

## SEAGO EXECUTIVE BOARD MEETING SUMMARY

Fri, May 22, 2026

The board convened for a regular meeting that combined informational briefings, officer elections, budget and assessment approvals, and program classification discussion. The meeting included an informational presentation on small modular reactors (SMRs), approval of minutes, annual officer elections, adoption of the FY27 assessment schedule, a fund-balance review, adoption of the FY27 budget, and a proposed program consolidation.

**SMR briefing:** The informational presentation reviewed SMR technical and siting features, including small unit size, liquid-sodium cooling and condenser water reclamation that yields low operational water use, estimated construction costs, and typical siting near transmission lines and large power users. Attendees discussed potential co-location with mines and data centers, noted one SMR under construction in Virginia, and flagged a pending legislative issue over county zoning authority for energy and data center siting. The discussion concluded with a recommendation to monitor local interest rather than automatically oppose proposals.

**Governance and minutes:** The board approved February 2026 minutes without objection and conducted the annual election of officers. Mayor Maldonado volunteered and was elected chair by motion and voice vote; members discussed rotation norms and bylaws requiring annual re-election and succession if an officer becomes ineligible.

**FY27 assessment schedule:** The board reviewed mid-decade population estimates showing a net regional increase of about 3,000 people. Member dues changes were presented in packet tables; Graham County had the largest assessment increase tied to population growth while several small towns saw declines. RTAC's per-capita assessment increased from \$0.113 to \$0.133; SEG A reserves will cover 60% of that impact through the transportation program. The FY27 assessment schedule was approved unanimously after questions about transit funding impacts and MPO/COG pool effects.

**Fund balance and FY27 budget:** A fund-balance sustainability presentation reported a prior-year surplus of \$896 and an available fund balance of roughly \$1.1 million after applying the bylaws' 50% operating expense reserve and a \$150,000 contingency reservation; recent liabilities and settlements were reported as none. A longevity table showed depletion timelines under different draw amounts; the CEGO building was cited as a prior exception that used fund balance. The FY27 budget was presented as conservative and balanced, built on confirmed grants and renewed programs (roads and streets, mobility management, EDA, CPVG, AAA). Two pending grants were identified as material: a \$1.5 million Brownfield grant that could fund an additional staff hire, and a Freeport community housing grant that targets three jurisdictions, could unlock 15% of state rural development funds, and supports an implementation request of about \$300,000. The FY27 budget was adopted by voice vote.

Program classification update: The meeting closed with a proposal to combine economic development and community development into a single program to reduce duplication and conflicting direction from separate positions; presenters argued consolidation corrects an overpaid single-person management role and improves financial and operational alignment.

### **Opening remarks and informal comments**

The meeting began with informal greetings and anecdotal remarks before formally noting a quorum and readiness to proceed. The chair asked participants to decide whether to use chat or voice and to allow remote attendees to interject as needed.

### **Opening formalities and call to discuss issues**

The chair called the meeting to order and led the Pledge of Allegiance, followed by a request to silence communications devices and an invitation for members to raise common critical issues. Remote participants were specifically invited to participate in member discussions.

\* The Pledge of Allegiance was recited and participants were reminded to silence devices.

\* The chair introduced attendees and confirmed onsite logistics and internet/audio for remote participants.

### **Introductions and logistics**

The chair conducted introductions of in-person and remote attendees, naming multiple officials and staff present and confirming who was online. The chair reviewed building logistics including restrooms and reminded attendees about seating and internet connectivity.

### **Small modular reactor (SMR) briefing and discussion**

A participant presented a detailed briefing on SMRs covering their capacity, compact five-acre footprints, liquid sodium cooling, condenser units that reclaim water, and low operational water use. The presenter noted construction costs, potential co-location with data centers or mines due to transmission constraints, and that one SMR is under construction in Virginia, prompting discussion of local zoning and legislative resistance to state preemption.

\* Small modular reactors (SMRs) were presented as 75-megawatt units with compact footprints and condenser systems that reclaim cooling water.

\* One SMR is already under construction in Virginia, indicating the technology is nearer-term than previously assumed.

\* Co-locating SMRs with large local energy users such as mines or data centers was proposed as a practical siting option.

\* The board has actively opposed legislation that would remove county zoning authority for energy and data center siting.

Follow-up discussion on SMR implications and concerns

Attendees raised concerns about water consumption and sought further information, with one member expressing cautious interest and intent to follow up for more detail. The chair and others discussed the proximity of potential proponents and the importance of evaluating proposals rather than reflexively opposing them.

### **Economic development outreach report**

A council member reported attending the nation's largest retail convention in Las Vegas, described marketing efforts and new business interest, and emphasized the need to correct external misconceptions about Cochise County's location and safety. The member recommended that other local officials attend similar conventions to attract business visits and improve perceptions of border communities.

\* Attendance at national retail conventions generated new business leads and was recommended to improve Cochise County's external perception.

### **Consent and Approval of Minutes**

The meeting opened this segment by confirming there were no public callers and moved to adopt the consent agenda, specifically the February 2026 meeting minutes. A motion to approve the minutes was made and seconded, attendees praised the written minutes, and the motion carried without objection.

\* The board approved the February 2026 meeting minutes by motion and second with no objections.

### **Election of Officers — Options and Discussion**

The board addressed the required annual re-election of officers, discussed three options (retain current slate, elevate the next officer, or elect a new slate), and noted a routine rotation practice. Several members discussed willingness and constraints of potential officers, Mayor Maldonado joined and expressed interest, and procedural contingencies for members up for election were clarified.

\* Bylaws require annual re-election of officers and specify that the first vice chair would assume the chair temporarily if a chair loses eligibility before the next February meeting.

### **Election Motion, Vote, and Outcome**

After brief additional discussion and comments about rotation and past double-terms, a motion to select option two (elevate Mayor Maldonado to chair) was moved and seconded, carried unanimously, and it was confirmed Mayor Maldonado will chair the August meeting; condolences were offered to him for a family death he reported upon joining.

\* The board elected Mayor Maldonado to be elevated to chair for the upcoming cycle by motion and unanimous vote.

## **FY27 Assessment Schedule Presentation and Vote**

The FY27 assessment schedule was presented based on mid-decade population estimates and packet tables showing member impacts; the region's base population increased about 3,000 and Graham County saw the largest increase in dues. The board discussed the RTAC per-capita increase and transit funding impacts from Santan becoming a city, then moved and seconded approval of the assessment schedule which passed without opposition.

\* Graham County's assessment increased the most due to a roughly 5,500 population jump in the mid-decade estimates.

\* The FY27 assessment schedule was presented showing a net regional population increase of about 3,000 and was approved by the board.

\* RTAC's per-capita assessment increased from \$0.113 to \$0.133, with SEG A reserving 60% of that increase through transportation funds, so the net impact to members was minor.

\* The creation of Santan as a city reduced available transit funding slices for some regional transit programs because formula grants are split among more applicants.

## **Follow-up Questions on Population Changes and Transition**

Members asked whether any towns lost population and saw assessment decreases; staff pointed to packet pages showing five towns with population declines and confirmed those reductions. The meeting then transitioned to the next agenda item.

## **Fund balance overview and calculation**

The presenter explained the FY27 fund balance sustainability, including last year's \$896 surplus and the methodology for calculating available fund balance relative to operating expenditures, resulting in roughly \$1.1 million available under the bylaws. A depletion table showing years-to-exhaust at various annual draw levels was referenced and the CEGO building construction was noted as a past instance where fund balance was used.

\* The organization reported a small surplus of \$896 for the last year and an available fund balance of about \$1.1 million after bylaws reserves.

## **Questions about liabilities and staff credit**

Board members asked about the risk of settlements and other liabilities; the presenter and others confirmed no recent out-of-court settlements and credited staff stability for avoiding unplanned expenses. Appreciation was expressed for specific staff support returning during transitions.

## **Bylaws, contingency, and policy for using fund balance**

Discussion clarified that bylaws permit accessing 50% of fund balance under board approval and that \$150,000 was reserved for contingencies; members emphasized that fund

balance would only be tapped for catastrophic events or major settlements, not routine operations.

\* A longstanding practice and the bylaws allow using up to 50% of fund balance for emergencies, with a \$150,000 contingency set aside this year.

### **FY27 budget presentation and grant status**

The FY27 budget was presented as conservative and balanced, built from confirmed revenues; several grant programs (roads and streets, mobility management, EDA, CPVG, AAA) were reported renewed at prior levels and current revenues were described as stable. Two pending grants—the \$1.5M Brownfield and a Freeport community housing grant enabling a 15% rural allocation—were highlighted as potential resources to hire staff and move from planning to development.

\* A \$1.5 million Brownfield grant decision expected imminently could fund a new staff hire and add flexibility to operations.

\* The FY27 budget was presented as conservative and balanced, built on currently confirmed grants and program revenues.

\* Pursuit of a Freeport community housing grant and access to a 15% rural allocation could shift the organization from planning to development with a proposed \$300,000 implementation request.

### **Budget approval and transition to classification plan**

Questions about current-year expenditures were addressed with assurance that most programs are under 60% spent and the year is in good shape; a motion to adopt the FY27 budget was made, seconded, and approved by voice vote. The meeting then moved to a classification plan update proposing to merge economic development and community development programs to eliminate duplication and conflicting priorities.

\* The board approved the FY27 budget by motion and voice vote.

\* Leadership proposed merging economic development and community development into one program to reduce duplication and align workstreams.

### **Action Items:**

\* Mayor Maldonado will chair the August board meeting

### **Key Questions:**

\* If a chair is up for election and loses office, who fills the chair before the next February meeting?

\* Does Santan becoming a city affect SEG A or the council's assessments?

- \* If a jurisdiction exceeds 50,000 population and becomes an MPO, will that change funding splits?
- \* Were any towns shown to have shrunk in population and therefore seen assessment decreases?
- \* Is maintaining a 50% fund balance common, and why is it set at that level?
- \* What is the projection for the current year's actual expenditures versus budget and will the organization be under budget?
- \* Has there been any traction on proposals to eliminate CDBG and how is the organization monitoring that risk?