

**MINUTES OF
THE EXECUTIVE BOARD MEETING
9:00 A.M., FRIDAY, FEBRUARY 21, 2025
VALLEY TELECOM WILLCOX
725 E. MALEY ST.
WILLCOX, AZ 85643**

OFFICERS PRESENT: David Gomez, Chair, Greenlee County
Ken Budge, City of Bisbee
Arnold Lopez, City of Safford

MEMBERS PRESENT: Alex Blake, Town of Duncan
Jose Grijalva, City of Douglas
Paul David, Graham County
Kathleen Gomez, Cochise County
Heather Floyd – Cochise County PSR
Caroline Umphrey, City of Sierra Vista
Colin Regan, Town of Tombstone
Edmond Lopez, Graham County PSR
David Budd, Santa Cruz County PSR

STAFF PRESENT: Vertrees, Chris – Interim Exec Director/Transport Prog Manager
Fowler, Kevin – Economic Development Program Manager
Merideth, John – GIS Analyst
Miller, David – Community Coordinator
Osborne, Will – Community Development Program Manager
Vasquez, Celeste – AAA Program Director

GUESTS PRESENT: Jim Usevitch, Colby & Powell
Sharon Metiva, EDA
Kevin Adam, RTAC

I. CALL TO ORDER/ESTABLISH QUORUM

Chair Gomez called the public meeting to order at 9:00 a.m.

II. EXECUTIVE SESSION – Pursuant to A.R.S. §38.431.03 Subsection A.1., the Executive Board Chair Gomez may adjourn to Executive Session for the purposes of:

- (a) An update involving the termination of employment appeal by the SEAGO Economic Development Program Manager that was submitted on September 16, 2024.
- (b) Discussion and possible action relating to the appointment of or providing staff direction involving the recruitment process for the next SEAGO Executive Director.

Chair Gomez adjourned the public meeting to Executive Session at 9:07 a.m.

III. Reconvene to Public Session/Pledge of Allegiance/Roll Call

- a) Chair Gomez reconvened the Public Session of the Executive Board meeting at 10:14 a.m. followed by the Pledge of Allegiance.
- b) Discussion and possible action relating to the appointment of or providing staff direction involving the recruitment process for the next SEAGO Executive Director.

Supervisor Paul David stated that with Keith Dennis' resignation there is need for continuity in leadership for SEAGO. He shared that Chris Vertrees' situation has changed, and Chris is now interested in being considered for the permanent position. With that in mind, Supervisor David stated he would like the Board to look internally and discuss Chris Vertrees for the permanent Executive Director position.

Council member Arnold Lopez stated that he agrees with Supervisor David's recommendation. He added that Chris is very knowledgeable about SEAGO's operations, and he could also help with the transition for the Transportation Division.

Edmund Lopez stated he concurs with Supervisor David and Vice Mayor Lopez on their comments, stating that Mr. Vertrees is well-versed in the needs, knowledge and qualifications for the Executive Director position.

Supervisor Gomez advised that he reached out to the SEAGO attorney after everything came to fruition. He stated that the attorney was very receptive to SEAGO's situation and provided some very good advice and direction. He also asked the attorney if the Board could offer an interim ED position to Mr. Vertrees based on his tenure and experience with the organization.

Heather Floyd stated that Chris had been seriously considered the last time the ED position became open, and she welcomed his interest in the job this time.

Mayor Budge made a motion that the Executive Board proceed with an offer for the permanent position to Chris Vertrees and negotiate a salary commensurate with his experience and duties.

Edmund Lopez seconded the motion.

MOTION: Mayor Ken Budge, City of Bisbee

SECOND: Edmund Lopez, Graham County PSR

ACTION: Unanimous; motion passed

Supervisor Gomez congratulated Mr. Vertrees. Mr. Vertrees thanked everyone.

Sharon Metiva inquired whether the Board President had stepped in to provide continuity during the changes in Executive Director role leadership?

Mr. Vertrees stated that Board President, Supervisor David Gomez, has been involved in the entire process since the past Executive Director retired.

Supervisor David expressed his support that legal counsel and direction was sought to reduce exposure for the Board and that Ms. Metiva should be aware of the Board President's involvement during the entire situation.

IV. CALL TO THE PUBLIC

No members of the public were present.

V. MEMBER ENTITIES' DISCUSSION

Supervisor David requested a summary and update on the emergency declaration made by the City of Douglas. Mayor Grijalva stated that he had asked their legal counsel to review the order 2 hours before the inauguration of Donald Trump. Supervisor David inquired whether it was a Resolution or Emergency Declaration. Mayor Grijalva answered that it was a Proclamation of Emergency. Supervisor David asked if it triggered any action by FEMA or the State Department of Emergency Management. Mayor Grijalva advised it did not; however, a copy was sent to the White House.

Cochise County Supervisor Kathleen Gomez stated she believes the biggest concern that the Executive Board has is the Douglas Port of Entry grant for the connector road. You never know what is going to happen with grants and now there is a need to go back and check to make sure the funds are still available. The connector road is planned to go from the Port to Hwy. 80. She stated that there is \$27.5 million in the ADOT budget for this project. She estimated that the current cost to construct the connector road is \$60 million and commented that it would make sense to build a 4-lane roadway with 2 lanes in each direction. GSA has said that they are going to break ground and then design-build. Douglas has been talking about this Port of Entry for about 4 years. They want to ensure that the road gets built. Creating a Highway 191 economic corridor will be the next challenge and where the county needs to focus. Douglas used to be the third largest city until the 1980s. They want to build a hospital, improve the airport and bring the railroad back. There is need to bring all the parties together for a work session and have a real-time discussion about where the money is coming from so that everyone is on the same page and they have something to show the government.

Graham County Supervisor David wants to remind the Executive Board to be proactive about the legislature eliminating the tax on food. Thatcher would lose 20% of their sales tax revenue; Douglas would be tremendously hurt, as well. Taylor and Snowflake would lose approximately 40%. Last year, the Governor vetoed the bill, but she had reservations because of the relief it would give the poorest of the poor. The counties don't receive sales tax from food, but it would hurt the Cochise County communities. He suggested that before the bills get sent to the House, members get with the League of Cities and Towns, and each city's respective leadership and be in touch with LD19 to let them know how it would impact each entity and how you feel about that.

Mayor Grijalva stated that Agua Prieta provides most of the sales tax in Douglas through Walmart. Mayor Grijalva stated that if the sales tax is cut, Douglas would lose 70% or \$2.5 million.

Mayor Budge spoke as an executive member of the League of Cities and Towns, saying 18 mayors got up and spoke against the Bill, but it passed out of Committee 5 to 4 anyway. It has been heard on the floor and an amendment made and passed that the food tax will be capped at 2%; if any City or Town is taxing more than 2%, the tax needs to be capped at 2%, and if any City or Town is charging less than 2% it will need to go to a vote of the people before it can be raised to 2%. The Bill is going to the Senate next.

VI. PRESENTATION: Jim Usevitch of Colby & Powell presented the Independent Auditor's Report and Audited Financial Statements for the year ending June 30, 2024. He states that the audit went really well and was finished in December. There were only 4 journal entries this year and there were no audit findings for the second year in a row. This is especially good for federal grants. He stated that Dina and the Accounting staff are doing a really great job.

VII. PRESENTATION: Sharon Metiva, Economic Development Specialist from the Seattle Regional Office of the United States Economic Development Administration presented current issues and asked questions concerning the SEAGO Economic Development District. Ms. Metiva stated she didn't see the Public Board Meeting posted on the SEAGO website. Chris Vertrees advised that all the meetings are posted on the website, and he would send her instructions on where to find them. She inquired about the most recent update of the SEAGO By-Laws. Mr. Vertrees advised it was February 2018 and would send her a copy. Ms. Metiva inquired about how often the Executive Board is updated. Mr. Vertrees responded that common changes are usually the Executive Board and Private Sector Reps, and they are addressed as they occur.

Ms. Metiva shared that EDA has had some staffing changes and Jeff Hayes is the new Field Agent. In her office, they have a new Director – Chris Cox – within the Planning Department. She does not have any other news related to recent changes in EDA since the federal election and assured everyone that there is nothing to worry about unless there are major changes within the SEAGO Organization.

Ms. Metiva asked how well the SEAGO Board relates with the EDD and if Chris Vertrees would be able to manage the EDD. She wanted to know if a tribal member could become a member of the Board. Chris Vertrees responded that SEAGO has a tribal member who regularly participates in meetings but is not present today. He shared that the SEAGO Executive Director is also the Director for the SEAGO Economic Development District and, as the new Executive Director, he will be sending out regular updates regarding EDD issues and what is being worked on. He added that there is a regular agenda item addressing EDD every meeting.

Ms. Metiva stated she believed SEAGO was missing a planner and wants to make sure the new Executive Director engages with the EDD Field Agent. Chris Vertrees shared that a new Economic Development Program Manager was promoted from a Planner position.

VII. ACTION ITEMS

1. Consent Agenda

- a. Approval of the November 22, 2024, Minutes

Chair Gomez called for a motion to approve the Consent Agenda.

MOTION: Jose Grijalva, Douglas

SECOND: Heather Floyd, Cochise County PSR

ACTION: Unanimous; motion passed

2. Election of Officers for Calendar Year 2025

Chris Vertrees reviewed the election process and explained the rotation schedule that is typically used to ensure representation from each of the four Counties was paused last year when Mr. Ortega from Safford left the Board and the Board decided to keep that slate of officers through 2024. He stated that it is time to implement the rotation once again. Following the rotation prescribed in our Bylaws, in calendar year 2025, the Graham County Executive Board officer would be elevated to the Chair position; the Cochise County officer to First Vice-Chair; the Santa Cruz County officer to Second Vice-Chair; and the Greenlee County officer will drop to the bottom of the rotation to the Treasurer position as shown below:

Chair: Graham County Officer: (currently Safford Vice-Mayor Arnold Lopez)

First Vice-Chair: Cochise County Officer (currently Bisbee Mayor Ken Budge)

Second Vice-Chair: Santa Cruz County Officer (currently Nogales Mayor Jorge Maldonado)

Treasurer: Greenlee County Officer (currently Supervisor David Gomez)

Mr. Vertrees shared that he reached out to the current officers about the rotation schedule and whether they would be okay with rotating into the positions as noted. Chair Lopez stated he was concerned that he has only been in the position a short time (seated in May) and not sure if he is ready. Mr. Vertrees noted that the By-Laws state that the new officers are seated in May. Treasurer Maldonado and Chair Gomez are fine with the rotation. Mr. Vertrees gave a rundown of options if the majority did not wish to follow the rotation.

Mr. Lopez stated he feels more comfortable after today's Executive Session and would be amenable to remaining in the rotation. Several Executive Board members provided feedback in support of Mr. Lopez.

2nd Vice-Chair Budge respectfully requested that other nominees be made and considered due to ongoing health and other issues.

Cochise County Supervisor Kathleen Gomez commented that she is very new to the Executive Board and still learning but she would be willing to accept the position. Chair Gomez advised her that she would learn the position during the next year and offered support and guidance from himself and the other members to her when/if needed.

Heather Floyd made a motion to elect the following slate of Executive Board officers for calendar year 2025:

Chair – Councilmember Arnold Lopez

1st Vice Chair – Cochise County Supervisor Kathleen Gomez

2nd Vice Chair - Nogales Mayor Jose Maldonado

Treasurer – Greenlee County Supervisor David Gomez

Mayor Budge seconded the motion.

MOTION: Heather Floyd, Cochise County PSR

SECOND: Mayor Ken Budge, City of Bisbee

ACTION: Unanimous; motion passed

3. Discussion and possible action to approve the proposed representative for appointment to fill the Advisory Council on Aging vacancy

Celeste Vasquez presented the Executive Board with an overview and background of the Advisory Council on Aging member appointment process and the nomination and candidate background information of Brenda Chacon to fill the Advisory Council on Aging vacancy.

Mayor Regan made a motion to recommend approval of the nomination for the Advisory Council on Aging to the Executive Board.

MOTION: Mayor Colin Regan, Town of Tombstone

SECOND: Supervisor Paul David, Graham County

ACTION: Unanimous; motion passed

4. Discussion and possible action to approve the Proposed revised Advisory Council on Aging bylaws

Celeste Vasquez stated that the SEAGO Advisory Council on Aging Bylaws were last revised and approved by the Executive Board in May 2007. The SEAGO Executive Board reviewed and discussed the Bylaw revisions at their November meeting. The action item was tabled. The Board requested clarification concerning the number of members per county based on population. They also noted that there was redundancy involving the establishment and goals sections of the Bylaws. The redundancy concerns were also addressed in the Bylaw update.

Heather Floyd called for a motion to recommend approval of the proposed revised Advisory Council on Aging bylaws to the Executive Board.

MOTION: Heather Floyd, Cochise County PSR

SECOND: Mayor Colin Regan, Town of Tombstone

ACTION: Unanimous; motion passed

5. Discussion and possible action to approve the SEAGO Region 2024-2028 TIP Amendment #12

Chris Vertrees advised that at the January 16, 2025, SEAGO TAC meeting, the TAC approved the following TIP amendment: Chris reported that on April 1, 2022, after a procurement process, SEAGO entered a contract with Vaisala to provide the technology needed for our Regional Road Pavement Assessment Project. The project has been successful. It has been used to support the projects in our Regional Safety Plan, our RTAC Priority Project list, and multiple agencies use the program to determine road maintenance priorities and view specific road pavement conditions. The contract is set to expire on March 31, 2025. The contract allows for 2 extensions of the project. We used an extension last year, leaving 1 additional extension. We have received a cost proposal from Vaisala to extend the project an additional 12 months at the cost of \$70,858. It is an increase of \$1,937. All elements of the original contract will continue without changes. Like last year's extension, project miles will be capped at 2,000. Our cost per mile will increase from \$34.50 per mile to \$35.43. The primary cause is a change in market conditions (inflation). Mr. Vertrees stated that we have more than sufficient STBG funds to cover the extension. SEAGO currently has \$256,621 in STBG OA available. SEAGO is requesting that we amend the TIP in the following manner:

Funding Type: STBG

Project Year: FY25

Federal Cost: \$94,375

Local Match: \$5,705

Total Project Cost: \$100,080

Supervisor David called for a motion to recommend approval of the SEAGO Region 2024-2028 TIP Amendment #12 to the Executive Board.

MOTION: Supervisor Paul David, Graham County

SECOND: Councilmember Arnold Lopez, City of Safford

ACTION: Unanimous; motion passed

IX. INFORMATION ITEMS

A. Future Meeting Dates

Chris Vertrees informed the Executive Board that there will be a need for a combined Administrative-Executive Committee meeting April 3, 2025.

B. Quarterly Finance Report

Dina Curtiss gave an update on the quarterly finance report and was available for questions.

C. Community Development Report

William Osbourne gave an update on community development and was available for questions.

D. SEAGO Economic Development District Report

Kevin Fowler gave an update on economic development and was available for questions.

E. AAA Program Updates

Celeste Vasquez provided an update to AAA Area on Aging and was available for questions.

F. AAA Area Plan on Aging Updates

Celeste Vasquez gave an update on AAA updates and was available for questions.

G. Transportation Program Updates

Chris Vertrees gave an update on Transportation and was available for questions.

X. RTAC REPORT

Kevin Adam provided the Executive Board with an update of RTAC and answered questions.

XI. STAFF ANNOUNCEMENTS/ CURRENT EVENTS

Chris Vertrees thanked John and Anjelica for stepping in to coordinate the Executive Board meeting. David Miller left SEAGO to be with his family in Las Vegas. He advised that past SEAGO employee Heather Glenn may be returning to fill the position on a part-time basis. He stated that she previously filled the position for past SEAGO Executive Director Randy Heiss.

Mr. Vertrees thanked Celeste, William and Dina for focusing on the grant availability opportunities so SEAGO can be ready in case something happens with Federal funding. SEAGO staff is working on austerity planning to ensure people remain employed in case something happens.

The Rural Efficiency Grant that SEAGO had been awarded has been paused until review under President Trump's Executive Orders to ensure the grants are complying. He shared that every program Celeste had for AAA was on the freeze list in early February until the Courts stopped it. Mr. Vertrees stated that staff will be bringing more information to the next meeting.

XII. FUTURE AGENDA ITEMS

No future agenda items were presented.

XIII. ADJOURNMENT

Chair Gomez called for adjournment of the meeting at 12:14 p.m.

