



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
FROM: RANDY HEISS, EXECUTIVE DIRECTOR
DATE: FEBRUARY 18, 2015
SUBJECT: EXECUTIVE BOARD MEETING

Please see the details below for the Executive Board meeting date, time, and location.

Friday, February 27, 2015 at 10 a.m.
Cochise County Complex
Board of Supervisors' Executive Conference Room
1415 Melody Lane, Building G
Bisbee, Arizona

Below is a link to a map of the meeting location:

<https://www.google.com/maps/place/1415+W+Melody+Ln,+Bisbee,+AZ+85603/@31.3958468,-109.9253814,16z/data=!4m7!1m4!3m3!1s0x86d0b5e2052f13b5:0xf53250de0466e9d1!2s1415+W+Melody+Ln,+Bisbee,+AZ+85603!3b1!3m1!1s0x86d0b5e2052f13b5:0xf53250de0466e9d1>

If you are unable to attend, please send an alternate to ensure that we will have a quorum at the meeting.

The Executive Board Packet will be sent to members through the e-mail (via a link to the packet posted on the SEAGO website) to save postage and copying costs. **We will not be mailing a hard copy of the packet unless you request one.**

If you have any questions, please call me at (520) 432-5301 Extension 202. You can also send an e-mail to rheiss@seago.org.



EXECUTIVE BOARD AGENDA

10 A.M., FRIDAY, FEBRUARY 27, 2015
COCHISE COUNTY COMPLEX
1415 MELODY LANE, BUILDING G
BISBEE, ARIZONA

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE / INTRODUCTIONS	Chair Gomez	
II. MEMBER ENTITIES' DISCUSSION (Common Critical Issues)	Chair Gomez	
III. CALL TO THE PUBLIC	Chair Gomez	
IV. ACTION ITEMS		<u>Page No.</u>
1. Consent Agenda		
a. Approval of the November 21, 2014 Minutes	Chair Gomez	1
b. Approval of new Advisory Council on Aging Member for Town of Patagonia	Wanda Leikem	9
c. Update to Transportation Advisory Committee Bylaws	Chris Vertrees	10
d. Transportation Advisory Committee Future Project Procedures	Chris Vertrees	12
2. Election of Officers	Randy Heiss	18
3. Draft SEAGO Fund Balance Policy	Randy Heiss	21
4. Possible New SEAGO Assessment Schedule	Randy Heiss	27
5. Consideration of Resolution No. 2015-01 (HURF)	Randy Heiss	32
6. Updated Transportation Issues Position Statement	Randy Heiss	35
7. Consideration of Resolution No. 2015-02 Supporting the Section 559 Proposal from the City of Douglas	Randy Heiss	40
8. Greenlee County Executive Board Private Sector Representative	Randy Heiss	43
V. INFORMATION ITEMS		
A. Future Meeting Dates	Randy Heiss	46
B. Strategic Planning Retreat Report	Randy Heiss	47
C. SCCOA Funding Report	Randy Heiss	48
D. Second Quarter Finance Report/FY14 Annual Audit	Cindy Osborn	51
E. Transit Report	Chris Vertrees	53
F. Economic Development District Report	Larry Catten	55
G. Housing Program Report and Statistics	Julie Packer	57

VI. RTAC REPORT

Kevin Adam

VII. FUTURE AGENDA ITEMS

Chair Gomez

VIII. ADJOURNMENT

Chair Gomez

DIRECTION MAY BE GIVEN TO SEAGO STAFF ON ANY ITEM ON THE AGENDA.

Individuals with disabilities who require special accommodations may contact Zoya Greene at (520) 432-5301 extension 207 at least 72 hours before the meeting time to request such accommodations.

Individuals wishing to participate in the meeting telephonically may do so by contacting Zoya Greene at (520) 432-5301 extension 207. Contact must be made at least 48 hours before the meeting in order to obtain the call-in information. Please note that the option to participate telephonically may not be available unless requested as instructed above.

Si necesita acomodaciones especiales o un intérprete para esta conferencia, debe ponerse en contacto con Zoya Greene al número (520) 432-5301, extensión 207, por lo menos setenta y dos (72) horas antes de la conferencia.

**MEETING MINUTES OF THE
EXECUTIVE BOARD
NOGALES SENIOR CENTER
125 E. MADISON ST.
NOGALES, ARIZONA
NOVEMBER 21, 2014**

OFFICERS PRESENT: Chair David Gomez, Supervisor, Greenlee County
First Vice-Chair, Bob Rivera, Mayor, Town of Thatcher
Treasurer, Rudy Molera, Supervisor, Santa Cruz County

MEMBERS PRESENT: Ann English, Supervisor, Cochise County
Joe Diaz, Councilmember, City of Nogales (alternate for Mayor Garino)
Mark Schmitt, Private Sector Representative, Cochise County
Richard Ortega, Councilmember, City of Safford
Bernadette Polley, Private Sector Representative, Cochise County
Gerald Lindsey, Councilmember, City of Willcox
Marie Freestone, Private Sector Representative, Graham County

STAFF PRESENT: Randy Heiss, Executive Director
Julie Packer, Housing Programs Manager
Chris Vertrees, Transportation Planner
Bonnie Williams, Community Development Program Manager
Wanda Leikem, AAA Program Manager
Laura Villa, Ombudsman Program Coordinator
Zoya Greene, Office Assistant

GUESTS: Kathy Boyle, ADOT Public Affairs Office
Shay Saucedo, Senator John McCain's Office
Kevin Adam, Rural Transportation Advocacy Council

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE/INTRODUCTIONS

Chair David Gomez called the meeting to order at 10:32 a.m. and asked Supervisor Rudy Molera to lead in the Pledge of Allegiance. Supervisor Molera congratulated the Santa Cruz Council on Aging board and staff for a job well done under the unfortunate circumstances and also thanked the City of Nogales for hosting the meeting and welcomed all to Nogales. Those in attendance introduced themselves.

Supervisor Ann English thanked Graham County for their significant technical help to Cochise County Elections staff during the primary election. Council Member Joe Diaz welcomed those in attendance to the city of Nogales as well as thanked everyone for their guidance and support for sustaining the Senior Center. Randy Heiss congratulated the Santa Cruz Council on Aging board, staff and volunteers for their major improvements to the Senior Center.

II. MEMBER ENTITIES' DISCUSSION

Chair Gomez made a call for items to discuss. Shay Saucedo stated that the Senator McCain had sent a letter (November 21, 2014) to reauthorize PILT (Payment in Lieu of Taxes) funding as well as look for a longer term solution. An announcement was also made that the Department of Veterans Affairs implemented the second phase of the Choice Card program. The Choice Program is a new, temporary benefit that allows some Veterans to receive health care in their communities rather than waiting for a VA appointment or traveling to a VA facility.

Mayor Bob Rivera shared that the Veterans Day event hosted by the City of Safford had been a great success.

III. CALL TO THE PUBLIC

Chair Gomez made a Call to the Public and Dr. Marcelino Varona, President of the Santa Cruz Council on Aging (SCCOA) Board of Directors shared an update on the current budget. SEAGO awarded SCCOA \$32,000 versus the \$180,000+ in previous years. United Way awarded SCCOA \$8,000 for emergencies plus \$5,000 from Wells Fargo. Dr. Varona stated that SCCOA applied for a grant through the Community Development Block Grant program for assistance to remodel the kitchen and new appliances. SCCOA currently aids 174 registered clients, averaging assistance to 65 clients daily. Varona expressed concern regarding a letter from the previous SCCOA Executive Director, that requested to be paid \$18,400 (by Nov. 26, 2014) in back pay for wages due to him as well as \$500 in attorney fees. Dr. Varona reported that he had turned the letter over to the SCCOA insurance provider and the matter will be discussed at the SCCOA Board of Directors meeting in December.

Dr. Varona assured those in attendance that all the policies and procedures, that were previously neglected, are now in compliance due to the volunteer efforts of the Board of Directors, and they continue to volunteer their time to make the program successful. Varona stated that they (SCCOA) need help financially and requested that the SEAGO Board consider increasing the funding available for their congregate meals program. Dr. Varona thanked Chair Gomez for the privilege to address the group and hopes to continue to work together in a positive manner.

IV. ACTION ITEMS

1. CONSENT AGENDA

Randy Heiss apologized for the typographical error on the agenda and asked to reference the correct date of September 05, 2014 minutes.

- a. Approval of the September 05, 2014 Minutes

MOTION: Supervisor Ann English moved to approve the September 05, 2014 Minutes from the Consent Agenda.
SECOND: Supervisor Rudy Molera
ACTION: **APPROVED UNANIMOUSLY**

2. OVERVIEW OF STRATEGIC PLANNING RETREAT, AND POSSIBLE RECOMMENDATIONS OR DIRECTION TO STAFF REGARDING SAME

Randy reminded those in attendance that at the September 5th Executive Board meeting, he was directed to move forward with securing a facilitator for SEAGO’s strategic planning retreat and the cost was capped at \$2,500. With this directive and budget limitation, he contacted Amy St. Peter from MAG and had been working with her on the framework for SEAGO’s strategic planning retreat. Randy went over the first 4 topic items from the outline included in the agenda packet (pages 8 & 9):

Randy stated in discussing the strategic planning process with the Program Managers, it was suggested that a pre-retreat session be held with key SEAGO staff and Amy to identify program challenges and opportunities, possible data to be considered in development of the strategic plan, and further refine the format of the retreat. Randy stated he intends to discuss this with Amy and identify a date for this session.

Randy anticipates the retreat will require a minimum of two and possibly three days. Ideally, these should be consecutive, but depending on the availability of participants on the dates selected, it’s possible day three may need to be held separately.

The Board had discussed holding the retreat as soon as possible, but with the volume of work staff is currently managing, and the fact that the holiday season will soon be upon us, it was concluded the best opportunity for maximum participation would be in January 2015. Amy only had one week in January she could be available for three consecutive days – the 21st, 22nd and 23rd. The results of a poll to determine Administrative Council and Executive Board participation on these dates indicate there will be in excess of a quorum from both bodies and Randy plans to

move forward with securing a facility for the retreat. Due to the \$2,500 cost limit set by the Board, retreat will take place at the Cochise College Benson Center.

In the Board's discussion of the strategic planning process, those who spoke expressed a desire to be involved in the details of the strategic planning effort. Randy recognized the value of the Board's participation and welcomed their input. Randy stated he believes the Administrative Council collectively possesses a high level of experience and expertise in developing strategic plans, which elected officials, may or may not have. Therefore, it may be possible to move through the process more expeditiously if the Board sets the general direction and desired outcomes and allows the Administrative Council and key staff to develop the strategic plan.

Randy requested direction from the Board on the proposed format of the strategic planning retreat so that the best possible strategic plan for SEAGO is developed and their valuable time is used productively in the strategic planning retreat. The Administrative Council took no official action but requested that a draft outline of the strategic planning retreat be circulated for comment as soon as it is prepared.

Supervisor English expressed concern regarding the state and federal cutbacks and to focus on what is especially crucial to the organization. She suggested that the Board realistically plan for the best scenario for the least amount of money that may be awarded. Randy responded that he will gather any data that will aid in that decision making process.

Representative Bernadette Polley commented that another focus can be asking the staff, Administrative Council and Executive Board "what can we (all) do to reach out" to new members, to help them become more familiar with the functions of the organization and Board. Sometimes new members don't have a comprehensive understanding of what is expected of the Board and what each of the members individually can do to sustain a successful organization that in turn benefits all the local communities. Bernadette stated that SEAGO is so vital to the 4 counties and needs the support from the Council and Board.

Mark Schmitt commented that he agreed with Supervisor English and the focus of the retreat should be the expectation of fore coming budget cuts. He stated he wants to review the revenue side and explore possible opportunities for new funding.

Council Member Sam Lindsey stated he had a problem with the logistics of the retreat. He stated that with everyone on the board having multiple positions and tasks, that the retreat should only be 2 days versus 3 days. He also stated that the current structure needs to be revisited and that the Administrative Council and Executive Board need more time together for the planning process. Randy responded that it will most likely be only 2 days and that any members of the Executive Board who wished to be involved in every part of the strategic planning process are welcome to participate through the entire retreat. Randy asked the board to lock the 21st and 22nd of January on their calendars.

MOTION: Supervisor Rudy Molera moved to consider the strategic planning retreat to be scheduled for January 21st & 22nd at the Cochise College Benson Center.

SECOND: Supervisor Ann English

ACTION: **APPROVED UNANIMOUSLY**

3. CONSIDERATION OF RESOLUTION NO. 2014-05

Randy Heiss stated the Transportation Issues Position Statement approved by the Executive Board last February identified SR189 as a significant bottleneck in international trade and commerce in need of improvements in order to accommodate the expanded Mariposa Land Port of Entry in Nogales. ADOT has completed interim improvements at the SR 189/I-19 interchange that total \$1.5 million. These improvements have resulted in better monitoring of traffic and allowed greater efficiency of truck/vehicular movement during peak times along the corridor. In addition, ADOT is in the process of completing the Design Concept Report and Environmental Studies for the Corridor Management Alternative and the associated preferred build options to determine the best practicable long-term solution to this

problem. This June, ADOT programmed \$2 million for environmental work in FY 2016 and \$4 million for final design in FY 2018. However, the construction portion of the project is currently in the 2020-2024 Development Program and scheduled to begin in FY 2021. Randy stated he believes this project must be completed sooner given the volume of commercial traffic that can now be processed in the newly expanded and modernized Mariposa Land Port of Entry. The increased traffic will make for unprecedented congestion during the peak of the produce season this winter, especially at the intersection of SR 189 and Frank Reed Road which did not directly benefit from the interim improvements recently completed by ADOT.

Resolution No 2014-05 expands on the Transportation Issues Position Statement by advocating for the Arizona Department of Transportation, the Federal Highway Administration, the State Transportation Board, Arizona's Congressional Delegation, the Arizona Legislature, and other public and private stakeholders, to explore additional funding, creative financing, and additional statutory flexibility in order to advance the construction of the preferred build alternative for SR 189 into the ADOT Five-Year Transportation Facilities Construction Program while holding harmless currently programmed projects. At the October COG/MPO Director's meeting Randy presented the Resolution and Fact Sheet and received a very positive response. Both MAG and PAG are in full support of the resolution and intend to move it through their respective processes for approval by their Regional Councils and it is anticipated that the remaining COGs and MPOs will take similar action. At their meeting on August 14th, the Administrative Council voted unanimously to recommend approval, and staff now requests your approval of Resolution No. 2014-05.

- MOTION:** Mayor Bob Rivera moved to approve Resolution No. 2014-05
- SECOND:** Council Member Joe Diaz
- ACTION:** **APPROVED UNANIMOUSLY**

4. ECONOMIC DEVELOPMENT PROGRAM EXPECTATIONS

Friday, October 24th marked A'kos Kovach's last day as SEAGO's Economic Development Planner. While he worked more closely with some of the members than others, Randy stated he thinks all would agree that A'kos raised the bar significantly where SEAGO's economic development program is concerned. Randy stated he is happy for A'kos to have the opportunity to advance his career. At the same time, he somewhat concerned as he knows it will be challenging to meet what he perceives as a new level of expectations that have been established regarding SEAGO's economic development program.

Although SEAGO's strategic planning retreat will provide an opportunity for all to discuss this in more detail, Randy thought it would be useful to present to the board with his thoughts regarding recruitment for the position, and gather some initial feedback as to what the majority of the board wants out of SEAGO's economic development program. Randy felt it important to fill the position as soon as possible in order to take advantage of the momentum that A'kos created in the ED program. At the same time, Randy stated he feels it's equally important that the right person is selected. While it would be a lot to expect to recruit someone with as much enthusiasm as A'kos has, Randy stated he thinks it would be a mistake to hire the first person that appears to have experience related to economic development. Randy stated he has advertised for the position, and it will remain 'open until filled'. If the consensus is SEAGO's economic development program should be as strong and meaningful as possible, this may require casting the recruitment net several times before the right person is found. Finding a professional level person for the job may also require increasing the salary range. But if the majority feels SEAGO's economic development program should be little more than an access point for potential EDA project funding, there may be other ways SEAGO can meet the obligations of SEAGO's planning grant with EDA. Randy asked for direction from the board regarding the role SEAGO's economic development program should play in the communities. At their meeting on November 6th, the Administrative Council chose not to take official action, but strongly indicated their preference would be to recruit the best possible person for the Economic Development Planner position.

Supervisor English stated that she doesn't clearly understand what this person in position is supposed to be doing. Randy responded that SEAGO is the access point for the Economic Development Administration funding. The person

in position should be out in the communities watching for projects that would qualify for Economic Development Administration funding. Randy commented that the last project EDA funded was the water line to the airport in Nogales in 1994. Supervisor English commented that their community and surrounding communities are constantly wondering what can be done on economic development with no great strides because of the current status of the economy and are not able to even entertain the kind of industry they would like to have. English stated that the County struggles all the time because the people expect them to do something with economic development to raise the tax base and it doesn't seem to be happening in the SEAGO region. Randy gave an example of a project and how the economic development program manager would assist with the project as well as identifying opportunities for collaboration and coordination among the communities.

Representative Mark Schmitt commented that he worked with A'kos closely because A'kos understood the program goals. They worked collaboratively to strengthen economic development in the region and were successful in exceeding goals. Schmitt gave an example that the newsletter that A'kos created monthly was excellent outreach tool for Cochise College and stated that a lot of the success of his program is through collaboration and coordination with A'kos and SEAGO. Mark expressed his opinion that it is very important to fill the full time position with parameters and expectations.

Mayor Bob Rivera stated that replacing A'kos will be difficult but is necessary. Bob stated he doesn't understand why the Board is talking about this and that it is the responsibility and assumption that the Executive Director would try to fill the position with the best candidate possible within the budget. Council Member Sam Lindsey stated that it is essential that there is someone in the position full time. He stated that he agreed with Rivera that it is not the responsibility of the Executive Board to hire someone for the position, that it is the responsibility of the Executive Director. Sam stated that Randy should hire the best person for the job within the budget and move forward.

Chair Gomez apologized to the group for "stealing" A'kos from SEAGO, but that Greenlee County was in a position where they needed an economic development planner on a full time basis. A'kos was on the top of the list, they made him an offer and he accepted. Gomez stated they are happy with their decision and that he agrees that the new person hired for the position for SEAGO needs to be within the same caliber of A'kos.

- MOTION:** Supervisor Rudy Molera moved to direct the Executive Director, to utilize current resources to hire the best person possible for the Economic Development Planner position.
- SECOND:** Council Member Joe Diaz
- ACTION:** **APPROVED UNANIMOUSLY**

5. SANTA CRUZ COUNTY EXECUTIVE BOARD PRIVATE SECTOR REPRESENTATIVE

Randy stated he had been notified by Mr. Robert Phillips that he is unable to continue his service as Santa Cruz County's Private Sector Representative on the Executive Board. The SEAGO Board must have private sector representation as a requirement of the Economic Development Administration. Per SEAGO's Bylaws, Private Sector Representatives are appointed from the nominations submitted by the Member Entity Representatives from each county area, and must represent a low income or minority group, or representative organization, or represent the principal economic interests in the region, such as, but not limited to business, industry, finance, utilities, education, the professions, agriculture, or labor.

Randy made contact with the elected officials from Santa Cruz County who are currently serving on the Executive Board and has solicited their nominations for a new private sector representative. After learning that Mr. John Anthony Sedgwick had expressed an interest in serving in this capacity, Randy forwarded his message to the Executive Board members from Santa Cruz County. Shortly after reviewing Mr. Sedgwick's qualifications, Supervisor Rudy Molera called Randy to officially nominate him to serve as the County's private sector representative. Randy included a brief resume of Mr. Sedgwick's qualifications for the board's consideration, and stated he thinks the board will agree Mr. Sedgwick is an excellent candidate. At their meeting on November 6th, the Administrative Council voted unanimously

to recommend the nomination of Mr. Sedgwick as Santa Cruz County's Private Sector Representative on the Executive Board.

- MOTION:** Supervisor Rudy Molera moved to appoint Mr. John Anthony Sedgwick as Santa Cruz County's Private Sector Representative on the Executive Board.
- SECOND:** Mayor Bob Rivera
- ACTION:** **APPROVED UNANIMOUSLY**

V. INFORMATION ITEMS

A. FUTURE MEETING DATES

Randy Heiss explained that stated the February 2015 meeting dates are pushed back one week to avoid a conflict with the ACMA Winter Conference. The August 2015 meeting of the Executive Board will be moved to August 28th to avoid conflict with the League of Cities and Towns Annual Conference. The December 04, 2014 meeting of the Administrative and Executive Committees was cancelled due to lack of business to conduct between regular meetings of the Administrative Council and Executive Board. Randy also asked the Board their preference for the May 2015 Board meeting as May 22nd is the beginning of the Memorial Day holiday. The Board indicated they preferred to hold the meeting on the 22nd as scheduled.

B. ECONOMIC DEVELOPMENT REPORT

Randy Heiss explained as previously discussed, A'kos Kovach's last day with SEAGO was October 24th. On his final day, Randy was debriefed on the status of ongoing projects, EDA reporting requirements, the condition of the CEDS, and other key program information. EDA had raised questions regarding the June 30, 2014 end of year report, and based on e-mails he had seen between A'kos and EDA staff; those questions appeared to have been satisfactorily addressed. On October 14th, Randy had a preliminary discussion with EDA regarding SEAGO's program in general, and they are very pleased with the outcomes of our program during A'kos' tenure. Randy explained to them that he would be discussing the role of the program with the Administrative Council and Executive Board in November and moving forward with the recruitment process. Randy told them it may take several months to find the 'right' person to replace A'kos, and they were understanding and very supportive of this. A job announcement was published November 2nd and 5th in the Sierra Vista Herald/Bisbee Review. Depending on the response received, additional advertising may be required. The job announcement was also be posted on the SEAGO website and the League of Cities and Towns Job Openings list. Again, depending on the response, additional efforts may be required. Randy anticipated SEAGO will have someone on board by the end of the calendar year. Randy commented that four resumes had been received with one promising candidate for the position.

C. FIRST QUARTER REPORT

Randy Heiss presented the quarterly finance report on behalf of Cindy Osborn to the Board and answered questions.

D. STATE SPECIAL PROJECTS INFORMATION

Bonnie Williams presented the Arizona Department of Housing's (ADOH) Notice of Funding Availability, for the next State Special Projects (SSP) competitive funding round. Of particular interest is a new category, planning. At last ADOH has recognized a common problem in rural Arizona that being most communities does not get enough funds to complete both the design and construction of larger projects. Now there is an opportunity to apply for just ERR and design funds, providing the funds for construction of the project are applied for with your next rotational Regional Account applications. Bonnie asked the Board to keep in mind that SSP funds are highly competitive, and the project must be "shelf ready" so that it can be implemented within 30 days of receiving the award of funds. There are also other special requirements which applicants should pay close attention to. This year applications are due February 19, 2015.

E. UPDATE ON REGIONAL TRAFFIC COUNTING PROGRAM

Chris Vertrees reported that a kick-off meeting was conducted during our July 18th TAC meeting. The approved program will include approximately 150 traffic counts at locations identified by jurisdictions, technical assistance to jurisdictions involving data collection and mapping for planning activities/future projects, uploading of locally collected data into the Traffic Data Management System (TDMS), Highway Performance Monitoring System data entry, and verification of each of our agencies Certified Public Mileage. SEAGO is currently developing a work plan involving traffic count locations, type of counts, special technical assistance requests, and a counting time frame. At the September 25th TAC Meeting, a work plan that includes 141 count locations and a technical assistance request process was approved unanimously by the TAC. Traffic counting will begin in January. A training webinar involving the SEAGO TDMS has been scheduled for November 5, 2014. The training will focus on how to extract count data and print traffic count data reports from the TDMS.

F. TRANSIT REPORT

Chris Vertrees reported that SEAGO Regional Transportation Coordination Plan has been updated and is available at <http://seago.org/?q=transit> SEAGO was awarded \$193,150 to operate the Regional Mobility Management program and a Pilot Training Program. As approved by the Administrative Council and Executive Board in August, SEAGO will be hiring a consultant to conduct the Pilot Training Program. SEAGO is waiting for its FY2015 RMM contract from ADOT in order to proceed with advertising for the training program consultant. SEAGO has developed a detailed Transit Provider Directory. The directory provides links to a majority of local transit provider websites. It also includes information on each provider's mission, services offered, vehicles used, service area, and population served. The Directory can be accessed at: <http://www.seago.org/?q=southeast-arizona-transportationproviders#overlay-context>

Chris also reported on Transit Coordination Group meetings that are regularly held throughout the region and that SEAGO is currently exploring the development of a pilot program using the Route Match Scheduling Program currently owned by the City of Douglas. The goal is to develop a One-Call-One-Click regional scheduling center. This will enable transit users to call-in or complete an online request for transportation within Cochise County. Providers will then be able to coordinate transportation services. ADOT will be phasing out operation funding to singular mission 5310 programs within the next two years. This will enable 5310 programs that enlist in Route Match to expand their services and remain eligible for operational funds.

G. HOUSING PROGRAM STATISTICS

Randy Heiss reported for Julie Packer the current housing statistics for FY15 first quarter. In September, Julie received 32 phone calls from individuals from various communities with questions regarding where they can find specific assistance, rental advice, landlord issues, tax issues, etc. These 32 individuals are not included in the chart in the memo provided to the Board. Due to a request from the Administrative Council, Julie went back five years and pulled the statistics of clients served by community. The chart on the last page of the agenda packet shows that every city and county has benefited from the housing department. Some a lot more than others as would be expected based on the size of communities. These numbers do not reflect any of the homes purchased prior to 2009 which totaled approximately 1,229.

VI. RTAC REPORT

Kevin Adam provided the latest RTAC Legislative Update to the Executive Board. Randy stated that he was especially pleased to see the RTAC was advocating for an alternative to the current gasoline tax to raise money for improvements to our transportation infrastructure. This will be more and more important as recent breakthroughs in technology will put more alternative fuels vehicles on our nation's roadways.

VII. FUTURE AGENDA ITEMS

Chair Gomez made a call for future agenda items and Supervisor English suggested an agenda item exploring additional funding options for SCCOA. Randy agreed this will be an agenda item, and commented that it may just be a report on what has been accomplished.

VIII. ADJOURNMENT

Randy thanked everyone for attending the meeting, and Chair Gomez adjourned the meeting at 12:23 p.m.



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
THROUGH: RANDY HEISS, EXECUTIVE DIRECTOR
FROM: WANDA LEIKEM, AREA AGENCY ON AGING PROGRAM MANAGER
DATE: FEBRUARY 18, 2015
SUBJECT: NOMINATION TO ADVISORY COUNCIL ON AGING

On November 6, 2014 the Advisory Council on Aging made a nomination and recommends appointment of Linda Huffstetler-Dearing for the Patagonia, Santa Cruz County vacant seat:

- Linda Huffstetler-Dearing has had a private practice throughout the years dealing with sexual trauma and domestic violence cases. Mrs. Dearing's husband had been home under hospice, which lead her to volunteer with hospice. In the course of the years, she has seen that the elderly and disabled population is being underserved, especially in rural communities. She retired one and a half years ago and moved to Patagonia and got acquainted with Ann Mihalik, who is part of the Family Healthcare Center's Amigo program that serves the health clinic in Patagonia. Ann advised her of the ACOA council and told her about the organization. Linda is willing to be committed for the three years if she is elected to serve. Linda is passionate about the issues of aging, as she stated, "No one will take care of us if we don't take care of ourselves".

At their February 12th meeting, the Administrative Council unanimously recommended approval of the appointment of Linda Huffstetler-Dearing to the ACOA as recommended by the ACOA.

Attachments: None.

Action Requested: Information Only Action Requested Below

A motion to approve the appointment of Linda Huffstetler-Dearing to the ACOA for three year term beginning February 27, 2015 to February 27, 2018.



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
THROUGH: RANDY HEISS, EXECUTIVE DIRECTOR
FROM: CHRIS VERTREES, SEAGO TRANSPORTATION PLANNER
DATE: FEBRUARY 18, 2015
SUBJECT: SEAGO TRANSPORTATION ADVISORY COMMITTEE BYLAW REVISION

The SEAGO Transportation Advisory Committee Bylaws were last reviewed and updated in July 2008. The updated Bylaws were reviewed and approved unanimously by the TAC at their January meeting. Attached for your review and approval is an update to our current TAC Bylaws. The changes to our existing Bylaws are noted below.

Article 3a (Membership): The article was amended to reflect SVMPO assuming transportation planning functions for Sierra Vista and their exiting our TAC. It also allows for the possibility of other members joining SVMPO in the future.

Article 3c (Membership): This article was inserted as a mechanism to ensure that our quorum requirements actually reflect the entities that participate in the TAC process.

Article 4 (Quorum): This article was amended to reflect 50% of active membership.

Article 5 (Voting): This article was inserted to allow votes by proxy.

Article 6 (Majority): This article was changed from 50 percent to 50 percent plus one.

At their meeting on February 12th, the Administrative Council unanimously recommended approval of the revisions to the TAC Bylaws with one change. The change removes the word 'present' from the end of Paragraph 4 as now reflected in the attachment. I will explain the reasoning for the change at the meeting.

Attachments: Draft SEAGO TAC Bylaws

Action Requested: Information Only Action Requested Below

A motion to approve and accept the revised SEAGO TAC Bylaws.

DRAFT
SEAGO TRANSPORTATION ADVISORY COMMITTEE
BYLAWS

1. Authority The Transportation Advisory Committee (TAC) serves as an advisory committee to the SEAGO Executive Board. Recommendations to the Board are generally made through the SEAGO Administrative Council. Relevant Executive Board bylaws not addressed in these TAC bylaws also apply to the TAC.
2. Purpose The purpose of the TAC is to:
 - a. Provide technical input to the Executive Board and the Arizona Department of Transportation (ADOT) regarding various transportation issues in the SEAGO region, including roadway priorities and funding strategies; and
 - b. Provide a forum for the exchange of information between ADOT and SEAGO local governments.
3. Membership Membership of the SEAGO TAC consists of:
 - a. Membership shall consist of one member, (and/or one alternate) from each SEAGO member entity with the exception of entities that transportation planning functions are coordinated through SVMPO. The member shall be an engineer, public works director, Transportation planner or other appropriate technical staff as appointed by that jurisdiction. Terms of membership shall be indefinite and subject to change by the appointing jurisdiction.
 - b. The Arizona Department of Transportation also is an authorized member on the SEAGO TAC. This member is usually the Regional Transportation Liaison/Planner, or an alternate selected by ADOT.
 - c. Members, and their respective jurisdictions, shall be considered inactive after missing three (3) consecutive meetings. Active status shall be resumed at the next meeting attended by the member.
4. Quorum A quorum shall consist one-half of active membership ~~present~~.
5. Voting Each member agency shall have one vote. Active members may cast their votes in person, phone, email, or by proxy. A proxy, containing instructions as to how he/she wishes his/her representation to be expressed shall be submitted to the SEAGO Transportation Planner or TAC Chairperson in advance of the meeting.
6. Majority A majority shall consist of 50 percent plus one of active members present.
7. Election of Officers A Chairperson and Vice-Chairperson will be elected at the first meeting of the new calendar year.
8. Meetings and Agendas Meeting dates will be set at the January meeting, and meetings shall be held no less than five times a year. Agendas will be emailed no later than five days prior to the regularly scheduled meeting date, and be posted on the SEAGO website within that timeframe.



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
THROUGH: RANDY HEISS, EXECUTIVE DIRECTOR
FROM: CHRIS VERTREES, SEAGO TRANSPORTATION PLANNER
DATE: FEBRUARY 18, 2015
SUBJECT: SEAGO FUTURE PROJECT PROGRAMMING PROCEDURES

SEAGO solicits new Transportation Improvement Program (TIP) projects from member agencies on a regular basis for prioritization, selection and programming. At times, SEAGO must adjust the program to reflect changes in costs and schedules and to ensure a concerted effort is made to keep the TIP fiscally constrained.

The overall project review and selection process is monitored and performed by SEAGO's Transportation Advisory Committee (TAC). Projects that do not require immediate attention or are of a scale that exceeds present resources may be identified by the TAC as potential projects beyond the five-year TIP window.

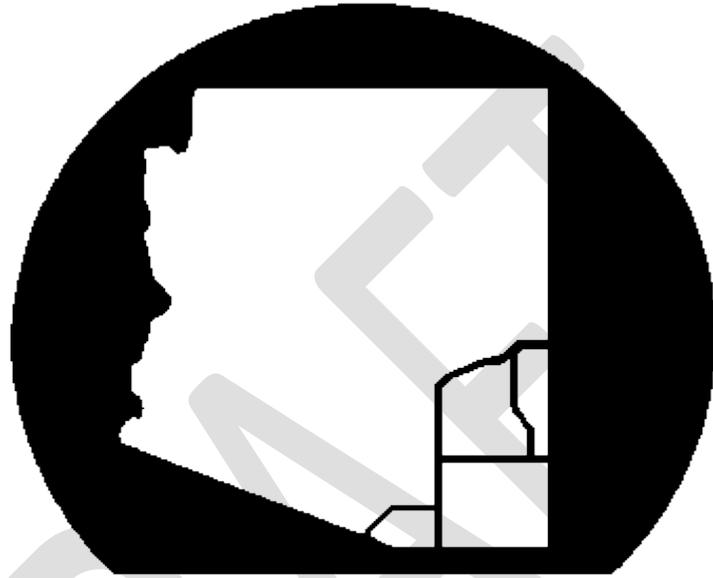
In some cases, cost savings are returned to SEAGO from previous projects. Those cost savings must be used within the fiscal year they were returned to the region or they will be lost. In addition, projects originally programmed for the current TIP period may require reprogramming because financial or project delivery constraints. This will result in the need to move or add projects to ensure that regional funding is not jeopardized.

To ensure SEAGO has a systematic process to identify potential and future projects, to provide maximum flexibility to respond to regional needs and changes in project funding or schedules, and to protect SEAGO transportation funds, the attached procedures were developed and approved unanimously by the SEAGO TAC at their January meeting.

At their February 12th meeting, the Administrative Council unanimously recommended approval of the attached procedures.

Action Requested: Information Only Action Requested Below

A motion to approve and accept the SEAGO Future Project Programming Procedures.



SEAGO

SEAGO Region

Future Project

Programming Procedures

Table of Contents

1.0 Purpose.....	3
2.0 Projects Submitted “In Cycle”	3
3.0 Projects Submitted “Out of Cycle”	3
4.0 SEAGO and TAC Responsibilities.....	4
5.0 SEAGO Region Future/Potential Project List.....	5

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1.0 Purpose

SEAGO solicits new Transportation Improvement Program (TIP) projects from member agencies on a regular basis for prioritization, selection and programming. At times, SEAGO must adjust the program to reflect changes in costs and schedules and to ensure a concerted effort is made to keep the TIP fiscally constrained.

The overall project review and selection process is monitored and performed by SEAGO's Technical Advisory Committee (TAC). Projects that do not require immediate attention or are of a scale that exceeds present resources may be identified by the TAC as potential projects beyond the five-year TIP window.

In some cases, cost savings are returned to SEAGO from previous projects. Those cost savings must be used within the fiscal year they were returned to the region or they will be lost.

In addition, projects originally programmed for the current TIP period may require reprogramming because financial or project delivery constraints. This will result in the need to move or add projects to ensure that regional funding is not jeopardized.

To ensure the SEAGO has maximum flexibility to respond to regional needs, changes to project funding or schedules, and to protect SEAGO transportation funds this procedure is established.

2.0 Projects Submitted "In Cycle"

2.1 SEAGO by schedule or with direction from our TAC or ADOT solicits project requests from member agencies. In compliance with our Project Tracking Procedures, SEAGO will use a competitive selection process to determine allocation of federal funds.

2.1.1 Applications are reviewed and prioritized by our TAC to ensure the project meets federal guidelines, the project cost and delivery estimates are accurate, the project meets regional goals, and that the project is fiscally achievable within future funding expectations.

2.1.2 The SEAGO TAC will make programming decisions based upon their rankings.

2.1.3 Projects that meet the criteria established in 2.1.1 but go un-programmed may be placed on the SEAGO Future/Potential Project List by the TAC.

2.1.4 Placement on the SEAGO Future/Potential Project List does not guarantee future placement on the TIP.

2.1.5 The list serves as a planning tool to guide TAC in the event quick programming decisions must be made as a result of changes in funding availability and/or project delivery.

2.1.6 Projects that have federal dollars invested shall receive priority over projects that do not.

3.0 Projects Submitted "Out of Cycle"

3.1.1 SEAGO will accept applications out of cycle for the following:

3.1.1.1 HSIP Applications: They must be submitted on the ADOT HSIP application. They must be complete and meet application requirements

as listed in the ADOT HSIP Manual and meet the objectives of the Arizona Strategic Highway Safety Plan.

3.1.1.2 STP Applications: They must be submitted within the SEAGO STP Mini-DCR format. The project must meet federal STP eligibility guidelines, and must have federal dollars invested in the project.

3.1.1.3 Off-System Bridge Projects: Shall be submitted in memorandum format and shall include owning agency, bridge name, structure number, and sufficiency rating as listed in the Arizona Local Government System Bridge Record, a short discussion on the reasons/need for replacement/rehabilitation and photos of the structure.

3.1.2 SEAGO TAC must review and approve the placement of any “Out of Cycle” project onto the **SEAGO Second Tier Project List**.

4.0 SEAGO and TAC Responsibilities

4.1 SEAGO will review all applications for completeness and federal eligibility.

4.1.1 Submitting agencies will be issued a receipt indicating date and time of submission and whether the application is complete and eligible.

4.1.2 Eligible project applications will be forwarded to the SEAGO TAC in the TAC packet provided to the TAC membership prior to each meeting of the SEAGO TAC.

4.1.3 The SEAGO TAC will evaluate the project based upon the following criteria:

4.1.3.1 Project readiness to proceed and demonstration of a reasonable timeline for implementation.

4.1.3.2 Project cost estimates are accurate and based upon sound cost evaluation principles.

4.1.3.3 The project’s ability to fit into the financial constraints of the region’s Five Year Transportation Plan.

4.1.3.4 Safety, economic development potential and multimodal impacts of the project.

4.2 Upon review, the SEAGO TAC may direct SEAGO to place the project on the SEAGO Second Tier Project List.

4.3 Projects on the list shall be reviewed on an annual basis by the TAC to ensure projects still meet the evaluation criteria in 4.1.3.

4.4 There is no priority order to the list. Movement from the list will be based upon available funding levels and project deliverability needs. Example: A \$1.5 million STP project will not be moved onto the TIP when \$500,000 is available.

4.5 If two or more projects on the list match needed fund type and amount, the SEAGO TAC will select the project to move forward.

4.6 A project selected for TIP placement must comply with the SEAGO Project Tracking Procedures.



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
FROM: RANDY HEISS, EXECUTIVE DIRECTOR
DATE: FEBRUARY 18, 2015
SUBJECT: ELECTION OF OFFICERS

Article VI., Section C., of the SEAGO Bylaws (attached) provides the procedure for election of the Executive Board officers (AKA the Executive Committee).

For calendar year 2015, the rotation prescribed in Article VI., Section C., Paragraph 3., of the Bylaws would elevate the Graham County Executive Board officer to the Chair position; the Cochise County officer to First Vice-Chair; the Santa Cruz County officer to Second Vice-Chair; and the Greenlee County officer will drop to the bottom of the rotation to the Treasurer position.

As most of you know, Former Sierra Vista Councilman Tom Reardon chose not to seek reelection and is no longer on the Executive Board. Therefore, a new officer to represent Cochise County must be elected. On February 10th, I distributed an e-mail to all of the Cochise County members of the Executive Board to determine if any of them are interested in serving in this capacity. If none of them respond before the meeting on the 27th, nominations may be made to fill the Cochise County position by the member entities present and voting at the meeting.

In communicating with the remaining Executive Board officers, it's my understanding that all of them continue to be interested in serving as officers of the Executive Board. Assuming this continues to be the case and subject to the Board's approval, the proposed slate of officers for calendar year 2015 is as follows:

Chair: Mayor Bob Rivera, Town of Thatcher
First Vice-Chair: Cochise County Representative (to be determined)
Second Vice-Chair: Supervisor Rudy (Bugs) Molera, Santa Cruz County
Treasurer: Supervisor David Gomez, Greenlee County

Attachments: Article VI., Section C., of the SEAGO Bylaws

Action Requested: Information Only Action Requested Below:

A motion to appoint the slate of officers for calendar year 2015.

C. The Executive Board shall elect from among its members, who are representatives of Member Entities and subject to election by the voters of their respective jurisdictions, a (1) Chair, who shall preside over meetings of the Executive Board, (2) a First Vice Chair, who shall preside over meetings of the Executive Board in the absence of the chair, (3) a Second Vice Chair, who shall preside over meetings of the Executive Board in the absence of the chair and First Vice Chair, and (4) Treasurer, who shall preside over meetings of the Executive Board in the absence of the chair, First Vice Chair and Second Vice Chair. The officers' terms shall be co-terminus for one year each. These officers of the Executive Board shall comprise the SEAGO Executive Committee. Service on the Executive Committee shall be subject to the following terms:

1. Election of officers of the Executive Board shall be held at the first regularly scheduled meeting of the Executive Board in each calendar year. Newly-elected officers shall take their seats at the conclusion of the meeting at which they were elected. The time between the seating of newly-elected officers is one year and the successive year's seating of officers shall be considered one annual term.
2. Officers of the Executive Board shall serve a single annual term in each of the officer's position with annual advancement to the next highest seat on the Executive Committee, i.e. Treasurer to Second Vice Chair to First Vice Chair to Chair, provided said officers meet all further requirements as set forth in these Bylaws for service on the Executive Committee.
3. Beginning with the election of Executive Board officers for calendar year 2004 not more than one officer shall represent Member Entities in one of SEAGO's member counties. The rotation for service among counties shall be as follows: Cochise, Santa Cruz, Greenlee, and Graham Counties. An exception to this would be allowed in instances where a Board member from a given county is not available to serve as an officer of the Executive Board, in which case the Executive Board shall elect a member to that seat from among their members. Such action will not impact upon the rotation order as stated here beyond the continued service of that "at large" Executive Committee member. This individual, selected "at large" for Executive Committee service, would then be considered by the members from their respective county along with their "regular" (that position coming from that county in normal rotation to the Executive Committee) in determining which should be that member county's representative after their one year of service as an "at large" Executive Committee member. This manner would allow any county to have more than one member of the Executive Committee for no more than one year.
4. Candidates for Executive Board officers shall be chosen from among the member cities, towns, counties and Native American Tribal Governments in each county by the SEAGO members in that county.
5. In order to be elevated to the position of Chair of the Executive Board, the member representative must have served at least one year on the Executive Board. In instances where the First Vice Chair is subject to rotation to Board Chair has not served at least one year on the Executive Board, the Board shall elect an eligible representative from among their

membership. The Board could elect from among these three options to fill the Chair's seat for that term:

- Option 1 The Board could elect to have the current Chair hold office for no more than one additional annual term.
- Option 2 The next lower officer in the rotation having at least one year of service on the Executive Board would be elevated to Chair.
- Option 3 The Board could elect a Chair from among its membership provided they have served at least one year on the Board.

Such action will not impact upon the rotation order set forth in Paragraph 3., above.

D. Officers of the Executive Board, the Chair, First Vice Chair, Second Vice Chair, and Treasurer, shall comprise the Executive Committee and shall have the following powers and such other powers as may be delegated by the Executive Board:

1. The responsibility of conducting an annual evaluation of the Executive Director. The Executive Committee shall solicit input from each Member Entity prior to the evaluation process.
2. Annual budget review.
3. Conduct meetings and take action in between regularly scheduled meetings of the Executive Board, except that any actions that set or have the effect of setting SEAGO policy shall only be made by the Executive Board. All actions taken by the Executive Committee shall be ratified by the Executive Board at their next regularly scheduled meeting. All members of the Executive Board are encouraged to participate in the discussion, but only the Executive Committee is authorized to vote on the matters under consideration. Meetings may be held in a location deemed suitable by the Executive Committee or by conference call. The posting for the meeting will indicate the structure of the meeting and identify a location that will allow the public to attend and/or listen.

E. Quorum and Voting of the Executive Committee

1. For official action to be taken by the Executive Committee to be taken, a quorum of three members must be present and voting.
2. In the instance of a tie vote among the Executive Committee, the question will be subject to majority vote of the full Executive Board.



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD

FROM: RANDY HEISS, EXECUTIVE DIRECTOR

DATE: FEBRUARY 18, 2015

SUBJECT: FUND BALANCE POLICY

Since the decline of funding for certain SEAGO programs, it has been necessary to propose the use of fund balance to bridge the gap between revenue shortfalls and expenditures in the budget process. At no time has using fund balance been proposed without first eliminating all expenditures that were not absolutely essential to effectively operating the subject programs, seeking new sources of funding, and shifting costs to other program areas to the extent possible.

Despite these efforts, use of fund balance as a means to balance program operating budgets has been a concern for many of our member agencies. These concerns may be addressed if SEAGO adopted a policy setting an agreed upon minimum level of fund balance and requiring a method to replenish the expenditure of fund balance when it occurs.

Attached is the fund balance policy adopted by the Maricopa Association of Governments which I have used as a model for a similar SEAGO policy for your consideration. A few points for you to consider:

- The MAG policy requires a minimum fund balance of 20 – 25 percent of the prior year’s total audited expenditures. My recommendation over the past three years has been to maintain a minimum fund balance of at least 50 percent of the current year’s proposed budget in order to provide some latitude for potential budget increases in future years.
- The current projected fund balance of \$1,279,617 as of June 30, 2014 amounts to approximately 124 percent of the FY 2015 agency operating budget.
- Proposed budgeting of fund balance does not mean it will be used. It simply means that known revenue sources at the time of budget planning are insufficient to cover essential program operating expenses, and that new revenue sources and/or cost saving strategies will be pursued during the fiscal year to minimize or eliminate fund balance use.

At their February 12th meeting, the Administrative Council discussed the proposed policy at length. Much of the discussion revolved around what different members felt would be the appropriate Minimum and Surplus levels of fund balance. After considerable discussion, they recommended (with one dissenting vote [Safford]) setting the Minimum level of fund balance at 50% and the Surplus level of fund balance at 50%. They also recommended adding standards for the margin of votes required for the Executive Board to approve recurring and nonrecurring expenditures when the Surplus level of fund balance is reached. These recommendations are reflected in the attachment and I look forward to discussing the proposed policy with you at the meeting.

Attachments: Proposed SEAGO Fund Balance Policy (as amended); MAG Fund Balance Policy; Updated Memo – Sustainability of Fund Balance, January 30, 2015

Action Requested: Information Only Action Requested Below:

A motion to approve the proposed SEAGO Fund Balance Policy as amended.

SEAGO FUND BALANCE POLICY

Purpose

This policy is created in consideration of unanticipated events which could adversely affect the financial condition of SEAGO and jeopardize the continuation of necessary programs. This policy will ensure SEAGO maintains adequate fund balances or reserves in order to:

- a. Provide sufficient cash flow for daily financial needs;
- b. Offset significant economic downturns or revenue shortfalls; and
- c. Provide funds for unforeseen expenditures related to emergencies.

Minimum unrestricted fund balance

SEAGO will maintain a minimum unrestricted fund balance in its General Fund ~~ranging from 45 percent to~~ **of** 50 percent of the prior fiscal year's total actual operating expenditures. This minimum amount is to protect against cash flow shortfalls related to timing of projected revenue receipts.

Replenishing deficiencies

When the unrestricted fund balance falls below the minimum ~~45~~ **50** percent, SEAGO will replenish the funds using the budget strategies and timeframes described below. The following budgetary strategies shall be utilized by SEAGO to replenish the unrestricted fund balance:

The SEAGO Executive Board can consider reducing expenditures to eliminate any projected deficit, or increase revenues, or pursue other funding sources, or, some combination of these options.

The minimum unrestricted fund balance shall be replenished within the following time periods:

- a. Deficiency resulting in a fund balance between ~~40~~ **45** and ~~45~~ **50** percent of the prior fiscal year's total actual operating expenditures shall be replenished over a period not to exceed three years.
- b. Deficiency resulting in a fund balance of less than ~~40~~ **45** percent of the prior fiscal year's total actual operating expenditures shall be replenished over a period not to exceed five years.

Surplus fund balance

Should the unrestricted fund balance of the General Fund exceed ~~125~~ **50** percent of the prior fiscal year's total actual operating expenditures, the SEAGO Executive Board ~~will~~ **may only** consider **use of** such fund balance surpluses **in the following manner:**

- a. **SIMPLE MAJORITY VOTE – For expenditures of a non-recurring nature (i.e. capital), which will not require additional future expense outlays for maintenance, or additional staffing; or, for a recurring cost that has a specific established sunset not to exceed 6 months.**
- b. **TWO-THIRDS SUPER MAJORITY VOTE – For expenditures of a recurring nature (i.e. reduction of membership dues, additional staff, pay raises, program operations, etc.)**

~~for use as a reduction to member dues and assessments and/or one-time expenditures which are nonrecurring in nature and which will not require additional future expense outlays for maintenance, additional staffing or other recurring expenditures.~~

Implementation and review

Upon adoption of this policy the SEAGO Executive Board authorizes the SEAGO Executive Director to establish any standards and procedures which may be necessary for its implementation. The SEAGO Executive Director shall review this policy at least annually and make any recommendations for changes to the SEAGO Administrative Council and Executive Board.

(Attachment A)

MAG Fund Balance Policy in Accordance with GASB Statement No. 54

The following policy has been adopted by the MAG Executive Committee, which acts as the Finance Committee for MAG, in order to address the implications of Governmental Accounting Standards Board ("GASB") Statement No. 54, Fund Balance Reporting and Governmental Fund Definitions. Refer to Attachment I, Governmental Accounting Standards Board ("GASB") Statement No. 54, Fund Balance Reporting and Governmental Fund Definitions, for the definitions provided along with this guidance.

The policy is created in consideration of unanticipated events that could adversely affect the financial condition of MAG and jeopardize the continuation of necessary programs. This policy will ensure that MAG maintains adequate fund balances and reserves in order to:

- a. Provide sufficient cash flow for daily financial needs,
- b. Offset significant economic downturns or revenue shortfalls, and
- c. Provide funds for unforeseen expenditures related to emergencies.

Minimum unassigned fund balance

MAG will maintain a minimum unassigned fund balance in its General Fund ranging from 20 percent to 25 percent of the prior year's total audited expenditures. This minimum fund balance is to protect against cash flow shortfalls related to timing of projected revenue receipts.

Replenishing deficiencies

When fund balance falls below the minimum 20 percent range, MAG will replenish shortages/deficiencies using the budget strategies and timeframes described below. The following budgetary strategies shall be utilized by MAG to replenish funding deficiencies:

The MAG Executive Committee can consider reducing expenditures to eliminate any structural deficit or, MAG Regional Council can increase revenues or pursue other funding sources, or, some combination of the two options.

Minimum fund balance deficiencies shall be replenished within the following time periods:

Deficiency resulting in a minimum fund balance between 15 percent and 20 percent shall be replenished over a period not to exceed three years.

Deficiency resulting in a minimum fund balance of less than 15 percent shall be replenished over a period not to exceed five years.

Surplus fund balance

Should unassigned fund balance of the General Fund ever exceed the maximum 25 percent range, MAG Regional Council will consider such fund balance surpluses for use as a reduction to member dues and

assessments and/or one-time expenditures that are nonrecurring in nature and which will not require additional future expense outlays for maintenance, additional staffing or other recurring expenditures.

Implementation and review

Upon adoption of this policy the MAG Executive Committee authorizes the MAG Executive Director to establish any standards and procedures which may be necessary for its implementation. The MAG Executive Director shall review this policy at least annually and make any recommendations for changes to the MAG Executive Committee.

DRAFT



ADMINISTRATIVE COUNCIL PACKET

MEMO TO: ADMINISTRATIVE COUNCIL

FROM: RANDY HEISS, EXECUTIVE DIRECTOR

DATE: JANUARY 30, 2015

SUBJECT: SUSTAINABILITY OF THE SEAGO FUND BALANCE

The purpose of this memorandum is to enable the Administrative Council and Executive Board to better understand the use of fund balance in prior years, the amount of fund balance currently available, and to provide a projection of how long uses of fund balance may be sustained. This information is intended to guide decisions as to how much of the fund balance should be used in balancing the budget. The table below provides an overview of the use of fund balance over the last four fiscal years:

Fund Balance Use ¹			
Fiscal Year Ending	Beginning Balance	Ending Balance	Use of Fund Balance
6/30/09	\$ 1,681,043	\$ 1,921,455	\$ 240,412
6/30/10	\$ 1,921,455	\$ 1,877,819	(\$ 43,636)
6/30/11 (Restated ²)	\$ 1,451,014	\$ 1,297,124	(\$ 153,890 ³)
6/30/12	\$ 1,297,124	\$ 1,298,000	\$ 876
6/30/13	\$ 1,298,000	\$ 1,136,413	(\$ 161,587 ⁴)
6/30/14 (Projected)	\$ 1,136,651	\$ 1,279,617	\$ 142,966

The projected ending fund balance in the table above represents more than one year's operating revenue at the FY 2015 budget level (\$1,031,287). The standard for non-profits is three months operating revenue, but in order to provide some latitude for potential budget increases in future years, I propose that SEAGO maintain a minimum of \$600,000 (58% of the FY 2015 operating budget), as an operating reserve in future years. Under this scenario, there would conceptually be \$679,617 available for use in future budget years. The table on the following page provides an overview of how long it would take to reduce the existing fund balance of \$1,279,617 to \$600,000 under a number of different scenarios:

¹ With the exception of FY 14, all figures are from audited financial statements for said years.

² In FY 11, the Arizona Department of Housing eliminated SEAGO from the Save My Home Program and recovered \$426,804 on deposit with SEAGO so that this funding could be used for foreclosure prevention assistance in the urban counties.

³ Approximately \$152,000 of this amount was from the purchase of the SEAGO office building and associated land.

⁴ Building improvements plus amounts approved for program use in the FY 13 budget process.

Impact of Fund Balance Use	
Annual Use of Fund Balance	Number of Years
\$ 5,000 per year	136
\$ 10,000 per year	68
\$ 15,000 per year	45
\$ 20,000 per year	34
\$ 25,000 per year	27
\$ 30,000 per year	23
\$ 35,000 per year	19
\$ 40,000 per year	17
\$ 45,000 per year	15
\$ 50,000 per year	14

As shown in the table above, SEAGO will be able to operate for a considerable period of time with moderate use of fund balance and still maintain an operating reserve of \$600,000. However, because almost all of SEAGO’s programs operate on a cost reimbursement basis, there is very limited excess revenue generated that can be used to cover any expenses in excess of program revenues. As a Council of Governments, SEAGO has no taxation authority, and other than the annual assessment to our member entities, SEAGO has no significant or sustainable source of unrestricted revenue. Therefore, at this time, there is no use of fund balance that is ‘sustainable’ in the purest sense of the term.

As a result, SEAGO intends to adhere to the following guidelines to sustain the existing fund balance for as long as possible:

- 1) Track the use of fund balance annually in order to monitor the level of fund balance available for future years.
- 2) Present annual budgets that minimize the use of fund balance to the extent practicable.
- 3) Clearly identify any proposed use of fund balance in the annual budget approval process so that the Administrative Council and Executive Board have the option to control the amount of fund balance used.
- 4) Operate programs within their approved budgets and evaluate accordingly.
- 5) Continue seeking new grants and funding sources, and/or developing new programs and services that generate excess revenue to replenish any fund balance used.
- 6) Expense depreciation of buildings and improvements to the benefiting programs and use those funds to replenish the fund balance that was used for the buildings and improvements.

Attachments: None

Action Requested:

Information Only

Action Requested Below:



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
FROM: RANDY HEISS, EXECUTIVE DIRECTOR
DATE: FEBRUARY 18, 2015
SUBJECT: POSSIBLE REVISED ASSESSMENT METHODOLOGY

The current method of assessing member dues has been in place since well before I came to work for SEAGO. Currently, dues are assessed to raise the local matching funds for the EDA Planning Partnership Grant, annual dues to the Rural Transportation Advocacy Council, and to cover expenditures that are unallowable under Federal guidelines, such as food, lobbying, advertising, etc. (for additional details, please refer to 2 CFR Part 225, Appendix B).

The assessment for SEAGO annual dues is currently based on the 2010 Census population for each member entity multiplied by 30 cents per capita. Approximately 53% of the annual dues are used to fund the required cash match for the EDA grant. The RTAC annual dues are based on the 2010 population of each non-metropolitan area of each member entity multiplied by 8.2 cents per capita. The resulting cost is then split 70/30, with transportation planning funds paying 70% and member assessments paying the remaining 30% of the RTAC dues. I've attached the 2015 SEAGO Member Assessment schedule for your reference.

One of the comments we have heard from the smaller communities is the amount of dues they are paying is incredibly low compared to the services they are receiving and they could well afford to pay more. We hear the opposite from our largest members who have sufficient internal capacity, and while they continue to pay the lion's share of SEAGO dues, they rarely utilize SEAGO's services. The attached Example Dues and Assessment Schedule Fiscal Year 2016 attempts to address these concerns by using sliding scales for the assessment of dues with the smaller entities paying more per capita than the largest member entities.

Some of you requested staff to provide alternatives to using reserves to balance program budgets. One alternative would be an assessment for each program with a funding shortfall, several of which appear on the attached Example. These columns would only be used if a revenue shortfall appears to exist during the budget planning process, and additional columns could be added if programs not shown here experience revenue shortfalls in the future. This Example also attempts to assess dues for certain services based on usage of services or benefit to the member entities. Details relating to each column of the Example are provided on the 'Notes to Assessments' page that is attached to the Example.

I look forward to discussing this in further detail with you and receiving additional direction from you at the meeting so we can bring you a refined version of this Assessment Schedule for your consideration as part of the budget process in May.

At their February 12th meeting, the Administrative Council discussed the Example at length, and requested the following changes be presented in the version to be considered in May:

- Add a column to provide funding for a grant writer who will assist member entities in identifying and applying for grant opportunities as reflected in the priorities expressed in the strategic planning retreat;
- Add a column to reflect the percentage of the total assessment paid by each member entity;
- And for staff to take into consideration all shortfalls and needs we could encounter in the next fiscal year, include those items in the new assessment schedule, along with a recommendation of how to

transition into those fees with the use fund balance as a transition mechanism.

Attachments: 2015 Member Assessments Version 2; Example Dues and Assessment Schedule Fiscal Year 2016

Action Requested: Information Only Action Requested Below:

Direction to staff concerning the Example Dues and Assessment Schedule Fiscal Year 2016.

2015 Member Assessments Version 2

Assessments			\$67,256	\$4,141	\$71,397
SEAGO Member	2010 Census	Percent	Annual Dues	RTAC Membership	Total Assessment
Benson	5,105	2.27%	\$1,530	\$126	\$1,655
Bisbee	5,575	2.48%	\$1,671	\$132	\$1,803
Douglas	17,378	7.74%	\$5,208	\$428	\$5,635
Huachuca City	1,853	0.83%	\$555	\$45	\$601
Sierra Vista	43,888	19.56%	\$13,153	\$0	\$13,153
Tombstone	1,380	0.61%	\$414	\$34	\$447
Willcox	3,757	1.67%	\$1,126	\$92	\$1,218
Cochise County*	52,410	23.35%	\$15,707	\$994	\$16,701
Pima	2,387	1.06%	\$715	\$59	\$775
Safford	9,566	4.26%	\$2,867	\$235	\$3,102
Thatcher	4,865	2.17%	\$1,458	\$114	\$1,572
San Carlos Apache Tribe	4,780	2.13%	\$1,432	\$118	\$1,550
Graham County*	15,622	6.96%	\$4,682	\$390	\$5,072
Clifton	3,311	1.48%	\$992	\$81	\$1,074
Duncan	696	0.31%	\$209	\$17	\$226
Greenlee County*	4,430	1.97%	\$1,328	\$109	\$1,437
Nogales	20,837	9.28%	\$6,245	\$513	\$6,757
Patagonia	913	0.41%	\$274	\$22	\$296
Santa Cruz County*	25,670	11.44%	\$7,693	\$631	\$8,324
SEAGO Total Population	224,423	100.00%	\$67,256	\$4,141	\$71,397

*Unincorporated area only

Notes:

Total Assessment is based on a 3 cents per capita SEAGO assessment plus membership in the RTAC.

RTAC dues are based on 2010 Census population at 8.2 cents per capita, then reduced 70%

No RTAC Assessment charged for population within the SVMPO.

EXAMPLE ONLY

**SouthEastern Arizona Governments Organization
Draft Dues and Assessment Schedule
Fiscal Year 2016**

SEAGO Member	2010 Census (a)	SEAGO Member Dues (b)	EDA Planning Assessment (c)	RTAC Assessment (d)	Housing Assessment (e)	Water Quality Planning Assessment (f)	Aging Services Assessment (g)	5310 Rural Public Transit Assessment (h)	Total FY2016 Estimated Assessment (i)	Total FY2015 SEAGO Assessment (j)	Total FY2010 SEAGO Assessment (k)
Benson	5,105	\$1,787	\$1,007	\$126	\$362	\$102	\$258	\$191	\$3,281	\$1,655	\$2,055
Bisbee	5,575	\$1,951	\$1,100	\$132	\$724	\$112	\$282	\$209	\$3,907	\$1,803	\$2,305
Douglas	17,378	\$4,779	\$3,429	\$428	\$2,774	\$348	\$879	\$650	\$11,409	\$5,635	\$7,078
Huachuca City	1,853	\$927	\$366	\$45	\$710	\$37	\$94	\$69	\$2,048	\$601	\$747
Sierra Vista	43,888	\$6,583	\$2,194	\$0	\$3,458	\$878	\$2,219	\$1,643	\$12,235	\$13,153	\$17,798
Tombstone	1,380	\$1,104	\$272	\$34	\$389	\$28	\$70	\$52	\$1,799	\$447	\$579
Willcox	3,757	\$1,879	\$741	\$92	\$268	\$75	\$190	\$141	\$2,980	\$1,218	\$1,529
Cochise County*	52,410	\$5,241	\$10,341	\$994	\$1,809	\$524	\$2,650	\$1,962	\$18,386	\$16,701	\$21,406
Pima	2,387	\$1,194	\$471	\$59	\$241	\$48	\$121	\$89	\$1,965	\$775	\$954
Safford	9,566	\$3,348	\$1,887	\$235	\$804	\$191	\$484	\$358	\$6,275	\$3,102	\$3,859
Thatcher	4,865	\$2,433	\$960	\$114	\$255	\$97	\$246	\$182	\$3,761	\$1,572	\$1,992
San Carlos Apache Tribe	4,780	\$2,390	\$943	\$118	\$0	\$0	\$242	\$179	\$3,451	\$1,550	\$2,365
Graham County*	15,622	\$4,296	\$3,082	\$390	\$670	\$156	\$790	\$585	\$8,438	\$5,072	\$5,882
Clifton	3,311	\$1,656	\$653	\$81	\$67	\$66	\$167	\$124	\$2,457	\$1,074	\$1,281
Duncan	696	\$557	\$137	\$17	\$67	\$14	\$35	\$26	\$778	\$226	\$290
Greenlee County*	4,430	\$2,215	\$443	\$109	\$67	\$44	\$224	\$166	\$2,834	\$1,437	\$1,836
Nogales	20,837	\$5,209	\$2,084	\$513	\$1,273	\$417	\$1,054	\$780	\$9,079	\$6,757	\$8,486
Patagonia	913	\$730	\$180	\$22	\$121	\$18	\$46	\$34	\$1,054	\$296	\$370
Santa Cruz County*	25,670	\$5,776	\$5,065	\$631	\$1,461	\$257	\$1,298	\$961	\$12,933	\$8,324	\$10,275
SEAGO Region Totals	224,423	\$54,053	\$35,357	\$4,141	\$15,519	\$3,412	\$11,347	\$8,400	\$109,070	\$71,398	\$91,089

*Unincorporated area only

Notes to Assessments:

- (a) In this example, most calculations are based on the 2010 Census population for each member community. Members may want to decide whether or not to use the mid-decade population estimates in FY 2017 and future years until the 2020 Census figures are available.
- (b) In this example, SEAGO Dues are based on population blocks with the larger entities paying less per capita, and the smaller entities who generally need more services paying more per capita. Per capita rates currently vary from 80 cents to 10 cents per capita. Average per capita rate is 41 cents but adjustments may need to occur in the final version.
- (c) The Current EDA planning grant (\$75,000) requires a cash match of the total in this column. In this example, calculations are based on a per capita rate, with entities who have economic development staff paying less per capita and the remaining entities paying more. Per capita rates vary from 5 cents to 19.7 cents. Average per capita rate is currently 11 cents.
- (d) RTAC assessment is based on the non-urbanized population of the region and 8.2 cents per capita. The SVMPO pays its dues directly to the RTAC and its population is not included in the calculation.
- (e) In this example, the Housing Assessment is calculated based on the number of persons served in each community since 2009 and the proposed amount of fund balance budgeted for that program in the FY2015 budget
- (f) In this example, the assessment is based on an amount per capita with cities and towns paying 20 cents per capita and counties paying 10 cents per capita. Thus far, we have not experienced a need for a WQP assessment, but as development activity increases, the amount received from ADEQ will not cover the costs of consistency reviews.
- (g) In this example, the assessment is based on the population of each community as it relates to the total population of the region and the proposed amount of fund balance budgeted for the AAA program in the FY2014 budget.
- (h) In this example, the assessment is based on the population of each community as it relates the total population of the region and the approved assessment that was needed to cover a shortfall in 5310 funding in FY2013.
- (i) The total for this column will depend on any agreed upon adjustments to the calculations of individual program assessment columns and decisions to use fund balance rather than assessments to cover excess program expenses over anticipated program revenues.
- (j) Information is provided so comparisons can be drawn between example FY2016 assessment totals and total FY2015 assessment.
- (k) Information is provided so comparisons can be drawn between example FY2016 assessment totals and total FY2010 assessment which included 100% of the RTAC dues.



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
FROM: RANDY HEISS, EXECUTIVE DIRECTOR
DATE: FEBRUARY 18, 2015
SUBJECT: RESOLUTION No. 2015-01

Thatcher Mayor Bob Rivera expressed an interest again this year in the Executive Board considering a resolution urging the Governor and Legislature to eliminate the diversion of HURF funds to the State General Fund. I borrowed heavily from information prepared by the RTAC in creating the attached Resolution for your consideration. This year's Resolution also includes language urging the powers that be to modernize the mechanisms needed to develop and maintain our State's transportation infrastructure.

At their February 12th meeting, the Administrative Council unanimously recommended approval of Resolution No. 2015-01.

I will attempt to answer any questions you may have at the meeting.

Attachments: Resolution No. 2015-01

Action Requested: Information Only Action Requested Below:

A motion to approve and adopt Resolution 2015-01.



SouthEastern Arizona Governments Organization

Serving our member governments and their constituents since 1972

RESOLUTION NO. 2015-01

A RESOLUTION OF THE SOUTHEASTERN ARIZONA GOVERNMENTS ORGANIZATION EXECUTIVE BOARD URGING THE ARIZONA LEGISLATURE AND GOVERNOR TO DIRECT DEDICATED TRANSPORTATION FUNDING TO ITS INTENDED USES, AND TO MODERNIZE OUR TRANSPORTATION INFRASTRUCTURE FUNDING MECHANISMS

WHEREAS, the SouthEastern Arizona Governments Organization (SEAGO) is a regional planning agency which performs and coordinates a variety of functions, including transportation planning, in the four-county region of Cochise, Graham, Greenlee, and Santa Cruz Counties; and

WHEREAS, transportation revenue streams are declining due to better vehicle fuel efficiency, reductions of vehicle miles driven, declining motor vehicle sales, and fuel taxes not being adjusted for inflation for nearly twenty-one years; and

WHEREAS, despite an annual statutory cap of \$20 million, approximately \$96 million in HURF funding was diverted to fund other government programs in the current fiscal year, and over \$1.8 billion has been diverted over the past thirteen years; and

WHEREAS, due to the HURF diversions and revenue declines, Arizona State, county, and municipal road programs have been significantly scaled back to routine maintenance work, which will hasten far more costly reconstruction activity at the public's expense in the future, negatively impact highway safety, and increase vehicle maintenance and repair costs for both the general public and businesses; and

WHEREAS, the State's 25-year Long Range Transportation Plan, which considers such factors as pavement conditions, congestion levels and safety performance, projects a \$63 billion gap between needs and revenues; and

WHEREAS, eliminating the diversion of transportation funding is vital for developing and maintaining the quality infrastructure needed to support jobs and economic growth, enhance Arizona's global competitiveness in interstate and international trade, and maintain the quality of life Arizonans have come to expect.

SEAGO Member Entities

Cochise County

Benson

Bisbee

Douglas

Huachuca City

Sierra Vista

Tombstone

Willcox

Graham County

Pima

Safford

San Carlos

Apache Tribe

Thatcher

Greenlee County

Clifton

Duncan

Santa Cruz County

Nogales

Patagonia

San Carlos Apache

Tribe

SEAGO Main Office

Administration CDBG

Economic Dev.

Housing

Transportation

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Area Agency on Aging Office

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520-432-9168 Fax

www.seago.org

NOW THEREFORE, BE IT RESOLVED by the SEAGO Executive Board that the Governor and State Legislature are hereby urged to eliminate the diversion of transportation funding to the State General Fund, to direct dedicated funding such as HURF toward its intended uses, and to modernize the mechanisms needed to develop and maintain our State's transportation infrastructure.

Passed and adopted by the SEAGO Executive Board on this 27th day of February 2015.

David Gomez, Chair
SEAGO Executive Board

Randy Heiss,
SEAGO Executive Director



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
FROM: RANDY HEISS, EXECUTIVE DIRECTOR
DATE: FEBRUARY 18, 2015
SUBJECT: TRANSPORTATION ISSUES POSITION STATEMENT

The SEAGO TAC held a substantive discussion regarding transportation issues of concern at their January 15th meeting. A number of concerns were raised again this year regarding the ability of local governments to plan and implement transportation projects. Several specific issues were identified that the TAC felt were particularly important and they recommended that a position on these issues be formally taken by the SEAGO Executive Board. These issues are presented within the 2015 – 2016 Transportation Issues Position Statement that begins on the following page.

At their February 12th meeting, the Administrative Council unanimously recommended approval of the 2015 – 2016 Transportation Issues Position Statement.

Attachments: 2015 – 2016 Transportation Issues Position Statement

Action Requested: Information Only Action Requested Below:

A motion to approve, amend or reject the position statements on transportation issues presented by staff.



SouthEastern Arizona Governments Organization

Serving our member governments and their constituents since 1972

SEAGO Member Entities

- Cochise County*
 - Benson*
 - Bisbee*
 - Douglas*
 - Huachuca City*
 - Sierra Vista*
 - Tombstone*
 - Willcox*
- Graham County*
 - Pima*
 - Safford*
 - San Carlos*
 - Apache Tribe*
 - Thatcher*
- Greenlee County*
 - Clifton*
 - Duncan*
- Santa Cruz County*
 - Nogales*
 - Patagonia*

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On February 27, 2015, the SEAGO Executive Board adopted the following positions pertaining to transportation issues of concern impacting the SEAGO region:

1. END THE DIVERSION OF DEDICATED TRANSPORTATION FUNDING.

Background

Despite an annual statutory cap of \$20 million, approximately \$96 million in HURF funding was diverted to fund Department of Public Safety operations in the current fiscal year, and over \$1.8 billion has been diverted over the past thirteen years. At their February 27, 2015 meeting, the SEAGO Executive Board adopted Resolution No. 2015-01, urging the Arizona Legislature and Governor to end the diversion of HURF revenues to the State General Fund, and direct dedicated transportation funding to its intended uses. The Resolution cites facts such as how the HURF diversions are negatively impacting highway safety, increasing vehicle maintenance and repair costs for both the general public and businesses, and limiting the State's ability to develop and maintain the quality infrastructure needed to support jobs and economic growth, enhance Arizona's global competitiveness in interstate and international trade, and maintain the quality of life Arizona residents expect.

Position Statement: *Urge the Governor and Legislature to direct dedicated transportation funding to its intended uses as requested in Resolution No. 2015-01.*

2. RESTORE THE HURF EXCHANGE PROGRAM.

Background

The HURF exchange program was suspended in 2008 due to inadequate state-generated transportation revenues. The program enabled rural local governments to exchange their federal transportation dollars with ADOT for state-generated HURF funding. This allowed the locals to bypass federal aid requirements which significantly increase project administrative costs, delay project delivery and prevent local governments from retaining administrative control over their projects. Despite commendable efforts on the part of ADOT over the last two years to increase staffing in the Environmental Planning Group, many projects remain stuck in the environmental clearance process and may not be able to move forward this year.

As a result of these delays, COGs and MPOs continue an increasingly complex juggling act of loaning obligation authority among one another to manage the risk of funds being rescinded. A downward change in Obligation Authority rate, or worse, a reduction in the amount Arizona receives from the Federal government could be catastrophic to this strategy.

Transportation planning experts in the SEAGO region and across rural Arizona believe the single most effective way to enhance local project delivery and cost effectiveness is through restoration of the HURF Exchange program. Restoring program would have the additional benefit of relieving the administrative burden on

ADOT staff in reviewing local projects and allow them to refocus their efforts on state projects. If the HURF diversions are sufficiently reduced, ADOT would have the capacity to reinstitute the HURF Exchange Program.

Position Statement: *Encourage ADOT to restore the HURF Exchange Program.*

3. EXPLORE ALL POSSIBLE FUNDING OPTIONS TO RESOLVE THE SR 189 BOTTLENECK

Background

A long-term solution is needed to ease the commercial traffic congestion on SR 189, which connects the newly expanded Mariposa LPOE to Interstate 19. Now that the LPOE expansion is completed, a total of 12 inspection lanes are operational. The additional capacity at the LPOE, combined with increasing manufacturing activity in Mexico and the continued expansion of the Seaport of Guaymas is expected to double the commercial traffic on SR 189, which currently has only two northbound lanes. While the interim signalization and turn lane improvements recently completed by ADOT at the I-19/SR 189 transportation interchange are appreciated, at the peak of the produce season, this pinch point will continue to hamper cross border trade and economic growth in Arizona until a long-term solution is implemented.

On November 21, 2014, the SEAGO Executive Board adopted Resolution No. 2014-05 resolving the intent of SEAGO to work cooperatively with the Maricopa Association of Governments, the Pima Association of Governments, and the remaining Regional Planning Agencies in the State to jointly advocate to the Arizona Department of Transportation, the Federal Highway Administration, the State Transportation Board, Arizona's Congressional Delegation, the Arizona Legislature, and other public and private stakeholders, to explore additional funding, creative financing, and additional statutory flexibility in order to advance the construction of the preferred build alternative for SR 189 into the ADOT Five-Year Transportation Facilities Construction Program while holding harmless currently programmed projects.

Position Statement: *Encourage ADOT to support the efforts of the Regional Planning Agencies to raise above the line revenue to advance the preferred build alternative for SR 189 into the ADOT Five-Year Transportation Facilities Construction Program and to build a long-term solution that reduces the commercial traffic congestion on SR 189, facilitates cross border trade, enhances economic growth, and fosters job creation in Arizona, as expressed in Resolution No. 2014-05.*

4. EXPAND TRANSPORTATION INFRASTRUCTURE FUNDING MECHANISMS

Background

While Arizona has not adjusted the gas tax for inflation in over 20 years, many other states have been far more proactive by increasing their gas tax, implementing automatic adjustments based on gas prices and inflation, or are considering alternative funding measures such as dedicated sales taxes or moving to vehicle miles travelled fee structures. Similarly, the federal gasoline tax has not been increased since 1993, and the Highway Trust Fund (HTF), into which the revenue flows, has suffered because the tax has not kept pace with inflation. In addition, improvements in vehicle fuel economy and increased use of alternative fuel vehicles have reduced consumption.

Historically, when the HTF has run low on cash, Congress has authorized a transfer of general fund dollars to continue transportation funding levels, but with the current partisan divisiveness in D.C. and the ongoing debate over the nation's indebtedness, the issue could remain unresolved. The federal gasoline tax currently generates approximately 2/3 of the funds going into the HTF, so absent a general fund transfer, states would experience a 1/3 reduction in federal transportation funding. The Congressional Budget Office recently

indicated that Congress will need to come up with \$73 billion to pass a five-year reauthorization bill this year to make up the gap between gas tax receipts and expected funding levels and prevent the HTF from going broke. Failure to bridge this gap would not only result in serious consequences to transportation projects across the nation, but would also be catastrophic to the loaning of funds between COGs and MPOs established to avoid having regional apportionments rescinded by ADOT.

Position Statement: *Urge the Governor, Legislature, and Congress to expand existing dedicated transportation funding sources, and develop sustainable alternative state and federal transportation funding mechanisms.*

5. EMPOWER ADOT STAFF TO CHALLENGE THE PROCESS

Background

MAP 21 contains a provision for categorical exclusions for projects using under \$5 million in federal funding and occurring within the existing operational right-of-way. Essentially, a categorical exclusion would apply to projects that will use less than \$5 million in federal funds and which are proposed to take place entirely within an existing operational right-of-way. Existing operational right-of-way refers to right-of-way that has been disturbed for an existing transportation facility or is maintained for a transportation purpose, including the roadway and shoulders, bridges, interchanges, culverts, drainage, and other areas maintained for transportation purposes such as clear zones, traffic control signage, landscaping, any rest areas with direct access to a controlled access highway, areas maintained for safety and security of a transportation facility, parking facilities with direct access to an existing transportation facility, and more.

However, this unique opportunity to streamline small projects is apparently compromised by a requirement for considering 'unusual circumstances' in determining whether a categorical exclusion will be allowed on a project. Unusual circumstances refers to "circumstances in which a normally excluded action may have a significant environmental effect and, therefore, requires an EA or EIS." Examples of unusual circumstances include "substantial controversy on environmental grounds, significant impacts on properties protected by section 4(f) of the Department of Transportation Act or section 106 of the National Historic Preservation Act, ***or inconsistencies with any Federal, State, or local law, requirement, or administrative determination relating to the environmental aspects of the action***" (emphasis added).

Based on a preliminary discussion with Arizona's FHWA Division Administrator, they are interpreting 'unusual circumstances' to mean any project area that had not previously been cleared through the NEPA process. Because many of the roads in the SEAGO region were built or improved to their current state before NEPA existed or improvements were funded using HURF Exchange or local funds, this interpretation renders the categorical exclusion provided under MAP 21 useless for the majority of rural Arizona roads.

Position Statement: *Encourage ADOT and Federal Highway Administration to uphold the categorical exclusion provisions in MAP 21 as intended by Congress and impose the minimum federal requirements and allow maximum flexibility for small local public agency projects with no significant environmental effect.*

6. RAISE TITLE 34 LIMITATION ON USE OF LOCAL FORCES

Background

Arizona Revised Statutes Title 34 Section 201 Subsection D prohibits cities, counties and other public agencies from constructing any street, road, bridge, water or sewer project using their regularly employed personnel unless the total cost of the work is less than one hundred fifty thousand dollars adjusted by the

annual percentage change in the GDP price deflator. This amounts to \$217,710 in today's dollars and severely limits local governments' use of their own forces to construct transportation and other infrastructure improvements. As an example, for a road project, the earthwork and drainage improvements alone can cost up to \$253,000 per mile. The impact of this limitation to rural local governments is compounded by the fact that many contractors are not interested in bidding small projects in rural areas, and when they do, bids frequently come in higher than budgeted because of mobilization costs. It would greatly assist rural local governments in improving their transportation infrastructure, and provide for more cost effective use of rural Arizona taxpayer's dollars if the statutory limitation in A.R.S. § 34-201, Subsection D were reset to \$500,000 and/or the cost of materials were excluded from the calculation of project costs.

Position Statement: *Urge the Governor and Legislature, to reset the Title 34 limitation on use of local forces to construct street, road, bridge, water or sewer projects without advertising for bids to \$500,000 and/or exclude the cost of materials from the calculation of project costs.*



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD

FROM: RANDY HEISS, EXECUTIVE DIRECTOR

DATE: FEBRUARY 18, 2015

SUBJECT: CONSIDERATION OF RESOLUTION NO. 2015-02

In April of 2012, SEAGO passed Resolution No. 2012-02 supporting and advocating for resources to improve Arizona's ports of entry with Mexico, including improvements to the Douglas Port of Entry, Chino Road and associated infrastructure. This Resolution, No 2015-02, is specific to supporting the City of Douglas' plans to move forward in partnership with the City of Agua Prieta, Sonora to build a new commercial Land Port of Entry (LPOE), and its Section 559 Donation Acceptance Authority Proposal to U.S. Customs and Border Protection (CBP).

The proposed new LPOE will be constructed on city-owned property located approximately 5 miles west of Douglas through a private public partnership project delivery mechanism. The estimated bond/debt issuance for the construction of this facility includes an anticipated construction cost of \$23M, as well as facility improvements intended to facilitate cross border traffic both inbound and outbound at the existing Douglas LPOE at a projected cost of \$3M.

The City is proposing to enter into a 30-year lease agreement with CBP and will donate up to 80 acres of land to CBP in conjunction with the execution of the lease. The City will own, manage, and maintain this facility for the entire duration of the lease period, and will donate the facility to CBP at the end of the lease period. The proposed lease agreement will cover all capital, interest, debt issuance, facility maintenance, and depreciation costs over the life of the lease with the exception of the land being donated by the City, and road construction costs which will be funded by others.

The attached Resolution speaks to the need for the new commercial LPOE and improvements at the existing facility. Staff recommends Executive Board support of the City's Section 559 Donation Acceptance Proposal via Resolution No 2015-02.

At their February 12th meeting, the Administrative Council unanimously recommended approval of Resolution No. 2015-02.

Attachments: Resolution No. 2015-02

Action Requested: Information Only Action Requested Below:

A motion to approve Resolution No. 2015-02.



SouthEastern Arizona Governments Organization

Serving our member governments and their constituents since 1972

RESOLUTION NO. 2015-02

A RESOLUTION OF THE SOUTHEASTERN ARIZONA GOVERNMENTS ORGANIZATION SUPPORTING THE SECTION 559 DONATION ACCEPTANCE PROPOSAL FROM THE CITY OF DOUGLAS, ARIZONA TO U.S. CUSTOMS AND BORDER PROTECTION

WHEREAS, the size, historic significance, and location of the existing Douglas Land Port of Entry (LPOE) render it unsuitable for significant expansion, cause frequent delays in cross border commerce, and hinder the ability of Customs and Border Protection (CBP) officers to safely and effectively fulfill their operational mandate; and

WHEREAS, inbound commercial traffic at the Douglas LPOE has increased over 25 percent over the past five years, exports, including oversized/overweight mining equipment, have increased 26 percent over the same period, and a recent ADOT analysis suggests truck volumes could continue to increase by more than 6% per year over the next 10 years which will further exacerbate the operational constraints at the existing site; and

WHEREAS, facilitating oversized cargo crossings at the Douglas LPOE requires a complete port shut down of several hours and the current LPOE configuration requires such shipments queue and travel through heavily urbanized areas on both sides of the border, thereby suppressing legitimate trade and travel; and

WHEREAS, the current Douglas LPOE location requires the frequent flow of hazardous chemicals through the urbanized areas of Douglas and Agua Prieta, and the current facility does not have the necessary facilities for spill containment or mitigation; and

WHEREAS, based upon General Services Administration studies, traffic growth is anticipated to continue to grow especially as relates to solar, thermoelectric power, and mining expansions in northeastern Sonora, Mexico, and the existing Douglas LPOE will not allow CBP to adequately meet its mission within the next five years; and

WHEREAS, the City of Douglas is desirous of a solution that will promote and enhance legitimate trade and travel between southeastern Arizona and northeastern Sonora, and stimulate the economies on both sides of the U.S./Mexico border, and has therefore submitted a Section 559 Donation Acceptance Proposal to CBP that will provide for construction of a new commercial LPOE outside the urbanized area and repurposing of the existing LPOE to enhance security and allow CBP officers to safely and effectively fulfill their operational mandate.

SEAGO Member Entities

Cochise County

Benson

Bisbee

Douglas

Huachuca City

Sierra Vista

Tombstone

Willcox

Graham County

Pima

Safford

San Carlos

Apache Tribe

Thatcher

Greenlee County

Clifton

Duncan

Santa Cruz County

Nogales

Patagonia

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NOW, THEREFORE, BE IT RESOLVED as follows:

That the Executive Board of the SouthEastern Arizona Governments Organization recognizes the value legitimate cross-border travel and trade brings to the SEAGO region, and supports the bi-national collaboration and efforts of the City of Douglas, the City of Agua Prieta, the State of Arizona, and the State of Sonora to reduce traffic congestion in the urbanized international corridor connecting Douglas and Agua Prieta, provide state-of-the-art port of entry infrastructure to foster more efficient cross-border flows, promote the development of retail and tourism opportunities, and create an environment for sustained job creation and an increased tax-base through the City of Douglas' Section 559 Donation Acceptance Proposal to U.S. Customs and Border Protection.

Passed and adopted by the SEAGO Executive Board on this 27th day of February 2015.

David Gomez, Chair
Executive Board

Randy Heiss, Executive Director
SouthEastern Arizona
Governments Organization



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD

FROM: RANDY HEISS, EXECUTIVE DIRECTOR

DATE: FEBRUARY 18, 2015

SUBJECT: GREENLEE COUNTY EXECUTIVE BOARD PRIVATE SECTOR REPRESENTATIVE

I have been notified by Ms. Gail Hackney that she is unable to continue her service as Greenlee County's Private Sector Representative on the Executive Board. Our Board must have private sector representation as a requirement of the Economic Development Administration.

Per SEAGO's Bylaws, Private Sector Representatives are appointed from the nominations submitted by the Member Entity Representatives from each county area, and must represent a low income or minority group, or representative organization, or represent the principal economic interests in the region, such as, but not limited to business, industry, finance, utilities, education, the professions, agriculture, or labor.

Based on an e-mail from Clifton Town Manager Mr. John Schempf, the member entity representatives from Greenlee County have discussed nominees and agree that Ms. Dustie Robinette of Duncan Farm and Garden Center would be an excellent choice for the position, and she has agreed to serve if selected.

I have attached a brief bio of Ms. Robinette's qualifications for your consideration. Based on her bio, it certainly appears she has many of the qualifications to serve in this capacity.

At their meeting on February 12th, the Administrative Council unanimously recommended appointment of Ms. Dustie Robinette as the Greenlee County Private Sector Representative.

Attachments: Bio – Dustie Robinette

Action Requested: Information Only Action Requested Below:

A motion to appoint Ms. Dustie Robinette as Greenlee County's Private Sector Representative.

DUSTIE L. ROBINETTE owns and operates Town & Country Supply, in Duncan, Arizona. Town & Country Supply is a retail feed and hardware store that provides agricultural products to local farmers and ranchers, along with building materials to contractors and homeowners. Dustie was born in Graham County, Arizona, where her family owned and operated ranches along Bonita Creek and the Gila River, as well as farms in Safford, Thatcher and Central. Although she moved to Southern California and completed her schooling there, she was fortunate to spend much of her formative years under the careful tutelage of her grandparents on the farm and ranch.

At an early age, Dustie was introduced to the law profession and spent hours at the law library with her Father as he attended law school. She had a passion for law, or arguing as her Father would say, and at the age of 16 she began answering phones and filing at the Law Offices of Turner and Earven in La Mirada, California. This led to a successful career in law, where through hard work and determination she became a paralegal and eventually a legal administrator.

She worked at the state offices of Ticor Title Insurance Company in Seattle, WA where she gained experience in escrow and title. She also worked with two law firms in Seattle, one specializing in land use, the other in real estate foreclosures. Back in California, she worked for a law firm that specialized in personal injury and worker's compensation, before returning to work for the Law Offices of Turner and Earven. There she handled cases in family law, criminal, civil, probate and bankruptcy including business reorganization Chapter 11's. She oversaw the acquisition and smooth merger of two additional law offices. The firm eventually became the Law Office of Kump and Earven.

Dustie left the law firm after the birth of her fifth child. A few years later she joined her husband Fred in his construction business. She began with the simple things, i.e. keeping the books and running the office, but eventually she was running the sales and lead generation teams. As their business expanded she oversaw their contract with The Home Depot and managed their work as a service provider for numerous Home Depot stores. The thing she loved the most though, was going into people's homes and helping them with the design and estimated build cost for their own family projects. Dustie and Fred ran a successful construction company for nearly two decades, before they moved to Duncan, Arizona in early 2012, where her family has been in the ranching/farming business for six generations. The family currently owns and operates the Mulberry and Saddleback ranches in Arizona, the Bitter Creek ranch in New Mexico and a small farm in Sheldon area of Duncan.

Dustie has six children and seven grandchildren with number eight on the way. She has always been actively involved in their schools and education. She has served on many School Site Councils, PTA and Booster Club Executive Boards. She was asked by various school administrations and the Moreno Valley Unified School District to instruct coaches and parents on the organization of booster clubs. She is a founding member of the Duncan Wildkat PTA, which is now in its third year and has served on the executive board since its inception. During the 2013 - 2014 school year, as president, she helped increase Duncan PTA's annual budget and fundraising threefold, and the membership fourfold. After several years without one, Dustie helped reinstitute the pep squad program at Duncan High School, and continues to serve as the advisor and an assistant cheer coach.

In 2014, Dustie co-lead a committee with the Arizona Coaches Association (ACA) and Duncan PTA that put on the only High School Football Allstar Game in the State of Arizona. Due to her vision, and the huge success of the week long event, Duncan was awarded the Allstar game for a five year term.

She is currently working with other community members to form a 501(c)3 Athletic Booster Club, which will take over the the Allstar Game and serve as a much needed resource for school and community athletic programs. Dustie is also active with the Greenlee County Tourism Council and Greenlee County Chamber of Commerce.



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
FROM: RANDY HEISS, EXECUTIVE DIRECTOR
DATE: FEBRUARY 18, 2015
SUBJECT: FUTURE MEETING DATES

Beginning in *May 2013*, the Administrative Council normally meets at 9:00 a.m. on the *first Thursday* of February, May, August and November at the Cochise College Benson Center, located at 1025 Highway 90 in Benson, Arizona. The Executive Board normally meets at 10:00 a.m. on the Fridays two weeks following the Administrative Council meetings unless there is a holiday, or unless the Board sets an alternative date. The location of each Executive Board meeting is determined by the jurisdiction hosting the meeting, and therefore varies.

Administrative Council	Executive Board
May 7, 2015	May 22, 2015 Graham County
August 6, 2015	August 28, 2015* Greenlee County
November 5, 2015	November 20, 2015 Santa Cruz County
February 11, 2016*	February 26, 2015* Cochise County

**The August 2015 meeting of the Executive Board will be moved to August 28th to avoid conflict with the League of Cities and Towns Annual Conference. The February 2016 meeting dates will be moved one week as shown to avoid a conflict with the ACMA Winter Conference.*

Also, below please find the schedule for the combined telephonic Administrative and Executive Committee meetings in the coming 12 months:

Combined Administrative and Executive Committee Meetings (telephonic)
April 2, 2015
June 4, 2015
October 1, 2015
December 3, 2015

Attachments: None.

Action Requested: Information Only Action Requested Below:



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD

FROM: RANDY HEISS, EXECUTIVE DIRECTOR

DATE: FEBRUARY 18, 2015

SUBJECT: STRATEGIC PLANNING RETREAT REPORT

On January 21st and 22nd, we held our strategic planning retreat as planned at the Cochise College Benson Center. As of November 17th our final attendance poll determined 14 members of the Administrative Council and 14 members of the Executive Board had indicated they could attend on these dates, yet only 9 members of the Administrative Council and 8 members of the Executive Board actually attended.

Despite a lower than expected turnout, those who did attend were thoroughly engaged, thoughtful, and positively participatory. Amy St. Peter, Human Services and Special Projects Manager from the Maricopa Association of Governments did a great job facilitating the retreat, and the exercises generated a lot of data that will be used to develop our strategic plan goals, objectives, strategies and tactics.

Amy has generated a Retreat Report, and in the interest of keeping the size of your packets manageable, I intend to print copies of the report and bring them to the meeting as handouts, and have also posted the report to our website. The report is posted immediately below the Mission and Vision statements on the following page:

<http://seago.org/?q=organizational-information>

Attachments: None

Action Requested: Information Only Action Requested Below:



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD

FROM: RANDY HEISS, EXECUTIVE DIRECTOR

DATE: FEBRUARY 18, 2015

SUBJECT: SCCOA FUNDING INCREASE REPORT

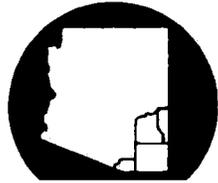
At the November meeting of the Executive Board, Dr. Marcelino Varona, President of the Santa Cruz Council on Aging (SCCOA), spoke at Call to the Public to report the progress the SCCOA has made in correcting deficiencies in their contract compliance, improving the conditions at the Nogales Senior Center, and increasing participation in their congregate meals program, nutrition education program, and socialization activities at the Center.

Dr. Varona also enumerated the effort the SCCOA has made to raise additional funds for their program, but expressed that they continued to struggle financially and urged the Executive Board to increase SEAGO support for the congregate meals program at the Nogales Senior Center. After hearing Dr. Varona speak, several members of the Executive Board expressed a desire for SEAGO staff to look for any way possible to program additional funds for SCCOA congregate meals.

Near the end of January, a small amount of unobligated funding was identified for Congregate Meals. On February 2nd, the Area Agency on Aging Program Manager allocated \$5,000 dollars of these funds to the Santa Cruz Council on Aging. In addition, the amount of Non-Federal Cash in the SCCOA budget was reduced by \$10,000 through a contract amendment. The net effect of these adjustments was a funding increase of \$15,000 to the SCCOA congregate meals contract. Staff is expecting additional funds to become available for congregate meals within the next 45 days and will make every effort to program as much of that money as possible toward the SCCOA congregate meals program.

Attachments: Contract Amendment 15-1

Action Requested: Information Only Action Requested Below:



SEAGO

SouthEastern Arizona Governments Organization Area Agency on Aging, Region VI

CONTRACT AMENDMENT

CONTRACT AMENDMENT NUMBER: 15-1	CONTRACT NUMBER: 120-15	EFFECTIVE AMENDMENT DATE: February 2, 2015
CONTRACTOR/PROVIDER (NAME AND ADDRESS): Santa Cruz Council on Aging, 125 E Madison Street, Nogales, AZ 85621		
PURPOSE: Allocate additional funding of \$15,000.00 to contract. Request update to Facility Chart and times of service (please note highlighted areas)		
THE ABOVE REFERENCED CONTRACT IS HEREBY AMENDED AS FOLLOWS: Reduce non-federal cash obligation by \$10,000 and additional funding to increase unit service of \$5,000.00.		
EXCEPT AS PROVIDED FOR HEREIN ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AS HERETOFORE CHANGES AND/OR AMENDED REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.		
IN WITNESS WHEREOF THE PARTIES HERETO SIGN THEIR NAMES IN AGREEMENT.		
NAME OF CONTRACTOR/PROVIDER Santa Cruz Council on Aging	SouthEastern Arizona Governments Organization (SEAGO)	
SIGNATURE OF AUTHORIZED PERSON	SIGNATURE	
TYPED NAME Dr. Arnoldo Montiel	TYPED NAME Randy Heiss	
TITLE SCCOA Board Member	TITLE Executive Director	
DATE	DATE	

300 Collins Road, Bisbee, Arizona 85603
2528

FAX (520) 432-9168

(520) 432-

SEAGO MEMBER-ENTITIES: COUNTIES OF COCHISE, GRAHAM, GREENLEE, AND SANTA CRUZ. CITIES AND TOWNS OF BENSON, BISBEE, CLIFTON, DOUGLAS, DUNCAN, HUACHUCA CITY, NOGALES, PATAGONIA, PIMA, SAFFORD, SIERRA VISTA, THATCHER, TOMBSTONE, WILLCOX, AND THE SAN CARLOS APACHE TRIBE.

ANNEX B

1.0 METHOD OF COMPENSATION

The method of compensation governing this contract shall be:

- Fixed Rate for SEAGO AAA state and federal funds for services identified in 2.1.
- Cost Reimbursement for SEAGO AAA state and federal funds for services identified in 2.2.

2.0 COMPENSATION

Upon timely receipt of required reporting documents, subject to availability of funds, SEAGO shall reimburse the Contractor on a monthly basis in accordance with Section 50 Payments of the Contract General Provisions for costs incurred in the delivery of contract services during the term of the contract that are consistent with the approved Contract Budget contained herein.

2.2 Cost Reimbursement

SERVICE	CNG
DELIVERABLE UNITS	11,000
TOTAL CONTRACT	\$ 103,652.00
FUNDING BREAKDOWN	
ALTCS	\$ -
Project Income	\$ 17,500.00
Non-Federal In-Kind	\$ -
Non-Federal Cash	\$ 39,152.00
Other Federal	\$ -
TOTAL OTHER FUNDING	\$ 56,652.00
SEAGO AAA AWARD	\$ 47,000.00

3.0 COMPENSATION REQUIREMENTS

Payment shall be subject to the following limitations and exceptions:

1. Title 45 CFR Part 74, Section 74.61(e) requires cash reimbursements be timed to coincide with cash disbursements made with federal funds.



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
THROUGH: RANDY HEISS, EXECUTIVE DIRECTOR
FROM: CINDY OSBORN, ACCOUNTS MANAGER
DATE: FEBRUARY 18, 2015
SUBJECT: FINANCE REPORT AND FY14 AUDIT REPORT

The SEAGO Statement of Revenues & Expenditures for the period December 2014 and FY15 to date is attached.

Colby and Powell performed the field work for our annual audit during the week of January 12th and we anticipate having a draft of the audit report in time for your meeting. In order to manage the size of your packets, the FY14 audit will be posted to the SEAGO website and can be downloaded from the following page:

<http://seago.org/?q=february-2015-executive-board-meeting>

The FY 14 audit will be presented to the Executive Board at your meeting on February 27, 2015 by Jim Usevitch of Colby and Powell. I will attempt to answer any questions you may have regarding the finance report and/or the audit at the meeting.

Attachments: Statement of Revenues and Expenditures 12/31/2015

Action Requested: Information Only Action Requested Below

SEAGO

Statement of Revenues and Expenditures - Unposted Transactions Included In Report

From 12/1/2014 Through 12/31/2014

(In Whole Numbers)

		Current Period Actual	YTD Actual	Total Budget	Percentage of Budget Used
Revenue					
General Fund	101	(434)	19,805	19,028	104.08%
Agency Response	301	(434)	58,058	36,040	161.09%
Community Development Block Grant	302	3,000	18,500	106,837	17.31%
Economic Development	303	1,361	41,798	117,357	35.61%
Housing	305	11,681	43,951	102,488	42.88%
Environmental Quality	306	803	1,930	7,800	24.74%
Elderly Transit	307	359	1,112	20,000	5.56%
Public Transit	308	2,868	6,653	20,000	33.26%
State Planning & Research	309	5,601	64,468	156,250	41.25%
Area Agency on Aging	310	19,773	160,259	376,885	42.52%
Regional Mobility Management	311	6,045	68,510	180,249	38.00%
Traffic Count	312	0	0	75,000	0.00%
RMM Training	314	0	0	73,150	0.00%
Total Revenue		<u>50,624</u>	<u>485,045</u>	<u>1,291,085</u>	<u>37.57%</u>
Expenses					
General Fund	101	138	20,377	19,028	107.08%
Agency Response	301	2	8,309	28,240	29.42%
Community Development Block Grant	302	6,489	54,806	106,837	51.29%
Economic Development	303	1,448	44,466	117,357	37.88%
Economic Development Revolving Loan Fund	304	0	2	0	0.00%
Housing	305	3,606	32,612	95,272	34.23%
Environmental Quality	306	803	1,930	7,800	24.74%
Elderly Transit	307	359	1,112	20,000	5.56%
Public Transit	308	2,868	6,653	20,000	33.26%
State Planning & Research	309	5,601	64,468	156,250	41.25%
Area Agency on Aging	310	19,774	158,831	371,635	42.73%
Regional Mobility Management	311	6,045	68,510	180,249	38.00%
Traffic Count	312	0	0	75,000	0.00%
RMM Training	314	0	0	73,150	0.00%
Total Expenses		<u>47,132</u>	<u>462,076</u>	<u>1,270,819</u>	<u>36.36%</u>
Balance		<u>3,492</u>	<u>22,969</u>	<u>20,266</u>	<u>113.33%</u>



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
THROUGH: RANDY HEISS, EXECUTIVE DIRECTOR
FROM: CHRIS VERTREES, SEAGO TRANSPORTATION PLANNER
DATE: FEBRUARY 18, 2015
SUBJECT: TRANSIT REPORT

The following is a brief update involving our transit and mobility management activities:

REGIONAL MOBILITY MANAGEMENT

SEAGO is responsible for regional coordination of the Arizona Department of Transportation's Coordinated Mobility Grant Program process. ADOT has released the FFY 2015-5310 Notice of Funding Availability and the FFY 2015-5310 Program Guidebook. ADOT will release the application on February 24, 2015. The deadline for application submission will be April 15, 2015. SEAGO will be providing technical assistance to eligible applicants throughout the grant process.

REGIONAL 5310 PILOT TRAINING PROGRAM

SEAGO completed the RFQ process for our training program consultant on January 22nd. M. Greene Planning & Resource Development was the only responded to the RFQ. She is very qualified to lead this project. A contract was entered into on January 27th. The first deliverable is a Regional 5310 Training Plan to be delivered to SEAGO by March 15, 2015.

COORDINATION GROUP MEETINGS

The **Cochise County** Coordination Group meets at the Public Works Building in Sierra Vista. The meeting is from 10am to 12pm. Cochise County Transit Coordination meetings are held the second Thursday of the month on a bi-monthly basis. On average, 15 organizations are represented including city and county governments, non-profit organizations, and businesses. SEAGO is the Local Mobility Manager for Cochise County and Connie Gastelum is the meeting facilitator. She can be reached at cgastelum@seago.org. One of the primary focus elements of future meetings will to continue the development of emergency Mutual Aid Agreements and increased coordination partnerships. A schedule of the Cochise Coordination Meetings and Agenda Packets can be accessed at our Regional Mobility Management website at <http://seago.org/?q=regional-mobility-management-0>.

Santa Cruz County Transit Coordination meetings are held on a bi-monthly basis and normally scheduled the second Tuesday of month at the City of Nogales Public Works Building from 10am to 12pm. There are six organizations that operate transit/transportation services in the county and they are regular attendees at coordination meetings. Connie

Gastelum is the LMM. She can be reached at the email address noted above. Meetings and Agenda Packets can also be accessed at the website noted above. This group's major priority is resource identification/sharing and the development of Mutual Aid Agreements. A schedule of the Santa Cruz Coordination Meetings and Agenda Packets can be accessed at our Regional Mobility Management website at <http://seago.org/?q=regional-mobility-management-0>.

Graham and Greenlee Counties Transit Coordination meetings are the third Tuesday of each month at the Blake Foundation Café on Main Street in Safford from 10am to 12pm. There are nine organizations that operate transit/transportation services in the two county area and they are regular attendees at coordination meetings. Cheryl Wilson, with Blake Foundation, is the Mobility Manager for the two county areas and has her hands full in helping transit/transportation providers expand their reach into the rural communities. Cheryl can be reached at cwilson@blakefoundation.org

The group is continuing its work to create a scheduled fixed route service corridor from San Carlos into and within the Safford/Thatcher/Pima communities. They are also working on the development of a regional training plan and updating their Mutual Aid Agreements they currently have in place. The Mayor of Safford and the Mayor of Thatcher have attended the Coordination meeting and is open to receiving suggestions from the Group.

5311 PROGRAMS

SEAGO is a member of the Benson, Bisbee, Douglas and Sierra Vista 5311 Transit Advisory Committees. SEAGO has participated in all meetings scheduled by these agencies.

SEAGO is currently exploring the development of a pilot program using the Route Match Scheduling Program currently owned by the City of Douglas. The goal is to develop a One-Call-One-Click regional scheduling center. This will enable transit users to call-in or complete an online request for transportation within Cochise County. Providers will then be able to coordinate transportation services. ADOT will be phasing out operation funding to singular mission 5310 programs within the next two years. This will enable 5310 programs that enlist in Route Match to expand their services and remain eligible for operational funds.

Action Requested: Information Only Action Requested Below



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
THROUGH: RANDY HEISS, EXECUTIVE DIRECTOR
FROM: LARRY CATTEN, ECONOMIC DEVELOPMENT PLANNER
DATE: FEBRUARY 18, 2015
SUBJECT: INTRODUCTION OF NEW ECONOMIC DEVELOPMENT PLANNER

It is an honor and privilege to be appointed to the position of SEAGO Economic Development Planner, effective January 19, 2015. I have had the opportunity to work in the field of economic development for more than 18 years, working with local governments in identifying, developing and implementing economic development strategies. That experience has been buttressed with more than 7 years of experience in the private sector, working for companies in various initiatives of business development, business expansion and retention, and inter-corporate and inter-governmental relations. This public and private sector experience has afforded me the opportunity to view, from both perspectives, government's essential role in developing and growing a community's prosperity.

While my career has included both public and private sector experience, I must admit that my heart and passion lies in the working with local governments to identify and pursue economic development opportunities. For me, successes in local economic development are a source of enormous pride and gratification.

Some accomplishments in which I take great pride are:

1. Writing proposals for a local federal contractor that resulted in the award of more than \$500M of federal contract work.
2. Successfully writing grant proposals and advocating for state and federal grant funding for the community I represented; resulting in the award of \$11M in grant funds.
3. Attracting an international corporation to relocate its corporate headquarters in the city I represented, and negotiating with the company to redevelop a seriously blighted downtown office building.
4. Attracting a minor league baseball team to relocate in the community I represented, and constructing a new baseball complex as part of a downtown redevelopment and revitalization project.
5. Transitioning an Army installation, vacated by the Department of Defense, into a viable and successful industrial park.
6. Developing a 600 acre multi-use commercial/recreational park and attracting several real estate developers and companies to construct facilities in the park; including a large distribution facility for an international food company.

I am committed to the SEAGO economic development goals as set forth in the CEDs, and expect my first weeks as the Economic Development Planner to be devoted to the following activity and initiatives:

1. Getting to know, and develop relationships with all members of the Administrative Council and Executive Board, as well as stakeholders in each community in the SEAGO region.
2. Develop an understanding of the economic development issues, obstacles and goals in each community in the SEAGO region. That includes:
 - a. Understanding the expertise and service that SEAGO can provide in partnership with the communities; and
 - b. In concert with the communities, develop specific action plans.
3. Continue the communication networks established by the previous Economic Development Planner.

I genuinely look forward to working with each of you and each community that SEAGO serves. Please contact me at 520.432.5858, ext. 210, and lcatten@seago.org.

Attachments: None.

Action Requested:



Information Only



Action Requested Below



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
THROUGH: RANDY HEISS, EXECUTIVE DIRECTOR
FROM: JULIE PACKER, HOUSING PROGRAMS MANAGER
DATE: FEBRUARY 18, 2015
SUBJECT: FY 15 HOUSING PROGRAM INFORMATION

Below are the current Housing Statistics through FY15 second quarter:

PROGRAM	# CLIENTS	HOMES SAVED	DENIALS	WITHDRAWN	ACTIVE
NFMC	3	1			2
SOHAZ	61	6	42		13
HUD (Fed FY)	12	3	3		6
AG	19	4			15
TOTAL	95	14	45		36

I received phone calls from an additional 104 families in addition to the clients I am already working with during the second quarter.

Currently Financial Education and Homebuyer Education classes are being scheduled throughout the region to meet the Attorney General's funding requirements. Classes are being scheduled for the end of February, March and early April. By this meeting, PSA's will have been sent out to area newspapers and radio stations along with flyers to banks, realty companies and low income housing complexes.

Attachments: None.

Action Requested:

Information Only

Action Requested Below