

MINUTES

PUEBLO AREA COUNCIL OF GOVERNMENTS

MARCH 28, 2019

A meeting of the Pueblo Area Council of Governments was held on Thursday, March 28, 2019, at the Pueblo County Department of Emergency Management, 101 West 10th Street, 1st Floor Conference Room. The meeting was called to order by Mr. Dennis Flores, Chairman, at 12:15 p.m.

ROLL CALL

Those members present were:

Ed Brown
Mike Cafasso
Dennis Flores
Terry Hart
Frank Latino

Judy Leonard
Ted Lopez
Garrison Ortiz
Chris Wiseman

Those members absent were:

Ray Aguilera
Mark Aliff
Larry Atencio
Terry Kraus

Chris Nicoll
Ted Ortiviz
Dennis Prater
Bob Schilling

Also present were:

John Adams
Joan Armstrong
Nick Gradisar

Dan Kogovsek
Cynthia Mitchell
Louella Salazar

CONSENT ITEMS:

Ms. Joan Armstrong, PACOG Manager, reported there are three items listed on the agenda under the Consent Items. She summarized the Consent Items for PACOG.

Chairman Flores asked if there were any other additions or amendments to the Consent Items or if any of the members or audience would like an item removed or discussed that was on the Consent agenda. There were no other additions or amendments.

It was moved by Terry Hart, seconded by Garrison Ortiz, and passed unanimously to approve the three Consent Items listed below:

- Minutes of February 28, 2019 Meeting;
- Treasurer's Report (Receive and file December 2018 Financial Report); and
- A Resolution Approving an Exemption from Audit for Fiscal Year 2018 for the Pueblo Area Council of Governments, State of Colorado.

REGULAR ITEMS:

CHAIRPERSON'S REPORT:

(A) Lunch Appreciation

Chairman Flores thanked Pueblo West Metropolitan District for providing lunch for today's meeting.

(B) Introduction of New Member

Chairman Flores welcomed Mr. Mike Cafasso, the new representative from the Pueblo Board of Water Works.

(C) Appointment of PACOG Budget Committee

Chairman Flores reported the Board of County Commissioners, per resolution, appointed Mr. Garrison Ortiz to serve on the PACOG Budget Committee for 2019.

It was moved by Mike Cafasso, seconded by Ed Brown, and passed unanimously to approve Mr. Ortiz's appointment to the PACOG Budget Committee.

(D) Early Absence from Meeting

Chairman Flores announced that Mr. Ortiz and he will need to leave early because of another meeting. He stated Vice Chairman Latino would be conducting the meeting upon his departure.

MANAGER'S REPORT

(A) EPAC Minutes/Statement Report

Ms. Armstrong reported the minutes of the EPAC meeting of February 7, 2019 were included in the members' packets.

This being an information item only, no formal action was taken.

(B) ADA Advisory Committee Minutes

Ms. Armstrong reported the minutes of the ADA Advisory Committee meeting of February 7, 2019 were included in the members' packets.

This being an information item only, no formal action was taken.

TRANSPORTATION COMMISSIONER/CDOT REGION 2 DIRECTOR'S REPORT

Chairman Flores read into the record the following comments from Mr. Bill Thiebaut, the State Transportation Commissioner for the Pueblo region:

- At the March Transportation Commission meeting, Executive Director Lew, and staff, shared with the Commission the development of the department's goals and priorities. Each year the department develops a performance plan, known as the SMART Plan. The SMART Plan is expected to incorporate the key elements of the goals and priorities. These goals and priorities, in part, address safety, mobility hubs, and Statewide planning modifications. The Commission began reviewing and will be reviewing these goals and priorities as the Commission seeks to approve projects and programs on a Statewide basis.
- The Commission approved: the department's FY 2019-20 budget allocation plan of \$2.0+ billion, and the Bridge Enterprise budget for the same fiscal year; a budget supplement for FY 2018-19 for snow and ice removal, including the Pueblo regional office; and several bridge projects in our neighboring counties of Otero and Bent.

Ms. Ajin Hu, CDOT, reported they will be starting construction in April on Highway 96 (i.e., Abriendo Avenue). The project will entail replacing signal lights, and improving ADA ramps and curb and gutter. Chairman Flores asked if the widening project has been totally scrapped. Ms. Ajin replied that is correct. She stated this particular construction will be limited from Abriendo to Lincoln.

STATE TRANSPORTATION ADVISORY COMMITTEE (STAC) UPDATE

Mr. Hart, PACOG STAC representative, reported the STAC met on March 22, 2019. A presentation was made on the goals that the State is working on at the State Transportation Commission. The new administration is taking a different approach to planning. There are several different monies which are received from the Federal government and there are rules and regulations to the planning on these funds. The State is trying to do a better job of clarifying the needs across the State and coordinate the planning efforts. Ms. Shoshanna Lew, the CDOT Executive Director, talked about how to tackle the \$9 billion transportation needs. Discussion occurred on what the citizens in the State really want. The citizens' concerns will be captured into a Statewide plan. They will look at what can be afforded currently and what the gap is, and then try to manage the gap. The State is trying to collect all the pieces on safety, noting the number of accidents and fatalities are going up significantly. Some of the reasons for this is because of the population growth and the increase of vehicles on the roads. Our accident percentage rate is higher than miles traveled. This includes such issues as safety, mobility, rail, bus, light rail, etc.

Mr. Hart stated there is some the angst. There is an effort to do top down and not enough grassroots up, noting CDOT is criticized a lot for doing this. We don't want a State plan process that barks orders, but one that we gear each our MPOs and planning districts. We need to feed from our level up to the State. The State is talking about how to identify and free up more discretionary funds for various types of immediate need projects throughout the State. The conversation is to pay attention and learn and understand what's going on and to do a good job of identifying what your local needs are and work the system as best we can. Pueblo needs to be much more aggressive in seeking what we are trying to accomplish as a community and "bugging" the State that whenever they are including any new money that we get a good share of it.

Mr. Hart stated STAC talked about what happened at the Transportation Commission meeting. There was discussion on this being a unique year with avalanches. The State

has been trying to deal with it, but the weather has been coming so fast that he felt that CDOT felt embarrassed because the State is on national news. A lot of activity has occurred on how to control and mitigate. Some of the snow levels in our State are high. The weather is now warming up and we are having runoff. They are in the advanced stages of planning for flooding. They are assuming if we get any major rainstorms during the warming up season when the melt-off starts, we are going to have significant challenges as far as flooding.

Mr. Hart stated the typical Federal and State reports were presented. The Feds know there is a lot of negative pushback on the rollout of the infrastructure proposals from last year. He stated he is hoping for a lot more money from the Feds and that we do a good job in pointing out the various needs particularly in transportation, but also Broadband improvements and extensions throughout the country. Also included are water systems, transportation systems, sewage treatment systems, and gas distribution systems, noting these are technically in the definition of infrastructure. It is a good idea to work with our Congressional delegation and our Federal representatives.

Mr. Hart stated they talked about the State Legislative report. There is a lot of activity going on in the State at the current time. There are proposed changes to the chain law, particularly because of the problems seen this year with the weather. House Bill 1257 and House Bill 1258 are two companion bills that are designed to do a de-Brucing effort on the State level. The initial stage is proposing to allow the State to keep the amount of money that is anticipated to be coming the next few years above their TABOR limit and then put it into three specific areas: one-third going to highways, one-third going to K-12 education, and one-third going to higher education. There are going to be arguments (1) if it is going to be done and (2) if it is to be done, how will the money be divided. Currently, the long bill is going through the Legislature.

Mr. Hart stated there were two discussions at the tail end of the budget. One was the Colorado Transportation Wildlife Interface, basically connecting up the wildlife agencies at the State level with transportation, talking about what we should be doing with planning on a construction basis to avoid car/deer, car/moose, and car/elk accidents, noting the numbers having been going up. There are areas in the State where there has been a significant amount of accidents, mostly in the western part of the State. There is a Statewide planning effort to capture the data on where these are happening. This would allow for the creation of trails and tunnels over major highways to channel the migration.

Mr. Hart reported on the Federal Land Access Program (FLAP) grants. Pueblo County is currently working on a FLAP grant in Pueblo West to improve the connection between the north end of the Pueblo Reservoir and the County. The program has a 17% match. If you qualify you should be paying more attention to getting some of the money. There doesn't appear to be a lot of money involved in the grant. Discussion occurred on what type of Federal lands would qualify. It was discovered it could be used for military bases. We need to learn more about it and become aggressive in seeking these Federal funds.

STATUS ON SOUTHWEST CHIEF PASSENGER RAIL

Mr. Hart, PACOG's representative, reported the Southwest Chief Passenger Front Range Rail Commission met on March 8, 2019. They talked about legislation. The new administration is putting a bigger emphasis on a multi-modal approach to transportation needs, which includes rail. The idea is a 5 to 10-year planning window before any

construction is done. The Southwest Chief talked about the Pueblo thru-car idea, noting there is difficulty in getting the train from Pueblo to Trinidad. Discussion occurred on how they wanted to prioritize the Southwest Chief element into the overall planning process. The Commission said it should be a top priority. There was a conversation about what we are doing with Front Range Rail may very well eliminate some of the concerns about the cost of going from Pueblo to Trinidad because that is part of the Front Range Rail line. It can be taken off the budget for Southwest Chief. We have been successful in getting Federal grants for the Southwest Chief and Front Range Rail. They are looking at a TIGER 10 application. This money would be used for rail improvements from Western Kansas through Colorado angling down from La Junta to Trinidad and then going to New Mexico. This grant is aimed at Southern Colorado carrying us into New Mexico. A major cost is the positive track control systems, which need to be in place from a safety perspective where they have roads intersecting rail. This is an inhibitor from these rail projects and Federal assistance would help.

Mr. Hart stated they are cleaning up their charter. A new logo is being developed. They will be starting on marketing and going out to the public and talking to them. This will help with them developing their long-range plan.

Mr. Hart stated the next meeting is scheduled on April 12, 2019. The meeting will be held in Colorado Springs.

PRESENTATION BY PUEBLO CITY SCHOOLS REGARDING THE FACILITIES MASTER PLAN

Chairman Flores stated an email was received from Mr. Larry Miller, a private citizen, dated March 27, 2019, pertaining to planning processes overall in the Pueblo community, noting it does not offer specific comments on individual facilities. Copies of the document entitled, "My Views on School District 60's Facilities Planning Process", were distributed to members, as well as Messrs. Horner and Lawson.

Mr. David Horner, Chief Financial Officer, School District No. 60, presented a PowerPoint presentation. He reported approximately one year ago, School District 60 invited the State Demographer to a meeting. The State Demographer's growth pattern, projected from 2015 to 2050, shows it mostly being on the northern part of the State. El Paso County will have severe growth, and Pueblo County will have some growth or approximately 224,000 by 2050. Colorado is an aging population. Millennials are not having as many children and not having them as early. The Baby Boomers are hanging around longer and aging the population. The next chart on the top line shows the population growth of Pueblo County and the bottom line shows the growth of Pueblo, which is almost a straight line, from 1995 to 2017. This data is being taken into the District's forecasts in going forward. The next chart tracks Pueblo City Schools' enrollment since 1995. The top red line is actual enrollment history. The District has forecasted over the next ten years to lose 1,000+ children. In the last two years, the District has lost 880 children. In 2020, they are forecasting to lose another 450-460 children. There is excess capacity in their buildings. The bottom line on the graph shows when the charter schools started, noting they are growing a little bit. This is one of the factors why the District is talking about closing schools. There is more capacity than there are students. They have aging buildings and a lot of needs. Their funding source is driven off of First Student Enrollment from the State of Colorado. Less students means less dollars to work with. The District has taken on a Facilities Master Plan.

Mr. Robert Lawson, Executive Director of Facilities Management, School District No. 60, reported the master plan is an assessment review of the condition on all the buildings. Once the condition of a building is determined, they plug in the cost values on what it would take to repair or replace each component of that building. The Colorado Department of Education (CDE) BEST Grant Program establishes a facility condition index. Almost every school district in the State uses this format because it shows a projected repair cost versus a projected replacement cost per school. The way CDE operates the BEST Grant Program is once you get over 50%, it starts getting very difficult to get BEST Grants because they feel you are throwing away good money after that. They are looking at you to replace buildings instead of spending that type of money to repair them. When you take that condition assessment, it has a value that plugs into the formula called a FCI. The lower the FCI score, the better you are. The chart shows each of the schools in the District and has five priorities. These are the values for each type of repair costs in each school. Priorities are based on the timeframe that is needed. Priority 1 is "critical", meaning it needs to be replaced now. Priority 2 are items that should be replaced in the next one to two years. Priority 3 gets into repairs that should be no more than five years. Priority 4 are repairs that need to be done in the next eight to ten years. Priority 5 are the lower type of repairs or things that are needed for Code compliance. Most of the District's buildings were constructed before 1980. Most of the schools fall within grandfathering with respect to Code compliance. They don't meet ADA compliance or fire compliance because the buildings were constructed before they were required. Priority 5 would bring those schools up to Code requirements. The District, as a whole with its 30 buildings, is projected at \$784,462,480 to renew their facilities. To replace all the schools, it would be \$1.3 billion. He stated the District is not unique, noting this is a nationwide problem. The Federal government is looking at putting money into the infrastructure of schools across the nation, but this still wouldn't be enough for the District's school issues. The District has created a process to this master planning where they have invited stakeholders throughout the community to weigh in.

Mr. Horner stated the priority improvements needed to renew their facilities today is \$784,462,480, and their current bond net debt capacity is \$181,401,485. If the alternate method is done with the 6% actual value calculation, and if they get the voter approval, that would be \$397,559,926. This amount does not include any upgrades for educational programming, air conditioning, etc. This is a like for like upgrade, and only includes building code and limited ADA upgrades. The current maintenance budget in the adopted 2018-2019 budget is \$6,128,283. The amended maintenance budget, because of some electrical issues, is \$9,282,301, which in turn reduced their capital reserves by \$968,956.

Mr. Lawson added these are emergency repairs, and has taken approximately 8% of the District's budgets, noting this will continue to happen. The District is proposing a capital improvement bond ballot for the voters. He stated the stakeholders have reviewed up to 17 different scenarios such as school closures, renovation, etc. They looked at variations including four high school models, three high school models, and two high school models. The stakeholders have worked over the last three months to pare that down to seven options. Option 1 is if a bond does not pass and the District reverts to three high schools and one high school is closed. It would still take \$16 million to do that, noting the District would still need to come up with that money. There would be a number of school closures, there would be no repairs to extend the life of any buildings other than Centennial High School, which is needed to stabilize it. Option 2 also is a no bond scenario and contains two high schools which would remain (i.e., Centennial and Central).

This option would cost about \$4,250,000. This option would not address anything at Centennial, noting it would be at risk of being closed at any time. Option 3 is a two high school scenario and the bond passes. This is \$315,118,766. Two new high schools would be constructed--one would be on the south side and the other on the northeast side. These would be large, comprehensive high schools with 2,000 students. There would be a number of repairs at some of the schools, and there would still be a number of schools closed and consolidated. Option 4 is a three high school district and the school bond passes. New, smaller high schools would be built on the north and east sides and there would be renovations to Central High School. The cost is estimated at \$254,795,213. Option 5 includes three high schools and the bond passes. It includes two new high schools being built in the north and east sides and South High School remaining open. The estimated cost is \$254,795,213. Option 6 includes four high schools and the bond passes. There would be two new high schools being built on the north and east sides, which would be small, and Central and South High Schools would have renovations done and remain open. Repairs would also be done to other District schools, and some would be closed. The estimated cost is \$267,109,246. Option 7 is a four high school model if a bond passes. There would be two new, smaller high schools on the north and east sides and Central and South High Schools would remain open with repairs. There would be a number of schools consolidated/closed and reconfigured, and the cost is estimated at \$291,609,246. The difference between Options 6 and 7 is Option 6 would be a 1,000 student high school and Option 7 is a 1,200 student high school and anticipates more growth. There has been discussion that Pueblo is going to grow, but not within the District's boundaries. The District does not follow suit when the City annexes. The only areas where the District's boundaries extend past the current development is in the Southgate area.

Mr. Horner stated there are currently 4,000 high school students in the District. He stated the schools should be built to accommodate those students, not to anticipate what could be. The District will be having two open houses where they can receive community input. The first will be held on April 2 in Ballroom B at the Pueblo Convention Center from 4:00 to 8:00 p.m. The second will be held on April 3 in the Fortino Ballroom, Ballroom C, at Pueblo Community College from 4:00 to 8:00 p.m.

Mr. Horner showed a chart providing the different mill levies and the residential cost impacts depending on your home value per year and per month, as well as the cost impacts to commercial properties. He stated currently they can sell bonds for premiums. He stated their current mill levy is 7.5%. Their current bonds should pay out by 2023, but that amount would continue and roll in. The new payment would be an addition to what is already being paid. He stated none of these new proposals include swimming pools.

Acting Chairman Latino thanked Messrs. Lawson and Horner. He stated he was actively involved in the District for 35 years as an employee until his retirement. In 2015, he was appointed to the District's Board of Directors. He stated there are other districts in the State that have declining enrollment and are going through the same scenarios. He stated aging buildings and teacher shortage are a national problem. He stated they hear that business and industry are not moving into Pueblo because of the school system. He stated School District No. 60 has a wonderful school district. The issues, which need to be addressed, deal with facilities. He stated the school facility operation assessment began in 2010. He stated if you walk into any of the schools you will see a clean building which is well maintained, but you can't see what is behind the walls or the foundations. He stated he was a principal at Centennial for the last 12 years of his career. Every day he worried

about the north end of the building sinking and it becoming a safety hazard. He stated this is not about any specific school; it's about a district. As the District moves forward, they need to think about what is the future of School District No. 60. He stated Pueblo is not growing as they need to grow. About one-fourth of the population is connected to the schools. He felt our future is with our youth, and the District wants to provide them with the best facilities. He stated the current superintendent is on course with the strategic plan of action, noting she is a native and a product of the District's school system. He stated we need to look at the age of the buildings and do something about it. The District's students who sit on the stakeholder committee go to various competitions and see what is up north with other school facilities. He stated he thought School District No. 70 is in the same boat.

Mr. Hart stated he was interested in seeing how the population decreasing affects the schools and the impact of the charter schools on the District. He felt we need to tackle this issue as a community. He stated that closing any particular high school would possibly mean that the ballot issue would fail because a significant portion of the population would say "no" because you are closing their school. He felt the best option, which the District is already looking at, is what can be done from a capital perspective on the existing sites, but not necessarily the same existing school. For example, with East High School, if the school was in the same place but the capital construction project could be there. This might increase the cost because of demolition but you wouldn't have a facility you're not using. He felt it would take away a lot of the angst of those folks who don't want East High School to close. He didn't feel there was a single answer which would be a good answer, but it needs to be tackled. He stated he wants to make sure that we do the best job we can and put as much resources available into the teachers and students because they are our future. Mr. Lawson stated that is in those scenarios. The worst outcome is no bond because that would force closures because the buildings would become unsafe.

Acting Chairman Latino stated, at the current time, the schools are safe. Of the 31 schools, the District has 18 schools that have electrical board issues. Mr. Lawson stated some of the schools were built in the 1950s. At that time, there may have been a projector in the classroom. There are computers now, as well as Smart boards and other technology. Over the last few years, they have had to add electrical supplies to each of those classrooms. It's been a piecemeal over the years, and now the systems have been overloaded. They are experiencing the systems heating up and are causing breakers to fail, outlets shorting out, and insulation on the wiring to fail. These are life safety concerns. The District is trying to stay in front of it and recently spent \$4 million trying to save East and South because they both failed at the same time, noting they were constructed at the same time. He stated some schools have structural issues, but the electrical issues are the biggest concern.

Mr. Hart asked if there are significant grant funds available which could be leveraged with the tax monies. Mr. Lawson replied the BEST Grant Program is the only program for school facilities. This year, for the entire State of Colorado, it is \$85 million. There are 135 school districts vying for these monies. Vice Chairman Latino stated the financing in the State of Colorado has changed with respect to public education. He stated, in 2010, Governor Ritter introduced budget stabilization in Colorado to balance the budget. How it works, if you get \$8,000 per student, they take \$1,000 off for the negative factor. In the last ten years, this has cost public education in Colorado \$7 billion. In District No. 60, it has cost \$140 million. He felt it is necessary to go to the public for a bond. If the bond does not pass, the District is in serious trouble. He noted this will also affect the

community. Mr. Hart felt the State of Colorado grossly underfunds education, particularly in comparison to all the other states in the nation. He felt this needs to be said. This isn't unique to only District No. 60, but to other districts in Colorado. This is a Colorado problem because we don't educate our children enough. Mr. Lawson stated that Colorado is in the bottom five in the nation in education.

Acting Chairman Latino stated that at the next PACOG meeting Ms. Laura Getts will be doing a presentation on the sustainability plan for the community. Mr. Ted Lopez, Jr. stated the Sustainability Plan Action Team (SPAT) has been in existence since 2010. There are several work groups, and one of the work groups has to do with health and environment and public safety. Recently, a survey was done. They are trying to get rated as a STAR community. If successful, this would change the image of Pueblo. This presentation would provide the information with respect to what SPAT has been doing and the STAR program.

PLAN OF ACTION FOR SCHOOL AND COMMUNITY SAFETY

There was no report.

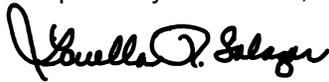
FUTURE AGENDA ITEMS

Mr. Cafasso suggested the Pueblo Board of Water Works making a presentation on water storage in Pueblo at the next PACOG meeting.

ADJOURNMENT

There being no further regular business before PACOG, the meeting was adjourned at 1:24 p.m. The next meeting is scheduled to be held on Thursday, April 25, 2019, at 12:15 p.m., at the Pueblo County Emergency Operations Center, 101 West 10th Street, 1st Floor Conference Room.

Respectfully submitted,



Louella R. Salazar
PACOG Recording Secretary

LRS

JOINT CITY COUNCIL AND BOARD OF COUNTY COMMISSIONERS' MEETING

A joint meeting was held between the Pueblo City Council and Board of County Commissioners to appoint one member (adult) and one member (youth) to the Pueblo Human Relations Commission (PHRC). Mr. Jesse Sena was selected as the adult member and Ms. Melanie Alphin was selected as the youth member. Both of these selections will need to be ratified by the City Council and Board of County Commissioners at their respective meetings.