

# Finance and Budget Committee Meeting Summary

Wednesday, April 16, 2025

Held via Microsoft Teams

## Members Present

Jeslin Shahrezai, Chair	Lakewood
Adam Paul	City and County of Denver
Andy Kerr	Jefferson County
Alison Coombs	Aurora
Windi Padia	Frederick
Stephen Barr	Littleton
Marissa Harmon	Lone Tree

Others Present: Douglas W. Rex, Executive Director; Camille Ziccardi, Karsh Hagan; and DRCOG staff.

Chair Jeslin Shahrezai called the meeting to order at approximately 5:33 p.m. with a quorum present.

## Move to approve consent agenda

Director Paul **moved** to approve the consent agenda. The motion was **seconded** and **passed** unanimously.

Items on the consent agenda included:

- Summary of the March 19, 2025, meeting
- Resolution authorizing the Executive Director to execute a contract with the Colorado Governor's office in the amount of \$100,000 with a term through April 2026 for the purpose of funding IJA Regional Grants Navigation services.
- Resolution authorizing the Executive Director to execute an amendment with WSB Engineering for an amount not to exceed \$95,000 through April 2026 to provide grant navigation services.
- Resolution authorizing the Executive Director to renew contracts with providers for Older Americans Act services totaling approximately \$13.5 million for the period beginning July 1, 2025, and ending June 30, 2026.

## Discussion of a resolution authorizing the Executive Director to execute an amendment with the Colorado Department of Healthcare Policy and Financing for approximately \$760,000 for the period ending June 30, 2025, for In-Reach Counseling.

Travis Noon provided context for the purpose of the amendment to the members. This action would amend the contract with the Department of Healthcare Policy and Financing to add approximately \$163,000 for in-reach counseling services and capacity-building activities for the AAA Transitions program, which helps individuals move from facilities back to community living. The program is shifting to a new proactive outreach model and payment structure, effective July 1, replacing the current reactive options counseling approach. Although the amendment technically allows for up to \$79,691 for individual services, realistically, due to the high volume of required contacts (1,100 in just 2.5 months), only about \$20,000 in additional funding is expected to be earned.

Director Barr **moved** to approve **Resolution Number 18, 2025**, authorizing the Executive Director to execute an amendment with the Colorado Department of Healthcare Policy and Financing for approximately \$760,000 for the period ending June 30, 2025, for In-Reach Counseling. The motion was **seconded** and **passed** unanimously.

**Discussion of a resolution authorizing the Executive Director to negotiate and execute a contract with Arapahoe/Douglas Works! to design and implement five Green Workforce Hubs for the building decarbonization program in an amount not to exceed \$5,200,000 through October 16, 2029.**

Clay McComb provided an overview of the contract to the Directors. Approval of this resolution would enable DRCOG to execute a \$5.2 million contract with Arapahoe/Douglas Works, a public workforce center, to establish a green workforce hub aimed at addressing the labor shortage in building decarbonization trades like HVAC, plumbing, and electrical work. The initiative will create five regional hubs—through partnerships with Adams, Boulder, Denver, and Jefferson County workforce centers—where job seekers across nine counties can access career coaching, training resources, and supportive services like childcare and transportation stipends. The goal is to train and add 3,800 new workers to the building decarbonization trades by 2029, helping to meet the labor demands of regional clean energy initiatives while providing high-quality career opportunities.

Director Coombs **moved** to approve **Resolution Number 19, 2025**, authorizing the Executive Director to negotiate and execute a contract with Arapahoe/Douglas Works! to design and implement five Green Workforce Hubs for the building decarbonization program in an amount not to exceed \$5,200,000 through October 16, 2029. The motion was **seconded** and **passed** unanimously.

**Discussion of a resolution authorizing the Executive Director to negotiate and execute a contract with VEIC to design and implement an Innovation Pilot Program for DRCOG in an amount not to exceed \$4,500,000 for the first term ending May 2027 with an option to renew for an additional \$1,500,000 through October 16, 2029, upon satisfactory performance for a total contract amount not to exceed \$6,000,000.**

Mac Prather provided an overview of the contract to the Directors. This item would authorize a contract with VEIC for up to \$6 million to design and implement an Innovation Pilot Program focused on advancing equitable, community-based access to energy efficiency, electrification, and resilient housing solutions across Colorado. The initial contract is for \$4.5 million through May 2027, with an option to renew for an additional \$1.5 million through October 2029. The program will fund innovative projects such as neighborhood-scale geothermal pilots, emergency heat pump water heater replacements, and energy efficiency coaching, aiming to position Colorado as a leader in sustainable housing technologies. VEIC was selected due to their strong national reputation and success managing similar innovation grants through Tech Clean California.

Director Barr **moved** to approve **Resolution Number 20, 2025**, authorizing the Executive Director to negotiate and execute a contract with VEIC to design and implement an Innovation Pilot Program for DRCOG in an amount not to exceed

\$4,500,000 for the first term ending May 2027 with an option to renew for an additional \$1,500,000 through October 16, 2029 upon satisfactory performance for a total contract amount not to exceed \$6,000,000. The motion was **seconded** and **passed** unanimously.

**Discussion of a resolution authorizing the Executive Director to negotiate and execute a contract with Karsh Hagan to provide marketing and communication services for DRCOG's building decarbonization program in an amount not to exceed \$9,000,000 for an initial term ending May 30, 2027, with an option to renew for an additional \$5,000,000 through October 16, 2029, upon satisfactory performance for a total contract amount not to exceed \$14,000,000.**

Chris Selk provided a very brief overview of the contract to the Directors. After six weeks of unsuccessful contract negotiations with Suple Advertising and Design, DRCOG withdrew its decision to award the contract. Instead, they offered the work to the second-highest scoring firm, Karsh Hagan, which accepted enthusiastically without requesting any contract exceptions.

Director Padia **moved** to approve **Resolution Number 21, 2025**, authorizing the Executive Director to negotiate and execute a contract with Karsh Hagan to provide marketing and communication services for DRCOG's building decarbonization program in an amount not to exceed \$9,000,000 for an initial term ending May 30, 2027, with an option to renew for an additional \$5,000,000 through October 16, 2029, upon satisfactory performance for a total contract amount not to exceed \$14,000,000. The motion was **seconded** and **passed** unanimously.

### **DRCOG Fiscal Year 2025/2026 Draft Budget.**

Jenny Hunnings provided a detailed overview of the draft budget to the Directors. The draft budget was presented to allow committee members to ask questions and suggest changes ahead of a final recommendation in May. DRCOG's beginning balance is about \$13.4 million, split between general funds and program obligations, with member contributions remaining flat due to economic uncertainty. Federal grants have dramatically increased largely due to the \$46.5 million from the Building Decarbonization Program, while state funding has slightly decreased, mainly in senior services. Additional revenues come from improved vanpool program enrollment, federal transportation grants, and investment income. The agency also maintains an Area Agency on Aging (AAA) reserve fund to manage potential funding gaps while pursuing new funding streams.

Expenditures show significant growth, driven by hiring new staff to support the expanded workload, especially in administration, transportation, and regional planning, and a large rise in contractual services, again tied mainly to decarbonization efforts like rebates and incentives. Cash match and in-kind service contributions are slightly down due to lower grant expenditures. Capital expenses primarily support office reconfigurations linked to space sharing initiatives. Overall, the budget is designed to be nearly revenue-neutral, with a slight increase in the general fund from investment income, and visuals provided in the meeting highlight how funding and expenses are distributed across DRCOG's key initiatives.

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### **Report of the Chair**

Chair Shahrezaei wanted to recognize all the work that staff put into the recent Board Retreat.

### **Report of the Executive Director**

Executive Director Rex wanted to give members a heads-up that there will be a special Finance and Budget Committee meeting on May 7, after the Board work session.

### **Next meeting – May 21, 2025**

### **Other matters by members**

There were no other matters by members.

### **Adjourn**

The meeting adjourned at approximately 6:16 p.m.