; two more donations were received after, so there will be three horse statues placed.
- Budget deliberations begin next week. The county is cutting millions due to declining revenues from oil and gas.
- The county advertised for an assistant county manager and will hold a meeting for the finalists on October 16 from 5:00 pm-6:30 pm in the board room.

Mark Garcia – Town of Ignacio:

- The town is wrapping up their wayfinding project and has a new brand – Ignacio rooted in culture.
- The gas piping project is wrapping up.
- The 2018 budget is underway. The board is sifting through raises and absorbing health insurance costs.

John Whitney – Senator Bennet's Office:

- Senator Bennet's office continues to hear concerns about the CAFII funding and CenturyLink from the COG and other folks. They have asked the FCC to provide additional information several times with no information received. A more formal letter of request is being considered.
- They are monitoring the national monument issue.
- Senator Bennet introduced a plan for how government could measure the cost of climate pollution that would create a bench mark for how local governments could calculate their own and set standards.

Gwen Lachelt motioned to adjourn the meeting, Mark Garcia seconded, unanimously approved.

The next meeting is November 2, 2017.

End 3:56 pm