

**MINUTES OF
THE ADMINISTRATIVE COUNCIL MEETING
9:00 A.M., THURSDAY, MAY 4, 2023
VIA ZOOM
COCHISE COLLEGE BENSON
1025 HWY 80, BENSON, ARIZONA**

OFFICERS PRESENT: Robinson, Ronald – Patagonia **(In-Person)**

MEMBERS PRESENT: Batty, Vernon – Town of Pima **(Zoom)**
Bigman, Barney – San Carlos Apache Tribe **(Zoom)**
Cassella, John – City of Safford **(Zoom)**
Bermudez, Roy – City of Nogales **(Zoom)**
Harvey, Suzanne – Town of Huachuca City **(In-Person)**
McLachlan, Matt – City of Sierra Vista **(Zoom)**
Pauken, Steve – City of Bisbee **(Zoom)**
Perez, Rudy – Town of Clifton **(Zoom)**
Urquijo, Ana – City of Douglas **(Zoom)**
Valdez, Jesus – Santa Cruz County **(Zoom)**
Welker, Dustin – Graham County **(Zoom)**

STAFF PRESENT: Curtiss, Dina – Accounting Manager **(Zoom)**
Dennis, Keith – Community Development Program Manager **(In-Person)**
Heiss, Randy – Executive Director **(In-Person)**
Merideth, John – GIS Analyst **(Zoom)**
Peterson, Stephen – Economic Development Program Manager **(In-Person)**
Vertrees, Chris – Transportation Program Administrator **(Zoom)**
Laura Villa – AAA Program Director **(Zoom)**

GUESTS: Adam, Kevin – RTAC **(Zoom)**
Melissa Hayes – ADEQ **(Zoom)**
John Kissinger – City of Nogales **(Zoom)**
Stephanie Fulton – Town of Huachuca City **(In-Person)**

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE / INTRODUCTIONS

Chair Robinson called the meeting to order at 9:06 a.m. Those physically present introduced themselves and at the request of the Chair, Randy Heiss read the names of those attending electronically into the record.

II. MEMBER ENTITIES' DISCUSSION

Chair Robinson called on **Suzanne Harvey** to discuss issues in **Huachuca City**. Suzanne reported they had recently completed their CDBG funded park project and were planning to celebrate its completion with Play Day on the 13th. There were project delays due to the pandemic and supply chain issues but the residents are enjoying the completed project and she gave a huge thanks to Keith Dennis for helping administer the project. She also reported that the Town had established a new bus service to transport soldiers on Fort Huachuca. **Chair Robinson** reported **Town of Patagonia** was just completing a Colonias project to repave and improve drainage on McKeown Avenue from 4th Avenue to Costello Avenue. He thanked Keith Dennis and SEAGO for facilitating the project. He also reported that the Town is also finishing up a North American Development Bank grant to refurbish their wastewater treatment plant which should be completed in June. Chair Robinson called on **Steve Pauken** to report on **City of Bisbee** updates. Mr. Pauken reported that the City had assembled a team that will implement a grant to rehabilitate historic Camp Naco and was very happy to be moving forward with that project. He also reported the City had received an EPA grant to remove lead paint and asbestos from the Hillcrest Apartments building that he hopes will make the building marketable for a housing project. He also reported on the work with SEAGO to implement their owner occupied housing rehabilitation project involving 12 homes in the Saginaw neighborhood with funding from the CDBG grant program. And then lastly, he reported on a transportation project to build a multi-use path around the Lavender

Pit from Old Bisbee to the traffic circle. The City received two grants and was experiencing challenges because one grant is federal transportation money and one is money from the EDA. The transportation money came through an earmark from former Congresswoman Kirkpatrick that he was recently advised comes with a requirement for \$200,000 in matching funds that was neither anticipated nor available. He predicted that it would be a long process and that there would likely be some hard decisions that may require project advocates to compromise. **Ana Urquijo** reported that the **City of Douglas** had hired Native Consulting to create a path forward for future technology and smart city initiatives in the community to cover gaps that are otherwise not identified by the Cochise County broadband study that was recently done. She also expressed an interest in working with SEAGO on eliminating blight in certain neighborhoods within the City. And Ms. Urquijo informed the group that the formation of the Douglas Active Management area had created some challenges with the City implementing projects involving new wells the City had planned and also supplying temporary water infrastructure for the new port of entry. **Matt McLachlan** reported that the **City of Sierra Vista** had a lot of capital projects going on around town but wanted to raise as a common critical issue the methodology used to project population growth in the county. He stated he has struggled to understand how these forecasts are developed and asked if SEAGO has had dialogue with the State in terms of their methodology and expressed concern that state shared revenue distributions are based on these estimates. Randy Heiss thanked Mr. McLachlan for bringing the issue up and pointed out that these are *population projections*, which are used in general planning efforts. However, these projections are separate from the *population estimates* that are used as the basis for shared revenue distributions. Randy stated that John Merideth is the person at SEAGO who participates in the Council for Technical Solutions with the State Demographers Office and suggested that he could connect with someone there to help the City better understand the methodology that is used in developing the population projections. **Vernon Batty** reported that the **Town of Pima** would be using their CDBG money to repave Main Street from the school to the railroad and thanked Keith Dennis for his help in facilitating the public hearings. Another project is underway to plan for a new Fire Department facility, but in order to do so, they would need to tear down the current library and build a new library at a different location. Fortunately, the United Way came through with \$200,000 to build a new library which will be part of a complex that includes a library, a park and a World War Two Memorial. And lastly, he reported that the Town had consolidated the municipal court with the justice of the peace in Safford. This allowed the Town to repurpose the former court building as a new Town Hall. The Public Works personnel has done a fantastic job in completing almost all of the work for the renovation and staff will be moving into the new Town Hall building shortly. **John Cassella** reported that the **City of Safford** had been working on a salary survey to bring the City's compensation up to market rate and anticipated that it would result in one of the most significant increases in staff compensation in a long time. He also discussed the challenges implementing capital projects in an environment that either brings no bids or the price is three times what was originally planned for. He stated that the City had been fortunate to move a few projects forward, most notably, a project to develop a 15 acre park with amenities such as a bandshell, splash pads, and maybe a food truck food court with an anticipated cost of between \$5 - \$7 million. And lastly he reported that the City had met with Laura Villa and had helped the AAA with a flyer that was mailed out with utility bills to get the word out on the May 5th event to celebrate Older Americans Month at the Graham County Senior Center. **Dustin Welker** reported that **Graham County** was making progress on their CDBG project. The contractor was finishing up the sidewalks and will be having our rubber tiles and drinking fountains installed in the playgrounds hopefully in the next couple of weeks. He stated that Keith Dennis and his staff had been fantastic working with the contractor and with Graham County staff to implement the project. **Rudy Perez** thanked Chris Vertrees for his efforts to identify unused transportation program funding so that the **Town of Clifton** could offset the cost overruns for the construction of the Chase Creek Bridge rehabilitation project. He stated that without those efforts, the Town would not have been able to move forward with the replacement of the bridge. **John Kissinger** reported that the **City of Nogales** Mayor and Council would soon be deciding on how to use their next CDBG program funding. He stated that it may likely be used to bring water and wastewater service to a neighborhood, and he thanked Keith Dennis for his assistance. He also noted that the City had previously identified about 25 different water and sewer projects to be completed with \$15 million in WIFA funding, but due to the increase in construction costs, they might only be able to complete 2 or 3 of them. The City is also working with a consultant to update their compensation plan. And finally, he mentioned that the former city manager had resigned to take a position with the Town of Parker and the City Council had selected their former Chief of Police, Mr. Roy Bermudez as the new city manager. Mr. Bermudez introduced himself to the Administrative Council and explained that he is still trying to get informed of all the happenings in the city and looks forward to meeting everyone. **Jesus Valdez** was introduced as the new County Manager for **Santa Cruz County**. Mr.

Valdez reported the Pendleton Drive box culvert project is about 60% complete and they are hoping it will be complete it in two months. He also reported that the County received a \$10 million resilient communities grant to build a flood detention basin and were in the process of soliciting for engineering services for that project. He stated that like other communities, the County is working with a company to perform a compensation study and hopes to have the numbers soon. Chair Robinson called on **Barney Bigman** to report for the **San Carlos Apache Tribe**. Mr. Bigman reported that the Tribe was finishing an update to its Long Range Transportation Plan. He also attempted to inform the group on a number of other critical issues to the Tribe, but unfortunately, the internet connection was poor and much of what he reported was inaudible.

III. CALL TO THE PUBLIC

No one from the public requested to speak.

Note: Kevin Adam requested permission to give his RTAC Report (Item # VII below) at this point on the agenda as he was attending a conference and would be unavailable after 10:00 a.m. Arizona time). Kevin provided a brief report and responded questions.

IV. PRESENTATION - Available funding opportunities - ADEQ Southeastern Arizona Community Liaison, Melissa Hayes

Melissa Hayes gave a brief presentation relating to funding opportunities for various water and wastewater projects and how communities can access these funds. Ms. Hayes responded to questions.

V. ACTION ITEMS

1. Consent Agenda
 - a. Approval of the February 9, 2023 minutes

Chair Robinson called for a motion to approve the February 9, 2023 minutes.

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

2. Election of Officers

Randy Heiss reminded members that the Bylaws were amended in August 2021 to provide for the election of one Administrative Council officer to represent each county in the region and to establish a rotation schedule among the officers to allow each county representative the opportunity to serve as Chair every four years. As a result of these changes there are four officers elected – a Chair; a Vice-Chair; a Secretary; and a Treasurer. These officers comprise the Administrative Committee who are authorized to make recommendations to the Executive Board on time sensitive, program related business in between regular meetings. In FY 2024, the rotation prescribed in the Bylaws will elevate the Santa Cruz County officer to the Chair position, the Graham officer to Vice-Chair, the Greenlee officer to Secretary, and the Cochise County officer will drop to the bottom of the rotation to the Treasurer position. Randy reported that as of the time of the meeting, he had received a nomination to retain Dan Coxworth as the Cochise County officer, and a nomination to retain Heath Brown as the Graham County officer. He also reported that Ron Robinson has indicated he will continue representing Santa Cruz County if no one else steps forward, and Derek Rapiet has stated that he will continue serving in the Greenlee County officer position if needed. Randy offered to answer any questions.

Chair Robinson called for a motion to elect a slate of officers for fiscal year 2024. Steve Pauken made a motion to retain the current slate of officers representing the four counties with the rotation prescribed in the Bylaws as presented by staff.

MOTION: **Steve Pauken**
SECOND: **John Kissinger**
ACTION: Unanimous

3. Fiscal Year 2024 Budget Items

a. Sustainability of Fund Balance (discussion only)

Randy Heiss explained that the purpose of this item is to inform the Administrative Council and Executive Board of the current status of the SEAGO fund balance as it relates to the Fund Balance policy approved by the Executive Board in 2015. Currently, SEAGO's fund balance is at an all-time high and financially we are in an extremely strong position. The amount of fund balance available at the end of FY 2022 (\$2,122,490) amounts to approximately 179% of the minimum amount required by the fund balance policy (\$1,185,772). The only fund balance budgeted for possible use in FY 2024 is a contingency line item of \$150,000 that will only be accessed if needed and the Administrative and Executive Committees would be informed with as much advance notice possible before contingency funds are used. Randy offered to answer any questions.

b. Discussion and possible action to recommend approval of the FY 2024 Assessment Schedule

Randy reported that there were no proposed increases to the FY 2024 assessments from the prior fiscal year and offered to answer any questions. Chair Robinson called for a motion to recommend approval of the fiscal year 2024 Assessment Schedule.

MOTION: Suzanne Harvey
SECOND: Steve Pauken
ACTION: Unanimous

c. Discussion and possible action to recommend approval of the proposed FY 2024 SEAGO Budget

Dina Curtiss explained the assumptions used in developing the FY 2024 budget and offered to answer any questions. Chair Robinson called for a motion to recommend approval of the fiscal year 2024 Budget.

MOTION: Ana Urquijo
SECOND: John Kissinger
ACTION: Unanimous

4. Discussion and possible action to recommend the reappointment of Private Sector Representatives for Graham, Greenlee and Santa Cruz Counties to the Executive Board

Randy Heiss reminded members of the requirement for participation of Private Sector Representatives (PSRs) on the Executive Board. He stated that the first terms of office for the current PSRs for Graham, Greenlee and Santa Cruz counties will be expiring in May and they are eligible to serve up to two, two-year terms. All three of the PSRs remain willing to continue serving another term of office and Randy asked the Administrative Council to consider recommending their reappointment to the Executive Board. He then offered to answer any questions.

Chair Robinson called for a motion to recommend the reappointment of Mr. Ed Lopez, Mr. Steve Ahmann, and Mr. David Budd as Private Sector Representatives for Graham, Greenlee, and Santa Cruz Counties to the Executive Board.

MOTION: John Kissinger
SECOND: Dustin Welker
ACTION: Unanimous

5. Discussion and possible action to recommend approval of an agreement between HR KNOW LLC. and SEAGO for Human Resources Consulting Services

Randy Heiss restated that SEAGO's compensation plan had not been updated since 2005 and SEAGO's salary grade and range structure has become increasingly uncompetitive when compared to other COGs,

MPOs, and many of our member entities. At the February meeting, he had requested authorization to solicit proposals because staff anticipated the costs of such a study may exceed the \$20,000 threshold requiring Board authorization to go to bid. He informed members that he had since advertised for competitive proposals to perform the compensation study and had only received one proposal by the deadline of April 24. The consulting firm – HR KNOW LLC – is located in Tucson and appears well qualified to perform the study at a cost of \$28,200. He then requested the Administrative Council’s recommendation to the Executive Board to authorize him to enter into an agreement for Human Resources Consulting Services with HR KNOW LLC to perform the compensation study for SEAGO. Randy offered to answer any questions.

Chair Robinson called for a motion to recommend that the Executive Board authorize SEAGO to enter into an agreement with HR KNOW LLC for Human Resources Consulting Services.

MOTION: Steve Pauken
SECOND: Suzanne Harvey
ACTION: Unanimous

6. Discussion and possible action to recommend approval of an Intergovernmental Agreement between the City of Bisbee and SEAGO for paving services

Randy Heiss reminded members that the SEAGO AAA took occupancy of their new facility June 6, 2022 and held a Grand Opening of the new office August 19, 2022. While the City of Bisbee allowed SEAGO to occupy the building, an official Certificate of Occupancy had not been issued for the building as the parking area must be paved to meet the City of Bisbee’s parking requirements. Over the last two years, the costs of asphalt and construction costs spiked due to the price of oil and a tight job market. As a result, the paving project was put on hold for the price of oil and construction costs to moderate. Earlier this year, the AAA determined there were unused funds carried over from fiscal year 2022 that could be used for a special project upon approval of ADES and was recently informed that SEAGO’s request to use a portion of these funds for the paving project was approved. As an alternative to seeking bids from contractors to perform the paving work, Randy approached the City of Bisbee to determine if they had the capacity to assist SEAGO with their personnel and equipment to pave the AAA parking area. After discussing the needs and developing a scope of work, the City agreed to perform the paving services under an intergovernmental agreement between the City and SEAGO and on April 18, 2023, the Bisbee City Council unanimously approved the IGA by a vote of 6 ayes and 0 Nays (one Councilmember absent). Randy then offered to answer any questions.

Chair Robinson called for a motion to recommend approval of the Intergovernmental Agreement between the City of Bisbee and SEAGO for paving services to the Executive Board.

MOTION: Suzanne Harvey
SECOND: Matt McLachlan
ACTION: Unanimous

7. Discussion and possible action to recommend approval of the 2024 - 2028 Area Plan on Aging

Laura Villa explained the purpose, the public outreach process, and the methodology used in developing the 2024 – 2028 Area Plan on Aging (APOA). The SEAGO Advisory Council on Aging (ACOA) reviewed the minimum goals and objectives that the state unit on aging and the Area Agencies on Aging had agreed to include in their plans. The ACOA reviewed the first draft of the APOA in their January 2023 meeting and again at their meeting on April 20, 2023. During this meeting, the ACOA commented on the proposed outcomes, objectives, and plans. Information was also presented on the Needs Assessment report during this meeting. Comments from the ACOA were addressed in the plan. Ms. Villa requested that the Administrative Council recommend approval of the SFY 2024 – 2028 Area Plan on Aging to the Executive Board, and offered to answer any questions.

Chair Robinson called for a motion to recommend approval of the 2024 – 2028 Area Plan on Aging to the Executive Board.

MOTION: Ana Urquijo

SECOND: Matt McLachlan
ACTION: Unanimous

8. Discussion and possible action to recommend approval of the proposed FY 2024 AAA Subaward Recommendations

Laura Villa explained that on March 27, 2019, the SEAGO AAA had solicited applications from service providers for home and community based services and initial subaward agreements were issued to providers in Fiscal Year 2020, with options to renew subawards for up to an additional 4 years. Subaward renewals were issued in Fiscal Years 2021, 2022 and 2023 and Fiscal Year 2024 will be the final year for renewal of these subawards, the amounts of which will be based on the recommendations developed by staff and approved by the Administrative Council and Executive Board. The Executive Board must consider the tentative subaward recommendations at their meeting on May 19th so that subaward agreements can be in place and services commenced by July 1st. Based on the anticipated funding levels available from the Arizona Department of Economic Security, Division of Adult and Aging Service (ADES-DAAS) the AAA developed subaward recommendations for Fiscal Year 2024 for consideration. Ms. Villa offered to answer any questions and requested the Administrative Council's recommendation that the Executive Board approve the FY 2024 AAA Subaward Recommendations.

Chair Robinson called for a motion to recommend approval of the FY 2024 AAA Subaward Recommendations to the Executive Board.

MOTION: Steve Pauken
SECOND: John Cassella
ACTION: Unanimous

9. Discussion and possible action to recommend approval of the FY 2024 - FY 2025 ADOT Work Plan

Chris Vertrees explained that the FY 2024 - FY 2025 ADOT Work Plan and Budget is due to ADOT on May 22, 2023. He outlined the changes to the FY 24/25 Work Program in comparison to the FY22/23 Work Program and offered to answer any questions.

Chair Robinson called for a motion to recommend approval of the FY 2024 – FY 2025 ADOT Work Plan to the Executive Board.

MOTION: John Kissinger
SECOND: Vernon Batty
ACTION: Unanimous

VI. INFORMATION ITEMS

- A. Future Meeting Dates

Randy Heiss mentioned that the next meeting of the Administrative Council will be held August 3, 2023. He also mentioned that there may be a need for the Administrative – Executive Committees to meet June 1st telephonically to conduct program related, time sensitive business between regular meetings of the Administrative Council and Executive Board. He asked the officers to please hold the date open in their calendars and noted that if there was no business to conduct, he would send out a notice that the meeting was cancelled.

- B. Strategic Planning Retreat Report

Randy Heiss presented an overview of the Strategic Planning Retreat process, the report prepared by the retreat facilitator Melanie Greene, and the matrix of Objectives, Strategies and Tactics resulting from the retreat. He requested that the Administrative Council review and comment on the matrix as these objectives, strategies and tactics will be woven into the FY 2024 – FY 2028 SEAGO Strategic Plan for consideration at the August meetings of the Administrative Council and Executive Board. Randy offered to answer any questions.

C. Quarterly Finance Report

Dina Curtis provided an update on SEAGO's finances through March 31st and responded to questions. She also mentioned that there were no findings from the FY 2022 independent audit.

D. Community Development Report

Keith Dennis provided an update on Community Development Programs and responded to questions.

E. SEAGO Economic Development District Report

Stephen Peterson provided an update on Economic Development and responded to questions.

F. AAA Updates

Laura Villa provided an update on AAA programs and responded to questions.

G. Transportation Program Updates

Chris Vertrees provided an update on Transportation Programs and responded to questions.

VII. RTAC REPORT

Kevin Adam provided his report earlier in the meeting as noted in these minutes.

VIII. STAFF ANNOUNCEMENTS / CURRENT EVENTS

Randy Heiss mentioned SEAGO had partnered with AGTS to organize a Supervisor's Academy from September 13 through December 6, 2023 at the Valley Telecom training room in Willcox. Registration is open and there are currently only 7 seats remaining. He encouraged those members who had expressed interest in sending staff to the SEAGO Academy to register as soon as possible to ensure they do not miss this important training opportunity.

IX. FUTURE AGENDA ITEMS

Randy stated that a resolution to approve SEAGO's Title VI Plan and adoption of the 2024 – 2028 SEAGO Strategic Plan will be on the agenda for consideration at the August Administrative Council meeting.

X. ADJOURNMENT

Chair Robinson called for adjournment of the meeting at 11:10 a.m.