

**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. Ilona 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.