



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
FROM: RANDY HEISS, EXECUTIVE DIRECTOR
DATE: NOVEMBER 7, 2017
SUBJECT: EXECUTIVE BOARD MEETING

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

Friday, November 17, 2017 at 10 a.m.
[Santa Cruz County Complex, Courtroom A](#)
[2150 North Congress Drive](#)
[Noqales, Arizona](#)

If you click on the name or address of the facility, your browser will open to a map of the meeting location. You can zoom out to get a better idea of the best route to the meeting. Courtroom A is located on the second floor of the complex. There is a receptionist in the main lobby who can direct you to the meeting room. If you are unable to attend, please send an alternate or phone in to the meeting 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, NOVEMBER 17, 2017
SANTA CRUZ COUNTY COMPLEX, COURTROOM A
2150 NORTH CONGRESS DRIVE,
NOGALES, ARIZONA

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE / INTRODUCTIONS	Chair Lindsey	
II. MEMBER ENTITIES' DISCUSSION (Common Critical Issues)	Chair Lindsey	
III. CALL TO THE PUBLIC	Chair Lindsey	
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VIII. FUTURE AGENDA ITEMS	Chair Lindsey
IX. ADJOURNMENT	Chair Lindsey

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

Individuals with disabilities who require special accommodations may contact John Merideth at (520) 432-5301 extension 212 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 John Merideth at (520) 432-5301 extension 212. 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 Juan Merideth al número (520) 432-5301, extensión 212, por lo menos setenta y dos (72) horas antes de la conferencia.

**MINUTES OF THE
SEAGO EXECUTIVE BOARD
SACRED HEART PARISH
550 CORONADO BLVD.
CLIFTON, ARIZONA
AUGUST 18, 2017**

OFFICERS PRESENT: Lindsey, Sam – City of Willcox (*Chair*)
Gomez, David – Greenlee County (*2nd Vice Chair*)
Rivera, Bob – Town of Thatcher (*Treasurer*)

MEMBERS PRESENT: Barlow, Bill – City of Tombstone
David, Paul – Graham County
Molera, Rudy – Santa Cruz County (*phone*)
Montoya, Louis – Town of Clifton
Morales, Danny – City of Douglas
Ortega, Richard – City of Safford
Robinette, Dustie – Greenlee County Private Sector Rep.
Smerekanich, Ilona – Cochise County Private Sector Rep.

STAFF PRESENT: Heiss, Randy – Executive Director
Merideth, John – Grants/Title VI Coordinator
Pashley, Diane – Accounts Manager
Vertrees, Chris – Transportation Planner

GUESTS: Adam, Kevin – RTAC
Basteen, John Jr. – Town of Duncan

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE/INTRODUCTIONS

Chairman Lindsey called the meeting to order at 10:05 a.m. and welcomed everyone. Additional welcome remarks were made by Mr. John Basteen and Supervisor Gomez.

II. MEMBER ENTITIES' DISCUSSION

Councilman Ortega commented on the recent passing of the County's Library Director. Vice Mayor Montoya commented on the recent Rural Policy Forum stating the economic development presentations were very good.

III. CALL TO THE PUBLIC

No one from the public was present.

IV. ACTION ITEMS

1. Consent Agenda
 - a. Approval of the May 17, 2017 Minutes
 - b. Nomination to the Advisory Council on Aging

Vice Mayor Montoya pointed out a few typographical errors in the minutes for correction. Mayor Rivera made a motion to approve the Consent Agenda with corrections to the minutes.

MOTION: Mayor Rivera
SECOND: Supervisor Gomez
ACTION: **UNANIMOUS**

2. Discussion and possible action to recommend de-designation of SEAGO as a Designated Planning Agency (DPA) under Section 208 of the Clean Water Act.

Mr. Randy Heiss stated he did not have enough information to make a recommendation to de-designate as a DPA and reminded the group that if it were to happen it would most likely be the counties that would act as DPAs for their areas. He further stated that it would be difficult to understand the impact to counties since none of them were familiar with the 208 planning requirements and would have to develop a 208 plan and staff the program from their own resources.

Mayor Rivera asked how often the program is used and Mr. Heiss responded it is pretty infrequent but would be needed for private sector projects such as the new housing development in Benosn. Mayor Rivera discussed the possibility of creating a lake in Thatcher using effluent and Mr. Heiss stated he would have to research the project more to determine whether it would be affected by the Section 208 Clean Water Act.

Supervisor Gomez stated he felt it was ADEQ's responsibility to administer the program.

Supervisor David stated the Governor's Office is discussing water issues throughout the State. He is surprised there is not a committee of County engineers studying the issues. Mr. Heiss responded there is an Environmental Review Committee set up for providing input on wastewater treatment projects.

Vice Mayor Montoya brought up the discussion on the issue which took place at the SEAGO strategic planning session in February, stating the summary states the group recommended de-designation. Ms. Smerekanich stated that she wrote up the summary and it did not recommend de-designation. Vice Mayor Montoya stated his recollection was that running the program was not justified due to the lack of resources and infrequent need. He further stated that doing nothing at this time has the most effect on agencies that are currently involved in projects or will be in the near future.

Councilman Ortega commented that since the program would most likely end up with the Counties, which do not have the expertise to administer it, he felt it should stay with SEAGO. He asked what the recommendation of the Administrative Council was and Mr. Heiss reported the vote was 5 aye, 7 nay to recommend de-designation.

Mayor Pro Tem Morales discussed the current wastewater treatment plant project in the City of Douglas and stated he felt if SEAGO de-designates it would be difficult to re-designate in the future.

Mayor Rivera asked whether it's possible to table the issue and revisit it in another year. Mr. Heiss responded that that was possible.

Mayor Pro Tem Barlow asked if no action is taken, would everything stay as it currently is, and Mr. Heiss responded yes.

Supervisor David pointed out that the low funding provided is not enough to cover the costs of the program but it was important to keep a seat at the table as a Council of Governments (COG).

Mr. Heiss clarified that if SEAGO decided to de-designate then ADEQ would assume immediate responsibility for the program. He stated that the EPA provides \$100,000 (\$40,000 goes to COGs) to the State to administer it Statewide, with one staff person.

Mayor Pro Tem Barlow made a motion to take no action and revisit the issue at a future date.

MOTION: Mayor Pro Tem Barlow
SECOND: None
ACTION: **Died for lack of action by Board.**

Chairman Lindsey asked whether there was another motion regarding the Section 208 de-designation issue and there was none.

3. Discussion and possible action to recommend voluntary withdrawal of SEAGO as a HUD-Approved Housing Counseling Agency.

Mr. Heiss provided background information regarding the Housing Program stating it was down to one funding source and that SEAGO to date is still a HUD approved counseling agency. He stated that the one remaining Housing staff found full-time employment with another agency and resigned her position which resulted in the suspension of SEAGO's Housing Program services. Since that time, SEAGO had requested that HUD place SEAGO's housing counseling program on inactive status for up to one year. Mr. Heiss presented three options for the Board's consideration:

Option 1 - Do nothing: Under this Option, our inactive status will automatically expire in December and HUD will terminate our participation in the HUD Housing Counseling Program. If HUD is forced to take action to terminate our participation in the program, it will become a black mark on our record that will most likely preclude us from qualifying for any HUD funding opportunities for many years to come.

Option 2 - Voluntarily Withdraw: We can formally withdraw from the program at any time while in inactive status. This would involve submitting a letter to HUD indicating our desire to withdraw from the program. Such a decision would not count against us in any future applications for HUD funding, our status as a HUD-Approved Counseling Agency would be recorded as being voluntarily withdrawn, and the door would remain open for us to re-apply to become HUD-Approved Counseling Agency should we decide it advantageous to do so in the future.

Option 3 - Take Immediate Action to Maintain Status: Maintaining our status as a HUD-Approved Housing Counseling Agency will open doors to other sources of HUD funding for related programs. However, this is not a tactic that was recommended during our Strategic Planning Retreat, and pursuing this now would divert staff from efforts to accomplish the goals and tactics in our recently updated Strategic Plan. In addition, doing so would require hiring at least one full-time staff and/or reducing our scope of services to something more manageable. The prospect of finding someone living within a reasonable commute from the SEAGO office who has the housing counseling certifications required for the program, and is willing to work for the wage we would be able to offer is extremely unlikely – especially in the four-month timeframe we would have to accomplish this.

This Option would also require an investment of between \$70,000 - \$90,000 in reserves to staff the program in the first year. If we were fortunate enough to hire someone with the ambition, passion, and writing skills, it's possible private funding sources could offset some, and possibly most of program

costs in future years. HUD has indicated hiring a part-time person to operate the program is unlikely to satisfy HUD program requirements and procuring a contractor to provide HUD Housing Counseling services is not allowed by HUD.

Mr. Heiss reported that the recommendation of the Administrative Council was Option 2, Voluntarily Withdraw.

Mayor Rivera asked how many requests SEAGO receives and Mr. Heiss responded that several calls a month are housing related.

Supervisor David thanked SEAGO staff for the work that had been done in the past.

Mayor Rivera made a motion to voluntarily withdraw as a HUD-Approved Housing Counsel Agency as recommended by the Administrative Council and Staff.

MOTION: Mayor Rivera
SECOND: Councilman Ortega
ACTION: **UNANIMOUS**

4. Discussion and possible action to recommend re-appointment of Ms. Illona Smerekanich as a Private Sector Representative for Cochise County on the Executive Board.

Mr. Heiss provided background information on EDA requirements for private sector representation, stating that Ms. Smerekanich's first term on the Board was up and she was eligible for reappointment to a second two-year term.

Mayor Rivera made a motion to re-appoint Ms. Smerekanich to a second two year term as the Cochise County Private Sector Representative on the SEACO Executive Board.

MOTION: Mayor Rivera
SECOND: Mayor Pro Tem Barlow
ACTION: **UNANIMOUS**

5. Discussion and possible action to recommend approval of the FFY 2017 CDBG applications.

Mr. Heiss presented the FY17 Regional Account CDBG applications which are:

Graham County: \$223,229 for construction of Klondyke Road.

Santa Cruz County: \$323,921 for flood mitigation near Camino Gilberto.

Benson: \$235,518 for a new ADA compliant restroom & concession stand in Lion's Park.

Tombstone: \$235,518 for renovation of the first floor and basement of the historic Old City Hall, to become the Marshal's offices.

Clifton: \$100,000 for ADA renovations to their historic train station.

Ms. Dustie Robinette made a motion to approve the FFY17 CDBG project applications.

MOTION: Dustie Robinette
SECOND: Ilona Smerekanich
ACTION: **UNANIMOUS**

6. Discussion and possible action to recommend authorization for staff to issue a Request for Proposals for consulting service to conduct the SEAGO 5310 Training Program.

Mr. Chris Vertrees provided background information on the Regional 5310 Training Program stating that SEAGO was again awarded \$100,000 in ADOT funding to continue the program. Ms. Smerekanich asked whether the \$55,000 was specifically for the consultant and Mr. Vertrees states yes it was, with the remaining \$45,000 to funding SEAGO's portion of the training program. Supervisor David asked if there were others in the State administering the 5310 program and Mr. Vertrees responded that SEAGO has partnerships with other COGs in the State to help facilitate the training.

Mayor Pro Tem Morales made a motion to authorize SEAGO staff to develop a Request for Proposals to advertise for and to select a consultant to provide the services outlined in the Regional 5310 Training Program scope of work.

MOTION: Mayor Pro Tem Morales
SECOND: Supervisor Gomez
ACTION: **UNANIMOUS**

7. Discussion and possible action to recommend authorization for staff to issue a Request for Proposals for consulting services to conduct a road ownership study in Greenlee County.

Mr. Vertrees reported that SEAGO has approximately \$150,000 in planning funds available to develop/administer a regional planning project and the TAC had recommended funding a PARA project not selected by ADOT during the FY18 application cycle. The project chosen is the Greenlee County Ownership of Local Roads Study which focuses on documenting the ownership of local roads and associated segments. The study priority will be roads from the Highway User Revenue Fund list and will capture data in the County's GIS database and has a cost estimate of \$150,000.

Ms. Smerekanich made a motion to authorize SEAGO staff to work with Greenlee County to develop a detailed scope of work for the Greenlee County Ownership of Local Roads Study, prepare a Request for Proposal to advertise for, and to select a consultant to provide the services to complete the study.

MOTION: Ilona Smerekanich
SECOND: Mayor Rivera

Supervisor David commented that road ownership is always an issue and wondered if any funds could be used for quitclaiming. Mr. Vertrees stated it had been discussed and if there are left over funds they could be used for that purpose however the first step is to identify the owners.

Chairman Lindsey asked whether SEAGO would send out the RFP or would Greenlee County and Mr. Vertrees responded that SEAGO would.

ACTION: **UNANIMOUS**

V. INFORMATION ITEMS

A. Future Meeting Dates

Mr. Heiss outlined the proposed future meeting dates

B. Strategic Plan Implementation Progress Report

Mr. Heiss provided an update on the implementation of Strategic Plan goals to date.

C. Quarterly Finance Report

Ms. Diane Pashley provided the quarterly finance report and responded to questions.

D. SEAGO Economic Development District Report

Mr. Heiss provided the Economic Development District report and responded to questions.

E. AAA Updates

Mr. Heiss provided the AAA updates report and responded to questions.

F. Strategic Regional Highway Safety Plan Update

Mr. Vertrees presented the Strategic Regional Highway Safety Plan update and responded to questions.

G. Transit Report

Mr. Vertrees presented the Transit report and responded to questions.

VI. RTAC REPORT

Mr. Kevin Adam provided the legislative update and responded to questions.

VII. STAFF ANNOUNCEMENTS / CURRENT EVENTS

No announcements were made.

VIII. FUTURE AGENDA ITEMS

Mr. Heiss reported that an updated resolution in support of the Douglas POE will be presented as well as the Transportation Positions Issues Statement.

IX. ADJOURNMENT

The meeting adjourned at 12:45 PM.



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
THROUGH: RANDY HEISS, EXECUTIVE DIRECTOR
FROM: LAURA VILLA, AREA AGENCY ON AGING PROGRAM MANAGER
DATE: NOVEMBER 7, 2017
SUBJECT: NOMINATION TO FILL VACANT CITY OF WILLCOX ACOA POSTION

On October 19, 2017 the Advisory Council on Aging (ACOA) made a nomination and recommended the appointment of Sara A. Nolan to fill a vacant seat representing the City of Willcox. A brief bio for Mrs. Nolan follows:

Sara Nolan, RN retired as a nursing supervisor for Arizona Department of Corrections Fort Grant complex, served as a nurse at Northern Cochise Community Hospital, and was a college instructor for over thirty years at Community Colleges including Pima College, Cochise College, and Eastern Arizona College. Currently, she teaches CPR/First Aid to caregivers who provide assistance to the elderly. With her extensive career in nursing and education, Sara feels that she would be a good candidate to represent the City of Willcox on the ACOA. Since the Northern Cochise Community Hospital closed its Long Term Care unit, Sara feels that her desire to advocate for older adults is what sparks her interest in the ACOA. Sara has been on a waitlist since April 2016 for a vacancy to become available, which shows her strong interest in becoming an ACOA member.

As a reminder, a vacancy remains for representation on the ACOA for the Town of Pima and a position recently became available for Santa Cruz County unincorporated. Any suggestions on individuals who would be willing to serve in these positions would be greatly appreciated.

At their meeting on November 2nd, the Administrative Council unanimously recommended approval of Mrs. Nolan's appointment to the Advisory Council on Aging as part of the consent agenda. I will try to answer any questions you may have at the meeting.

Attachments: None

Action Requested: Information Only Action Requested Below:

A motion to approve the nomination of Mrs. Sara A. Nolan to fill the vacant position for the City of Willcox on the Advisory Council on Aging.



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
FROM: RANDY HEISS, EXECUTIVE DIRECTOR
DATE: NOVEMBER 7, 2017
SUBJECT: RESOLUTION 2017-03

Attached for your consideration again this year is a resolution urging the Governor and Legislature to eliminate the diversion of HURF and other dedicated transportation funding sources to the State General Fund. We decided to move consideration of our HURF Resolution from February to November so it would be in place for the start of the Legislative session in January. This year's Resolution once again includes language urging the powers that be to modernize the mechanisms needed to develop and maintain our State's transportation infrastructure.

The Administrative Council unanimously recommended approval of the subject Resolution at their meeting on November 2nd. I will attempt to answer any questions you may have at the meeting.

Attachments: Resolution 2017-03

Action Requested: Information Only Action Requested Below:

A motion to approve Resolution 2017-03.



SouthEastern Arizona Governments Organization

Serving our member governments and their constituents since 1972

RESOLUTION NO. 2017-03

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 continue to decline due to better vehicle fuel efficiency, reductions of vehicle miles driven, and fuel taxes not being adjusted for inflation for nearly twenty-three years; and

WHEREAS, approximately \$118 million in dedicated transportation funding was diverted to fund other government programs in the current fiscal year, and over \$2 billion has been diverted since 2001; and

WHEREAS, due to the ongoing diversions of dedicated transportation funding, Arizona’s 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 updated 25-year Long Range Transportation Plan (from 2016 through the 2040 planning horizon), which considers such factors as pavement conditions, congestion levels and safety performance, projects \$89.5 billion will be needed to meet Statewide Multimodal Spending Needs over the plan’s 25-year period; and

WHEREAS, the Arizona Department of Transportation has determined and the Arizona Auditor General has verified that the State’s transportation infrastructure has a \$63 billion funding gap between transportation needs and anticipated available revenues; and

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**

1403 W. Hwy 92
Bisbee, AZ 85603
520-432-5301
520-432-5858 Fax

Area Agency on Aging Office

300 Collins Road
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www.seago.org

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.

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 funding mechanisms needed to adequately develop and maintain our State's transportation infrastructure.

Passed and adopted by the SEAGO Executive Board on this 17th day of November 2017.

Gerald Lindsey, Chair
SEAGO Executive Board

Randy Heiss,
SEAGO Executive Director



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
FROM: RANDY HEISS, EXECUTIVE DIRECTOR
DATE: NOVEMBER 7, 2017
SUBJECT: TRANSPORTATION ISSUES POSITION STATEMENT

As with the HURF Resolution, we decided to move consideration of the 2018 Transportation Issues Position Statement from February to November so it would be in place for the start of the Legislative session in January. As a result, the SEAGO TAC discussed transportation issues at their meeting on September 21st, and raised a number of concerns that have the potential to impact 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 2018 Transportation Issues Position Statement that begins on the following page.

The Administrative Council unanimously recommended approval of the 2018 Transportation Issues Position Statement at their meeting on November 2nd.

Attachments: 2018 Transportation Issues Position Statement

Action Requested: Information Only Action Requested Below:

A motion to approve the 2018 Transportation Issues Position Statement 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

SEAGO Main Office

Administration
CDBG
Economic Dev.
Housing
Transportation

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1. END THE DIVERSION OF DEDICATED TRANSPORTATION FUNDING

Background

Approximately \$118 million in funding dedicated to transportation purposes was diverted to fund other government programs in the current fiscal year, and more than \$2 billion has been diverted since 2001. At their November 17, 2017 meeting, the SEAGO Executive Board adopted Resolution No. 2017-03, urging the Arizona Legislature and Governor to end the diversion of HURF and other dedicated transportation revenues to the State General Fund, and direct transportation funding sources to their intended uses. The Resolution cites facts such as how these 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. 2017-03.

2. REJECT EFFORTS TO LOWER THE 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 approximately \$220,000 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 \$250,000 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.

Unfortunately, the Arizona Association of General Contractors sees this issue in the opposite view. They feel cities, towns and counties have been circumventing the Title 34 limitation by breaking projects up into phases and repaving streets under the auspices of 'maintenance activities' which AAGC considers to be construction

projects that should be put out to bid. In response, it is highly likely that legislation will be reintroduced in the next Legislative session that would propose to lower Title 34 limitation threshold and/or specifically include construction, reconstruction, maintenance work, and the cost of equipment purchases in the activities that would be required to be outsourced.

Position Statement: *Urge the Governor and Legislature to reject any legislation, in the next or future Legislative sessions that would lower the Title 34 limitation on use of local forces to construct street, road, bridge, water or sewer projects, or include specific types of maintenance activities and equipment purchases that cannot be performed without advertising for bids, and instead, consider raising the statutory limit to \$500,000, exclude the cost of materials from the calculation of project costs, and/or establish a population threshold to limit the existing statute's applicability to counties with populations of 250,000 or more.*

3. PROTECT EXISTING FEDERAL HIGHWAY AND TRANSIT PROGRAMS

Background

It is widely known that the President's proposed \$1 trillion infrastructure investment package will include \$200 billion in new federal funding over the next ten years that intends to leverage an additional \$800 billion in private investment in the form of public private partnerships to address America's deteriorating roads, bridges, tunnels, airports, schools, and hospitals. What isn't as well known is that the plan proposes to require additional investment on the part of state and local governments, and that the \$200 billion in new federal funding would be offset by reductions to the existing highway and transit programs. Essentially, the President's plan would decrease the amount of funding for highway and transit programs to the same level as collections of federal gas tax that feed into the Highway Trust Fund. This would result in a \$95 billion reduction over the next ten years in lieu of continuing to make one-time appropriations from the general fund or taking steps to increase the federal gas tax to meet the Nation's transportation needs. While new grant or loan programs to improve our Nation's infrastructure are certainly needed and welcomed, these should not come at the expense of adequate funding for existing transportation infrastructure programs.

Position Statement: *Urge Congress to protect and fully fund existing highway and transit programs as the first priority to meet the Nation's transportation infrastructure needs.*

4. EXPAND TRANSPORTATION INFRASTRUCTURE FUNDING MECHANISMS

Background:

Transportation funding sources at both the State and Federal levels are inadequate to meet system needs. While Arizona has not adjusted the gas tax for inflation in over 23 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. Arizona is currently ranked 45th in the nation for fuel tax rates; meanwhile, pavement conditions on the state highway system continue to deteriorate, badly needed expansion projects are limited to roughly one major project per year, and ADOT's infrastructure investment program in Greater Arizona moves closer to being limited to maintenance only activities.

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, thereby reducing gasoline tax collections. The federal gasoline tax currently generates

approximately 2/3 of the funds going into the HTF, and with the passage of the FAST Act, the remaining 1/3 of the funds come from the Federal Reserve's "surplus" funds, selling oil from the Strategic Petroleum Reserve, and a number of other sources. However, continuing to avoid raising the gas tax or implementing an alternative mechanism for transportation funding will mean that the HTF funding gap will continue to increase until the FAST Act expires.

During the 2017 legislative session, a task force was formed to study the inadequacy of Arizona revenue sources and devise recommendations to the Governor and Legislature for consideration. The Task Force submitted its final report and revenue structure recommendations to the Governor and Legislature on December 31, 2016, but unfortunately, none of them made it through the process of becoming law.

Position Statement: *Urge the Governor, and Legislature to carefully consider and implement the recommendations of the 2017 Transportation Revenue Task Force, whether through legislation or referral of a ballot measures to the voters, and urge Congress to implement a long term solution to bring the Highway Trust Fund into balance.*

5. EXPLORE ALTERNATIVE FUNDING FOR IMPROVEMENTS TO INTERSTATE 15

Background:

A 29-mile segment of Interstate 15 crosses through the northwestern corner of Arizona, and provides a vital link between the states of California, Nevada, and Utah. While I-15 is a critical commercial trade route used by more than 1.4 million trucks annually, it provides very minimal congestion mitigation, Interstate mobility or economic benefits to the citizens of Arizona. Regardless, ADOT remains obligated to maintain and repair I-15 which includes the replacement of several major bridges, the magnitude of which could overwhelm the funding traditionally allocated to Greater Arizona through the Casa Grande Accords.

ADOT has determined, and the Auditor General has confirmed that there is a \$63 billion funding gap between statewide transportation needs and anticipated revenues, and the limited funding available for Greater Arizona is insufficient to address system expansion needs and adequately maintain all of the existing roadways. When available funds are allocated to costly I-15 improvements, including a substantial level of bridge replacement and repair work, the gap between available funds and funding needs for Greater Arizona is widened considerably.

It is within the purview of ADOT to seek alternative funding sources for I-15 roadway improvements such as TIGER, FASTLANE Grants and tolling of bridges. Given the substantial cost of the improvements needed on I-15, its minimal benefits to the State of Arizona, and the significant drain on funds needed elsewhere on Greater Arizona's highway system, it is necessary to explore alternative funding mechanisms to meet ADOT's obligation to the federal government to repair and maintain the segment of I-15 within Arizona.

Position Statement: *Urge 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 alternatives and creative financing, to include tolling of bridges and additional statutory flexibility in order to finance I-15 transportation improvements in the ADOT Five-Year Transportation Facilities Construction Program and minimize the negative impact to the availability of funding allocated to the remainder of Greater Arizona.*



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
FROM: RANDY HEISS, EXECUTIVE DIRECTOR
DATE: NOVEMBER 7, 2017
SUBJECT: RTAC ALTERNATE POSITION

As most of you know, Thatcher Mayor Bob Rivera has represented SEAGO on the Rural Transportation Advocacy Council (RTAC) Executive Board for many years and intends to continue doing so. However, we have been looking for one of the elected members of the SEAGO Executive Board willing to serve as an alternate on the RTAC Board for several years, but until recently, have been unsuccessful. I recently spoke with Graham County Supervisor Paul David, and he indicated he would be honored to serve in this capacity. At this time, I'm asking that you consider appointing Supervisor David to represent SEAGO as an alternate on the RTAC Board.

At their meeting on November 2nd, the Administrative Council unanimously recommended the appointment of Supervisor David to represent SEAGO as an alternate on the RTAC Executive Board. I will attempt to answer any questions you may have at the meeting.

Attachments: RTAC Executive Board List

Action Requested: Information Only Action Requested Below:

A motion to appoint Supervisor Paul David to represent SEAGO as an alternate on the RTAC Executive Board.



Rural Transportation Advocacy Council

Linking Arizona to the Global Economy

Central Arizona Governments
Central Yavapai Metro. Planning Org.
Flagstaff Metropolitan Planning Org.
Lake Havasu Metro. Planning Org.
Northern Arizona Council of Gov'ts.
Sierra Vista Metro. Planning Org.
Southeastern Arizona Governments Org.
Sun Corridor Metro. Planning Org.
Western Arizona Council of Gov'ts.
Yuma Metropolitan Planning Org.

October 12, 2017

RTAC EXECUTIVE BOARD

OFFICERS:
Chairman Steve Miller Pinal County Supervisor
Vice Chairman Matt Ryan Coconino County Supervisor

BOARD:

Dave Waldron	Apache Junction Councilmember	CAG
Mila Besich-Lira	Superior Mayor	CAG Alternate
Terry Nolan	Dewey-Humboldt Mayor	CYMPO
Mary Mallory	Prescott Valley Councilmember	CYMPO Alternate
Matt Ryan	Coconino County Supervisor	FMPO
Celia Barotz	Flagstaff Councilmember	FMPO Alternate
Mark Nexsen	Lake Havasu City Mayor	LHMPO
David Lane	Lake Havasu City Councilmember	LHMPO Alternate
Tom Thurman	Yavapai County Supervisor	NACOG
Wade Carlisle	Holbrook Vice Mayor	NACOG Alternate
Bob Rivera	Thatcher Mayor	SEAGO
Steve Miller	Pinal County Supervisor	SCMPO
Jon Thompson	Coolidge Mayor	SCMPO Alternate
Rick Mueller	Sierra Vista Mayor	SVMPO
Gary Watson	Mohave County Supervisor	WACOG
Gary Knight	Yuma Vice Mayor	YMPO
Lynne Pancrazi	Yuma County Supervisor	YMPO Alternate



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
THROUGH: RANDY HEISS, EXECUTIVE DIRECTOR
FROM: LARRY CATTEN, ECONOMIC DEVELOPMENT PLANNER
DATE: NOVEMBER 7, 2017
SUBJECT: CONSIDERATION OF RESOLUTION NO. 2017-04

On three (3) previous occasions the SEAGO Administrative Council and Executive Board passed resolutions in support of the City of Douglas' efforts to make essential improvements to the existing port of entry, and to construct a new commercial port of entry to more efficiently accommodate existing commercial traffic, and provide an economic development opportunity by increasing cross border commercial traffic. An increase in commercial traffic to and from the U.S. will provide an enormous economic boost to the City of Douglas, Cochise County, and the SEAGO Region. The previous resolutions of SEAGO support are:

1. April 2012 - 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.
2. February 2015 - Resolution No. 2015-02, 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 supporting its Section 559 Donation Acceptance Authority Proposal to U.S. Customs and Border Protection (CBP).
3. May 2016 – Resolution No. 2016-03, supporting the City of Douglas efforts to modernize and expand the current Raul H. Castro Port of Entry, and construct a new port of entry facility to accommodate commercial cargo.

Much of the commercial traffic that could be attracted to the Douglas commercial port of entry is currently utilizing ports in New Mexico and Texas. The competition for efficient ports of entry recently increased as the Columbus, New Mexico LPOE recently received \$85M in federal funding to improve and expand its port of entry (see attached article from the Albuquerque Journal). The ports of entry in the small communities of Antelope Wells, NM, and Santa Teresa, NM also received funding for improving their ports of entry in 2013 and 2010 respectively.

The past efforts by the City of Douglas, while making progress, have not been successful in obtaining federal funding for improving the current port of entry, and constructing a commercial LPOE. However, the City of Douglas administration has renewed its efforts to obtain federal funding, and that effort has been strongly supplemented by increased

support from Cochise County and vigorous support and advocacy from Representative Martha McSally (see attached articles).

The attached Resolution speaks to the need for the new commercial LPOE and improvements to the existing POE facility, and to SEAGO's support for the City of Douglas as it pursues its project initiatives. At their meeting on November 2nd, the Administrative Council unanimously recommended approval of the subject Resolution. Staff now requests the Executive Board consider approval of Resolution No. 2017-04, expressing support for the City of Douglas in its effort improve and expand its capacity to develop an important commercial corridor that will economically benefit the SEAGO Region.

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

Attachments: Resolution No. 2017-04; April and September 2017 press releases from Representative Martha McSally; December 2015 Albuquerque Journal Article.

Action Requested: Information Only Action Requested Below:

A motion to approve Resolution No. 2017-04.



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*

SEAGO Main Office

- **Administration**
- **Community and Economic Development**
- **Transportation**

1403 W. Hwy 92
Bisbee, AZ 85603
520-432-5301
520-432-5858 Fax

Area Agency on Aging Office

300 Collins Road
Bisbee, AZ 85603
520-432-2528
520-432-9168 Fax

www.seago.org

RESOLUTION NO. 2017-04

A RESOLUTION OF THE SOUTHEASTERN ARIZONA GOVERNMENTS ORGANIZATION SUPPORTING THE EFFORTS OF the CITY OF DOUGLAS AND COCHISE COUNTY TO MODERNIZE AND EXPAND THE CURRENT RAUL H. CASTRO PORT OF ENTRY, AND TO CONSTRUCT A NEW PORT OF ENTRY FACILITY TO ACCOMMODATE COMMERCIAL CARGO

WHEREAS, The existing Douglas- Raul H. Castro Land Port of Entry (Douglas LPOE), which was built in 1933 and last renovated over twenty-four years ago, has experienced a steady climb in activity and now accounts for nearly \$4 billion in bilateral trade with Mexico annually; and

WHEREAS, the size, historic significance, and location of the existing Douglas LPOE render it unsuitable for significant expansion, causing frequent delays in cross border commerce and hindering the ability of U.S. Customs and Border Protection (CBP) officers to safely and effectively fulfill their operational mandate, thereby rendering the LPOE and surrounding communities vulnerable to unacceptable safety and security risks; and

WHEREAS, it is projected that more than 34,000 commercial vehicles, nearly 1.7 million cars, and approximately 3.9 million individuals will cross into the United States from Mexico at the Douglas LPOE in Federal Fiscal Year 2017; and

WHEREAS, based upon General Services Administration (GSA) studies, traffic volumes are anticipated to continue increasing at the Douglas LPOE as a result of business growth and expansion in northeastern Sonora, Mexico, and the existing Douglas LPOE will not allow CBP to adequately meet its mission to provide requisite border security within the next five years; and

WHEREAS, a recent ADOT analysis suggests commercial vehicle volumes could continue to increase by more than 6% per year over the next 10 years, which will further exacerbate the operational constraints and security risks 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 Douglas 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 shipment of hazardous chemicals flow through the urbanized areas of Douglas and Agua Prieta, and the current LPOE does not have the necessary facilities for spill containment or mitigation, thereby creating considerable risks to public health and safety for residents of these communities; and

WHEREAS, the Unified Inspections Pilot Program in Nogales has been a resounding success by providing for joint inspections of north and southbound commercial traffic by both CBP and their Mexican counterparts, resulting in average wait times of twenty minutes – a figure that is unmatched at any other U.S. port of entry. While the Unified Inspections Program is also being applied at the current Douglas LPOE on a limited basis, this expedited inspection process and resulting economic benefit cannot be fully utilized by the Douglas LPOE until a new commercial port of entry is constructed; and

WHEREAS, the City of Douglas and Cochise County is desirous of a solution that will promote and enhance legitimate trade and travel between southeastern Arizona and northeastern Sonora, fully enable unified inspections for north and southbound commercial traffic, stimulate the economies on both sides of the U.S. / Mexico border, and provide essential border safety and security to the residents of the City of Douglas and Cochise County; and

WHEREAS, in order to enhance border security, allow CBP officers to safely and effectively fulfill their operational mandate, and expand economic opportunities for the City of Douglas and the region, the City continues to work with CBP and GSA in continued advocacy, positioning, and pursuit of alternatives for mutually viable methods of Douglas LPOE construction and financing, that will provide for the construction of a new commercial Douglas LPOE outside the urbanized area, and the repurposing of the existing Douglas LPOE; and

WHEREAS, in an April 2017 letter, U.S. Representative Martha McSally called on CBP to accelerate the Douglas LPOE modernization project, and to include the construction of the new commercial port of entry in their five-year plan.

NOW, THEREFORE, BE IT RESOLVED THAT: in order to foster more efficient cross-border flows, promote the development of retail, manufacturing and tourism opportunities, create an environment for regional and bi-national sustained job creation and increased tax-base, and provide for essential safety and security at the Douglas LPOE, the Executive Board of SouthEastern Arizona Government Organization 1) recognizes the enormous value that legitimate cross-border travel and trade brings to the SEAGO region, the State of Arizona, and the entire U.S.; 2) supports the bi-national collaboration and efforts of Cochise County, the City of Douglas and the City of Agua Prieta, Sonora to reduce traffic congestion and increase safety and security in the urbanized international corridor connecting Douglas and Agua Prieta; and 3) strongly endorses and supports Representative McSally's efforts to accelerate the Douglas LPOE modernization project, and to include the construction of the new commercial port of entry in CBP's five-year plan.

Passed and adopted by the SEAGO Executive Board on this 17th day of November, 2017.

Gerald "Sam" Lindsey, Chair
Executive Board

Randy Heiss, Executive Director
SouthEastern Arizona Governments Organization

U.S. REP. MCSALLY CALLS ON CBP TO MODERNIZE EXISTING PORT OF ENTRY & BUILD NEW PORT OF ENTRY IN DOUGLAS



April 27, 2017 | Press Release

TUCSON – U.S. Representative Martha McSally today in a letter called on U.S. Customs and Border Protection (CBP) Acting Commissioner Kevin McAleenan to accelerate the Douglas Port of Entry (POE) modernization project and to include the construction of the new commercial port of entry in their five-year plan. The Port, which was built in 1933 and last renovated over twenty years ago, has experienced a steady climb in activity and now accounts for nearly \$4 billion in trade through two-way truck traffic.

"Last year, more than 1.6 million cars and 3.8 million people crossed into the United States from Mexico at Douglas POE. Additionally, Department of Justice statistics show that approximately 90% of the illicit drugs smuggled into the United States come through the ports of entry. Despite these economic opportunities and security challenges, the Douglas POE is severely outdated, overburdened, congested and woefully inadequate," said **Rep. McSally** in the letter. "Security conditions at the border have changed and our commerce and tourism volumes demand a new approach so the POE is no longer the biggest obstacle for continued economic growth."

Rep. McSally also urged CBP to prioritize the construction of the new commercial port of entry due to reports from both the General Services Administration and the Arizona Department of Transportation that the inadequate size and capabilities of the current Douglas POE will prevent CBP from carrying out its mission within the next five years.

"I applaud the efforts of Customs and Border Protection Office of Field Operations personnel who manage the port for doing the best they can, but this increased activity coupled with high volume pedestrian traffic can no longer be accommodated by the current port of entry," **Rep. McSally** continued in the letter. "As such, the immediate modernization of the current port and the relocation of commercial operations to a new facility is the best way to meet current and future demands."

"Modernizing and expanding the Douglas Port of Entry will not only benefit Douglas and Cochise County, but our state and the entire nation by helping move goods from Mexico, one of the world's fastest growing economies," said **Chairwoman of the Cochise County Board of Supervisors, Ann English**, who represents the city of Douglas. "I thank Congresswoman McSally for her efforts. Since taking office, she's been our biggest and strongest supporter and has made several visits to the area to see first-hand the need for this port of entry. I am thankful our community has her as an ally in Congress."

"I would like to thank Representative McSally for her support in Congress and for pressing U.S. Customs and Border Protection to upgrade the Douglas Port of Entry in this letter. Her support is essential in seeing this project move forward. The City of Douglas has put together a team of both public and private sector individuals focused on advocating for the need to improve the border crossing experience at Douglas. Our port of entry is the gateway for billions of dollars of trade and millions of visitors and it is outdated and overburdened," stated **Robert Uribe, Mayor for the City of Douglas**. "We need to make it easier for our visitors to cross and shop in our stores, eat in our restaurants and do business in Douglas and Arizona. After an initial assessment, we are now looking at both short and long term actions to make our border crossing second to none" added Uribe.

Background

Since arriving in Congress in 2014, Rep. McSally has tirelessly advocated to improve and expand the Douglas Port of Entry in committee hearings ([/media-center/press-releases/us-rep-mcsally-stresses-need-new-douglas-port-entry](#)) and in letters sent to CBP ([/media-center/press-releases/us-rep-mcsally-calls-cbp-head-advance-douglas-port-entry-project](#)). She successfully pushed ([/media-center/press-releases/us-rep-mcsally-leads-hearing-border-infrastructure-manning-needs](#)) for Customs and Border Protection to include the modernization project in their Five-Year Plan.

To view a PDF of the letter, click [HERE](#) ([/sites/mcsally.house.gov/files/FINAL%20Letter%20to%20Secretary%20Kelly_Douglas%20POE_0.pdf](#)).
SEAGO Executive Board Mtg 11-17-2017

Page Page 21 of 73

The full letter text follows:

April 27, 2017

The Honorable John Kelly

Secretary

Department of Homeland Security

3801 Nebraska Avenue NW

Washington, D.C. 20374

Kevin McAleenan

Acting Commissioner

U.S. Customs and Border Protection

1300 Pennsylvania Ave NW

Washington, D.C. 20004

Dear Secretary Kelly and Acting Commissioner McAleenan,

The City of Douglas, Arizona and Cochise County are heavily dependent on cross border commerce and tourism for their economic wellbeing. Last year, more than 1.6 million cars and 3.8 million people crossed into the United States from Mexico at the Raul H. Castro Port of Entry (POE) in Douglas. Additionally, Department of Justice statistics show approximately 90% of the illicit drugs smuggled into the United States come through the ports of entry. Despite these economic opportunities and security challenges, the Douglas POE is severely outdated, overburdened, congested and woefully inadequate.

The Douglas POE was built in 1933 and last major improvements were made in the mid-1990s. Over the past 20 years, the security conditions at the border have changed and our commerce and tourism volumes demand a new approach so the POE is no longer the biggest obstacle for continued economic growth. In 2014, the Douglas port of entry processed more than 64,000 commercial trucks in two-way traffic, a number that has been growing at an annualized rate of more than 5% per year since 2010. The significant growth in traffic is anticipated to continue over during the next decade. However, in 2007, the General Services Administration (GSA) determined through a feasibility study, that there is needed expansion. Additionally, in 2013, the Arizona Department of Transportation found that the current Douglas POE will prevent CBP from carrying out its mission within the next five years. I applaud the efforts of Customs and Border Protection (CBP) Office of Field Operations personnel who manage the port for doing the best they can, but this increased activity coupled with high pedestrian traffic can no longer be accommodated by the current port of entry. As such, the immediate modernization of the current port and the relocation of commercial operations to a new facility is the best way to meet current and future demands.

During a Border and Maritime Security Subcommittee hearing I chaired last year, Eugene Schied, Acting Executive Assistant Commissioner for CBP's Office of Enterprise Services announced that the modernization of the POE in Douglas was placed on CBP's five-year land port of entry construction plan. I am writing to urge you to accelerate the modernization of the Raul H. Castro Port of Entry and to include construction of the new commercial port of entry in the five-year plan.

I look forward to discussing the next steps in this process and invite you both to visit Douglas and see firsthand the shortfalls and deficiencies of the current POE and the need for a new commercial port.

U.S. REP. MCSALLY ANNOUNCES DOUGLAS POE IS ONE STEP CLOSER TO MODERNIZATION



September 6, 2017 | Press Release

WASHINGTON, DC—U.S. Representative Martha McSally (AZ-02) today officially announced that the Douglas Port of Entry (POE) is one step closer to modernization. The General Services Administration (GSA) has informed Congresswoman McSally's office that the feasibility study for the modernization of the port was funded in the Fiscal Year 2017 allocation, and the two agencies will begin the study this fall.

"GSA is taking a major step towards making the Douglas modernization project a reality—and that is significant news not just for Douglas, but for Arizona and for our nation," said **Congresswoman McSally**. "The Douglas POE was built in 1933 and it needs to be modernized. This port of entry is responsible for processing billions of commercial goods between the U.S. and Mexico, welcoming millions of visitors, and screening and apprehending illegal substances. 90% of the hard drugs smuggled into the United States come through the ports of entry. Upgrading, expanding, and modernizing the Douglas Port of Entry is crucial for our economy and our security."

Congresswoman McSally successfully pushed [\(/media-center/press-releases/us-rep-mcsally-leads-hearing-border-infrastructure-manning-needs\)](#) CBP to include modernization of the Douglas POE their Five-Year Plan, and throughout her time in Congress she has called on GSA to fund this feasibility study which is necessary to move the project forward. The feasibility study will analyze the possible comprehensive modernization and processing capacity of the Douglas POE, and make recommendations for optimal steps towards modernization. Tentative completion for the feasibility study is set for summer 2018.

"I can't thank Congresswoman McSally enough for the relentless support she has given our efforts to improve the border crossing experience at Douglas. Having her ready to go to the mat for us greatly improves our chances of success in accomplishing our two port solution. We must fix our existing port and move the commercial truck traffic out of downtown and relocated to a new state of the art facility to the west of the city. We are very excited to have stellar congressional representative being such an integral part of our border community's efforts that carry far-reaching positive economic effects. Douglas is a key gateway for trade and tourism and our port of entry is a critical asset for our bi-national community, for Arizona and for our nation," said **Robert Uribe, Mayor for the City of Douglas**.

"Today's news is a victory for Douglas, Arizona. This feasibility study is an essential requirement moving us closer to an updated and expanded Douglas Port of Entry. Our port of entry is a vital artery of trade that boosts our local economy and moves goods from Mexico, one of the world's fastest growing economies—but it needs improvements," said **Chairwoman of the Cochise County Board of Supervisors, Ann English, who represents the city of Douglas**. "We are thankful for Congresswoman McSally's effective efforts to upgrade the port since taking office, including her many visits to the area to see first-hand the need first hand. I am thankful Rep. McSally is our ally in Congress."

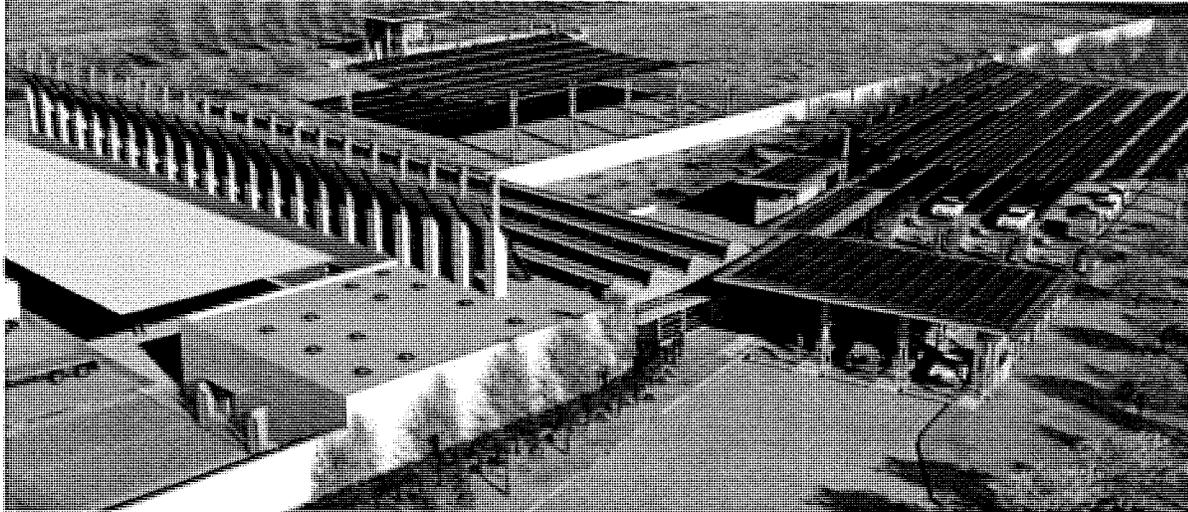
Since arriving in Congress in 2014, Rep. McSally has tirelessly advocated to improve and expand the Douglas Port of Entry in committee hearings ([click HERE \(/media-center/press-releases/us-rep-mcsally-stresses-need-new-douglas-port-entry\)](#) and [HERE \(/media-center/press-releases/us-rep-mcsally-questions-dhs-secretary-kelly-arizona-priorities\)](#)) and in multiple letters sent to CBP ([click HERE \(/media-center/press-releases/us-rep-mcsally-calls-cbp-head-advance-douglas-port-entry-project\)](#) and [HERE \(/media-center/press-releases/us-rep-mcsally-calls-cbp-modernize-existing-port-entry-build-new-port\)](#)).

Delivery alert until NaN

\$85M approved for upgrade of Columbus Port of Entry

By Lauren Villagran / Journal Staff Writer - Las Cruces Bureau

Wednesday, December 23rd, 2015 at 12:05am



This is the concept design for new Columbus Port of Entry from Richter Architects. A 2016 appropriations bill contains \$85 million to reconstruct the border crossing. (Rendering courtesy of Richter Architects)

New Mexico's first border crossing may finally get the face-lift it has been waiting for.

The federal fiscal 2016 appropriations bill signed into law last week includes \$85.6 million to build new facilities at the Columbus port of entry, where the current building dates to 1989.

"The Columbus Port of Entry is incredibly important to trade, economic development and security for our nation and southwest New Mexico," U.S. Sen. Tom Udall, D-N.M., said in a statement announcing the funding.

Udall, who sits on the Senate appropriations committee, said, "The current facility can't keep up with commercial or pedestrian traffic and faces other issues like frequent flooding. Once complete, the expanded port will ensure Columbus can keep up with demand and attract new business to New Mexico."

The port design, paid for by an earlier federal appropriation of \$7.4 million, is about 50 percent complete, according to Bill Mattiace, executive director of the New Mexico Border Authority. He said construction is slated to begin in January 2018.

"We think that's huge," Columbus Mayor Philip Skinner said. "What is being presented to the village is an opportunity. The federal government is going to invest lots of money in our community, and we can we either leverage it or not."

The Columbus port of entry saw commercial truck traffic increase by two-thirds between 2010 and 2014, from about 8,500 trucks to more than 14,200.

Foot traffic at the Columbus border crossing grew 18 percent over the same period, while vehicle traffic rose 10 percent.

The port is a major entryway for Mexican green and red chile and jalapeño headed for processing plants in New Mexico. Five days a week, it's also the crossing point for hundreds of U.S.-born Mexican children who head to school in Columbus or Deming.

"A modern port of entry in Columbus will lead to more efficient trade between the United States and Mexico, accommodate the growth of commercial and commuter crossing in the region, and create good jobs," said U.S. Sen. SEAGO Executive Board Mtg 11-17-2017 Page Page 24 of 73

Martin Heinrich, D-NM.

New Mexico's other two ports of entry have received attention and funding in recent years. The tiny Antelope Wells crossing point in the Bootheel got an \$11 million facility that opened in 2013, even though traffic at the port is so small that U.S. Customs and Border Protection leaves the port off its official workload statistics for the region.

Santa Teresa received \$10 million in federal funds in 2010, and the state has put additional money into area infrastructure as that region grows its industrial base.

"I think it's great, but it is going to take more than a port of entry to get what we need here," said Norma Gomez, a spokeswoman for the Columbus Chamber of Commerce. "We need jobs. We have been long forgotten in the eyes of the state. We're the only 24-hour port of entry, and yet they keep putting money into Santa Teresa and Antelope Wells."

Contact the writer.



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
FROM: RANDY HEISS, EXECUTIVE DIRECTOR
DATE: NOVEMBER 7, 2017
SUBJECT: FUTURE MEETING DATES

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
February 8, 2018*	February 23, 2018* Cochise County
May 3, 2018	May 18, 2018 Graham County
August 2, 2018	August 17, 2018 Greenlee County
November 1, 2018	November 16, 2018 Santa Cruz County

** The February 2018 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)
November 30, 2017 – 9:00 a.m.
March 29, 2018 – 9:00 a.m.
May 31, 2018 – 9:00 a.m.
October 4, 2018 – 9:00 a.m.

Attachments: None.

Action Requested: Information Only Action Requested Below:



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD

FROM: RANDY HEISS, EXECUTIVE DIRECTOR

DATE: NOVEMBER 7, 2017

SUBJECT: ROLES AND RESPONSIBILITIES OF THE ADMINISTRATIVE COUNCIL

As requested, below is a brief presentation on the roles and duties of the Executive Board.

Executive Board:

Most of the roles and duties of the Executive Board are set forth in the organization's Bylaws. In essence, the Executive Board functions as the SEAGO governing board and its powers and functions include:

1. Formulation of policy for the Organization. Examples of policies typically approved by the Board include the organization's Bylaws, Personnel Policies, Procurement and Purchasing Policies, Fund Balance Policy, and any revisions to these documents that may be needed from time to time.
2. Adoption of a budget and the establishment of fees and/or assessments. Examples of fees and assessments include the annual member assessment schedule, Consistency and Public Review fees, and any special assessments that may be necessary in connection with administering special projects or undertaking special studies for a member entity.
3. Approving, rejecting or deferring action on any matter its members determine to be properly within their purview. Examples include our strategic plan, the Area Plan on Aging, the Comprehensive Economic Development Strategy, the Method of Distribution, establishment or abandonment of programs and services, approval of our annual Work Program with ADOT, authorizing SEAGO to enter into contracts for services in furtherance of programs and projects, and other actions that may be required by program funding agencies.
4. Employment of and dismissal of an Executive Director.

In addition, the Executive Board has the authority to:

- Create Standing or Special Committees from their membership to deliberate on an issue and make recommendations to the full Board of their findings. For example, the Board could form an Assessment Committee to examine the structure of the annual member assessments and bring recommendations back to the Board for consideration at a later date.

- Create Functional Committees and appoint members to these committees. Functional Committees are formed to address matters such Transportation (Transportation Advisory Committee and RTAC), Environment (Environmental Review Committee), Aging (Advisory Council on Aging), and Economic Development (CEDS Strategy Committee). Historically, the Board has not always appointed each and every member to functional committees. For example, each member agency has taken the liberty to designate someone from their staff to serve on the TAC and Environmental Review Committee.
- Accept or reject gifts, grants, and donations, of all kinds, and to do all things necessary to carry out the purposes of such gifts, grants, and donations as applicable. The Board also has the power to manage, sell, convey, contract, lease, or otherwise dispose of the same in accordance with the terms of any such gifts, grants and donations. The Board typically relies on SEAGO staff to inform them of new funding sources, and delegates them the authority to manage and administer grant awards unless otherwise required by the funding source.
- Cause an annual audit of SEAGO accounts. While the Board is involved in the selection of the auditing firm, it typically delegates the scheduling of the annual audit and presentation of the audit to the Board to SEAGO staff.

Executive Committee:

The officers of the Executive Board – the Chair, First Vice Chair, Second Vice Chair, and Treasurer – make up what’s known as the Executive Committee. The Executive Committee has the following powers and duties:

- Conducting an annual evaluation of the Executive Director and presenting the results to the Executive Board for their consideration, input, and approval. Since the Executive Board is ultimately involved in the approval of the evaluation, I have opted to ask the entire Board to participate in the annual evaluation so that everyone who is interested in doing so has the opportunity to evaluate my performance.
- Annual budget review. In my time at SEAGO, the Executive Committee has never exercised this duty.
- Conducting meetings and taking action on program-related, time sensitive business in between regularly scheduled meetings of the Executive Board. The Executive Committee is not authorized to take any actions that set or have the effect of setting SEAGO policy, as that power is reserved for the full Executive Board.
- Approval of the emergency use of fund balance should it become necessary to sustain essential program operations due to a temporary interruption of funding from the federal or state government.
- Any other powers and duties that may be delegated by the Executive Board.

Administrative Council:

The Administrative Council’s powers and functions include:

1. Recommendation to the Executive Board of any matters its members deem appropriate for consideration by the Board. Beyond the business brought forward by staff, the Administrative Council has not recommended other matters for consideration by the Board during my time with SEAGO.
2. Coordination of Functional Committees and review of reports and recommendations of these committees. The Council does not have the power to reject any of the committees' reports and recommendations, but may refer them to the Executive Board and provide comments in support of or against them.
3. Responding to the Executive Board's requests for recommendations, reports, studies, or other information pertinent to the operations of SEAGO. In my time with SEAGO, the Administrative Council has delegated this function to members of staff, but has always been willing to offer its input and guidance.
4. Acting as liaison to their respective Executive Board member with regard to material and information supplied by the Executive Director and briefing them on upcoming action items, Bylaws changes, and reports.

Administrative Committee:

The officers of the Administrative Council – the Chair, Vice Chair, and Secretary – make up what's known as the Administrative Committee. The Administrative Committee has the following powers and duties:

- To provide recommendations as needed to the Administrative Council on pending policy decisions and actions. In my time at SEAGO, the Administrative Committee has never exercised this duty.
- To serve as an advisory group to the Executive Director pertaining to programs, services, management and conflicts that may arise. In my time at SEAGO, the Administrative Committee has never exercised this duty.
- Conduct meetings and take action in between regularly scheduled meetings of the Administrative Council. As most of you know, the Administrative Committee typically meets jointly with the Executive Committee to consider any program-related, time sensitive business that needs to be conducted in between regular meetings.
- Approval of the emergency use of fund balance should it become necessary to sustain essential program operations due to a temporary interruption of funding from the federal or state government.
- Any other powers that may be delegated by the Administrative Council subject to the approval of the Executive Board.

Attachments: None

Action Requested: Information Only Action Requested Below:



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD

FROM: RANDY HEISS, EXECUTIVE DIRECTOR

DATE: NOVEMBER 7, 2017

SUBJECT: IMPLEMENTATION OF STRATEGIC PLAN GOALS

As you know, the [FY 2018 - 2022 SEAGO Strategic Plan Update](#) was approved by the Administrative Council and Executive Board at the May 2017 meetings. The updated plan became effective July 1st, and below is a brief update on the progress staff has made to implement the tactics of the updated Plan to date:

Goal 1: Expand SEAGO services to member entities and constituents

Tactic A - Increase the Capacity of the Community Development Program: As you may recall from my last report, we advertised for the CDBG Senior Planning Specialist position and had a fairly robust response. More than forty applications were vetted and a short list of four candidates was developed to schedule for interviews. We were quite fortunate to recruit Mr. Keith Dennis. Keith has lived in Bisbee since 2007, comes to us with a Bachelor of Science in Community and Regional Planning, and is currently completing his Master of Arts in Interdisciplinary Studies. Most recently he worked as a Senior Planner for Cochise County Community Development, where he performed review and processing for Planning Commission, Board of Supervisors, and Board of Adjustment Dockets, including Special Uses, Rezoning, Appeals, Variances, Subdivisions, Lot Modifications and Home Occupations. Prior to Cochise County, he held planning positions with the City of McKinney, Texas and the Town of Pinetop-Lakeside. He is articulate, has extensive public involvement experience, some GIS skills, great research skills, and is an excellent writer. He is excited to be part of the SEAGO team and to carry the legacy Bonnie has created for our CDBG program forward. I am confident you will enjoy working with him on your local projects for many years to come.

Tactic B - Conduct Region-Wide Target Industry Analysis: Larry Catten, our Economic Development Planner continues the dialogue with each County's representatives on the SEAGO Economic Development Council to discuss and gather feedback on a proposal for engaging a "Target Industry Study" for each county in the SEAGO Region. Larry has submitted a Letter of Interest to the Graham County Freeport MacMoRan Cohort for a \$34,000 grant to perform a Target Industry Study in that County. The letter of interest was accepted and we were invited to submit a full grant application due October 27th. If awarded, that same \$34,000 may be used to demonstrate matching funds for a separate grant to expand the study to the entire region. Larry will continue working to find consensus on the region-wide study, and we will keep you posted on progress in future reports.

Tactic C - Develop and Market New Transportation Program Services: The initial equipment needed to begin a SEAGO Traffic Counting Program was purchased and

received before the end of FY 2017 and staff training will take place in FY 2018. The TAC reviewed and discussed the scope of work at their September meeting and will consider the approval of the program processes and procedures at their November meeting.

Tactic D - Kick Off Regional Technical Services Center: Not yet Started.

Tactic E - Conduct Feasibility Analysis of Consolidated Regional Human Services: Not yet started.

Tactic F - Create a Region-Wide Economic Development Data Portal: The data portal for Cochise County has been on line for some time. Greenlee County is currently working with U.S. Economic Research to build a similar portal for their part of the region. We anticipate Graham County will begin similar efforts soon, and we intend to pitch the idea to Santa Cruz in the near future. Also, John Merideth has been working diligently with our member entities and the staff from the Maricopa Association of Governments to verify the employment data being used to create a statewide employment viewer and eventually, for the SEAGO region. The statewide employment viewer is now online and available for your review at <http://geo.azmag.gov/maps/azemployment/>. Links to the statewide employment viewer will soon be posted to our website and shared with our member entities to use on their websites and/or data portals. I've attached a summary of employment viewer statistics from the SEAGO region for your reference.

Goal 2: Enhance awareness of SEAGO and the value of its services

Tactic A - Improve Service Delivery in the Family Caregiver Support Program: A job description for Care Coordinator (a.k.a. Case Manager) was developed and the job announcement published in the month of June. More than 30 candidates were vetted, and narrowed down to a short list of four individuals who were scheduled for interviews. An offer of employment was made to Ms. Mayra Ballesteros, the offer was accepted, and she began her employment with the Area Agency on Aging on July 31st. Mayra is now focused on coordinating with SEAGO AAA case managers, contacting caregivers in need of support services, and beginning to plan outreach and education activities throughout the region.

Tactic B - Convene and Facilitate Regional Continuum of Care (CoC) Planning Group: Not yet started.

Tactic C - Organize Volunteers for Housing Rehabilitation Projects: Not yet started.

Tactic D - Continue Current Public Information and Outreach Activities in Regional Newspapers: Ongoing.

Goal 3: Advance economic competitiveness and sustainability

Tactic A - Increase the Capacity of the Community Development Program: Same as Goal 1, Tactic A.

Tactic B - Conduct Region-Wide Target Industry Analysis: Same as Goal 1, Tactic B.

Tactic C - Kick Off Regional Technical Services Center: Same as Goal 1, Tactic D.

Tactic D - Conduct Feasibility Analysis of Consolidated Regional Human Services: Same as Goal 1, Tactic E.

Tactic E - Create a Region-Wide Economic Development Data Portal: Same as Goal 1, Tactic F.

Attachments: None

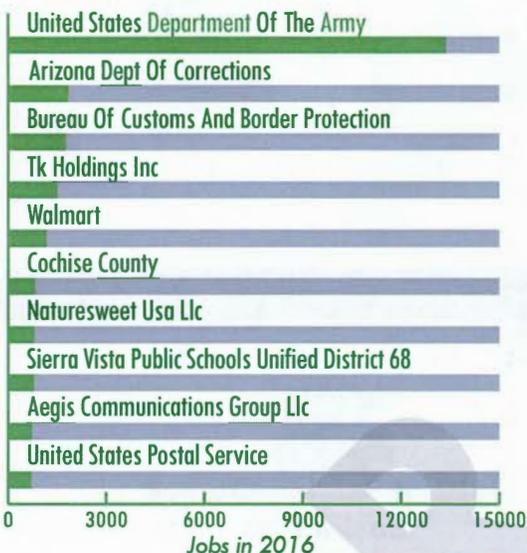
Action Requested: Information Only Action Requested Below:

BUSINESS, JOBS, AND INDUSTRY HIGHLIGHTS

SouthEastern Arizona Governments Organization (SEAGO)



Top 10 Employers by total jobs in 2016



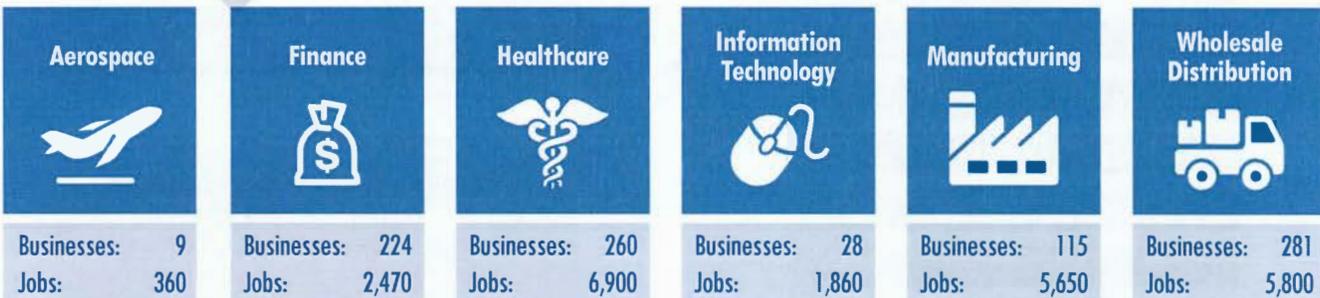
Source: 2016 Arizona COG/MPO Employer Database

Industry Cluster	Jobs
Business Services	3,650
Construction	3,140
Consumer Goods Manufacturing	530
Consumer Services	7,590
Education	7,180
Finance, Insurance, Real Estate (FIRE)	2,210
Government, Social, and Advocacy Services	25,180
Health Care	5,790
High Tech Manufacturing and Development	2,210
Hospitality, tourism, and recreation	2,260
Media, Publishing and Entertainment	590
Metal Inputs and Transportation Related Manufacturing	2,190
Non-Metallic Manufacturing	510
Resource Dependent Activities	1,760
Retail	8,080
Telecommunications	710
Transportation and Distribution	6,020

Note: Data are for businesses with 5 or more employees only
Source: 2016 Arizona COG/MPO Employer Database

Key Industries

Key Industries are a vital component of Arizona's economy. These six key industries contribute to economic growth throughout the state. Output from key industries is essential to the successful operation of many other industries.



Note: Data are for businesses with 5 or more employees only
Source: 2016 Arizona COG/MPO Employer Database

Foreign Direct Investment (FDI)

In Arizona there are 1,530 Foreign-Owned Businesses with a total of 5,570 locations. These businesses provide 132,210 jobs. The top Foreign-Owned Businesses in Arizona come from a variety of countries.



Foreign Direct Investment (FDI) is a key economic driver. For regions across the U.S., FDI brings additional capital, creates jobs, encourages transfer of technology and knowledge, and allows for a wider promotion of products.

Foreign-Owned Businesses in the Region



**Foreign-Owned
Businesses**
90



**Jobs at Foreign-Owned
Businesses**
4,370

Rank	Country	Jobs
1	Japan	1,640
2	France	810
3	Canada	750
4	United Kingdom	340
5	Italy	220
6	Netherlands	130
7	Mexico	90
8	Switzerland	70
9	Germany	50
10	Spain	50

Source: 2016 Arizona COG/MPO Employer Database

Business Name	Jobs
Tk Holdings Inc	1,500
Aegis Communications Group Llc	720
Burger King	230
Circle K Stores Inc	200
Alpha Pro Tech Inc	150

Source: 2016 Arizona COG/MPO Employer Database

SouthEastern Arizona Governments Organization
 1403 West Highway 92
 Bisbee, AZ 85603
 (520) 432-5301
 www.seago.org



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
THROUGH: RANDY HEISS, EXECUTIVE DIRECTOR
FROM: DIANE PASHLEY, ACCOUNTS MANAGER
DATE: NOVEMBER 7, 2017
SUBJECT: FINANCE REPORT

The SEAGO Statement of Revenues & Expenditures for the period ending September 2017 and Fiscal Year 2018 to date is attached. I will attempt to answer any questions you may have at the meeting.

Our auditors from Regier, Carr and Monroe LLP were at the SEAGO offices October 16th through 18th to conduct their field work for the Fiscal Year 2017 annual independent audit. Based on what we were told by the audit team, we are expecting no findings for FY 2017. We anticipate that the audit report will be presented to the Executive Board at the February 2018 meeting.

Attachment: Revenue and Expenditure Report 9.30.2017

Action Requested: Information Only Action Requested Below

SEAGO
Statement of Revenues and Expenditures - Unposted Transactions Included In Report
From 9/1/2017 Through 9/30/2017
(In Whole Numbers)

		Current Period Actual	YTD Actual	Total Budget	Percentage of Budget Used
Revenue					
General Fund	101	(955)	5,918	35,000	16.90%
Agency Response	301	(2,585)	73,080	45,856	159.36%
Community Development Block Grant	302	0	26,059	110,609	23.55%
Economic Development	303	8,655	27,140	110,357	24.59%
Housing	305	50	50	0	0.00%
Environmental Quality	306	124	1,705	6,682	25.50%
Elderly Transit	307	8,000	9,710	20,000	48.55%
Public Transit	308	1,786	10,372	20,000	51.85%
State Planning & Research	309	6,799	30,656	156,250	19.61%
Area Agency on Aging	310	40,064	109,896	391,935	28.03%
Regional Mobility Management	311	5,530	32,755	168,750	19.41%
Traffic Count	312	413	686	115,092	0.59%
RMM Training	314	21,873	59,575	125,000	47.65%
Regional Strategic Highway Safety Plan	315	27,389	38,294	183,804	20.83%
Route Study	316	0	8,318	6,655	125.00%
Legacy	317	0	0	75,000	0.00%
5311 Grant App-Easter Seals Blake	319	0	15,000	15,000	100.00%
Greenlee County Road Ownership Study	321	0	0	175,000	0.00%
Total Revenue		<u>117,143</u>	<u>449,212</u>	<u>1,760,990</u>	<u>25.51%</u>
Expenses					
General Fund	101	0	0	35,000	0.00%
Agency Response	301	1,224	5,570	45,856	12.14%
Community Development Block Grant	302	14,087	35,237	110,609	31.85%
Economic Development	303	8,655	27,140	110,357	24.59%
Housing	305	26	81	0	0.00%
Environmental Quality	306	124	1,705	6,682	25.50%
Elderly Transit	307	8,000	9,710	20,000	48.55%
Public Transit	308	1,786	10,372	20,000	51.85%
State Planning & Research	309	6,799	30,656	156,250	19.61%
Area Agency on Aging	310	28,324	95,338	391,935	24.32%
Regional Mobility Management	311	5,530	32,755	168,750	19.41%
Traffic Count	312	413	686	115,092	0.59%
RMM Training	314	21,873	59,575	125,000	47.65%
Regional Strategic Highway Safety Plan	315	27,389	38,294	183,804	20.83%
Route Study	316	0	10,434	6,655	156.78%
Legacy	317	1,569	7,813	75,000	10.41%
5311 Grant App-Easter Seals Blake	319	0	61	15,000	0.40%
Greenlee County Road Ownership Study	321	19	19	175,000	0.01%
Total Expenses		<u>125,819</u>	<u>365,446</u>	<u>1,760,990</u>	<u>20.75%</u>
Balance		<u>(8,676)</u>	<u>83,766</u>	<u>0</u>	<u>0.00%</u>



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
THROUGH: RANDY HEISS, EXECUTIVE DIRECTOR
FROM: LARRY CATTEN, ECONOMIC DEVELOPMENT PLANNER
DATE: NOVEMBER 7, 2017
SUBJECT: RECENT ECONOMIC DEVELOPMENT ACTIVITY AND DISCUSSION
OF NAFTA NEGOTIATIONS

The purpose of this memorandum is to advise the Executive Board of recent activity, and to discuss and receive direction regarding a possible SEAGO Resolution for the current NAFTA renegotiations.

Recent Activity

1. SEAGO continues to work on the development of an economic development strategic plan with a Tombstone stakeholder group organized by Council Member Bill Barlow. Following the initial meeting with the group on April 21, 2017, SEAGO has facilitated the strategic planning process with meetings on June 6 and July 13. Due to a busy summer season, and many conflicting schedules, the Tombstone strategic plan stakeholders were not able to meet since the July meeting. A meeting has been scheduled for mid-November, and it is anticipated that the economic strategic plan proposal will be completed at that time.
2. SEAGO's Economic Development Planner participated as a presenter in a session of the August 2017 Rural Policy Forum hosted by the Arizona Rural Development Council. The presentation included a 20 minute overview of the process by which SEAGO completed the 2016 – 2020 Comprehensive Economic Development Strategic Plan (CEDS), and the process engaged to assure that the CEDS is implemented. The Economic Development Planner also responded to the questions that arose with regard to the CEDS development and implementation processes.
3. The SEAGO Economic Development Council met on September 21, and the meeting was well attended by members of the Council as well as administrators and elected officials in the Region. The agenda for the Council is included as Attachment 1 to this memo.
4. As was previously reported in the EDD August 2017 Information Memorandum to the Administrative Council and Executive Board, SEAGO continues working to initiate a Regional "target industry" study that would include target industry/business analysis for each county and community in the SEAGO Region. The initiative is pursuant to the SEAGO Strategic Plan and CEDS goal of a "target industry" study for the SEAGO Region.

The goal of a target industry study would be to determine, in each county, which industry sectors should be targeted for both business attraction and business expansion. Once targeted industries are identified, each county, city, and town in the region can develop strategies (with

SEAGO's assistance if requested) that are specific to the targeted industries. Such strategies could include, but not be limited to, developing employee training programs that fit targeted industry needs, attending trade shows of the target industries, developing relationships with site selectors and real estate professionals that specialize in the targeted industries, developing location sites that meet the needs of identified target industries, and developing possible assistance programs to attract target business and assist targeted business already in the communities.

Progress toward the study includes:

- a. Concurrence from members of the SEAGO Economic Advisory Council, in its September 21 meeting, that the Economic Development Planner continue to pursue funding for the Region-wide study, and work with members of the Advisory Council to develop a scope of work for the study.
 - b. Submitting an application the Freeport-McMoRan Foundation (FMF) for a Graham County Community Investment Fund (CIS) grant for the target industry study in Graham County. The due date for submission of the grant application was October 27, and the Economic Development Planner will also participate in an interview with members of Foundation on November 7. If awarded, the grant would entirely fund Graham County's target industry study, and potentially can be used as a "cash match" for an EDA or USDA grant to fund the study throughout the SEAGO Region.
5. One of the presentations at the September meeting of the SEAGO Economic Development Council was from a representative of the Buxton Company regarding the services they can provide with respect to analytically identifying retail development needs in a community, and filling those retail needs through retail business recruitment and local retail business expansion. The consensus of those attending the Council meeting was for SEAGO to:
- a. Work with the Buxton Company to develop a proposal for the Company to provide, at a reasonable cost, retail analytical, recruitment, and expansion services for communities throughout the Region, and
 - b. Identify possible funding sources for the initial community retail analysis, and funding to sustain the initiative through the retail business recruitment and expansion phase.

Discussion of SEAGO position on NAFTA

The North American Free Trade Agreement (NAFTA) is currently being renegotiated (termed as “modernization” by the Director of the Trade and NAFTA Office at the Mexican Embassy in Washington D.C.). Recently, a member of the Executive Board suggested that SEAGO should consider a resolution supporting a fair, equitable and mutually acceptable renegotiated trade agreement. To effectively consider a possible resolution that reflects the interests of SEAGO’s members, the economic development planner would first like receive input from the Administrative Council and the Executive Board.

Overview

The North American Free Trade Agreement (NAFTA) by and between the U.S., Mexico, and Canada has been in existence since January 1994. A general overview of that Agreement is that it:

- 1) Provided for the elimination of most tariffs on products traded among the three countries;
- 2) Liberalized trade in agriculture, textiles, and automobile manufacturing; and
- 3) Sought to protect intellectual property, establish dispute-resolution mechanisms, and, through side agreements, implement labor and environmental safeguards.

Literally, thousands of analytical data points have been developed and examined to understand the economic impact of NAFTA to the member countries. Some of the more salient economic impacts to the Arizona and SEAGO Region economy are:

- Arizona experienced a \$900 million trade surplus in its trade with Mexico in 2016
 - Arizona exports to Mexico was \$8.3 billion in 2016
 - Arizona imports from Mexico was \$7.4 billion in 2016
- Arizona exports to Canada was \$2.1 billion in 2016
- U.S. exports to Mexico through Arizona ports of entry was \$11.9 billion in 2016
- Approximately 111,200 jobs in Arizona depend on trade with Mexico
- The fresh produce industry in Santa Cruz County supports 4,000 jobs in the County
- Nogales is the largest port of entry in Arizona and accounts for approximately 7% of the trade value of products crossing the U.S.-Mexico border
- Daily, 65,000 Mexican citizens travel legally to Arizona either for business or pleasure
- Mexican visitors represent approximately 70% of tourists that visit Arizona each year
- Truck crossings at Arizona’s six border ports of entry facilitated 401,331 truck crossings in 2016. The Nogales Port of Entry had the largest volume of truck crossings, 335,737. San Luis came in second with 31,338, and Douglas was third with 30,815
- All Arizona border ports of entry combined facilitated 8.8 million personal vehicle crossings in 2016

The U.S. initiated the current renegotiations, which began on August 16, 2017, with the major expressed goal of reducing the U.S. trade deficit with Mexico. The details of the U.S. position is complicated, but it has identified its negotiating objectives in the document entitled “Summary of Objectives for the NAFTA Renegotiations” from the Office of the U.S. Trade Representative; Executive Office of the President (Attachment 2).

While members of the Executive Board may already be well versed in the details and potential ramifications of the NAFTA renegotiations, Attachments 3, 4, 5, and 6 are provided to assist in providing additional background and perspective for the discussion of SEAGO’s position (if any) on the renegotiations. The sole intent of this discussion is to receive direction on whether or not SEAGO should take a position on the NAFTA renegotiations at a future meeting, and if so, to gain a sense what that position should be.

Please review the attached documents and any other documents that may help inform your opinion regarding the action that SEAGO should take with regard to the NAFTA renegotiations. Certainly, it is an option for SEAGO to take no position on the goals, process, or desired result of the complex renegotiations. As a member of the SEAGO Executive Board, if you feel that SEAGO should take a position or action regarding NAFTA renegotiations, please be prepared to discuss:

- 1) The form to express SEAGO’s position (e.g. resolution, letter)
- 2) The points that should be made in the expression of SEAGO’s position on the NAFTA renegotiations.

At their meeting on November 2nd, the Administrative Council generally agreed that SEAGO should express a position on the NAFTA renegotiation that reflects the positive economic benefits Arizona and the SEAGO region have enjoyed since the Agreement was signed in 1994. They felt it the position should be as apolitical as possible, while supporting a fair and balanced modernization of NAFTA that enables sustained economic growth and job creation for Arizonans.

- Attachments:** Attachment 1 - SEAGO Economic Development Council Agenda
Attachment 2 - “Summary of Objectives for the NAFTA Renegotiations”
Attachment 3 - ‘No Surprises’ As Administration Releases Goals For Renegotiating NAFTA ;Arizona Daily Independent
Attachment 4 - Attachment 4 - Guest Opinion - Hope for a better NAFTA; Nogales International
Attachment 5 - Guest Opinion- High Stakes - NAFTA Talks; Nogales International
Attachment 6 - Coalition Chamber Federation Letter on NAFTA to the President and Congress

Action Requested: Information Only Action Requested Below:

**SEAGO
Economic Development Council**

Thursday, September 21

10:00 a.m. – 2:30 p.m.

Cochise College Benson Center

1025 AZ-90, Benson, AZ

(Lunch Provided)

- 10:00 a.m. – 11:00 a.m.** - **Presentation and discussion of analytic tool to identify, attract, and grow viable retail development, and other businesses, in your community**
- Presenter: Cody Gunstenson
The Buxton Company
- 11:00 p.m. – 12:00 p.m.** - **Presentation of formation and effective utilization of a Foreign Trade Zone**
- Presenter: Mignonne Hollis
Executive Director
Arizona Regional Economic Development Foundation
- 12:15 p.m. – 1:30 p.m.** - **Working Lunch - Discussion of each community’s economic development projects, events, and initiatives. Each attendee will have the opportunity to talk about past, current and future economic activities/initiatives/projects/programs (successes, failures, and opportunities) in their community.**
- Moderator: Larry Catten
- 1:30 pm. – 2:30 pm.** - **1. Presentation of possible “Target Industry Study” for each community in the SEAGO Region and possible USDA, Rural Community Development Initiative Grant as a study funding source.
2. Discussion of possible topics/presentations for future meetings**
- Presenter: Larry Catten

Summary of Specific Negotiating Objectives for the Initiation of NAFTA Negotiations

Trade in Goods:

- Improve the U.S. trade balance and reduce the trade deficit with the NAFTA countries.

Industrial Goods

- Maintain existing reciprocal duty-free market access for industrial goods and strengthen disciplines to address non-tariff barriers that constrain U.S. exports to NAFTA countries.
- Maintain existing duty-free access to NAFTA country markets for U.S. textile and apparel products and seek to improve competitive opportunities for exports of U.S. textile and apparel products while taking into account U.S. import sensitivities.
- Promote greater regulatory compatibility with respect to key goods sectors to reduce burdens associated with unnecessary differences in regulation, including through regulatory cooperation where appropriate.

Agricultural Goods

- Maintain existing reciprocal duty-free market access for agricultural goods.
- Expand competitive market opportunities for U.S. agricultural goods in NAFTA countries, substantially equivalent to the competitive opportunities afforded foreign exports into the U.S. market, by reducing or eliminating remaining tariffs.
- Seek to eliminate non-tariff barriers to U.S. agricultural exports including discriminatory barriers, restrictive administration of tariff rate quotas, other unjustified measures that unfairly limit access to markets for U.S. goods, such as cross subsidization, price discrimination, and price undercutting.
- Provide reasonable adjustment periods for U. S. import sensitive agricultural products, engaging in close consultation with Congress on such products before initiating tariff reduction negotiations.
- Promote greater regulatory compatibility to reduce burdens associated with unnecessary differences in regulation, including through regulatory cooperation where appropriate.

Sanitary and Phytosanitary Measures (SPS):

- Provide for enforceable SPS obligations that build upon WTO rights and obligations, including with respect to science based measures, good regulatory practice, import checks, equivalence, and regionalization, making clear that each country can set for itself the level of protection it believes to be appropriate to protect food safety, and plant and animal health in a manner consistent with its international obligations.
- Establish a mechanism to resolve expeditiously unwarranted barriers that block the export of U.S. food and agricultural products.
- Establish new and enforceable rules to ensure that science-based SPS measures are developed and implemented in a transparent, predictable, and non-discriminatory manner.
- Improve communication, consultation, and cooperation between governments to share information and work together on SPS issues in a transparent manner, including on new technologies.
- Provide for a mechanism for improved dialogue and cooperation to address SPS issues and facilitate trade where appropriate and possible.

Customs, Trade Facilitation, and Rules of Origin:

Customs and Trade Facilitation:

- Build on and set high standards for implementation of WTO agreements involving trade facilitation and customs valuation.
- Increase transparency by ensuring that all customs laws, regulations, and procedures are published on the Internet as well as designating points of contact for questions from traders.
- Ensure that, to the greatest extent possible, shipments are released immediately after determining compliance with applicable laws and regulations and provide for new disciplines on timing of release, automation, and use of guarantees.
- Provide for streamlined and expedited customs treatment for express delivery shipments, including for shipments above any de minimis threshold. Provide for a de minimis shipment value comparable to the U.S. de minimis shipment value of \$800.
- Ensure that NAFTA countries administer customs penalties in an impartial and transparent manner, and avoid conflicts of interest in the administration of penalties.

- Provide for automation of import, export, and transit processes, including through supply chain integration; reduced import, export, and transit forms, documents, and formalities; enhanced harmonization of customs data requirements; and advance rulings regarding the treatment that will be provided to a good at the time of importation.
- Provide for both administrative and judicial appeal of customs decisions.
- Provide for electronic payment of duties, taxes, fees, and charges imposed on or in connection with importation or exportation.
- Provide for the use of risk management systems for customs control and post-clearance audit procedures to ensure compliance with customs and related laws.
- Provide for disciplines on the use of customs brokers, preshipment inspection, and the use of reusable containers.
- Establish a committee for Parties to share information and cooperate on trade priorities with a view to resolving inconsistent treatment of commercial goods.

Rules of Origin:

- Update and strengthen the rules of origin, as necessary, to ensure that the benefits of NAFTA go to products genuinely made in the United States and North America.
- Ensure the rules of origin incentivize the sourcing of goods and materials from the United States and North America.
- Establish origin procedures that streamline the certification and verification of rules of origin and that promote strong enforcement, including with respect to textiles.
- Promote cooperation with NAFTA countries to ensure that goods that meet the rules of origin receive NAFTA benefits, prevent duty evasion, and combat customs offences.

Technical Barriers to Trade (TBT):

- Require NAFTA countries to apply decisions and recommendations adopted by the WTO TBT Committee that apply, *inter alia*, to standards, conformity assessment, transparency, and other areas.
- Include strong provisions on transparency and public consultation that require the NAFTA countries to publish drafts of technical regulations and conformity assessment procedures, allow stakeholders in other countries to provide comments on those drafts, and require

authorities to address significant issues raised by stakeholders and explain how the final measure achieves the stated objectives.

- Ensure national treatment of conformity assessment bodies without conditions or limitations and encourage the use of international conformity assessment recognition arrangements to facilitate the acceptance of conformity assessment results.
- Establish an active TBT Chapter Committee that will discuss bilateral and third party specific trade concerns, coordination of regional and multilateral activities, regulatory cooperation, and implementing Good Regulatory Practices.

Good Regulatory Practices:

- Obtain commitments that can facilitate market access and promote greater compatibility among U.S., Canadian, and Mexican regulations, including by:
 - Ensuring transparency and accountability in the development, implementation, and review of regulations, including by publication of proposed regulations;
 - Providing meaningful opportunities for public comment in the development of regulations;
 - Promoting the use of impact assessments and other methods of ensuring regulations are evidence-based and current, as well as avoiding unnecessary redundancies; and
 - Applying other good regulatory practices.

Trade in Services, Including Telecommunications and Financial Services:

Trade in Services:

- Secure commitments from NAFTA countries to provide fair and open conditions for services trade, including through:
 - Rules that apply to all services sectors, including rules that prohibit:
 - Discrimination against foreign services suppliers;
 - Restrictions on the number of services suppliers in the market; and

- Requirements that cross-border services suppliers first establish a local presence,
 - Specialized sectoral disciplines, including rules to help level the playing field for U.S. delivery services suppliers in the NAFTA countries; and
 - Where any exceptions from core disciplines are needed, the negotiation, on a negative list basis, of the narrowest possible exceptions with the least possible impact on U.S. firms.
- Improve the transparency and predictability of the regulatory procedures in the NAFTA countries.

Telecommunications:

- Promote competitive supply of telecommunications services by facilitating market entry through transparent regulation and an independent regulator.
- Secure commitments to provide reasonable network access for telecommunications suppliers through interconnection and access to physical facilities and scarce resources.
- Establish provisions protecting telecommunications services suppliers' choice of technology.

Financial Services:

- Expand competitive market opportunities for United States financial service suppliers to obtain fairer and more open conditions of financial services trade.
- Improve transparency and predictability in their respective financial services regulatory procedures.
- Ensure that the NAFTA countries refrain from imposing measures in the financial services sector that restrict cross-border data flows or that require the use or installation of local computing facilities.

Digital Trade in Goods and Services and Cross-Border Data Flows:

- Secure commitments not to impose customs duties on digital products (e.g., software, music, video, e-books).
- Ensure non-discriminatory treatment of digital products transmitted electronically and guarantee that these products will not face government-sanctioned discrimination based on the nationality or territory in which the product is produced.

- Establish rules to ensure that NAFTA countries do not impose measures that restrict cross-border data flows and do not require the use or installation of local computing facilities.
- Establish rules to prevent governments from mandating the disclosure of computer source code.

Investment:

- Establish rules that reduce or eliminate barriers to U.S. investment in all sectors in the NAFTA countries.
- Secure for U.S. investors in the NAFTA countries important rights consistent with U.S. legal principles and practice, while ensuring that NAFTA country investors in the United States are not accorded greater substantive rights than domestic investors.

Intellectual Property:

- Promote adequate and effective protection of intellectual property rights, including through the following:
 - Ensure accelerated and full implementation of the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), particularly with respect to meeting enforcement obligations under TRIPS.
 - Ensure provisions governing intellectual property rights reflect a standard of protection similar to that found in U.S. law.
 - Provide strong protection and enforcement for new and emerging technologies and new methods of transmitting and distributing products embodying intellectual property, including in a manner that facilitates legitimate digital trade.
 - Prevent or eliminate discrimination with respect to matters affecting the availability, acquisition, scope, maintenance, use, and enforcement of intellectual property rights.
 - Ensure standards of protection and enforcement that keep pace with technological developments, and in particular ensure that rightholders have the legal and technological means to control the use of their works through the Internet and other global communication media, and to prevent the unauthorized use of their works.

- Provide strong standards enforcement of intellectual property rights, including by requiring accessible, expeditious, and effective civil, administrative, and criminal enforcement mechanisms.
 - Prevent or eliminate government involvement in the violation of intellectual property rights, including cybertheft and piracy.
- Secure fair, equitable, and nondiscriminatory market access opportunities for United States persons that rely upon intellectual property protection.
 - Respect the Declaration on the TRIPS Agreement and Public Health, adopted by the World Trade Organization at the Fourth Ministerial Conference at Doha, Qatar on November 14, 2001, and to ensure that trade agreements foster innovation and promote access to medicines.
 - Prevent the undermining of market access for U.S. products through the improper use of a country's system for protecting or recognizing geographical indications, including failing to ensure transparency and procedural fairness and protecting generic terms.

Transparency:

- Commit each Party to provide levels of transparency, participation, and accountability in the development of regulations and other government decisions that are comparable to those under U.S. law with respect to federal statutes and regulations. In particular, seek commitments:
 - To promptly publish laws, regulations, administrative rulings of general application, and other procedures that affect trade and investment;
 - To provide adequate opportunities for stakeholder comment on measures before they are adopted and finalized; and
 - To provide a sufficient period of time between final publication of measures and their entry into force.
- Seek standards to ensure that government regulatory reimbursement regimes are transparent, provide procedural fairness, are nondiscriminatory, and provide full market access for United States products.

State-Owned and Controlled Enterprises:

- Define SOEs on the basis of government ownership or government control through ownership interests, including situations of control through minority shareholding.
- Retain the ability to support SOEs engaged in providing domestic public services.
- Ensure that SOEs accord non-discriminatory treatment with respect to purchase and sale of goods and services.
- Ensure that SOEs act in accordance with commercial considerations with respect to such purchases and sales.
- Ensure that strong subsidy disciplines apply to SOEs, beyond the disciplines set out in the WTO Agreement on Subsidies and Countervailing Measures (SCM Agreement).
- Require that SOEs not cause harm to another Party through provision of subsidies.
- Require that SOEs not cause harm to the domestic industry of another Party via subsidized SOE investment.
- Ensure impartial regulation of SOEs, designated monopolies, and private companies.
- Provide jurisdiction to courts over the commercial activities of foreign SOEs (i.e., limited sovereign immunity).
- Allow Parties to request information related to the level of government ownership and control of a given enterprise, and the extent of government support.
- Develop fact-finding mechanism based on Annex 5 of the WTO SCM Agreement to help overcome the evidentiary problems associated with litigation on SOEs.

Competition Policy:

- Maintain rules that prohibit anticompetitive business conduct, as well as fraudulent and deceptive commercial activities that harm consumers.
- Establish or affirm basic rules for procedural fairness on competition law enforcement.
- Promote cooperation on competition enforcement-related matters.

Labor:

- Bring the labor provisions into the core of the Agreement rather than in a side agreement.
- Require NAFTA countries to adopt and maintain in their laws and practices the internationally recognized core labor standards as recognized in the ILO Declaration, including:
 - Freedom of association and the effective recognition of the right to collective bargaining;
 - Elimination of all forms of forced or compulsory labor;
 - Effective abolition of child labor and a prohibition on the worst forms of child labor; and
 - Elimination of discrimination in respect of employment and occupation.
- Require NAFTA countries to have laws governing acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health.
- Establish rules that will ensure that NAFTA countries do not waive or derogate from their labor laws implementing internationally recognized core labor standards in a manner affecting trade or investment between the parties.
- Establish rules that will ensure that NAFTA countries do not fail to effectively enforce their labor laws implementing internationally recognized core labor standards and acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health laws through a sustained or recurring course of action or inaction, in a manner affecting trade or investment between the parties.
- Require that NAFTA countries take initiatives to prohibit trade in goods produced by forced labor, regardless of whether the source country is a NAFTA country.
- Provide access to fair, equitable, and transparent administrative and judicial proceedings.
- Ensure that these labor obligations are subject to the same dispute settlement mechanism that applies to other enforceable obligations of the Agreement.
- Establish a means for stakeholder participation, including through public advisory committees, as well as a process for the public to raise concerns directly with NAFTA governments if they believe a NAFTA country is not meeting its labor commitments.

- Establish or maintain a senior-level Labor Committee, which will meet regularly to oversee implementation of labor commitments, and include a mechanism for cooperation and coordination on labor issues, including opportunities for stakeholder input in identifying areas of cooperation.

Environment:

- Bring the environment provisions into the core of the Agreement rather than in a side agreement.
- Establish strong and enforceable environment obligations that are subject to the same dispute settlement mechanism that applies to other enforceable obligations of the Agreement.
- Establish rules that will ensure that NAFTA countries do not waive or derogate from the protections afforded in their environmental laws for the purpose of encouraging trade or investment.
- Establish rules that will ensure that NAFTA countries do not fail to effectively enforce their environment laws through a sustained or recurring course of action or inaction, in a manner affecting trade or investment between the parties.
- Require NAFTA countries to adopt and maintain measures implementing their obligations under select Multilateral Environment Agreements (MEAs) to which the NAFTA countries are full parties, including the Convention on International Trade in Endangered Species of Wild Fauna and Flora.
- Establish a means for stakeholder participation, including commitments for public advisory committees, and a process for the public to raise concerns directly with its government if they believe it is not meeting its environment commitments.
- Require NAFTA countries to ensure access to fair, equitable and transparent administrative and judicial proceedings for enforcing their environmental laws, and provide appropriate sanctions or remedies for violations of their environmental laws.
- Provide for a framework for conducting, reviewing, and evaluating cooperative activities that support implementation of the environment commitments, and for public participation in these activities.
- Establish or maintain a senior-level Environment Committee, which will meet regularly to oversee implementation of environment commitments, with opportunities for public participation in the process.

- Combat illegal fishing, unreported, and unregulated (IUU) including by implementing port state measures and supporting increased monitoring and surveillance.
- Establish rules to prohibit harmful fisheries subsidies, such as those that contribute to overfishing and IUU fishing, and pursue transparency in fisheries subsidies programs.
- Promote sustainable fisheries management and long-term conservation of marine species, including sharks, sea turtles, seabirds and marine mammals.
- Protect and conserve flora and fauna and ecosystems, including through action by countries to combat wildlife and timber trafficking.

Anti-Corruption:

- Secure provisions committing each Party to criminalize government corruption, to take steps to discourage corruption, and to provide adequate penalties and enforcement tools in the event of prosecution of persons suspected of engaging in corrupt activities. In particular by:
 - Requiring the adoption or maintenance of requirements for companies to maintain accurate books and records, which facilitate the detection and tracing of corrupt payments;
 - Encouraging the establishment codes of conduct to encourage high ethical standards among public officials; and
 - Requiring parties to disallow the deduction of corrupt payments for income tax purposes.

Trade Remedies:

- Preserve the ability of the United States to enforce rigorously its trade laws, including the antidumping, countervailing duty, and safeguard laws.
- Eliminate the NAFTA global safeguard exclusion so that it does not restrict the ability of the United States to apply measures in future investigations.
- Eliminate the Chapter 19 dispute settlement mechanism.
- Seek a separate domestic industry provision for perishable and seasonal products in AD/CVD proceedings.

- Exclude state-owned enterprises as part of the domestic industry in AD/CVD proceedings.
- Facilitate the ability to impose measures based on third country dumping.
- Promote cooperation among the trade remedies administrators of the NAFTA countries, particularly with regards to the sharing of information that would improve the ability of administrators to effectively monitor and address trade remedies violations, such as through self-initiation.
- Strengthen existing procedures and create new procedures to address AD/CVD duty evasion, including the ability to conduct AD/CVD verification visits.
- Establish transparency and due process obligations reflected in U.S. AD/CVD laws, regulations, and practice.
- Establish an early warning import monitoring system for agreed sensitive products from non-NAFTA countries.

Government Procurement:

- Increase opportunities for U.S. firms to sell U.S. products and services into the NAFTA countries.
- Establish fair, transparent, predictable, and non-discriminatory rules to govern government procurement in the NAFTA countries, including rules mirroring existing U.S. government procurement practices such as:
 - Publishing information on government procurement opportunities in a timely manner;
 - Ensuring sufficient time for suppliers to obtain tender documentation and submit bids;
 - Ensuring that procurement will be handled under fair procedures;
 - Ensuring that contracts will be awarded based solely on the evaluation criteria specified in the notices and tender documentation; and
 - Providing impartial administrative or judicial review authority to review challenges or complaints.

- Exclude sub-federal coverage (state and local governments) from the commitments being negotiated. Keep in place domestic preferential purchasing programs such as:
 - Preference programs for small businesses, women and minority owned businesses (which includes Native Americans), service-disabled veterans, and distressed areas;
 - “Buy America” requirements on Federal assistance to state and local projects, transportation services, food assistance, and farm support; and
 - Key Department of Defense procurement.

- Maintain broad exceptions for government procurement regarding:
 - National security;
 - Measures necessary to protect public morals, order, or safety;
 - Protecting human, animal, or plant life or health; and
 - Protecting intellectual property.

- Maintain ability to provide for labor, environmental, and other criteria to be included in contracting requirements.

Small- and Medium-Sized Enterprises:

- Secure commitment by NAFTA countries to provide information resources to help small businesses navigate FTA requirements for exporting to the NAFTA markets.
- Cooperate on SME issues of mutual interest.
- Establish an SME Committee to ensure that the needs of SMEs are considered as the Agreement is implemented in order for SMEs to benefit from new commercial opportunities.

Energy:

- Preserve and strengthen investment, market access, and state-owned enterprise disciplines benefitting energy production and transmission and support North American energy security and independence, while promoting continuing energy market-opening reforms.

Dispute Settlement:

- Encourage the early identification and settlement of disputes through consultation and other mechanisms.
- Establish a dispute settlement mechanism that is effective, timely, and in which panel determinations are based on the provisions of the Agreement and the submissions of the parties and are provided in a reasoned manner.
- Establish a dispute settlement process that is transparent by:
 - Requiring that parties' submissions be made publicly available;
 - Requiring that hearings be open to the public;
 - Requiring that final determinations by a panel be made publicly available; and
 - Ensuring that non-governmental entities have the right to request making written submissions to a panel.
- Have provisions that encourage compliance with the obligations of the Agreement.

General Provisions:

- Include general exceptions that allow for the protection of legitimate U.S. domestic objectives, including the protection of health or safety and essential security, among others.

Currency:

- Through an appropriate mechanism, ensure that the NAFTA countries avoid manipulating exchange rates in order to prevent effective balance of payments adjustment or to gain an unfair competitive advantage.

By Megan Janetsky

WASHINGTON – The Trump administration took a major step toward renegotiating the North American Free Trade Agreement with the release Monday of a detailed list of objectives for trade talks.

The 18-page, bullet-pointed goals call for closing trade deficits, increasing U.S. exports and modernizing the 1994 trade agreement that broke down trade barriers between the United States, Mexico and Canada.

Swiftly repealing NAFTA was a campaign pillar of then-presidential candidate Donald Trump, who called it the “worst trade deal in history” and blamed it for the loss of U.S. jobs in sectors like the automotive industry.

But one expert predicted that – based on the extensive list of goals outlined Monday by the Office of the U.S. Trade Representative – renegotiations are going to be far from swift.

“The objectives will be very difficult to achieve in a negotiation that is concluded this year,” said Jeffrey Schott, a senior fellow at the Peterson Institute for International Economics. “The thought that you could do all of this in an expedited negotiation is very optimistic.”

The outcome of those negotiations could significantly shift trade with Canada and Mexico that supports nearly 14 million American jobs, according to the U.S. Chamber of Commerce. The chamber said that since NAFTA took effect in 1994, U.S. trade with those two countries has nearly quadrupled to \$1.3 trillion annually.

At stake for Arizona is \$8.3 billion in exports to Mexico and \$2.1 billion in exports to Canada last year, according to data from the International Trade Association.

The renegotiation process began in May when the administration formally advised Congress that it planned to move forward, starting the clock on months of public comment that has resulted in more than 12,000 responses. The earliest actual negotiations with Canada and Mexico could begin would be Aug. 16.

Schott said there were “no major surprises” and little controversy in the document released Monday.

Among the list of extensive objectives were a reduction in U.S. trade imbalances, increased regulation of digital goods and heightened enforcement of environmental standards in production.

Schott noted that one section of the objectives listed as “trade remedies” may be more contentious for Canadian and Mexican negotiators, since it includes objectives that are “priorities for the Trump administration, but nobody else.”

Members of Congress were already weighing in Monday on what they hope to see in any renegotiated deal, with their goals ranging from prioritizing American workers, enhancing environmental standards and supporting specific U.S. industries.

Rep. Martha McSally, R-Tucson, led a delegation of border district representatives who met with Commerce Secretary Wilbur Ross to discuss NAFTA's impact on their communities. McSally said Monday that the trade agreement is crucial in Arizona and that she wants to “protect those gains that we’ve had and also build on them for additional job creation and economic growth.”

“There are other parts of the country that may have different interests in regards to NAFTA and how it has impacted their communities,” McSally said. “But in Arizona, and in southern Arizona, we’ve been able to grow our economy because of cross-border commerce.”

Rep. Grijalva, D-Tucson, also said that protecting agricultural trade in any renegotiated deal is vital, but he went on to say that pushing for worker's rights in both Arizona and Mexico is an important goal.

“A quarter of the country gets their produce coming in from Nogales,” Grijalva said. “Anything that affects that flow of trade in produce, vegetables, fruits, will end up as a huge detriment of the whole state and to the whole country as well.”

http://www.nogalesinternational.com/opinion/guest_opinion/guest-opinion-hope-for-better-nafta/article_df974c12-83a4-11e7-94d7-0b8714981abd.html

Guest Opinion: Hope for better NAFTA

By the Santa Cruz County Board of Supervisors Aug 18, 2017

(Note: The following letter to U.S. Sens. John McCain and Jeff Flake was approved by the County Board of Supervisors on Wednesday.)

On behalf of the Santa Cruz County Board of Supervisors, we write to express our support for the efforts to modernize the North American Free Trade Agreement (NAFTA).

It has been 23 years since the implementation of this agreement and the signatory countries have grown and industry has evolved. Entire segments of industry have evolved, the signatory countries are far more interconnected as partners and the NAFTA members are more competitive vis-à-vis the rest of the world.

As a border county, we are the ones that live with the consequences, challenges and opportunities that are the direct result of cross-border trade. As one of the counties that comprise the Arizona border, we are the largest gateway for a total of over 400,000 trucks, 8.8 million cars and over 24 million people in northbound traffic, according to U.S. Bureau of Transportation 2016 data. U.S. Customs and Border Protection reports that \$42.7 billion worth of goods (both exports and imports) were processed on the Arizona border in 2016. This also means that we are also facing challenges resulting from this tremendous flow of goods, trucks, cars and people.

First, we strongly urge the consideration of an infrastructure funding package that will help all border communities address the growing congestion and delays that are daily occurrences in our communities. We have ports of entry, like the Raul Castro Port at Douglas, DeConcini at Nogales and San Luis I at San Luis, where the last time major investments were made predate NAFTA – sometimes by more than a decade. Our border infrastructure needs the attention and the funding it deserves. The signatory countries need to commit the necessary resources to ensure that goods and people can cross the border effectively and efficiently in a secure and safe environment.

Second, Arizona's ports of entry need to be adequately staffed. CBP reports that there are over 250 positions that remain unstaffed – and this would bring our ports to current staffing needs, it does not address future needs.

Third, cross-border industries continually report that there are repetitive requirements from one country to the other. We strongly urge that the signatory countries commit to reducing the duplication of compliance and certification requirements to make our local companies more competitive.

Fourth, the programs that provide opportunities to learn new skills and help retrain displaced workers need to be expanded and made available in rural parts of the United States to ensure that our workforce remains competitive and better equipped to meet future demands of industry.

We are hopeful that the negotiations proceed swiftly and offer the necessary structure to promote investment in our region and create new higher paying jobs.

Thank you for the attention you give to this critical issue.

(Signed by Supervisors Bruce Bracker, Rudy Molera and Manuel Ruiz.)

Attachment 5

http://www.nogalesinternational.com/opinion/guest_opinion/guest-opinion-high-stakes-nafta-talks/article_ced9d13a-a477-11e7-9348-2bc5fcaa744e.html

Guest Opinion: High-stakes NAFTA talks

By Larry Catten Sep 29, 2017

Bilateral trade between Arizona and Mexico recently surpassed \$15.7 billion annually, and is an extremely important issue to the economic growth of both the state of Arizona and the SEAGO region (the SouthEastern Arizona Governments Organization is a nonprofit serving Cochise, Graham, Greenlee and Santa Cruz counties).

As a result, the renegotiation of the North American Free Trade Agreement (NAFTA) has the potential to significantly impact the economy of Arizona and the SEAGO region for better or worse.

It has been 23 years since the implementation of NAFTA, and during that time trade between Arizona and Mexico has grown, and industries on both sides of the border have expanded and prospered. Currently, Arizona imports approximately \$7.4 billion in goods from Mexico, and exports \$8.3 billion in goods to Mexico. Indeed, Mexico is Arizona's largest export market and trading partner. While the U.S. imports more goods and services from Mexico annually than it is exporting to Mexico (commonly referred to as a "trade deficit"), Arizona experiences a \$900 million economic benefit from the Arizona-Mexico trade equation.

Kenneth Smith Ramos, director of the Trade and NAFTA Office at the Mexican Embassy in Washington D.C. recently made a presentation to the Nogales/Santa Cruz Chamber of Commerce in which he expressed his optimism about the NAFTA trade re-negotiations. Mexico's position, as expressed by Smith, is that Mexico welcomes the process as an opportunity to update NAFTA and modernize the document to reflect the economic changes that both the U.S. and Mexico have experienced over the past 23 years.

Smith indicated that economic conditions for both the United States and Mexico have changed substantially since the implementation of NAFTA, and while each country is expected to look after its own interests in the modernization process, the re-negotiations can and should result in a "win/win" for both countries. The Mexico approach to renegotiating NAFTA seems to be from a healthy perspective of making mutually agreeable adjustments to the agreement that will protect each country's economic interest while maintaining the robust trade relationship between the two countries.

Whether you call it NAFTA re-negotiations or NAFTA modernization, the state of Arizona, and the SEAGO region of Cochise, Santa Cruz, Graham and Greenlee counties, has a great deal at stake in the results of the process. SEAGO is hopeful that the negotiations will proceed and conclude swiftly, and that the process will result in a structure that will continue to foster and grow business with Arizona's number one trading partner – Mexico.

(Catten is economic development planner at SEAGO.)



U.S. Chamber of Commerce
Standing Up for American Enterprise

Attachment 6

<https://www.uschamber.com/letter/coalition-chamber-federation-letter-nafta-the-president-and-congress>

Coalition Chamber Federation Letter on NAFTA to the President and Congress

Tuesday, October 10, 2017 - 9:15am



[Download the letter](#)

The Honorable Donald J. Trump
President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. President:

The more than 310 undersigned state and local chambers of commerce from across the United States support your efforts to modernize the North American Free Trade Agreement (NAFTA). Business leaders across the country know first-hand that trade with Canada and Mexico has created American jobs, boosted economic growth, and strengthened local economies, but we know we can do even more to seize the benefits of trade with our North American neighbors.

As our country's top export markets, trade with Canada and Mexico supports 14 million American jobs, including tens of thousands of jobs in every state and more than 100,000 in 35 U.S. states. Each and every day, over \$3.3 billion, or \$1.2 trillion annually, is traded between the U.S., Canada, and Mexico. In fact, half of all Canadian and Mexican imports are "made-in-the-USA."

NAFTA has been especially beneficial for America's farmers and ranchers. Agricultural exports to Canada and Mexico have quadrupled from \$8.9 billion in 1993 to \$38 billion in 2016, generating big benefits for rural America. In addition, Canada and Mexico are the top two markets in the world for U.S.-made manufactured goods, with purchases of nearly half a trillion dollars last year — a sum that tops the next ten largest markets combined. Our North American neighbors are also booming markets for U.S. services exports. In fact, the U.S. last year recorded a trade surplus of \$11.9 billion with its NAFTA partners when manufactured goods and services are combined. Among the biggest

beneficiaries of this commerce are America's small and medium-sized businesses, 125,000 of which sell their goods and services to Mexico and Canada.

We've thus been pleased to see your Administration insist that we must, first, "do no harm" in the NAFTA negotiations. We agree that we should move quickly to modernize this trilateral agreement and continue working with Congress in accordance with the Bipartisan Congressional Trade Priorities and Accountability Act of 2015.

We look forward to working closely with you and your Administration to grow the economy and create jobs through free and fair trade. To help facilitate that growth, we urge you to support America's workers, farmers, ranchers, and businesses of all sizes by protecting and preserving the deep economic ties and benefits the United States continues to enjoy under NAFTA.

Sincerely,

Alabama

Birmingham Business Alliance Business Council of Alabama

Mobile Area Chamber of Commerce

Montgomery Area Chamber of Commerce

Prattville Area Chamber of Commerce

Selma and Dallas County Chamber of Commerce and Tourism Information

Shoals Chamber of Commerce

Alaska

Alaska State Chamber of Commerce

Arizona

Ambos Nogales Hispanic Chamber

Arizona Chamber of Commerce and Industry

Arizona Hispanic Chamber of Commerce

Buckeye Valley Chamber of Commerce

Chandler Chamber of Commerce

Douglas Hispanic Chamber

Note: The full list of Chambers endorsing this letter was not included in the interest of managing the size of the packet.



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
THROUGH: RANDY HEISS, EXECUTIVE DIRECTOR
FROM: LAURA VILLA, AAA PROGRAM MANAGER
DATE: NOVEMBER 7, 2017
SUBJECT: AREA AGENCY ON AGING UPDATE

Expanding Partnerships / AMOB - SEAGO-AAA is continuously working toward building new partnerships, especially in areas where partnerships are non-existent. As an example, the SEAGO AAA recently became involved with the Santa Cruz County Elder Wellness Network (SCC EWN). The goal of the SCC-EWN is to formalize relationships and the collective capacity of member organizations to assess and address the health and wellness needs of our valued senior adults through enhanced care coordination. Due to our involvement with SCC EWN, a meeting with Mariposa Community Health Center (MCHC) was scheduled to discuss bringing A Matter of Balance (AMOB) classes to the county. At this meeting, MCHC agreed to partner with SEAGO AAA and is willing to assign Lay Leaders who will be trained to provide this course in the area. Shi Martin has scheduled coaches training for November 6th and 7th at Southeast Arizona Health Education Center from 1:00 P.M. to 4:00 P.M. MCHC already offers fitness and chronic disease prevention classes, and SEAGO AAA will help promote these events moving forward to enhance participation.

A new AMOB class began at the Senior Center in Bisbee on October 5th and is due to end on October 31, 2017. There were a total of 9 participants who met on Tuesdays and Thursdays in order to take advantage of the benefits of the class. In addition, in Clifton, there are plans to host another AMOB class during fall/winter, however, details are not available just yet.

Health and Nutrition Program - Shi Martin is still working closely with congregate meals sites in order to assist them in becoming compliant with DES-DAAS policy and procedures. Contact was made with Donna Morley, Registered Dietician for Benson Hospital, who has agreed to review menu cycles and sign off on them when they are in compliance with the DES-DAAS requirements. Shi will be monitoring all sites in December which is the target date that SEAGO AAA provided DES for compliance. Currently, all congregate sites that did not have a Registered Dietician are either utilizing the assistance from Donna or have found someone in their respective areas to assist them with menu review and approval.

Long Term Care Ombudsman Program - Within the Long Term Care Ombudsman Program, the new Center for Medicare Services, (CMS) discharge rule of reporting to the

Ombudsman program is now effective and facilities are in compliance. Shi and Long Term Care volunteers in Cochise County continue to visit sites at least once per month and sometimes even more frequently. In Graham and Santa Cruz Counties, Shi visits residents once per month unless more visits are needed.

Family Caregiver Support Program - Care Coordinator Mayra Ballesteros has received training pertaining to her roles and responsibilities. Currently, Mayra has met with service providers in order to familiarize herself with existing resources to use and promote her program among caregivers. Mayra has started reaching out to existing resources that might already have a support group in order to make them aware of the services she has to offer. She will be promoting Caregiver training, Caregiver Outreach, Respite as well as Information and Referral throughout the four-county region.

State Health Insurance Program – Senior Medicare Patrol - In August, Ramona MacMurtrie trained two new SHIP Counselors in Patagonia and are currently being monitored. These volunteers are going to be a tremendous help in Santa Cruz County during Open Enrollment, which began October 15th and runs through December 7, 2017. During the first week of October, SHIP-SMP volunteers received training from Ramona on Open Enrollment and the importance of their commitment to the program in order to help increase the numbers of beneficiaries. Even though the program has become more successful due to the dedicated and professional volunteers that have been recruited, the numbers of client contacts required by DES are still not at the level they should be. Ramona is taking different measures in order for this program to succeed moving forward. Ramona went to the Annual State SHIP Coordinator’s Conference in Phoenix on September 27th and shared strategies and best practices with the other Regional Coordinators as all AAA’s are struggling with tight budgets. In your packet you will find scheduled locations where your constituents can find a SHIP representative to assist with making necessary changes to an existing plan during open enrollment.

Other - AAA Office Specialist Carrie Gibbons will commence her FY 2018 programmatic monitoring of service providers by the end of October and this requirement will be completed by the end of March at the latest. Carrie continues to assist case managers in obtaining incontinence supplies for those clients who qualify and these are distributed once per quarter by corresponding case managers in each county.

December 19, 2017 will be the Volunteer Appreciation Day. This year, training will be provided to program volunteers by Shi and Ramona in Sierra Vista followed by lunch at the Golden Corral where recognition will be offered to our volunteer’s time and dedication. Our volunteer base for the in-house programs has increased from 5 to 12 volunteers so far.

Attachment: Annual Enrollment Period Schedules and Locations

Action Requested: Information Only Action Requested Below

TIME FOR REVIEW

Medicare Annual Enrollment Period October 15th - December 7th

Medicare plans can change every year. Make sure your plan is still the right one for you.

A SHIP Counselor will be available in:

Bisbee

Bisbee Senior Center

300 Collins Rd.

October 17th, 21st, 24th, 31st

November 1st, 2nd, 3rd, 14th, 21st, 28th

December 4th, 5th, 7th.

For appointments please call

520-432-2528 ext. 220/222



TIME FOR REVIEW

Periodo de Inscripción Anual Medicare

15 de octubre—7 de noviembre

Los planes de Medicare pueden cambiar cada año. Asegúrese que su plan es el mas adecuado para usted. Ponga cita para su revisión de plan.

**Un Consejero de SHIP estará disponible en:
Nogales**

**Casitas de Santa Cruz
1769 W Target Range Rd
viernes, 27 de octubre 9:00 AM
viernes, 1 de diciembre 9:00 AM**

**Para mas información, comuníquese al
520-287-9133**



TIME FOR REVIEW

**Medicare Annual Enrollment Period
October 15th - December 7th**

**Medicare plans can change every year. Make
sure your plan is still the right one for you.**

A SHIP Counselor will be available in:

Clifton

Clifton Public Library

588 Turner Ave

October 16th

November 29th

For appointments please call 928-865-2461



TIME FOR REVIEW

Medicare Annual Enrollment Period October 15th - December 7th

Medicare plans can change every year. Make sure your plan is still the right one for you.

A SHIP Counselor will be available in:

Bisbee

Copper Queen Library

#6 Main Street

Wednesday, October 25th, 10-5

Friday, November 17th, 10-5

Monday, December 4th, Noon-7

**To make an appointment, please
call 520-432-4232 or stop by the Library.**



TIME FOR REVIEW

Medicare Annual Enrollment Period October 15th—December 7th

Medicare plans can change every year. Make sure your plan is still the right one for you. Schedule an appointment for your Medicare Plan Review now:

**A SHIP Counselor will be available in
Douglas**

**Douglas Government Center
10th and G**

Wednesday, October 18th 9:00 AM

Wednesday, November 15th 9:00 AM

Wednesday, December 6th 9:00 am

**For more information or to set an appointment:
520-432-2528 ext. 220/222**



TIME FOR REVIEW

Medicare Annual Enrollment Period October 15th - December 7th

Medicare plans can change every year. Make sure your plan is still the right one for you.

A SHIP Counselor will be available in:

Patagonia

Patagonia Public Library

342 Duquesne Ave

Thursday, October 26th

Thursday, November 9th.

For appointments please call

520-394-2010





Medicare Annual Enrollment Period

October 15th—December 7th

Medicare plans can change every year. Make sure your plan is still the right one for you. Schedule an appointment for your Medicare Plan Review now:

A SHIP Counselor will be available in:

Safford

SEACUS

1124 W Thatcher Blvd. Ste. 102

Thursday, October 20, 2017

Thursday, November 16, 2017

Thursday, November 30, 2017

For appointments please call:

928-428-3229



TIME FOR REVIEW

Medicare Annual Enrollment Period

October 15th - December 7th

Medicare plans can change every year. Make sure your plan is still the right one for you.

A SHIP Counselor will be available in:

Sierra Vista

Canyon Vista Medical Center—THRIVE

Sierra Vista Mall

2200 El Mercado Loop

October 17th, 24th, and 31st.

November 7th, 14th, 21st and 28th.

December 5th.

For appointments please call 520-459-8210





EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
THROUGH: RANDY HEISS, EXECUTIVE DIRECTOR
FROM: CHRIS VERTREES, SEAGO TRANSPORTATION PLANNER
DATE: NOVEMBER 7, 2017
SUBJECT: SEAGO/SVMPO REGIONAL STRATEGIC HIGHWAY SAFETY PLAN

The following is an update of our SEAGO/SVMPO Strategic Highway Safety Plan since our August meeting.

In early August, we received AMEC's preliminary list of potential HSIP project locations for TAC review and prioritization. AMEC selected the corridors with the highest number of fatal crashes, with the number of serious injury crashes as the secondary factor. This is based on ADOT's HSIP process which uses only fatal and serious injury crashes in determining the benefit/cost (B/C) ratio, which is the value used in determining HSIP eligibility. Although they may not have been the "least safe" locations, they are the locations that have the best chance of receiving HSIP funding.

AMEC excluded interstates from the selection process. They also concentrated on selecting non-ADOT facilities. However, most of the locations incorporate state and US routes, since these are the locations with high number of fatal and serious injury crashes. Several of these state routes also serve as "main streets" in urban areas. TAC feedback was requested on whether we should consider dropping the ADOT facilities. The concern was that if we dropped the ADOT facilities, we may not be able to reach the required 1.5 B/C ratio. The counter argument was that to pursue the corridor safety improvements we would need to partner with ADOT. Our priorities might not necessarily be ADOT's. The TAC concurred with keeping the ADOT facilities in our planning process.

In September, the TAC ranked the project corridors. The attached table reflects the results of the voting. The corridors will be listed in our plan as they were prioritized. However, our contract with AMEC allows for the project development of eight corridors (2 per County). The development process involves the base information needed to complete the ADOT HSIP application, including project descriptions, cost estimates, identification of counter measures, and benefit/cost ratios. The corridors highlighted in green are the current projects that will be further developed.

Michael Blankenship and Scott Kelley have left Amec Foster Wheeler to open their own consulting firm. However, they are under sub-contract with AMEC to finish the development of the SEAGO/SVMPO SHSP. This development along with developing the HSIP projects

for SVMPO/Sierra Vista and Cochise County for the October HSIP application call has delayed the delivery of our draft SHSP. As a result, AMEC proposed a no-cost time extension to obtain and analyze the new crash data (2016) and incorporate it into the network screening. In addition, data gaps discovered through direct contacts with local law enforcement agencies have not been fully updated in the ADOT crash database.

The TAC voted to accept this time extension for the following reasons:

- Currently almost all of our corridors require a partnership with ADOT as the lead applicant. This data could change the make-up of our corridors, allowing for increased internal options.
- HSIP applications submitted in 2018 will require an update including the inclusion of 2016 crash data. Submitting agencies may need to reevaluate counter measures, amend cost estimates, and recalculate the B/C ratio. An extension will eliminate these issues.
- We will still have AMEC under contract during the January HSIP call for applications, making them available to provide technical assistance.
- Data amendments to our plan will not need to occur until January 2019.

The following is the amended approval timeline for our SHSP:

January 8, 2018 - Draft Plan to SEAGO for agency review

January 18, 2018 – SHSP TAC meeting to approve plan

February 2018 – SEAGO AC and EB approvals

Action Requested: Information Only Action Requested Below



EXECUTIVE BOARD PACKET

MEMO TO: EXECUTIVE BOARD
THROUGH: RANDY HEISS, EXECUTIVE DIRECTOR
FROM: CHRIS VERTREES, SEAGO TRANSPORTATION PLANNER
DATE: NOVEMBER 7, 2017
SUBJECT: TRANSIT REPORT

The following is a brief update involving our Transit and Mobility Management Programs:

WILLCOX TRANSPORTATION PROJECT

On October 25, 2017, SEAGO submitted a FTA Section 5305 Transit Planning Grant application for a Willcox Area Transit Feasibility Study. SEAGO requested \$70,000. If awarded, the FTA share of the project will be \$54,000. Local match will be \$14,000. SEAGO can use in-kind services to meet the match requirements. The goal of the study is to identify the demand/need and develop an implementation plan for public bus service (FTA Section 5311) for the Willcox area. The study will explore the possibility of a dial-a-ride service that builds on the current VICaP service model and opens access to additional transit funding opportunities for Willcox and northeast Cochise County. A feasibility study is a precondition for applying for FTA Section 5311 funding and is available to support an application for 5 years.

COCHISE CONNECTION

Cochise Connection kicked off service on August 7th. In September, the bus averaged 105 passengers each week. This is a 40% increase from August. Our goal is 340 passengers per week. There are several factors impacting ridership:

1. Construction on SR90 throughout late August and September created significant two-way delays for riders.
2. Duplicate services to Bisbee provided by Douglas Rides for Cochise College and AAA riders are directly impacting daily ridership.
3. Bisbee Bus northbound route (to Old Bisbee) not convenient for Cochise Connection riders. Passengers required riding the full southbound route or waiting over an hour for northbound route to have access to Old Bisbee.
4. Local AAA bus passes not allowed on the Cochise Connection.
5. A survey of Cochise College students found the potential addition of 800 rides per month. However, current fare rates and monthly pass system did not meet student needs.
6. Bus delivery has been delayed. This has limited the brand recognition and promotion opportunities associated with a fully wrapped bus.
7. Lack of transfer policy with Vista Transit.

8. Individual apprehensiveness of using a public transportation system that leaves their local community.

The following action steps are being taken to improve ridership:

1. Developed a pilot student pass program 20 for 20 (20 rides for \$20). Working with the college to actively promote the program during 2nd semester registration.
2. Working with Area Agency on Aging to make the Cochise Connection more accessible to the elderly community.
3. Working with Cochise College to modify their 2nd semester schedule to eliminate duplication of service to Bisbee.
4. Working with the City of Bisbee to adjust their service schedule to eliminate the long northbound waiting period and improve route efficiencies for their system.
5. Install WiFi on the bus to make bus travel more appealing to students and work related travelers.
6. Developing a travel training program that addresses individual fears and concerns involving the Cochise Connection. The training will include topics such as how to plan a trip, ride specific routes, read and understand route maps and schedules, get to and from their bus stop, pay fares and purchase passes, get on and off the bus safely, using a mobility device on a bus, locate and transfer to other buses, and how to get service information. We are planning two free ride days to compliment the training.
7. Enhance engagement with the hospital, Fort Huachuca, and senior organizations.

GRAHAM/GREENLEE COUNTY FTA 5310 PROGRAM TRANSITION PROJECT

Easter Seals Blake Foundation (ESBF) just completed their third month of services in Graham and Greenlee Counties. The project has greatly increased accessibility and is seeing significant growth. In FY17, SEACAP averaged 420 rides per month for their services. In September, ESBF more than doubled SEACAP's average ridership with 853 rides. We are seeing continued growth in October. Ridership as ESBF is expected to exceed 1,000 rides this month.

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

Action Requested:

Information Only

Action Requested Below