

**REGIONAL COUNCIL MEETING  
WEDNESDAY, MAY 11, 2016  
CITY OF APACHE JUNCTION COUNCIL CHAMBERS  
APACHE JUNCTION, ARIZONA**

**M I N U T E S**

**I. CALL TO ORDER**

Chair Benning called the meeting to order at 6:35 pm.

**II. PLEDGE OF ALLEGIANCE**

Chair Benning led the Regional Council, guests and CAG staff in the Pledge of Allegiance.

**III. ROLL CALL AND INTRODUCTIONS**

**Members Present:** Supervisor Michael Pastor, Mayor Darryl Dalley, Councilmember Anita Hinojos, Councilmember Paty Henderson, Supervisor Pete Rios, Councilmember Dave Waldron, Vice Mayor Jacque Henry, Councilmember Micah Powell, Mayor Tom Rankin, Mayor Sam Hosler, Mayor Don Jones, Councilmember Vincent Manfredi, Councilmember Robin Benning

**Members Absent:** Mayor Terry Wheeler, Mayor Kenny Evans, Mayor Bobby Smith, Mayor Bob Jackson, Mayor Ed Honea, Mayor Jayme Valenzuela, Councilmember Jewel Whitman, Councilmember Wendsler Nosie, William Antone

**Staff:** Ken Hall, Liz Rueter, Bree York, Alan Urban, Brad Mecham, Travis Ashbaugh, Amber Garza, Andrea Robles

**Guests:** Jamie Bennett, Matt Busby, Kevin Adam, Harvey Krauss, Mike Henry, Irene Higgs, Greg Stanley, Andy Smith, Tim Wolfe, Jerry Barnes

**IV. CALL TO THE PUBLIC**

**V. CONSENT ITEMS**

Mayor Rankin made a motion to approve the consent agenda items. Councilmember Waldron seconded the motion. The motion passed unanimously.

**A. Approval of Regional Council Minutes**

The Regional Council minutes from March 23, 2016 were approved under Consent Item VI-A.

**B. Approval of CAG Form 990**

The approval of CAG Form 990 was approved under Consent Item VI-A.

## **VI. DIRECTOR'S REPORT**

Mr. Hall updated the Committee on recent activities and meetings that he has attended. He reported on the Workforce Innovation and Opportunity Act (WIOA) retreat that he attended. Mr. Hall also provided a brief update on the Arizona COG Directors meeting he attended. Questions, comments and discussion followed Mr. Hall's report. This was an information item.

## **VII. NEW BUSINESS**

### **A. Financial Report**

Ms. York presented the Financial Report. She provided an update on CAG's finances. She stated that she will provide the Financial Report through April at the June meeting.

### **B. Review, Discussion and Decision to file CAG's Audit**

Ms. York stated at this time CAG's records indicate an allowance against the accounts receivable or attempt to collect the FY 2014 Special Assessment in the amount of \$28,841 which was never received by CAG from the City of Casa Grande. She informed the Council that the Management Committee directed CAG Staff to file the audit with the City of Casa Grande's outstanding Special Assessment "as is" for FY 2015 and to formally request payment from the City of Casa Grande for the FY 2014 Special Assessment. Questions, comments and discussion followed. Councilmember Waldron made a motion to request that CAG's Attorney prepare a formal request for payment for the outstanding Special Assessment from the City of Casa Grande and invoice them for services provided during FY 2014. Mayor Jones seconded the motion. The motion passed unanimously.

### **C. Budget Committee Update**

Mr. Hall reported that on April 7, 2016, the CAG Budget Committee met to discuss the issue of the FY 2017 Assessment. He explained that in 2014, a Special Assessment Subcommittee was formed and was tasked with combining a CAG Member Special Assessment and an annual General Assessment into a single Assessment. At that time, the total CAG assessments in FY 2014 were \$337,524. It was determined that this amount would be combined and reduced to \$275,000 in FY 2015, to \$175,000 in FY 2016, and down to an annual base amount of \$125,000 in FY 2017. Mr. Hall explained as CAG approaches the FY 2017 Budget Season, the agency is facing several challenges that may not have been taken into consideration when the reduction plan was considered. He stated that the Budget Committee considered two assessment scenarios. One scenario would be reducing the Assessment to \$125,000 in the FY 2017 budget, as originally planned for in 2014 and the other scenario would be maintaining the current Assessment at \$175,000 for FY 2017. Mr. Hall explained that if CAG reduces the Assessment to \$125,000 and does not take a proactive approach to embrace the needs of the organization CAG will be faced with potential reductions that could affect the overall functionality of the agency. He stated that the Budget Committee and Management Committee are recommending that the "Assessment" be renamed to Membership Dues, and that the dues remain at \$175,000 for FY 2017 to support the ongoing operation of CAG. Mr. Hall informed the Council that it is anticipated that CAG is in a position to bring in additional program money in the future. Therefore, the CAG Budget Committee recommends that the Assessment be "revisited" as part of the FY 2018 budget process, to see if it can be reduced to \$125,000 at that time. Questions, comments and discussion followed. This was an information item.

**D. Review, Discussion and Decision on the CAG FY 2017 Membership Dues**

Mr. Hall presented the FY 2017 CAG Membership Dues. He stated that this year the CAG Membership dues would remain the same at \$175,000. Councilmember Manfredi made a motion to approve the FY 2017 CAG Membership Dues as presented. Mayor Hosler seconded the motion. The motion passed unanimously.

**E. Review, Discussion and Decision on the CAG Annual Work Program for FY 2016 – FY 2017**

Mr. Ashbaugh explained that each year the ADOT MPD prepares a Work Program for the Council of Governments (COG) including goals, objectives, and required elements to be undertaken with federal funds distributed by ADOT. He stated that the Work Plan requires each COG to comply with all applicable Federal and State requirements and describes transportation planning activities to be conducted by the COG during the fiscal year. Councilmember Waldron made a motion to approve CAG's Annual Work Program for FY 2016 – FY 2017. Mayor Hosler seconded the motion. The motion passed unanimously.

**F. Review, Discussion and Decision on the Authorization to apply for the 5310 Grant Application**

Mr. Ashbaugh requested approval for the authorization to submit for 5310 grant funds through ADOT's application process to fund the Coordinated Mobility Management Program and duties which CAG is currently managing for the next two years (FY 2016 - 2017 and FY 2017 - 2018). He stated that the funding request for this grant is now on a two-year cycle, as opposed to a one-year cycle in previous years. He informed the Council that CAG is requesting \$200,000 (\$100,000 per year) of 5310 grant funds to establish and continually update coordinated mobility plans with CAG Region 5310 program providers. Mr. Ashbaugh explained that there is no financial expenditure by CAG or its member entities and that a local match will be provided by CAG through In-Kind contributions up to \$50,000 (\$25,000 per year) as a required local match for this grant. Questions, comments and discussion followed. Supervisor Pastor made a motion to approve the 5310 Grant Application. Mayor Rankin seconded the motion. The motion passed unanimously.

**G. Transportation Planning Update**

Mr. Ashbaugh provided an update on the Transportation Planning department. He updated the Council on the Strategic Transportation Safety Plan, the Transportation Improvement Program, the 5310 Mobility Management/Mobility Manager Grant and the 5304 CAG Regional Transit Study Grant. Questions, comments and discussion followed. This was an information item.

**H. Method of Distribution (MOD) and Regional Allocations Update**

Mr. Urban provided an update on the MOD and Regional Allocations. He stated that in the past CAG was required to reaffirm its Method of Distribution (MOD) of CDBG Regional Allocation funding annually. Mr. Urban explained that last year the Arizona Department of Housing changed the requirement to a three year cycle. He informed the Council that in the March 2, 2016 ADOH Information Bulletin CAG's Regional Allocation was set at \$2,227,865. Questions, comments and discussion followed. This was an information item.

**I. Economic Development Update**

Mr. Mecham updated the Council on the activities of the Comprehensive Economic Development Strategy (CEDS) Committee. He stated that a draft of the CEDS will be presented to the CEDS

Committee in May and will be submitted for a vote by the Economic Development District board at the June Meeting. Mr. Mecham informed the Council that following revisions and approval, the CEDS will be submitted to the Economic Development Administration in July. Questions, comments and discussion followed. This was an information item.

## **RECESS REGIONAL COUNCIL MEETING TO CONDUCT PINAL REGIONAL TRANSPORTATION AUTHORITY (RTA) MEETING**

### **VIII. MEETING OF THE PINAL REGIONAL TRANSPORTATION AUTHORITY (RTA) BOARD**

#### **A. Election of Officers to the Pinal RTA Board**

Councilmember Benning nominated Mayor Rankin as the Chairman of the Pinal RTA Board. Mayor Rankin nominated Councilmember Waldron as the Vice Chairman of the Pinal RTA Board. Nominations were closed. Councilmember Benning made a motion to elect Mayor Rankin as the Chairman and Councilmember Waldron as the Vice Chairman of the Pinal RTA Board. Mayor Hosler seconded the motion. The motion passed unanimously.

#### **B. Overview of the Pinal RTA's ongoing Planning Activities and Regional Transportation Plan**

Mr. Hall provided an overview of recent activities of the Pinal RTA. He stated that on August 5<sup>th</sup>, the Pinal County Board of Supervisors, by a vote of 5 to 0, formed the Pinal Regional Transportation Authority. He explained that upon forming the RTA, Pinal County assisted CAG with the task of working toward a regional Transportation Plan. Mr. Hall reviewed the handout of the draft Pinal Regional Transportation Plan. He informed the Board that a total of five Public Open Houses throughout the County were held during March and April. Mr. Hall reported that at this stage, the RTA Board will be asked to approve the RTA Resolution No. 2016-01, adopting the 20-year RTA Plan and requesting the Pinal County Board of Supervisors to Call a Countywide election for a half-cent sales tax. Questions, comments and discussion followed. This was an information item.

#### **C. Review, Discussion and Decision on the Pinal RTA Resolution No. 2016-1 Adopting a Twenty-Year Regional Transportation Plan and Requesting the Pinal County Board of Supervisors to Call a Countywide Election for the Levying of a half-cent Sales Tax needed to fund the Plan**

Mr. Hall explained that Pinal RTA Resolution No. 2016-01 is a resolution of the Board of Directors of the Pinal RTA adopting a twenty-year comprehensive multimodal Regional Transportation Plan and schedule indicating the dates that construction will begin for projects contained in the plan; and requesting that within six months the Pinal County Board of Supervisors call an election of the qualified electors at a countywide election on the plan and the issue of levying a half-cent transportation excise tax, pursuant to A.R.S. 42-6106, needed to fund the plan. He stated that the possible collection of \$640,000,000 in sales tax revenues would be used for Pinal County roadway and public transportation improvements. Mayor Hosler made a motion to approve the Pinal RTA Resolution No. 2016-1 Adopting a Twenty-Year Regional Transportation Plan and Requesting the Pinal County Board of Supervisors to Call a Countywide Election for the Levying of a half-cent Sales Tax needed to fund the Plan. Supervisor Rios seconded the motion. The motion passed unanimously.

#### **D. Review, Discussion and Decision on the Strategic Alliance for Volume Expenditures (SAVE) Cooperative Purchasing Agreement and the Selection of a Financial Advisor to the Pinal RTA**

Mr. Hall stated that it is recommended that the Pinal RTA become a member of the Strategic Alliance

for Volume Expenditures (SAVE) through approval of the Cooperative Purchasing Agreement, and to approve the selection of Stifel, Nicolaus & Company, Inc., to provide Financial Advisor Services to the authority in connection with the proposed November 2016 election and subsequent issuance of future tax revenue bonds. Questions, comments and discussion followed. Councilmember Benning made a motion to approve the Strategic Alliance for Volume Expenditures (SAVE) Cooperative Purchasing Agreement and the Selection of a Financial Advisor to the Pinal RTA. Supervisor Rios seconded the motion. The motion passed unanimously.

#### **IX. RECONVENE REGIONAL COUNCIL MEETING**

The Regional Council meeting reconvened at 8:19 p.m.

#### **X. LEGISLATIVE UPDATE**

Mr. Kevin Adam provided the Legislative Update.

#### **XI. DATE, TIME AND LOCATION OF NEXT REGIONAL COUNCIL MEETING**

The next Regional Council Meeting is scheduled for June 24, 2016 in Payson.

#### **XII. EXECUTIVE SESSION**

**Pursuant to Personnel ARS §38-431.03 (A) (1), (2), (3) and (4).**

**Review, Discussion and Decision on the extension of contract for the Executive Director of CAG and performance evaluation process and if requested consultation with attorney for legal advice.**

Mayor Rankin made a motion to approve the Regional Council move to Executive Session to discuss the extension of contract for the Executive Director and performance evaluation process with the Executive Director and if requested consultation with attorney for legal advice. Councilmember Waldron seconded the motion. The motion passed unanimously. The Council moved to Executive Session at 8:30 p.m.

#### **XIII. RECONVENE**

The Regional Council meeting reconvened at 8:40 pm.

#### **XIV. Review, Discussion and Decision to Authorize CAG to enter into an Amendment to the Executive Director Employment Agreement allowing for up to a ninety day extension of the Agreement**

Councilmember Henderson made a motion to allow CAG to enter into an Amendment to the Executive Director Employment Agreement allowing for up to a ninety day extension of the Agreement. Mayor Hosler seconded the motion. The motion passed unanimously.

#### **X. ADJOURNMENT**

Councilmember Waldron made a motion to adjourn the meeting. Mayor Hosler seconded the motion. The motion passed unanimously. Chair Benning adjourned the meeting at 8:43 p.m.

Approved on \_\_\_\_\_