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**Board Meeting Minutes**

(March 21, 2013)

**Location**

West Building

835 E. 2nd Ave., Suite 444, Conference Room

Durango, CO 81301

**Board Members Present:**

Enid Brodsky

Erich Bussian

Robert Dawes

Werner Heiber

Rebecca Kauffman

Peter May Ostendorp

Paul Senecal

Mark Schwantes

**Absent:**

Bruce Baizel

Mary Beth Miles

Roy Peterson

**4CORE Staff in Attendance:**

Gregg Dubit

Teresa Shishim

Bonnie Rozean

**Guests**

None

**Call to Order** – Rebecca called the meeting to order at 3:34 pm. A quorum was present.

**Old Business**

* Review and Approval of previous meeting minutes from January 2013.

**Motion:** Mark made a motion to approve the January meeting minutes as presented noting that there was not a regular board meeting held in February. Werner seconded.

**Vote:** The motion passed unanimously.

**New Business**

* Updated Ways and Means Review - Treasurer

Rebecca clarified with Gregg what information needed to be discussed regarding the Ways and Means report which had been handed out previously. Rebecca noted that this document was for short term immediate needs in 2013 and came out of a meeting between Rebecca and staff. Discussion was held on how funding had been secured in the past and what types such as Federal and local grants. The intent of the summary was to help the board break fundraising goals into manageable areas to raise funds for specific areas - a divide and conquer approach.

Enid inquired why radon had not come up. Gregg gave a background on a radon initiative that was completed with a small grant from the Colorado Department of Public Health and Environment. The CEO, who suggested 4CORE apply for the radon grant then changed their policy to not allow for radon mitigation, therefore work is no longer being done in this area. Radon education booklets are handed out to all Weatherization (Wx) and HomeRx clients. The County Extension Office also does education and hands out free test kits. There are only a few certified mitigators in the area. The state map shows the “hot” zones for radon and La Plata County is in a red zone.

Mark inquired as to the shortfall for the program support funds (PSF) rising due to the end of Wx. PSF management and administrative costs will increase as Wx currently covers a portion of these costs. Peter asked if the $27,000 needed to start up Rx is included in the shortfall. Gregg and Bonnie replied that it is.

Rebecca discussed the immediate need to raise funds to cover the management and administrative expenses and noted that she is looking forward to the strategic planning meeting scheduled for Friday, March 29th. Gregg discussed the impact to wages with the loss of Wx.

Erich arrived at 3:45 pm.

Gregg continued discussing the staffing changes that will need to be implemented until funding is secured.

The Climate Showcase Communities grant continues through December 2013 although at the current activity rate, it may end about a month sooner.

* Treasurer’s Report

Rebecca noted that 4CORE has a reserve. Rebecca asked the board to review the report which had been sent out previously. The February financial report had just been sent out. Peter asked what constitutes the reserve and Bonnie replied this is the $50,000 CD which remains from funds received when 4CORE was initially formed. The $50,000 plus cash in the bank as shown on the financial statement is currently being used for operations. Erich asked if the line of credit could be used and it was replied that this was for Wx only. No draws have been made on the line to date.

* Wx Consolidation and Transition Discussion – Chair & ED

Gregg noted that the board had filed an appeal to CEO regarding the consolidation decision. Gregg reported that he, Sandhya, and Bonnie had a conference call with state staff today. Elizabeth, Carolyn, and Marcy from Housing Solutions and a couple of staff from Housing Resources Center in Grand Junction also participated in the call requesting guidance as to the sequence for ramping down Wx. There will be expenses associated with closing down the program and some will occur after the grant contract has terminated. For example, 4CORE will need a single audit in 2014. These expenses will need to be secured either through a grant extension, an escrow being set aside or a pre-reimbursement. 4CORE is in active negotiations with the state. Rebecca inquired if there is a termination clause in the contract. Gregg will review the contract.

Region 3 in Alamosa which is also being consolidated with Region 10 in Colorado Springs (ERC) is under a slightly different situation as they were operating under VGJ in Denver. Their agencies’ operations are transferring from VGJ to ERC.

Equipment and supplies will need to be transferred to Region 4 in Grand Junction. There are 45 units in progress currently. It is anticipated that 4CORE will come in about 10 units short of production due to closing down earlier. Staff will need to be terminated earlier than June. HRC is interested in hiring some of the field crew. The details are to be worked out. 4CORE will do it’s best to avoid any straddling jobs between agencies. Gwen asked about Housing Solutions status in this consolidation. Gregg replied that HRC does not plan to subcontract to Housing Solutions; some field staff will most likely be hired by HRC. HRC plans to rent the warehouse from Housing Solutions and also house the field vehicles at Housing Solution’s site. Housing Solution’s post contract expenses are being negotiated with the state as well.

4CORE did make a joint Wx application with Housing Solutions to LPEA for 2013 funding. With the loss of Wx, the PSF needs are more paramount in 2013.

Mark noted that LPEA has special project grants which are reviewed June 1st and December 1st each year. Funds were given for HomeRx to equal a total amount for 2012 of $40,000. Seven grant applications were received; $35,000 has been awarded. Greg Munro and Mark updated the LPEA board today regarding the changes to Wx. The board recommended that 4CORE rewrite the application without Wx and submit by June 1st to be funded by August potentially. Approximately $60,000 is available.

Erich asked about the tenor of the LPEA board. Mark’s opinion is that it is positive and feels the board supports 4CORE’s endeavors. Gregg asked if the application should be a joint one with Housing Solutions or a separate application. Mark will talk with Elizabeth Salkind at Housing Solutions and also check with the LPEA board to see what the best approach is. The funding goal is to achieve the highest benefit for the greatest number of people.

Gregg noted that the Wx program will still serve Southwest Colorado but 4CORE will not be administering the funding.

Rob arrived at 4:07 pm.

* Potential Merger (HRA, COG) - Chair

Gregg noted that Susan Hakanson representing the Council of Governments (COG) floated the idea of bringing 4CORE under the COG and/or merging with the Regional Housing Alliance (RHA). The COG is made up of all the small governments in Southwest Colorado with the exception of Montezuma County. RHA’s executive director has left, Gary Suiter is the interim director and they are advertising for a new ED.

Gregg noted that at the Solarize meeting Shane Hale, City of Cortez Manager and Dick White requested the Solarize material be presented to the COG. An affiliation with the COG could lead to potential stabilization of funding for 4CORE with $1 per capita contributed from each entity. This concept is not in discussion stage at this point as plans are unknown. Enid commented that she did not believe that it made sense to be involved with the COG.

The Southwest COG was originally formed to improve telecommunications services in the region. Other state COGS do house energy efficiency and tourism endeavors for example. Werner noted that the COG had asked 4CORE to be the sustainability coordinator for the region. Enid is concerned about loss of identity. This would need to be looked at closely.

Rebecca turned over leading the meeting to Rob.

* HomeRx Pilot Summary Spreadsheet and Report Discussion - ED

Gregg began the discussion noting that Werner wanted to know the amounts paid to the subcontractors and energy savings data from the pilot homes.4CORE staff created the report which was sent to the board. Peter inquired about the details of the 4CORE expenses portion. Gregg went over the 4CORE expense breakdown and additional details of the report. Discussion was held on the return on investment.

Mark requested that rebates be added to the spreadsheet. It was also requested that a column be added for any tax rebates. Gregg noted that there are currently about 30 potential leads. Calls that come in are referred to the sub list on the website.

Gregg reported that there were omissions by the contractors on the work done which was discovered at inspection validating the third party verification service that 4CORE provided. Rob asked what the average wait time would be for a client. Gregg noted that this would depend on the availability of the subs. Wait time from audit to completion could be about a month.

Rob recommended a community meeting be held for HomeRx to educate folks on financing etc. and to check for interest. Discussion was held on the impact to ROI when a loan is obtained. The upgrade price does not reflect the cost of the loan. Rebecca suggested that 4CORE check with the bank to see what the interest rate being charged is and what the terms of the loan are.

Werner asked who would conduct the program with the loss of Wx. Gregg replied that the quality assurance could be subbed out if needed, but this would lower the proceeds for 4CORE. Enid inquired what the difference between Wx and Rx services are. Rob and Gregg replied that it would be energy counseling on which measures to do and why for Rx. Rob pointed out that Wx required a large amount of reporting. Radon is tested for under Rx.

Rebecca brought up that all four pilot clients’ homes are on propane which might indicate an initial target market. Gregg noted that there was a significant amount of baseload and electric savings in the pilot homes. Discussion was held on taking homeowners through the steps of energy conservation.

To launch the program, Gregg suggests conducting 100 audits with the goal of selling 20 upgrades. Energy Savings Champion certificates would be created for Rx to be signed by City and County officials and delivered to the homeowners. This is currently being done in the Resource Smart Business Program (RSBP) which is working with commercial energy upgrades.

Gregg noted that the HomeRx financials show a small gain. This is due to the contribution from LPEA and a small $500 contribution from the CEO.

Gregg noted that meetings have been held with large local employers to broach the idea of soliciting a contribution on behalf of their employees. LPEA has in their budget to match energy audits. This is being researched at LPEA currently. There is board approval and it is in the budget; they are working out the details of this incentive which is to contribute the cost of one-half of the audit up to $250.

Discussion was held on working with the auditors working group to help put on the event for potential customers. Peter discussed the potential of working with clients over a period of time, perhaps over years to implement each prescriptive measure as they can afford it. Prescription templates were handed out.

* Solarize Opportunity – ED

Gregg summarized the meeting held on Tuesday at the Durango Recreation Center. Seventy folks attended including six board members. Prior to the meeting there was significant pushback from the solar installers as they were afraid of competition from 4CORE. Gregg gave background on the SSTI initiative which will potentially drive down the price of installing solar and also motivates homeowners to install panels. Surveys were handed out; 62 surveys were returned, 56 were interested in Solarize, 6 weren’t interested. When asked if 4CORE were the appropriate entity to facilitate the proposed program going forward, 54 responded positively. 4CORE proposed 20 cents per watt for installed PV as a source of revenue. Alpine Bank was also approached for special loans and to invest $10,000 to help with 4CORE staff costs. The next step is another meeting after the strategic planning meeting. Also Gregg will continue dialog with the solar installers.

* Building Operators Certification Opportunity Discussion - ED

Gregg updated the board on this potential project and checked in with the board on the process of reviewing new projects. The West Building manger had requested an interest in this national certification. The project would train building managers to help save about 20% on the operations of their buildings. The county is interested, the school district, and many hotels, etc. This would help fill the training gap in the region. 4CORE needs 20 students to pay the $1,600 tuition to break even. This will also be discussed at strategic planning. Rebecca inquired if these trainings are already available online or nearby. Gregg replied that there is nothing local; most are currently held out of state. Online trainings do not offer hands on components. Rebecca has training resources she will share with the board. Facilitation of an online opportunity was discussed. LPEA committed to send three employees in 2014 if the training were held locally.

* Additional New Business:

Gregg asked board members who hadn’t done so, to complete their client confidentiality and conflict of interest forms and turn them in.

Gregg asked if the board approved that 4CORE no longer conduct the increased landlord contribution study in light of the Wx transition. The board approved the suspension of this study.

Gregg noted that the Animas City Museum is insulating their steam boiler lines as a community volunteer event and the board was invited to participate. This is being held on Monday, March 25th from 2:00 to7:00 pm.

The 2012 annual report was handed out to the board.

Teresa noted that the next Home Spotlight Tour is scheduled for April 13th which is a Saturday at the Calwell home. Invites will be forthcoming via email.

Gregor Gardner, the facilitator for the strategic planning session, apologized for not being at the board meeting as he was ill. He will be facilitating the strategic planning retreat from 9:00 am to 5:00 pm on Friday March 29th. Lunch will be served. Gwen stated that she can attend until 1:00 pm. Rebecca noted that the price of admission to the planning session is the annual 4CORE contribution if not already paid.

**Motion:** Rebecca made the motion to adjourn. Erich seconded.

**Vote:** The motion was approved unanimously.

**Adjournment** – The meeting was adjourned at 5:07 pm.

**Next Meeting:**  Thursday, April 18th – 3:30-5:00 pm.

Respectfully submitted by:

Peter May-Ostendorp, Secretary

4CORE Board of Directors