

**Upper Arkansas Area Council of Governments  
Board of Directors Minutes  
UAACOG Office & Zoom  
December 20, 2023**

**Board members present:** H.A. Buck Wenzel, Dwayne McFall, Kevin Day, Ryan Stevens, Greg Labbe (virtually), Devon Rowe (virtually), P.T. Woods (virtually), Jeff Fiedler (virtually)

**Staff members present:** Heather Evans, Dave Paul, Jessica Rathke, Tom McConaghy, Max Hanson, Melissa Newby, Chris Henager (virtually), Braden Wilson (virtually)

**Guests present:** Justin Kurth, Beth Lenz

The meeting was called to order at 9:59a. Motion to approve the consent agenda made by Dwayne McFall, seconded by Kevin Day. The motion passed unanimously.

Buck informed the board that he would entertain a motion to move the Executive Session to the start of the meeting to accommodate staff schedules. Dwayne made a motion to move into Executive Session pursuant to C.R.S. Section 24-6-402 (4) (f) (I) & (II) for discussion of a personnel matter 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; or personnel policies that do not require the discussion of matters personal to particular employees. Upon conclusion of the Executive Session, request/ensure that the recording of the Executive Session be safeguarded and retained for a period of 90-days following the Executive Session. Ryan Stevens seconded the motion. The motion passed unanimously.

The board went into Executive Session at 10:04a. The meeting resumed at 10:19a.

Heather reviewed the Program Manager Reports, drawing attention to the following:

**Commodities:** They have distributed over \$1 million of commodities in Fremont County in 2023. There were staffing issues of the distribution that was to occur just before Christmas, so additional commodities were distributed at the first distribution in December.

**Head Start:** Meeting the in-kind contribution requirement is a concern for this program year due to the implementation of universal pre-k-(it takes away from the non-federal share). They will need to collect \$43k per month of in-kind through the end of their fiscal year. Also, they are still waiting for repairs to be made from the 2023 hailstorm; their contractor is having difficulties finding materials to complete repairs.

**Housing Now:** They are continuing outreach and partnering activities (including clean-ups) and are looking for new opportunities for housing and partnering with CSBG. They are extending supportive services for housed individuals from 30 days to 90 days. They have seen an increase in pride by those struggling with homelessness in the camps due to the clean-ups. The board (Dwayne) asked where they get information. Max responded that the information comes from partner agencies as well as persons faced with homelessness. Dwayne and Ryan gave Max information regarding active camps and issues. Max asked the board to please contact the housing departments with any issues that arise.

**Self-Help Housing:** Certificates of Occupancy have been issued. The next step will be to start a six-lot build in Florence. They have three approved applications, one in the works, and twelve on the waiting list. Anticipated start date for the build is February/March 2024.

**Transportation:** There have been some significant issues that have arisen with one of the subcontractors of the transit program. The details of which cannot be addressed in a public setting, however, board members are welcome to contact Heather with any questions.

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UAADC: Dave has closed two new loans and that should bring the 2023 portfolio to just over \$1 million in new loans throughout the region.

UAACOG 2024 Budget Revision—*action item, Braden Wilson*: Braden presented updated budget as distributed via email to the board. WIC has been moved from administration to a “major program”, important for audit. There will also potentially be budget modifications occurring in transportation. Dwayne questioned whether a budget should be approved without knowing that information. Braden suggested leaving it in until we know what is going to happen. Dwayne McFall made a motion to table the UAACOG 2024 Budget Revision. Ryan Stevens seconded the motion.

New Audit Firm—*action item, Braden Wilson*: Braden reported that after issuing the RFP on Rocky Mountain E-Purchasing System (Bidnet Direct), one qualified proposal was received by the company, DMC. Braden pointed out similar client engagements and the fact that the bottom-line cost for the 2023 audit was \$17,500. Ryan reported that the City of Cañon City had utilized the primary from the company before and was going with the same firm moving forward.

Buck Wenzel thanked Braden for the work he put into this and made a motion to approve a contract with DMC. Greg Labbe seconded. The motion carried unanimously.

AAA Design Build—*action item, Tom McConaghy*: Tom reported that only one bid had been received on the RFP for the new AAA building. Diesslin was the only responding bidder. Board members had a full copy of the response in their packets. Tom went through the plans with the board. Tom was not surprised at the lack of bids given the geographic isolation of Salida. The bid came in at \$2,416,907.55. This is within the budget. \$490k is still owned on the land; the land and building cost is \$3,043,907.55. This \$114k under budget. Jeff asked if the 5% contingency would be enough. Tom discussed the modifications in design that could be made if they find themselves in a position where they do not have enough contingency. Buck complimented Tom on the bid being underbudget.

Dwayne McFall made a motion to accept the bid from Diesslin. Buck Wenzel provided the second. The motion passed unanimously.

Head Start School Readiness Plan—*action item, Chris Henager*: Melissa Newby reviewed the Head Start School Readiness Plan as presented to the board in their packet.

Kevin Day made a motion to approve the Head Start School Readiness Plan. Dwayne McFall seconded the motion. The motion passed unanimously.

Head Start Notice of Proposed Rulemaking—*informational, Chris Henager*: Chris presented that Head Start is proposing changes that include giving Head Start 10 years to make wages comparable to school districts, but there is no increase in funding. There is no funding associated with new rules. After reviewing this with Federal Head Start Program Staff, the Federal staff recommended reduction in spots would be the appropriate methodology to meet the proposed new rules. Chris reported that to meet the proposed rules, they would have to cut 42 slots for children (this is an additional 12 slots). Chris stated that board members who were interested could provide feedback in the link on the form in the board packet. Feedback must be provided by January 19, 2024.

Ryan asked if there was an advocacy group that could help with verbiage on providing feedback. Chris responded that Head Start staff could not assist with any feedback; they could only inform the board on the impact to their program if the proposed rules are passed. Justin Kurth offered to help.

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2023 Meeting Dates – *consensus*: Consensus was to move forward with the proposed 2024 meeting schedule as presented in the board packet.

Hidden Benefit: UAADC—*informational, Dave Paul*: Dave shared a story with the board about a current client who had a \$140k delinquent loan. Dave met with the business owners and helped them discover a new revenue stream for their business. This resulted in the business making the past six payments and is coming current with their loan.

The Executive Director contract was added to new business.

Dwayne McFall made a motion to offer a 5-year contract to the executive director with a 10% increase in salary for 2024. Greg Labbe seconded the motion. Buck and Dwayne voiced their support for and recognition of Heather for the hard work she has put in over the past year. Dwayne amended the motion to allow Buck to sign a new contract, if accepted. Greg acknowledged his acceptance of the amendment. The motion was approved unanimously.

Head Start Change of Scope—*informational, Chris Henager*: Chris is currently writing the change in scope, eliminating the 30 slots that were accepted by the board. Now, that may potentially be 42 spots if the proposed rules pass. This will delay the change in scope until February.

Head Start Enrollment Initiative—*informational, Chris Henager*: Chris reported that the Fremont County Head Start is considered “Chronically under-enrolled” due to a lack of qualified teachers. They have to submit a plan to address this “under-enrollment”. Chris presented the plan, as provided in the board packet. The board asked why we are under-enrolled; why aren’t we running at capacity? Chris responded that we are operating at capacity. We have a lack of qualified teachers.

AAA Funding Struggles—*informational, Tom McConaghy*: Dave reported that the 2024 budget of \$1.7 million reflects a \$380k reduction. In 2025, they anticipate losing another \$700k. All reserve funds will be depleted by September of 2024. If this occurs, they will be reverting to 2019 funding levels, even though they have seen an 11% increase in inflation and demand for services is up 14%. Some representatives are saying that services should be decreased. Costs are up and the budget is flat.

COWIC Funding Update—*informational, Jessica Rathke and Heather Evans*: Heather had a meeting with CDPHE WIC Staff on Monday, December 18<sup>th</sup>. Due to feedback from all of the WIC Clinics, they will not implement any changes until 2025.

Strategic Planning Update—*informational, Heather Evans*: Heather reported that this is still in progress and she anticipates presenting this in February.

**Director's Report** General Information – written report included in the packet. Heather reviewed the written report.

Beth Lenz announced that the UAACOG Thriving Communities LOI has advanced to the Merit Phase of consideration.

**County/Community Reports**

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Custer County – Kevin Day: Kevin reported that things have been a bit tumultuous in Custer County. They are seeking a Finance Director and have found all leases. He reported that the voters did not pass the Justice Center question.

Silver Cliff – Buck Wenzel: Buck reported that Care and Share has stepped up to provide two mobile markets per month, starting in February. This will be a great help to their residents. As of January 1<sup>st</sup>, the sewer moratorium has been lifted and they have 80 housing starts just in Silver Cliff. Buck also reported on the concept of a Downtown Trolley that he has been working on for seven years. It looks like this may happen in 2024. Buck thanked Heather and the staff, as well as Greg for his service to the UAACOG Board. Merry Christmas!

Fremont County – Dwayne McFall: Dwayne reported that the EPA is assisting with the “Return to Nature” Funeral Home in Penrose. The building will be demolished. The county has no stake in the property. The county is working on mill levies; they have not finalized the 2024 budget. They have met with the DOLA Regional Manager regarding courthouse matching funds. They are also working on zoning regulations. Merry Christmas.

Cañon City – Ryan Stevens: Ryan reported that they are working on \$7 million in public works projects, including a stormwater project. They have started a pedestrian crossing project. They are negotiating with Black Hills Energy to get the old Clark Station. They have three new shops coming into Creekside. Their fiber ring project is completed. The New Method project is moving forward, but they have encountered some bumps with historic preservation. Merry Christmas!

Lake County – Jeff Fiedler: Jeff reported that the Commissioners were having a work session on the 21<sup>st</sup>. They, too, are working on mill levies. They have deferred maintenance issues. They will be adopting their budget on January 9<sup>th</sup>. They postponed their Justice Center project when the costs went over \$65 million. They are exploring options, including the potential for a multi-county solution. They are working on housing issues and exploring deed restrictions.

Leadville – Greg Labbe: Greg reported that there is not much going on. The board once again thanked Greg for his service!

Chaffee County – PT Wood: PT had to leave the meeting and did not provide a community report.

Buena Vista – Devin Rowe: Devin reported that things were going well. Their local election is in April, including his seat. There is a ballot initiative to move the normal board elections to November. The Buena Vista Post Office wait time is currently 1-3 hours to mail a package, even though they do not provide mail delivery.

Heather wanted to thank both her team and the board of directors for the hard work they’d put in over the past year.

Buck Wenzel made a motion to adjourn the meeting at 11:58a. Dwayne McFall seconded the motion. The motion passed unanimously.