MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
MAG REGIONAL COUNCIL EXECUTIVE COMMITTEE
August 15, 2016
MAG Offices, Ironwood Room
302 N. 1st Avenue, Phoenix, Arizona

MEMBERS ATTENDING

Mayor Greg Stanton, Phoenix, Chair
#Mayor Jackie Meck, Buckeye, Vice Chair
Mayor Gail Barney, Queen Creek
Mayor Lana Mook, El Mirage
*Mayor Mark Mitchell, Tempe
Mayor W.J. "Jim" Lane, Scottsdale
Mayor Jerry Weiers, Glendale

* Not present
# Participated by video or telephone conference call

1. Call to Order

The Executive Committee meeting was called to order by Chair Stanton at 12:06 p.m. Mayor Meck participated by teleconference.

2. Call to the Audience

Chair Stanton stated according to the MAG public comment process, members of the audience who wish to speak are requested to fill out the public comment cards. He stated that there is a three-minute time limit. Public comment is provided at the beginning of the meeting for items that are not on the agenda that are within the jurisdiction of MAG, or non-action agenda items that are on the agenda for discussion or information only. Chair Stanton noted no public comment cards had been received.

3. Approval of Executive Committee Consent Agenda

Chair Stanton noted prior to action on the consent agenda, members of the audience are provided an opportunity to comment on consent items that are being presented for action. Following the comment period, committee members may request that an item be removed from the consent agenda.

Chair Stanton requested a motion to approve the consent agenda. Mayor Barney moved to approve consent items 3A through 3E. Mayor Lane seconded the motion and the motion carried unanimously.

3A. Approval of the June 13, 2016 Executive Committee Meeting Minutes

The Regional Council Executive Committee, by consent, approved the June 13, 2016 Executive Committee meeting minutes.

3B. Amendment of the FY 2017 MAG Unified Planning Work Program and Annual Budget to Establish an On-Call Services Contract for Transportation Planning

The Regional Council Executive Committee, by consent, approved an amendment to the FY 2017 MAG Unified Planning Work Program and Annual Budget to establish an On-Call Services Contract for Transportation Planning in the amount of $400,000.

MAG presently uses on-call services contracts to supplement staff capabilities with expertise in specialized areas of Intelligent Transportation Systems (ITS), Safety, and Travel Demand Modeling to expedite delivery of key programs in the MAG Work Program. These contracts have been successfully integrated into the delivery of studies and programs for ITS and Safety, and have helped advance the development of the next state-of-the practice tools for improving MAG's travel demand modeling services. MAG has utilized the On-Call Services Contract for transportation planning since 2010. Given this success, and as transportation planning demands continue to expand at MAG, a new On-Call Services Contract is sought for general transportation planning applications. The FY 2017 MAG Unified Planning Work Program and Annual Budget was approved by Regional Council in May 2016. An amendment is needed to provide a budget of $400,000 for the FY 2017 On-Call Services Contract for Transportation Planning to be funded from the Proposition 400 sales tax. This item was on the August 10, 2016 Management Committee agenda for recommended approval.

3C. Amendment to the On-Call Project for FY 2016 Transportation Behavioral Model and Data

The Regional Council Executive Committee, by consent, approved an amendment to the On-Call Project for FY 2016 Transportation Behavioral Model and Data to increase the on-call project budget by $250,000.

The Fiscal Year (FY) 2016 MAG Unified Planning Work Program and Annual Budget, approved by the MAG Regional Council in May 2015, includes on-call consulting services for FY 2016 Transportation Behavioral Model and Data. MAG has identified a number of additional improvements and updates to the regional transportation forecasting models that are required in order maintain currency of the regional forecast and its applicability to the regional planning tasks. In order to fully implement the identified improvements, including recalibration to the new transit on-board survey, updates with the newly collected traffic data, and purchases of the current traffic data sets that have become available, an amendment to the on-call project is required. The amendment will enable the inclusion of additional tasks designed to develop, calibrate and validate MAG transportation models as well as perform relevant data collection and analyses. The additional amount of funds needed for these additional model update tasks is $250,000. This item was on the August 10, 2016 Management Committee agenda for recommended approval.

3D. Consultant Selection for the MAG Regional Transit Framework Study Update

The Regional Council Executive Committee, by consent, approved the selection of the firm Nelson/Nygaard Consulting Associates, Inc. to conduct an update to the 2010 MAG Regional Transit Framework Study for an amount not to exceed $200,000.

The Fiscal Year (FY) 2017 MAG Unified Planning Work Program and Annual Budget, approved by the MAG Regional Council in May 2016, includes $200,000 for an update to the 2010 MAG Regional Transit Framework Study. The scope of work for this 18-month study will formalize the region's high-capacity transit system corridors by updating the work completed in the 2010 study through a planning horizon of 2040. A Request for Proposals was issued on June 20, 2016, and two proposals were received prior to the July 25, 2016, closing date. An evaluation team composed of member agencies and partners reviewed the proposals on August 2, 2016, and recommended to MAG the selection of the firm Nelson/Nygaard Consulting Associates, Inc. to conduct the study. This item was on the August 10, 2016 Management Committee agenda for recommended approval.

3E. Arizona Hispanic Chamber of Commerce Annual DATOS Breakfast Table Sponsorship

The Regional Council Executive Committee, by consent, approved the support of the Arizona Hispanic Chamber of Commerce Annual DATOS Breakfast by purchasing a table of ten for $1,500.

For 20 years, the Arizona Hispanic Chamber of Commerce has published DATOS: The State of Arizona's Hispanic Market, the most comprehensive compilation of research on the impact of Hispanics in the Arizona marketplace. The report is unveiled at the annual DATOS breakfast, which draws over 1,000 of the state's most influential business and community leaders. The list of prestigious speakers at DATOS have included Dr. Michael Crow of ASU, Monica Gil of the Nielsen Company and Chiqui Cartagena, author of Latino Boom, I & II. This year's breakfast will take place on September 27, 2016 at the Arizona Biltmore. The DATOS breakfast highlights the latest economic trends shaping the Hispanic market in Arizona and nationwide. Local business leaders and public policy makers can utilize the information produced in DATOS to help shape future business plans and policy decisions impacting the Hispanic community. For the last several years, MAG has collaborated with the Arizona Hispanic Chamber of Commerce on socioeconomic data and economic development initiatives pertaining to small business education and enhancing our region's relationship with Mexico. A table of ten was requested to support this community event at a cost of $1,500.

4. Appointments of the MAG Economic Development Committee Member Agency Positions

Denise McClafferty, MAG Regional Program Manager, said the Economic Development Committee (EDC) includes 20 MAG member agency positions, each with one-year terms, and with possible re-appointment with recommendation by the Executive Committee and approval

by the Regional Council. She explained the composition of the committee includes the seven largest cities, in addition to the City of Phoenix. Ms. McClafferty said due to prescribed seats, for example the Regional Council Chair and Vice Chair, appointments to the EDC member agency positions are made each year in August, following the Regional Council Annual Meeting in June. She stated that on July 1, 2016, a memorandum went out to the Regional Council soliciting letters of interest for the EDC member agency positions. Ms. McClafferty said the letters received were included in today's agenda packet, along with a table that shows each of the positions and their recommended representatives. She pointed out that both Gilbert and Tempe recommended a new representative for their jurisdiction. Ms. McClafferty stated there were no letters received by the Transportation Policy Committee (TPC) Chair or Vice Chair so those seats will remain vacant.

Ms. McClafferty said the Executive Committee is asked to recommend approval of the EDC member agency positions as listed in the attached table. She stated the recommendation will go to the Regional Council meeting on August 31, 2016, for approval.

Chair Stanton asked if it would take a separate vote for councilmembers to be approved to serve on the committee. Ms. McClafferty said the vote would be to approve the table as it is in the agenda packet, which includes the two councilmembers.

Mayor Lane asked if there is a course of action to fill the TPC vacancies on the committee, or if those positions remain vacant. Ms. McClafferty noted that similar concerns were raised by the Executive Committee last year, when there was a vacancy in the TPC Vice Chair position. She said that MAG staff came to the Executive Committee with three recommendations and following discussion, the committee decided that it would leave the TPC Vice Chair seat vacant. Ms. McClafferty stated this year, neither the TPC Chair or Vice Chair submitted letters of interest. She added that their cities are represented on the EDC by other elected officials.

Chair Stanton requested a motion to recommend approval of the Economic Development Committee member agency positions. Mayor Lane made a motion to recommend approval and Mayor Mook seconded the motion. The motion carried unanimously.

5. Maricopa Regional Continuum of Care Planning Grant Funding Request to the U.S. Department of Housing and Urban Development

Brande Mead, MAG Human Services Manager, discussed the Maricopa Regional Continuum of Care (CoC) Planning Grant Funding Request to the U.S. Department of Housing and Urban Development (HUD). Ms. Mead told the committee MAG has been the lead agency for the CoC on homelessness assistance since 1999. She said homelessness is a regional issue and ending it will require a regional response. Ms. Mead stated since the CoC has been a part of MAG, HUD has increased funding for programs from $7 million to more than $26 million annually.

Ms. Mead said Congress enacted the HEARTH Act in 2012, which is legislation governing the CoC Program. Ms. Mead noted the Act emphasized an increased focus on system performance measures, making data-driven decisions, and the desire to fund evidence-based and effective interventions. She said with the passing of the HEARTH Act, HUD began allowing CoCs to apply for planning funds.

Ms. Mead stated MAG's current planning grant is $265,000. She said that amount accounts for only 36 percent of what MAG is eligible to apply for as a Continuum. Ms. Mead noted HUD approved for MAG to apply for $737,050 in planning funds. She said the CoC Board expressed the need for additional staff dedicated to the CoC to meet HUD requirements on performance outcome measures, and to ensure MAG can continue to successfully compete for funding. Ms. Mead stated the CoC Board has requested that MAG, as the lead agency, apply for the full CoC planning amount eligible. She said the funds will be used to increase the staffing capacity for the CoC and ultimately maximize all resources dedicated to ending homelessness.

Ms. Mead said HUD has indicated that planning is a funding priority and stated this at a National Conference this July. She noted at that conference, HUD encouraged CoCs to increase capacity by maximizing planning funds. Ms. Mead said HUD funding applications are due September 14th. She said if approved, MAG would increase full-time staff to three people that would be dedicated to the CoC, and would utilize additional funding for consulting projects.

Ms. Mead stated a breakdown of current staffing for the CoC, and the proposed staffing if the increase is approved, is included in the Committee's agenda packet. She said HUD funding would cover 100 percent of the additional staff, including labor, overhead and fringe. Ms. Mead stated 64 percent of the funding request would go toward staffing of the CoC and 36 percent of the funding request would be used for consultant work. She added that HUD requires a 25 percent funding match, either in-kind or with cash from partners. Ms. Mead stated MAG has received verbal commitments of in-kind matches from partners totaling over $200,000, which would meet and exceed the match requirement.

Ms. Mead said MAG's goal is to lead the nation in creating a homelessness service system that ensures homelessness is rare, brief and non-recurring. She stated the additional planning funds will ensure MAG can increase its capacity and continue down the path toward achieving that goal.

Mayor Lane asked Ms. Mead if there is some measurement of success at the level the CoC is currently operating in. Ms. Mead replied that MAG competes with other Continuums and there are several system performance measures that MAG tracks with the CoC, including through an annual competition. She said that each year, MAG competes with other Continuums and has been doing well, but there is room to improve. Ms. Mead stated that overall as a Continuum, MAG received an increase in funding for programs, but also lost funding for eight programs within the region. She said MAG knows it needs to increase its

capacity to be competitive.

Mayor Lane asked for clarification regarding the loss of funding for eight programs and how MAG fared against other Continuums. Ms. Mead answered that in last year's competition with other Continuums, MAG scored just below the national average. She said there were areas the CoC scored low in, including monitoring and measuring individual performance of programs. Ms. Mead stated that with the additional funding request, MAG would like to hire additional staff that would be dedicated to that work, to increase its score in those areas. Mayor Lane asked how Ms. Mead thought MAG would fare with the application in relation to the issues MAG had and how it intends to spend the additional funds. Ms. Mead answered that she thought the CoC would be competitive against other programs to receive the additional funding, and that HUD has said that this funding is a priority. She commented that she feels strongly that if MAG applies for the additional funding, it will receive the amount requested.

Chair Stanton said that our region generally gets more than its fair share of federal dollars because of the quality of the CoC program. He stated that the eight programs were not unfunded because of the quality of the programs, but because in Washington, they made a decision not to fund transitional programs. Chair Stanton said HUD has changed its focus to permanent housing. He said this is not a bad strategy, except that for certain vulnerable populations including teenagers and families, transitional housing still makes sense. Chair Stanton said Washington should have been more sophisticated about how it went about the transition, and should not have eliminated transitional programs completely. He stated he believes they are going to fix that in the future. Chair Stanton asked Ms. Mead if that is what she believes as well. Ms. Mead said HUD's preference is to fund permanent supportive housing programs, and transitional housing is not its priority. She said MAG can still apply for transitional housing programs, but HUD indicated that it thinks the programs are appropriate only for certain populations.

Ms. Mead told the Committee that MAG submitted a letter of appeal after receiving the announcement that the eight programs would not be funded. She stated MAG received a response from HUD last week, indicating that it had received MAG's appeal, but would not be making any changes to the funding. Ms. Mead mentioned that even though MAG lost money for the eight programs, staff has worked very hard with the other programs in the community to ensure that no individual or family was made homeless again because of that decision. She said MAG has been able to connect the affected individuals and families with other programs to make sure there is a smooth transition.

Mayor Lane said Ms. Mead mentioned the programs that had been unfunded and the appeal, and asked if MAG has statistics to show that it is making progress toward the end result. Ms. Mead said there are system performance measures that the CoC is required to report on annually to HUD. She said it measures things like the number of individuals and families that become homeless for the first time, the extent to which people are homeless with a special focus on chronic homelessness, and if the CoC has been able to move individuals and families

who have been on the streets for a very long time into housing. She said there are measures to see how long it takes the CoC to move the homeless from the streets into permanent housing.

Chair Stanton commended MAG's Continuum of Care for investing early in technology management information, through the Homeless Management Information Systems (HMIS), that allows it to know which families are seeking assistance for the first time. He said in the years that he has been involved in working with homelessness, technology has made an amazing difference. Chair Stanton stated the technology allows us to treat ending homelessness as sophisticatedly as we treat transportation and other policy issues that we deal with at MAG. He suggested holding a Regional Council Committee meeting on site at one of our recipients of Continuum of Care money so MAG can focus in on the issue of ending homelessness and the progress that has been made. Chair Stanton said he thought it would be of great value to this body and to the larger Regional Council to hear directly from a service provider.

Chair Stanton requested a motion to approve that MAG apply for additional CoC planning funding in the amount of $737,050 for one additional full-time position and authorization for additional consulting assistance. Mayor Barney moved to approve the request and Mayor Mook seconded the motion. The motion carried unanimously.

6. Update on MAG Website Redesign

MAG staff Shannon Reed provided the Committee with an update on the MAG website redesign. Ms. Reed said MAG is working on the redesign to update the site's functionality and to better support new technology and mobile applications. Ms. Reed stated the current MAG website serves nearly 80,000 visitors each year. She said the same complexity that makes it a helpful and valuable site can also pose challenges for users.

Ms. Reed reminded committee members that they approved the use of professional services from the consultant, Integrated Web Strategy (IWS), to assist MAG with research and strategic planning. Ms. Reed stated IWS' research found that visitors who use the MAG website frequently find it easy to navigate due to their familiarity with MAG. She added that members of the public or new users often found the site overwhelming. Ms. Reed said key recommendations for the site include reorganizing the site to make the homepage easier to navigate, increasing the use of photos, videos, and infographics, and creating a responsive site that works with all types of devices, whether it is a desktop computer, tablet or mobile phone.

Ms. Reed said MAG's next steps are to incorporate the consultant's recommendations and build the website infrastructure. She noted MAG will launch the redesigned website in April 2017. Ms. Reed provided committee members the opportunity to let MAG know how they use the site, recommendations they may have, or needs that they want MAG to consider.

Mayor Barney asked Ms. Reed about a timeframe for the project. Ms. Reed said the

redesigned website will be launched in April and work on the site has already begun. There were no further questions or comments from committee members.

7. Legislative Update

MAG staff Nathan Pryor provided the Committee with an update on House Bill 2617, which came out of the 2015 legislative session. He explained that HB 2617 is the bill that shifted fees to both MAG and Pima Association of Governments (PAG) to pay for operations of the Arizona Department of Revenue (ADOR) to collect and administer the half cent sales tax funds in the region. Mr. Pryor noted PAG has a half cent sales tax, similar to MAG. He said last year, MAG received an invoice for $2.58 million. He stated MAG did not send in payment directly, however, ADOR transferred the invoice amount out of the half cent sales tax revenue by September 30 of last year.

Mr. Pryor said there was a working group that met with staff at the governor's office several times to try to find a solution to this issue. He said that at the MAG Regional Council meeting last September, a member of the governor's staff presented a proposal to address the issue. He stated the proposal did not garner a lot of conversation at the legislature during the current year's session. Mr. Pryor said that this year, House Bill 2708, a larger budget bill, included this fee once again. He noted MAG received an invoice at the end of July for $2.55 million. He said if MAG does not submit payment by September 30, similar to last year, ADOR will transfer those funds out of the half cent sales tax fund.

Mayor Barney asked if instructions were given from the body last year of what to do when this happened. Mr. Pryor said there was instruction from the Committee to develop a working group to work with the governor's office. He said he heard about a proposal that was more fee based in terms of highway user revenue funds and some alternative mechanisms that could be worked on, but reiterated that the working group efforts did not garner a lot of traction.

Chair Stanton said there was a lot of discussion on this item, including potential litigation due to the voter approved nature of the funds that are being used, and whether its legal for ADOR to take the funds in this regard. He stated that this Committee unanimously decided to try to work with the governor's office and convince them of the poor policy choices they were making. Mr. Smith said in the working group sessions that MAG had with the governor's office, he thought there was an understanding that this would be temporary, but here we are going into the second year of having this fee taken. He stated Senate Bill 1490, introduced by Senator Bob Worsley, may be another avenue. Mr. Smith suggested talking with Senator Worsley to find out if we could get him to introduce legislation that would unwind the effect of HB 2617.

Mr. Smith said he is against this fee as a matter of principle. He stated that when MAG took this sales tax to the voters through Proposition 400, there was no provision in the ballot measure that provided for funding the Arizona Department of Revenue.

Chair Stanton stated if the Committee does nothing, ADOR will take the $2.55 million. He said the question is, do we want to raise this issue to the public to let them know that ADOR is sweeping $2.55 million of voter approved transportation dollars to help solve a state budget problem that is no longer existent. Chair Stanton said that when the state government passed the law that swept this money it was not flush with cash, and it was part of the sweeping of various funds to solve the state budget crisis. He commented that there is no budget crisis right now, but ADOR continues to take voter approved transportation money.

Mayor Lane said that most of the cities and towns have just resigned themselves to the fact that they are going to have to pay this fee to the Arizona Department of Revenue for its processing of the sales tax. He stated one of the issues that we had last year is that MAG's fee was coupled with the entire $21 million in fees that all of our cities and towns are paying to ADOR. Mayor Lane noted MAG's situation is unique, and if we were to focus in just on MAG and its fee, we may have a good argument to take to the state. Mayor Mook added that it was her understanding from the League of Arizona Cities and Towns that ADOR has not resolved issues that leaders had.

Mayor Barney said ADOR will take the money whether we pay it or not. He asked if there was any way we can protest enough to get this fee looked at, or come back with some kind of a resolution so it does not happen for a third year. Mr. Smith said he believes that the structure that was set up is through Senator Worsley's committee. He stated the Committee should work that angle to see if we can get something done. Mr. Smith noted MAG will need someone to champion this cause at the legislature. Mayor Weiers advised that there should be discussion with legislators to see who is supportive of undoing the ADOR fee. Mayor Barney asked if we should let ADOR take the fee under protest. Mr. Smith said that is why MAG is not writing them a check. He stated ADOR is effectively taking it because they are not getting supported by MAG to take it.

Mayor Barney said that maybe it is time for mayors to get together to let it be known that this is as critical an issue to get the public behind the cause. Mayor Lane said that is a path we could pursue, but it should come with the decoupling of MAG's situation from the cities situation.

Chair Stanton said this ADOR fee is particularly problematic because it takes voter approved money from a tax that was to go towards funding transportation issues to be used for a different purpose. He stated it sets a bad precedent. Mayor Lane added that it is important that the Committee's concerns are registered to state that MAG is in a unique situation and this fee is diminishing its ability to fund transportation issues.

Chair Stanton provided direction to MAG staff to prepare a letter of protest to ADOR and bring this item to the MAG Regional Council at the August 31, 2016 meeting. Chair Stanton said that this item was on the agenda today for an update, and is not agendized for action.

8. Update on Legal Claims Related to 9-1-1 System

The National Association of the Deaf and a number of other plaintiffs have submitted a suit against the State of Arizona, Maricopa County, the Maricopa Association of Governments and the City of Surprise on issues related to 9-1-1 communications.

Mayor Mook moved that the Executive Committee go into executive session to discuss matters relating to the 9-1-1 legal claims. Mayor Barney seconded the motion and the meeting went into executive session at 12:41 p.m. The authority for such an executive session is A.R.S. § 38-431.03(A)(3) and (4). An overview of the nature of the suit was provided to members of the Executive Committee.

9. Possible Action on Legal Claims Related to 9-1-1 System

The Executive Committee reconvened the regular meeting at 12:59 p.m. without taking action regarding the legal claims related to the 9-1-1 system.

10. Request for Future Agenda Items

Chair Stanton asked if there were any requests for future agenda items. There were none.

11. Comments from the Committee

Chair Stanton asked if there were any comments from the committee. Mayor Barney shared that Queen Creek resident and gymnast, Alex Naydor, won a bronze medal on the pommel horse at the 2016 Summer Olympic Games in Rio, Brazil. Mayor Stanton said Phoenix resident, Bethanie Mattek-Sands, won a gold medal in tennis mixed doubles at the Olympics.

Adjournment

There being no further business, the Executive Committee adjourned at 1:00 p.m.

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Chair

_____
Secretary