

**MINUTES OF  
THE ADMINISTRATIVE COUNCIL MEETING  
9 A.M., THURSDAY, APRIL 30, 2020  
TELEPHONIC**

OFFICERS PRESENT: Blaschke, Caleb – City of Willcox (Chair)  
Skeete, Horatio – City of Safford (Secretary)  
Vivian, Vicki – City of Benson (Vice-Chair)

MEMBERS PRESENT: Basteen, John – Town of Duncan  
Cassella, John – City of Safford  
Coleman, Theresa - City of Bisbee  
Coxworth, Dan – Cochise County  
Rapier, Derek – Greenlee County  
Presti, Charissa – Tombstone  
McLachlan, Matt – City of Sierra Vista  
Watson, Jerene – City of Douglas  
Welker, Dustin – Graham County

STAFF PRESENT: Curtiss, Dina – Accounting Manager  
Dennis, Keith – Community Development Program Manager  
Glenn, Heather – Administrative Assistant  
Heiss, Randy – Executive Director  
Matchett, Jay – Economic Development Program Manager  
Vertrees, Chris – Transportation Program Administrator  
Villa, Laura – AAA Program Director

GUESTS:  
Adam, Kevin – RTAC

**I. CALL TO ORDER/MOMENT OF SILENCE/ INTRODUCTIONS**

Chair Blaschke called the meeting to order at 9:05 a.m. and reviewed phone meeting etiquette for the members. Rather than the pledge of allegiance, he called for a moment of silence to honor those who have passed from COVID-19.

**II. MEMBER ENTITIES' DISCUSSION**

Dan Coxworth, Cochise County, advised that planning and permit fees saw a 50% drop from January - April. However, he stated that April was not the worst month in this Fiscal Year; it was better revenue-wise than December. Jerene Watson, Douglas, shared that the city is looking to add a 70 room hotel and all major chains are interested in the recent hotel study they commissioned. The Douglas budget is taking a hit and the COVID-19 restrictions at the border have caused a substantial negative impact. She advised they banked some of the revenues collected in March and are weathering it well so far. Derek Rapier, Greenlee County, stated they are struggling to get accurate projections for their budget process and are awaiting the sales tax distributions for April. The county is suspending capital projects, but they are not yet considering layoffs. They have stopped almost all travel and are instead utilizing video conferencing, including board meetings, as they wait to get a clearer picture. Charissa Presti, Tombstone, said that because all their revenue is based on tourism, they have had to do temporary layoffs and furloughs. Vicki Vivian, Benson, stated they were on a great trajectory until COVID-19 happened. They, too, are looking for revenue figures to come in. They have had many people from outside of town coming into Benson to shop and Safeway reported their sales doubled three days in a row during March. The COVID-19 issue has created new problems in that the community has become very divided regarding isolating or opening

up; wearing masks or not. Dustin Welker, Graham County, stated their numbers anticipate a 30% decrease in sales tax revenue this quarter and are budgeting for a 10% decrease in State shared revenues. They issued cloth masks to all their employees and made wearing them mandatory. He lamented that most of us are busier than ever been with new COVID-19 related duties which take time away from other projects. Matt McLachlan, Sierra Vista, shared that Sierra Vista is also preparing a conservative budget and projecting that the revenue stream will stay flat. The City currently has a hiring freeze and they are evaluating filling vacancies as they occur. They received CARES Act funds for CDBG and are proposing they be used for business assistance as well as social services. They just went through the annual CDBG action planning process in which they are proposing to finish the final phase of Sierra Center Park. The City is ahead of national average regarding census response rates. Theresa Coleman, Bisbee, stated that they are in a similar situation as the other cities and waiting to see what happens. John Cassella, Safford, indicated they are responding in similar fashion. They are planning to reduce their budget by 10%; have put in place a staff reduction by not filling vacancies; everything being predicated on the revenue stream. They are focusing on helping local businesses to get federal monies and trying to connect people to those resources. Real issue will be recovery; not only financial but also about opening up the community and doing it safely. Caleb Blaschke, Willcox, mentioned that they experienced a rush in March with people coming to shop at Safeway from as far away as New Mexico which resulted in a 400% increase in sales at local stores. They have gone through their regular budget process and have told departments to hold off on capital projects until they have a better picture which may take until January.

### III. CALL TO THE PUBLIC

No one from the public was present

### IV. ACTION ITEMS

1. Consent Agenda
  - a. Approval of the February 6, 2020 Minutes

**MOTION:** Horatio Skeete  
**SECOND:** Derek Rapier  
**ACTION:** Unanimous

2. Election of Officers

Randy Heiss provided an overview and history of the annual election of officers. Both Caleb and Vicki are interested in continuing unless someone else wishes to step forward.. He opened the agenda item up for discussion on how they want to proceed to replace Horatio Skeete as Secretary since he is retiring. Horatio nominated Dustin Welker but Dustin declined due to availability. Derek Rapier is interested, but wishes to wait until he has been on the job another year. John Basteen stated he too is swamped at this time and cannot serve. John Cassella agreed to be nominated. Jerene Watson made a motion to elect Caleb Blaschke as Chair; Vicki Vivian as Vice Chair and John Cassella as Secretary.

**MOTION:** Jerene Watson  
**SECOND:** Derek Rapier  
**ACTION:** Unanimous

3. Fiscal Year 2021 Budget Items

- a. Discussion and possible action to recommend approval of Resolution 2020-02 EDA Grant Authorization

Jay Matchett provided an overview of the purpose of the resolution. Vicki Vivian recommended approval of the Resolution to the Executive Board.

**MOTION:** Vicki Vivian  
**SECOND:** Jerene Watson  
**ACTION:** Unanimous

- b. Sustainability of Fund Balance

Randy Heiss explained that this item is an informational item only. He stated with the exception of the contingency line item, which will only be used in the event of an unanticipated expense, the FY 2021 budget is balanced without using fund balance to cover expenses. He also reported that SEAGO is now sitting on the largest amount of fund balance in the history of the organization and he feels very comfortable with the budget recommendations prepared by staff.

- c. Discussion and possible action to recommend approval of the FY 2021 Assessment Schedule

Randy Heiss stated that as with the past 4 years, there are no changes proposed to the assessment schedule. No additional changes occurred to the SVMPO boundaries, no changes were proposed to the RTAC assessments, and there were no changes to the amount of EDA's matching requirements. He called for questions and there were none. Dustin Welker made a motion to recommend approval to the Executive Board.

**MOTION:** Dustin Welker  
**SECOND:** Vicki Vivian  
**ACTION:** Unanimous

- d. Discussion and possible action to recommend approval of the proposed FY 2021 SEAGO Budget

Dina Curtiss provided a brief overview of the proposed FY 2021 budget, stated that a couple of new programs had been added and addressed questions. Dustin Welker made a motion to recommend approval to the Executive Board.

**MOTION:** Dustin Welker  
**SECOND:** John Cassella  
**ACTION:** Unanimous

4. Discussion and possible action to recommend approval of the SEAGO Five-Year Strategic Plan FY 2021 – FY 2025

Randy Heiss thanked the members who participated in the Strategic Planning sessions. He outlined the updated strategic plan and asked for questions. Derek Rapier made a motion to recommend approval to the Executive Board.

**MOTION:** Derek Rapier  
**SECOND:** Jerene Watson

**ACTION:** Unanimous

5. Discussion and possible action to recommend approval of an update to the SEAGO Classification Plan

Randy Heiss explained that the AAA was requesting the addition of two positions to the classification plan. These positions are in keeping with the goals, objectives and tactics in the updated Strategic Plan. Laura Villa asked the members to review the AAA Annual Report for FY18/19 in the packet that showed the amount carried over to the following year. She explained the new positions will help reduce the amount of carry over and increase service utilization. John Cassella made a motion to recommend approval to the Executive Board.

**MOTION:** John Cassella

**SECOND:** John Basteen

**ACTION:** Unanimous

Derek Rapier stated he had to leave the meeting for another obligation and asked to be excused.

6. Discussion and possible action to recommend approval of the proposed FY 2021 AAA Subaward Recommendations

Laura Villa provided an overview and answered questions. Caleb asked if the numbers in the subawards are included in the budget, and Laura stated they are not. He wanted to know if member entities would be able to apply for the proposed funds and/or services. Laura answered that the AAA distributes the funds to providers who deliver the services. She hoped individuals in their communities would benefit from the additional funds and encouraged members to contact the case managers in their areas. Vicki asked that AAA send the case manager contact information to the members and Laura stated that a link for that information is located on in the memo on page 41 of the packet. Vicki Vivian made a motion to recommend approval to the Executive Board.

**MOTION:** Vicki Vivian

**SECOND:** Jerene Watson

**ACTION:** Unanimous

## V. INFORMATION ITEMS

### A. Future Meeting Dates

Randy Heiss reviewed the upcoming meeting dates. He stated we are hoping to hold the August 6 meeting in person. Mr. Heiss asked members to reserve June 4, 2020 for a possible Joint Committees meeting to conduct any potential SEAGO business. Chair Blaschke requested that an actual calendar invite be sent for future SEAGO meetings rather than a regular email. Mr. Heiss stated he has been sending out calendar invitations for each meeting but that Heather could update the calendar invitation when the agenda is ready and send it out again so that members can accept or decline the invitation.

### B. Quarterly Finance Report

Dina Curtiss provided an overview and answered questions.

### C. SEAGO Economic Development District Report

Jay Matchett provided an overview and responded to questions.

D. AAA Updates

Laura Villa reviewed her update and responded to questions.

E. Transportation Program Updates

Chris Vertrees provided an updated overview and responded to questions.

**VI. RTAC REPORT**

Kevin Adam delivered his report and responded to questions. Randy asked for an update on any of the unfinished Legislative business in Phoenix. Kevin responded that the Legislature was expected to return April 13, but that didn't happen. There is a special session expected in the summer. There are still so many issues they are hesitant to take action and it is a very fluid process.

**VII. STAFF ANNOUNCEMENTS / CURRENT EVENTS**

Randy Heiss mentioned that data is showing COVID-19 has not peaked in Arizona and the Executive Board meeting will be probably held via virtual platform. He mentioned that the auditors finished the FY2019 audit and found 3 material weaknesses in financial reporting. A representative from the auditors will attend the Executive Board meeting to present the audit. He added that the auditors are confident that the weaknesses identified are already being addressed. Keith Dennis, Community Development Manager, advised that not all communities have made their CDBG project selections and he will bring an item to the Executive Board for consideration at the next meeting. CDBG is going after more funds for Colonias and Tombstone is doing an SSP grant to upgrade their senior center; Bisbee is going to finish the Tintown project; Nogales is looking to do another water line replacement. If these applications are successful, SEAGO CDBG funds could likely be doubled. He is pleased that the SEAGO region is reaching out to get the funds. He thanked the members who participated in the CDBG portion of the Strategic Plan.

**VIII. FUTURE AGENDA ITEMS**

Randy Heiss reminded members that they can contact him at any time if they have items for the agenda. Chris will have the Title VI Plan Resolution; SEAGO needs to adopt a drug testing policy to keep our worker's compensation insurance premiums down; CDBG projects will come forward for approval; possibly an item with more info on COVID-19 funding; as well as a presentation on the Greenlee County Road Study.

**IX. ADJOURNMENT**

Chair Blaschke adjourned the meeting at 10:52 am.