

January 4, 2016

TO: Members of the MAG Regional Council Executive Committee

FROM: Mayor W.J. "Jim" Lane, City of Scottsdale, Chair

SUBJECT: MEETING NOTIFICATION AND TRANSMITTAL OF TENTATIVE AGENDA FOR
THE MAG REGIONAL COUNCIL EXECUTIVE COMMITTEE

Monday, January 11, 2016 - 10:00 a.m.
MAG Office, Suite 200 - Ironwood Room
302 North 1st Avenue, Phoenix

A meeting of the MAG Regional Council Executive Committee has been scheduled for the time and place noted above. Members of the Committee may attend the meeting either in person or by telephone or video conference.

Please park in the garage under the building. Bring your ticket to the meeting, parking will be validated. For those using transit, the Regional Public Transportation Authority will provide transit tickets for your trip. For those using bicycles, please lock your bicycle in the bike rack in the garage.

Pursuant to Title II of the Americans with Disabilities Act (ADA), MAG does not discriminate on the basis of disability in admissions to or participation in its public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Denise McClafferty at the MAG office. Requests should be made as early as possible to allow time to arrange the accommodation.

If you have any questions regarding the Executive Committee agenda items, please contact Dennis Smith, MAG Executive Director, or Denise McClafferty, MAG Regional Program Manager, at (602) 254-6300.

MAG EXECUTIVE COMMITTEE
TENTATIVE AGENDA
JANUARY 11, 2016

COMMITTEE ACTION REQUESTED

1. Call to Order

The meeting of the Executive Committee will be called to order.

2. Call to the Audience

An opportunity will be provided to members of the public to address the Executive Committee on items not scheduled on the agenda THAT FALL UNDER THE JURISDICTION OF MAG, or on items on the agenda for discussion but not for action. Members of the public will be requested not to exceed a three-minute time period for their comments. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Executive Committee requests an exception to this limit. Please note that those wishing to comment on action agenda items will be given an opportunity at the time the item is heard.

2. Information and discussion.

ITEMS PROPOSED FOR CONSENT*
BY THE EXECUTIVE COMMITTEE

- *3A. Approval of the November 23, 2015 Executive Committee Meeting Minutes

- 3A. Approval of the November 23, 2015 Executive Committee meeting minutes.

ITEMS TO BE HEARD
BY THE EXECUTIVE COMMITTEE

4. Status Update on the June 30, 2015 Single Audit and Management Letter Comments, MAG's Comprehensive Annual Financial Report and OMB Circular A-133 Reports (i.e., "Single Audit") for the Fiscal Year Ended June 30, 2015

The accounting firm of CliftonLarsonAllen LLP has completed the audit of MAG's Comprehensive Annual Financial Report (CAFR) and Single Audit for the fiscal year ended June 30, 2015. An unqualified audit opinion was issued on November 25, 2015, on the financial statements of governmental activities, the aggregate discretely

4. Recommend acceptance of the audit opinion issued on the MAG Comprehensive Annual Financial Report and Single Audit Report for the year ended June 30, 2015.

presented component units, each major fund and the aggregate remaining fund information. The independent auditors' report on compliance with the requirements applicable to major federal award programs, expressed an unqualified opinion on the Single Audit. The Single Audit report indicated there were no reportable conditions in MAG's internal control over financial reporting considered to be material weaknesses, no instances of noncompliance considered to be material and no questioned costs. The Single Audit report had no new findings. The CAFR financial statements and related footnotes were prepared in accordance with the Government Finance Officers Association's (GFOA) standards for the Certificate of Achievement for Excellence in Financial Reporting awards program. Management intends to submit the June 30, 2015, CAFR to the GFOA awards program for review. If awarded the certificate for the June 30, 2015, CAFR, this would be the agency's 18th consecutive award. Please refer to the enclosed material.

5. Discussion of the Development of the FY 2017 MAG Unified Planning Work Program and Annual Budget

Each year, the MAG Unified Planning Work Program and Annual Budget is developed in conjunction with member agency and public input. The Work Program is reviewed each year by the federal agencies in the spring and approved by the Regional Council in May. In January, MAG provides the draft Dues and Assessments and the proposed budget production timeline. This provides an opportunity for early input into the development of the Work Program and Budget. Please refer to the enclosed material.

6. Annual Performance Review of the MAG Executive Director

The employment agreement entered into with the MAG Executive Director in January 2003 provided that the Executive Committee conduct

5. Information and discussion.

6. Information, discussion and possible action to recess the meeting to conduct an executive session to discuss the MAG Executive Director's performance evaluation. A.R.S. 38-431.03(A)(1).

an annual performance review in consultation with the Regional Council. On November 23, 2015, the Executive Committee agreed to move forward with the electronic evaluation survey for the MAG Executive Director's performance review.

On December 1, 2015, the electronic survey and Major Regional Goals and Results for FY 2015-2016 were sent to members of the Regional Council to receive their input on the review. This information was also sent to the members of the Executive Committee. The results of the completed surveys were summarized and will be discussed by the members of the Executive Committee. This information will be sent separately.

The Executive Committee may vote to recess the meeting and go into executive session to discuss personnel matters relating to the MAG Executive Director's review and salary. The authority for such an executive session is A.R.S. § 38-431.03(A)(1).

7. Possible Action on the Annual Performance Review of the MAG Executive Director

The Executive Committee may reconvene the regular meeting to take action regarding the annual performance review of the MAG Executive Director.

8. Legislative Update

An update will be provided on legislative issues of interest.

9. Request for Future Agenda Items

Topics or issues of interest that the Executive Committee would like to have considered for discussion at a future meeting will be requested.

7. Information, discussion and possible action regarding the MAG Executive Director's performance evaluation.

8. Information, discussion and possible action.

9. Information.

10. Comments from the Committee

An opportunity will be provided for the Executive Committee members to present a brief summary of current events. The Executive Committee is not allowed to propose, discuss, deliberate or take action at the meeting on any matter in the summary, unless the specific matter is properly noticed for legal action.

Adjournment

10. Information.

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
MAG REGIONAL COUNCIL EXECUTIVE COMMITTEE
November 23, 2015
MAG Offices, Ironwood Room
302 N. 1st Avenue, Phoenix, Arizona

MEMBERS ATTENDING

Mayor W.J. “Jim” Lane, Scottsdale, Chair
*Mayor Greg Stanton, Phoenix, Vice Chair
Mayor Jackie Meck, Buckeye, Treasurer

Mayor Gail Barney, Queen Creek
Mayor Michael LeVault, Youngtown
#Mayor Mark Mitchell, Tempe
Mayor Lana Mook, El Mirage

* Not present

Participated by video or telephone conference call

1. Call to Order

The Executive Committee meeting was called to order by Chair Lane at 12:04 p.m. Mayor Mitchell participated by teleconference.

2. Call to the Audience

Chair Lane 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 Lane noted no public comment cards had been received.

3. Approval of Executive Committee Consent Agenda

Chair Lane 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 Lane requested Consent Item #3E be removed from the consent agenda.

Chair Lane requested a motion to approve the consent agenda. Mayor Barney moved to approve consent items #3A, #3B, #3C, #3D and #3F. Mayor LeVault seconded the motion and the motion carried unanimously.

3A. Approval of the September 21, 2015 Executive Committee Meeting Minutes

The Regional Council Executive Committee, by consent, approved the September 21, 2015 Executive Committee meeting minutes.

3B. Approval of the September 25, 2015 Executive Committee Special Meeting and Executive Session Meeting Minutes

The Regional Council Executive Committee, by consent, approved the September 25, 2015 Executive Committee Special Meeting and Executive Session meeting minutes.

3C. Amendment to the FY 2016 MAG Unified Planning Work Program and Annual Budget to Accept Additional Funding to Support Organization Development Efforts for Age-Friendly Community Sites

The Regional Council Executive Committee, by consent, approved to amend the FY 2016 MAG Unified Planning Work Program and Annual Budget to accept a \$40,000 grant from Virginia G. Piper Charitable Trust to support organizational development efforts for age-friendly community sites.

The FY 2016 MAG Unified Planning Work Program and Annual Budget (UPWP) was approved on May 27, 2015. On October 15, 2015, a \$40,000 grant from Virginia G. Piper Charitable Trust was awarded to Regional Community Partners. The grant will be used to support organizational development efforts for age-friendly community sites. This item is to accept the \$40,000 grant and approve an amendment to the MAG FY 2016 UPWP to support organizational development efforts for age-friendly community sites.

3D. Appointment of MAG Elderly and Persons with Disabilities Transportation Program Ad Hoc Committee Vice Chair

The Regional Council Executive Committee, by consent, approved the appointment of Janeen Gaskins, City of El Mirage, as the Vice Chair of the MAG Elderly and Persons with Disabilities Transportation Program Ad Hoc Committee.

The Vice Chair of the MAG Elderly and Persons with Disabilities Transportation Program Ad Hoc Committee is no longer with the City of Surprise leaving the Vice Chair position vacant. On September 17, 2015, MAG staff sent a notice to the Management Committee, the MAG Elderly and Persons with Disabilities Transportation Program Ad Hoc Committee, and the Intergovernmental Representatives to solicit letters of interest for the Vice Chair position on the Elderly and Persons with Disabilities Transportation Program Ad Hoc Committee. Two letters were received, one from the City of El Mirage and one from the City of Goodyear, requesting consideration for the Vice Chair position. Since that time, the City of Goodyear withdrew its letter from consideration.

3F. Amendment to the FY 2016 MAG Unified Planning Work Program and Annual Budget to Approve the Addition of a Regional Transportation Planning Project for the Maricopa County Region

The Regional Council Executive Committee, by consent, approved the addition of the narrative for Transit Oriented Development (TOD) planning grant to continue land use planning along the proposed Tempe Streetcar project to the FY 2016 Total Regional Planning Funds section of the MAG Unified Planning Work Program and Annual Budget.

The Fiscal Year (FY) 2016 MAG Unified Planning Work Program and Annual Budget, approved by the MAG Regional Council in May 2014, identifies planning projects for the Maricopa County Region as required by Federal regulation 23CFR 450.308 (c) that includes a discussion of the planning priorities of the Metropolitan Planning Organization. Metropolitan transportation planning activities performed with funds provided under title 23 U.S.C. and title 49 U.S.C. Chapter 53 are required to be documented in the unified planning work program. Valley Metro received a Transit Oriented Development (TOD) planning grant to continue land use planning along the proposed Tempe Streetcar project. The effort will include preparing a strategic plan that will identify long term opportunities for TOD as well as an implementation program. The work will be done by the City of Tempe with support from Valley Metro and is funded with \$250,000 by the FTA Grant and \$75,000 through local funds. The FTA has indicated that this project needs to be included in the narrative of the MAG Unified Planning Work Program and Annual Budget appendix under FY 2016 Total Regional Planning Funds.

3E. Don't Trash Arizona Litter Prevention Education Contract Extension

This item was removed from the consent agenda to be heard.

Kelly Taft, MAG Communications Manager, proposed a one year extension for the Litter Prevention and Education Program. She stated the Regional Transportation Plan includes \$279 million for the freeway maintenance program, including litter control. In 2003, MAG and the Arizona Department of Transportation (ADOT) committed to develop a long-term litter prevention program to reduce freeway litter and defray pickup costs. The program became known as Don't Trash Arizona and was implemented in 2006.

Ms. Taft stated the goal of Don't Trash Arizona is to increase awareness of the health, safety, environmental and economic consequences of freeway litter and ultimately change the behavior of offenders. MAG works cooperatively with ADOT on the program. MAG uses an outside consultant to help implement the program in Maricopa County.

In November 2014, the MAG Executive Committee approved the selection of Olson Communications as the consultant for the Don't Trash Arizona program through November 2015. Shortly thereafter, Olson went into partnership with Fingerpaint Marketing, a national firm. Beyond the name change and access to more robust resources, the same Olson staff

continues to manage the Don't Trash Arizona program. Ms. Taft explained that the consultant selection included a provision that the base contract period shall be a one-year term, but MAG may, at its option, offer to extend the period of this agreement up to a maximum of two, one year terms, based on consultant performance and funding availability.

Ms. Taft reported that Olson has implemented numerous successful strategies this year which included public relations, media outreach, paid advertising, and school partnerships, as well as developing and implementing a new campaign theme. The consultant, Michelle Olson, was in the audience to answer any committee members questions.

Since the implementation of Don't Trash Arizona, ADOT reported that the amount of roadside trash has steadily declined. This despite an increase in lane miles and population, with no change in how cleanup crews operate. In an April news release, ADOT attributed the decline to litter education efforts. Ms. Taft discussed and provided a copy of the annual evaluation survey. The survey found that fewer Valley drivers littered over the past year, which showed a 15 percent decrease in littering between 2014 and 2015.

Ms. Taft stated the contract with Fingerpaint expires on November 30, 2015. Due to the ongoing success of the Don't Trash Arizona program, staff recommends extending the consultant contract with Fingerpaint for the first one-year option. The MAG Management Committee recommended approval of the contract extension at the November 18, 2015, meeting. She noted that litter education funding is currently budgeted in the approved 2016 Unified Planning Work Program and Annual Budget.

Chair Lane thanked Ms. Taft for her report and stated the reason this item was taken off of the consent agenda was so that the committee would know what the deliverables and performance levels were. Chair Lane asked who handled the litter education and prevention program prior to 2006. Ms. Taft responded there was not one specific organization or specific funding for litter education, however Keep America Beautiful efforts were in place across the country. She added one of the biggest things this contract allows is for paid media advertising ranging from radio advertising, sports event advertising and mobile billboard messaging. This has been a very concerted effort in the region.

Mayor Lane asked if the efforts of the ongoing chapter of Keep Arizona Beautiful still continues. Ms. Taft responded they run and manage the litter prevention hotline and online litter reporting. They also manage the consultant contract with the state. Ms. Taft reported that in 2006, an average of 151,000 bags of litter were collected (500 bags a day) on the regional freeway system. Since the implementation of the program, it has steadily decreased to 109,000 bags, despite the increase of population and roads.

Chair Lane asked if there were any comments or questions from the committee. Mayor Mook asked how much of this money is being spent in the classrooms educating students. Ms. Taft responded there have not been a lot of expenditures needed in the public relations efforts given and school partnerships that they have. ADOT manages the program outside of

Maricopa County and they have developed the educational materials to meet all curriculum standards. She added that the target demographic are males between 18 to 24 years old. By going to the middle schools and high schools and working with pre-teens and teens who are getting their driver's license, they educate them on litter prevention.

Ms. Taft discussed the recent Ford Driving Skills for Life Program, which had approximately 900 students participate. This event allowed them to speak to the students and pass out litter bags. Other things that are being done include banners at high school football games and advertising during sports newscasts on television.

Mayor Mook commented she sees the different promotional advertising materials available and really likes the car litter bags because she sees them being used. Mayor LeVault added a number of Northwest Valley mayors met with representatives from ADOT to make sure the stretch of US 60 was being maintained from a litter abatement standpoint between the 303, Surprise and Wickenburg. He added this has been a very successful program and would like it to continue.

Chair Lane moved to approve extending the consultant contract with Fingerpaint Marketing, Inc., for the first one-year option for the Litter Prevention and Education Program, and to amend the contract to include the \$300,000 budgeted in the FY 2016 Unified Planning Work Program and Annual Budget for litter prevention and educational efforts. Mayor Mook seconded the motion and the motion carried unanimously.

4. Report on the Upcoming Desert Peaks Awards

Kelly Taft, MAG Communications Manager, discussed the biennial Desert Peaks event that will be taking place this year on June 22, 2016, following the MAG annual meeting. In the past, the meeting and event have been held in the early evening and would require the committee to agree to change the time of the June 22, 2016, Regional Council meeting from 11:30 a.m. to 5:00 p.m. Committee guidance was also needed for several potential changes.

Ms. Taft explained there are currently six Desert Peaks Award categories. They include Public Partnership; Public Private Partnership; Professional Service; Regional Partnership; Outstanding Economic Development Champion, and Regional Excellence. Through this committee's recommendations, staff will establish a qualified judging panel. Ms. Taft provided a letter requesting recommendations, along with a past judges list and past recipients list to each committee member. Once the judging panel has selected the recipients, they are notified in advance of their selection.

Ms. Taft added that to save costs, MAG has moved from mailing paper invitations to online registration for the event. This has expedited the process and saved on postage and printing costs. MAG anticipates using this program for the 2016 invitations. The event typically includes heavy hors d'ouvres and two beverage tickets. The outgoing MAG Chair serves as the emcee and typically introduces a video providing a summary of the past year of

achievements. Short video segments also are produced highlighting each recipient. MAG is proposing a similar approach this year.

Ms. Taft indicated that during the program, members of the MAG Executive Committee present the various Desert Peaks awards on stage. The program concludes with the Passing of the Gavel and a message from the incoming Chair. She noted that MAG bylaws call for the annual meeting to be held in Phoenix and MAG staff is exploring potential venues, including the Phoenix Airport Marriott, where the Passing of the Gavel was held last year.

One key question for this committee is to decide whether to charge a fee to attend the awards event, which has been free to attend in the past. Due to cost, another recommended change in 2016 would be a restriction in the maximum number of Lucite awards given in a single category to 15. If additional awards are requested, recipients could purchase them following the event.

MAG staff also recommended changes to the sponsorship levels to streamline the categories and increase the higher level sponsorships, while increasing sponsor benefits. A Sponsor Level sheet was provided to each member. Another recommended change to the sponsorship benefits is to allow the Platinum sponsor to go on stage to assist the Mayor in presenting the Outstanding Economic Development Champion award.

Ms. Taft also discussed the Call for Nominations. The call for nominations would be issued in mid-January and the nomination form will be on the MAG website to download. The entry deadline would be Friday, March 11, 2016. A sample of the nomination form was provided to each member.

Chair Lane thanked Ms. Taft for her report and asked what the cost for the event has been in the past. Ms. Taft stated the 2014 Desert Peaks venue, awards and other expenses totaled \$37,033.33, plus labor costs of \$35,799.70. She added last year sponsorships totaled \$25,850, which defrayed the cost of the event. The staff charges are typically charged against MAG dues. Mr. Smith stated if the committee decides to charge attendees for the event, it would be a very nominal charge and would perhaps decrease the number of "no shows."

Chair Lane asked if this was an additional charge over normal staff time. Ms. Taft stated this is part of their eight hour work day and not over and above. Chair Lane stated he does not think there should be a fee. Mayor Mook commented if the administrative duties are handled by MAG staff and this is part of their job, she does not think a fee should be charged to attend the event. Mayor LeVault stated the funding raised in sponsorships seem to cover everything but the labor costs and he would hate to see member agencies decide not to participate because there is a fee involved.

Mayor Barney asked if there has been any communities that have taken advantage of the no cost event and bring more people than necessary. Ms. Taft stated this has not been an issue. The issue is because there is no fee to attend the event, people say they will come, but then

they do not show up. This makes providing the venue a count of attendees a bit challenging. Mayor Lane stated the consensus of this committee is to continue having the event at no charge to attendees.

Ms. Taft also discussed limiting the number of Lucite awards to 15 in a single category, with the option of purchasing additional awards following the event. She explained the cost of these awards are approximately \$100 each. At the last Desert Peaks event there was a category that had 60 partners. She explained that there is not anything in the rules formally limiting the number of awards to 15. Staff was able to speak with the entrants and they agreed to receive 16 awards.

Mayor Barney stated he does not think the number of awards should be limited, all partners in the winning category should receive an award. Mr. Smith stated this also came up in another Executive Committee meeting when there was one large award and then smaller awards for all the partners. At that time, it was decided by the committee that everyone would receive the large award, which really increases the cost. He noted one year, the winner wanted 60 awards. They asked if they could buy more awards, which we agreed they could do. Sixty awards at \$100 each is a lot of money. Mayor Barney asked how many times this issue has come up. Ms. Taft stated it has happened about six times. Each time, staff was able to work with the winner to decrease the number of awards, and suggested the option of formally limiting the number of awards due to the cost. Chair Lane stated the consensus was to limit the awards between 15 to 20.

Ms. Taft also discussed the suggested changes to the sponsorship levels to streamline the categories and increase the higher level sponsorships, while increasing sponsor benefits. This year, staff is providing four levels of sponsorship: Bronze, Silver, Gold and Platinum. Donations up to \$2,000 will be recognized as Bronze Sponsors; donations of \$4,000 will be recognized as Silver Sponsors; donations of \$6,000 will be recognized as Gold Sponsors; and donations of \$8,000 will be Platinum Sponsors. She also discussed the benefits of each level, including the Platinum level sponsor who will have the option of introducing the Outstanding Economic Development Champion award. Also new this year, is the opportunity for Gold level sponsors to place informational materials at the event.

Ms. Taft discussed the Year in Review video. Chair Lane noted he had heard comments that at the last event, the video was too lengthy. Ms. Taft responded this year's video will be reduced to less than ten minutes. Chair Lane asked who is invited to this event, other than MAG member agencies. Ms. Taft responded that all of the major MAG policy committees, some technical committees, as well as the selected award recipients and group partners. All state legislatures are also invited and recognized as VIPs when they attend the event. Mayor LeVault added that state legislators have also been invited to participate as judges, based on the recommendation of the Executive Committee. Ms. Taft thanked the Chair and committee for their input and direction.

5. MAG Committee Chair and Vice Chair Appointments ending December 31, 2015

Denise McClafferty, MAG Regional Program Manager, stated on August 21, 2013, the MAG Regional Council approved updates to the MAG Committee Operating Policies and Procedures. Officer appointments for technical and other policy committees, with exception of the MAG Regional Council, Transportation Policy Committee, and Management Committee, will be made by the MAG Executive Committee and are eligible for two-year terms with succession of positions occurring through the ascending order of officers. These appointments will be staggered to assist with continuity, appointing approximately half of the committee officers in June each year and the remainder in January, unless a vacancy occurs.

A memorandum was sent to the technical and policy committee members whose chairs and vice chairs expire in January, explaining that officers of these committees have served their term. According to the policies and procedures, the committee's vice chair will ascend to the chair position, and letters of interest were requested for the vice chair positions to be appointed by the Regional Council Executive Committee. A table was included in the agenda packet that showed the letters received for each committee.

Ms. McClafferty pointed out that the Technology Advisory Group and the Transportation Safety Committee are appointing both a Chair and Vice Chair. She explained the current Technology Advisory Group Vice Chair's schedule did not allow him to take on the responsibilities of the Chair so he stepped down. For the Transportation Safety Committee, the Vice Chair changed jobs, moving from Avondale to Chandler, therefore leaving the Chair position vacant.

Ms. McClafferty also noted both the Domestic Violence Council and the Transportation Safety Committee received more than one letter of interest for Vice Chair. Letters for the Domestic Violence Council include: Jon Eliason from Maricopa County; Chief Steve Stahl from the City of Maricopa; and Councilmember Thelda Williams from Phoenix. Staff did receive an email from Gilbert withdrawing Councilmember Cook's letter of interest on the Domestic Violence Council, but he is very interested in any future leadership opportunities with the Council.

Mr. Smith asked about geographic balance on these committees. Ms. McClafferty commented if the Chair is from the West Valley, then an East Valley, Central City or Maricopa County Vice Chair is chosen, to keep the geographical balance. She noted this is why Councilmember Cook withdrew his letter of interest.

Ms. McClafferty also informed the committee that two letters were received for the Transportation Safety Committee: one from Kiran Guntupalli from Glendale, and one from Shane Kiesow from Apache Junction. The committee is requested to approve the appointments of the technical and policy committee chairs and vice chairs that will end December 31, 2017.

Chair Lane thanked Ms. McClafferty for the report and asked if there were any comments or questions from the committee. Mayor Mook moved to appoint Thelda Williams as Vice Chair of the Domestic Violence Council. Mayor LeVault seconded the motion and the motion carried unanimously

Keeping with policy, Mayor Barney moved to approve Kiran Guntupalli from Glendale, as Vice Chair of the Transportation Safety Committee. Mayor Mitchell seconded the motion and the motion carried unanimously.

Mayor Barney moved to approve the remaining Vice Chair MAG Technical and Policy Committee Chair and Vice Chair positions as listed. Mayor Meck seconded the motion and the motion carried unanimously.

6. Proposed Consultant Practicum Project with the Thunderbird School of Global Management

Denise McClafferty, MAG Regional Program Manager, stated MAG has participated with the Thunderbird School of Global Management on several economic development related projects. In 2013, Thunderbird conducted research on Arizona-Mexico Small and Medium Sized Business Connections. One of the recommendations that came out of this study was to create a platform in which to connect small and medium sized businesses in Arizona and Mexico, which would assist in promoting trade and exports. As a result of this recommendation, MAG staff created the Building an International Economic Network (BIEN) platform. She noted currently there are over 830 registered users and Alana Chavez Langdon, MAG International Economic Development Analyst III, has been doing a fantastic job with the outreach on BIEN.

Ms. McClafferty stated staff is proposing to contract with the Thunderbird Consultant Practicum Program, in an amount not to exceed \$2,000, to assist with identifying ways to further promote BIEN and potentially identifying a marketing plan. The funding is available in the FY 2016 Unified Planning Work Program and Annual Budget for this activity.

Chair Lane asked if there any questions or comments from the committee. There were none. Mayor LeVault moved to approve proceeding with the Thunderbird Consultant Practicum Program project regarding BIEN in an amount not to exceed \$2,000. Mayor Mook seconded the motion and the motion carried unanimously.

7. Applying for Additional Continuum of Care Homeless Planning Funding from the U.S. Department of Housing and Urban Development

Amy St. Peter, MAG Assistant Director, informed the committee that staff is in the process of preparing a Continuum of Care (CoC) Planning grant funding application in the amount of \$265,000 from the U.S. Department of Housing and Urban Development (HUD). She added the CoC currently receives \$180,000 in HUD CoC Planning funds, that helps to cover two positions at MAG; one full time staff member and one full-time intern.

Ms. St. Peter stated the additional funding request, if approved by HUD, will be used to hire one additional full-time staff dedicated to the Human Services Division and the Continuum of Care, with a focus on data analysis, specifically with monitoring and evaluation. Locally and regionally this is needed to keep the CoC competitive. The funding is becoming more and more competitive at the national level.

Ms. St. Peter added MAG will provide the required 25 percent match in the amount of \$66,250 using dedicated homeless assessment funding. The request from HUD in the amount of \$265,000 plus cash match of \$66,250 brings the total budget to \$331,250. She noted staff is expecting to hear back from HUD in March 2016. Mr. Smith stated the application process has now been changed so that MAG is not competing against the funds that would have gone to the other agencies. He added the CoC does not report to Regional Council and staff felt it was appropriate to bring this to the Executive Committee.

Chair Lane stated the net effect on this may require an additional MAG staff member and asked if this would be recovered through this increase of funding. Ms. St. Peter stated that was correct. Chair Lane asked if there any questions or comments from the committee. There were none.

8. Update on the Gaiser v. Valley Metro Rail et al, Maricopa County Case NO. CV2015-10237

Mayor LeVault moved the Executive Committee go into Executive Session regarding agenda items #8 and #9. Mayor Meck seconded the motion and the motion carried unanimously. The meeting went into Executive Session at 12:51 p.m.

9. Annual Performance Review of the MAG Executive Director

Mayor LeVault moved that the Executive Committee go into Executive Session regarding agenda items #8 and #9. Mayor Meck seconded the motion and the motion carried unanimously. The meeting went into Executive Session at 12:51 p.m.

The Executive Committee reconvened regular session at 1:02 p.m. No action was taken.

10. Possible Action on the Annual Performance Review of the MAG Executive Director

Audrey Skidmore, MAG Information Technology Manager, reviewed the process for conducting the annual performance review of the MAG Executive Director. The employment agreement entered into with the MAG Executive Director in January 2003 provided that the Executive Committee conduct an annual performance review in consultation with the Regional Council. On December 15, 2003, the Executive Committee approved an evaluation survey for the MAG Executive Director's performance review.

Ms. Skidmore stated to provide a more efficient process, the evaluation survey has been converted to electronic format in SurveyMonkey. She explained staff issues a personalized

link to each Executive Committee and Regional Council member and the survey is sent directly from SurveyMonkey. Staff is seeking approval to continue this process.

Chair Lane thanked Ms. Skidmore and asked if there any questions or comments from the committee. There were none. Mayor LeVault moved to approve the current electronic format of the MAG Executive Director's performance evaluation in SurveyMonkey. Mayor Barney seconded the motion and the motion carried unanimously

11. Legislative Update

Nathan Pryor, Government Relations Manager, provided an update on the federal surface transportation reauthorization. He noted MAG is currently under MAP-21 which was set to expire on November 20, 2015. It has been extended through December 4, 2015. The Senate has passed their version of the DRIVE Act and the House has passed their version of reauthorization. These two bills are now at the conference committee. Mr. Pryor stated that there were a number of amendments that would have increased the Surface Transportation Program (STP) funding for urbanized areas, including MAG. In the Senate, there was the Wicker/Booker amendment and in the House, the David/Titus amendment; both would have made significant increases in STP funding to urbanized areas. Despite having the votes in the House, the amendment did not go through. The overall effect is we should not anticipate a significant increase in (STP) funding.

Mr. Pryor discussed the use of data in determining funding allocations. He noted some of the data is tied to census information from the year 2000. This has a negative effect to high growth states, like Arizona. He indicated that Arizona rose four positions in our state population compared to the rest of the country and the federal government continues to use old data for funding allocations. Mr. Pryor stated the new transportation legislation may be a five to six year bill so we could be operating under this old funding formula for the duration of that time. Staff has had conversations with other high growth states that are also negatively affected by this and are hoping to call attention to get this issue rectified.

Mr. Pryor stated there was a late effort by the Arizona Department of Transportation (ADOT) and private stakeholders to create a pilot program seeking an exemption to fiscal policies that would allow environmental work to begin a projects like Interstate 11. ADOT and MAG provided conference committee members a letter of support by ADOT Director, John Halikowski, and MAG TPC Chair, Mayor Jerry Weiers. Mr. Pryor reported that Interstate 11 has portions, such as Nevada, that are being worked on more actively than in Arizona. To get the project going in the West Valley, it requires a Tier II environmental assessment. For this to occur, the project needs to be in the State Transportation Improvement Plan. In order for this to be in the State's plan, there has to be funding identified for the project. Currently there is no funding identified for portions of I-11 to begin construction.

Mr. Pryor indicated there is a high interest in parts of the corridor where private stakeholders are willing to donate right of way to get this project started. Without identified funding we

cannot start the environmental processes to identify the centerline to prepare I-11 for construction. He noted there has been some discussion in seeking an exemption to the funding requirement to enable the environmental work to proceed. This has been framed as a pilot program.

Mr. Pryor added there have been conversations with Senators McCain's office, Senator Boxer's office and Senator Inhofe's office about surface transportation reauthorization and the Senate House Conference Committee will be working on this for the next week. Staff has not yet received word on how this will be received.

Chair Lane thanked Mr. Pryor for his update and asked committee members if they had any comments or questions. Mr. Smith stated ADOT has budgeted about \$14 million for the Tier I Environmental Impact Statement (EIS). This will not get the stakeholders in the West Valley that want to donate land right of way a centerline. He noted that we can start on a Tier II EIS, but we cannot get a Record of Decision unless we meet this financial requirement. Staff mentioned this to the stakeholders and they took the initiative to work on the conference committee. This exemption could get the project shovel ready. The challenge will be the funding. This project is in our plan but it is called an illustrative project, which means we do not have funding for it. In order to get that record of decision, which then gets us a centerline, we have to get this exemption.

Chair Lane asked if he was understanding correctly that the idea of any dedication or contribution of land has nothing to do with the funding mechanism, and we are just looking for a waiver on the funding requirement in order to get the Tier II, which can get us the centerline. Mr. Smith stated that was correct.

Mayor Barney asked if a letter of support with signatures from all MAG mayors would help. Mr. Smith stated this is moving very fast and would be resolved before the next Regional Council meeting. Mr. Pryor added the letters of support from ADOT and the MAG Regional Council Chair have already been passed along to the conference committee members.

12. Request for Future Agenda Items

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

13. Comments from the Committee

Chair Lane asked if there were any comments from the committee. Mayor Barney asked in regards to time sensitive issues (such as the I-11 issue that was discussed,) when MAG needs the support of MAG mayors, is there a way that they could provide signed documentation showing their support prior to the next Regional Council meeting. Fredda Bisman, MAG Legal Counsel, stated this is not allowed under the Open Meeting Law.

Adjournment

There being no further business, the Executive Committee adjourned at 1:17 p.m.

Chair

Secretary

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

January 4, 2016

SUBJECT:

Status Update on the June 30, 2015 Single Audit and Management Letter Comments, MAG's Comprehensive Annual Financial Report and OMB Circular A-133 Reports (i.e., "Single Audit") for the Fiscal Year Ended June 30, 2015

SUMMARY:

The accounting firm of CliftonLarsonAllen LLP has completed the audit of MAG's Comprehensive Annual Financial Report (CAFR) and Single Audit for the fiscal year ended June 30, 2015. An unqualified audit opinion was issued on November 25, 2015, on the financial statements of governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information. The independent auditors' report on compliance, with the requirements applicable to major federal award programs, expressed an unqualified opinion on the Single Audit. The Single Audit report indicated there were no reportable conditions in MAG's internal control over financial reporting considered to be material weaknesses, no instances of noncompliance considered to be material and no questioned costs. The Single Audit report had no new findings.

The CAFR financial statements and related footnotes were prepared in accordance with the Government Finance Officers Association's (GFOA) standards for the Certificate of Achievement for Excellence in Financial Reporting awards program. Management intends to submit the June 30, 2015 CAFR to the GFOA awards program for review. If awarded the certificate for the June 30, 2015 CAFR, this would be the agency's 18th consecutive award.

PUBLIC INPUT:

None has been received.

PROS & CONS:

PROS: MAG is required by its By-Laws and federal regulations to have an audit performed for all major federal programs on an annual basis. The audit must be performed in compliance with the provisions described in the U.S. Office of Management and Budget ("OMB") Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

CONS: None.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: CliftonLarsonAllen, LLP conducted the audit in accordance with Generally Accepted Auditing Standards (GAAS), and the standards applicable to financial audits contained in the Government Audit Standards, issued by the Comptroller General of the United States and the provisions of OMB Circular A-133. For the year ended June 30, 2015, the audit report indicates that

MAG conducted its activities in conformance with the laws and regulations governing federal financial assistance programs and according to Generally Accepted Accounting Principles (GAAP).

POLICY: Pursuant to Article 12, Section 5 of the MAG By-Laws, the annual audit must be presented to the Regional Council.

ACTION NEEDED:

Recommend acceptance of the audit opinion issued on the MAG Comprehensive Annual Financial Report and Single Audit Report for the year ended June 30, 2015.

PRIOR COMMITTEE ACTIONS:

This item is in the January 6, 2017 MAG Management Committee agenda for recommendation to approve.

CONTACT PERSON:

Rebecca Kimbrough, MAG, (602) 254-6300

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

January 4, 2016

SUBJECT:

Discussion of the Development of the FY 2017 MAG Unified Planning Work Program and Annual Budget

SUMMARY:

Each year, the MAG Unified Planning Work Program and Annual Budget is developed in conjunction with member agency and public input. The Work Program is reviewed each year by the federal agencies in the spring and approved by the Regional Council in May. To provide an early start in developing the Work Program and Budget, this presentation is an overview of MAG's proposed member Dues and Assessments and the MAG budget development timeline. The draft MAG Dues and Assessments are presented using the prior fiscal year average Consumer Price Index-Urban Consumers (CPI-U) of 2.34 percent. The calendar year 2015 CPI-U average is not yet available, but will be released in early 2016. At that time, the draft MAG Dues and Assessments will be updated and the adjusted draft MAG Dues and Assessments will be presented. We anticipate little change to the CPI-U as the result of incorporating the final CPI-U number.

The minimum amount of \$350 for MAG Dues and Assessments covers administrative costs associated with MAG membership. This minimum amount of \$350 affects two members. The MAG draft Dues and Assessments for FY 2017 are presented in Attachment A.

This overview of MAG's draft Dues and Assessments for FY 2017 (Attachment A) provides an opportunity for early input into the development of the FY 2017 Work Program and Budget. The draft Dues and Assessments documents are footnoted for your information.

- ◆ The population numbers used in the draft Dues and Assessments calculation are updated using the most recently approved population estimates for 2015 as indicated on the draft Dues and Assessments for FY 2017 in Attachment A.
- ◆ The information in the footnotes to the draft Dues and Assessments, (b), (c), (d), (e), (f), (g) and (h) remains the same from prior years and describes the calculations for the 9-1-1 Planning Assessment, the Homeless Prevention Assessment and each county's portion of the population calculation, respectively.
- ◆ The average CPI-U for calendar year 2015 is not yet available to calculate the final draft MAG Dues and Assessments. As soon as this number becomes available, it will be used to update the draft Dues and Assessments and will be presented. Changes for individual members are due to population shifts and the application of minimum dues and assessments. The application of a minimum dues and assessments amount of \$350 affects two members and is discussed in footnote (d).

- ◆ The Homeless Prevention Assessment is only charged to those cities that are Community Development Block Grant recipients with populations over 50,000 and to Maricopa County and Pinal County.

A draft budget timeline is included for your review as Attachment B. The Webinar presentation of the draft budget is tentatively scheduled for Thursday, February 18, 2016, at 1:00 p.m. in the MAG Cottonwood Room. An invitation to the MAG Fiscal Year (FY) 2017 Budget Webinar will be included in the February agenda material.

PUBLIC INPUT:

No public comments have been received.

PROS & CONS:

PROS: MAG is providing the draft budget timeline and information on draft estimates for Fiscal Year 2017 Dues and Assessments.

CONS: None.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: The draft MAG Dues and Assessments for FY 2017 have been prepared using the methodology that was approved by the MAG Regional Council.

POLICY: In accordance with the MAG Fund Balance Policy, should the unassigned fund balance of the General Fund ever drop below the minimum 15 percent range, MAG Regional Council can consider reducing expenditures to eliminate any structural deficit, or the MAG Regional Council can increase revenues or pursue other funding sources, or some combination of the two options. Should the unassigned fund balance of the General Fund ever exceed the maximum 25 percent range, the MAG Regional Council will consider such fund balance surpluses for use as a reduction to member dues and assessments and/or one-time expenditures that are nonrecurring in nature and which will not require additional future expense outlays for maintenance, additional staffing or other recurring expenditures.

ACTION NEEDED:

Information and discussion.

PRIOR COMMITTEE ACTIONS:

This item is in the January 6, 2017 MAG Management Committee agenda for information and discussion.

CONTACT PERSON:

Rebecca Kimbrough, MAG Fiscal Services Manager, (602) 452-5051.

**Maricopa Association of Governments
for Fiscal Year 2017**

ATTACHMENT A

December 2015 Draft Dues And Assessments

Jurisdiction	FY 2016 Budget (a) Population Totals	MAG Member Dues	Solid Waste Planning Assessment	Water Quality (j) Planning Assessment	9-1-1 (b) Planning Assessment	Human Services Planning Assessment	Homeless(c) Prevention Assessment	Total (d) FY 2017 Estimated Dues and Assessments	Total FY 2016 Dues & Assessments
Apache Junction (f)	38,437	\$2,000	\$98	\$1,216	\$2,208	\$711		\$6,233	\$6,171
Avondale	78,885	\$4,105	\$202	\$2,495	\$4,532	\$1,460	\$1,347	\$14,141	\$14,149
Buckeye	61,173	\$3,183	\$157	\$1,935	\$3,514	\$1,132		\$9,921	\$9,641
Carefree	3,525	\$183	\$9	\$111	\$203	\$65		\$571	\$567
Cave Creek	5,429	\$282	\$14	\$172	\$312	\$100		\$880	\$877
Chandler	255,073	\$13,273	\$654	\$8,068	\$14,654	\$4,722	\$4,356	\$45,727	\$45,197
El Mirage	33,339	\$1,735	\$85	\$1,055	\$1,915	\$617		\$5,407	\$5,386
Florence (i)	26,410	\$1,374	\$68			\$489		\$1,931	\$1,981
Fort McDowell Yavapai Nation (d) (h)	999	\$240	\$3	\$32	\$57	\$18		\$350	\$350
Fountain Hills	23,346	\$1,215	\$60	\$738	\$1,341	\$432		\$3,786	\$3,786
Gila Bend (d)	1,977	\$131	\$5	\$63	\$114	\$37		\$350	\$350
Gila River Indian Community (i)	11,899	\$619	\$30	\$376	\$684	\$220		\$1,929	\$1,945
Gilbert	242,857	\$12,637	\$622	\$7,682	\$13,952	\$4,495	\$4,147	\$43,535	\$42,674
Glendale	234,766	\$12,216	\$602	\$7,426	\$13,488	\$4,346	\$4,009	\$42,087	\$42,162
Goodyear	77,776	\$4,047	\$199	\$2,460	\$4,468	\$1,440		\$12,614	\$12,255
Guadalupe	6,135	\$319	\$16	\$194	\$352	\$114		\$995	\$998
Litchfield Park	6,019	\$313	\$15	\$190	\$346	\$111		\$975	\$966
Maricopa (i)	48,374	\$2,517	\$124	\$2,779	\$895			\$6,315	\$6,166
Maricopa County (e)	283,153	\$14,734	\$726	\$8,956	\$16,268	\$5,241	\$4,836	\$50,761	\$50,814
Mesa	460,950	\$23,985	\$1,181	\$14,580	\$26,482	\$8,532	\$7,872	\$82,632	\$82,551
Paradise Valley	13,673	\$711	\$35	\$432	\$786	\$253		\$2,217	\$2,207
Peoria (g)	167,547	\$8,718	\$429	\$5,300	\$9,626	\$3,101	\$2,861	\$30,035	\$29,688
Phoenix	1,527,509	\$79,484	\$3,914	\$48,316		\$28,278	\$26,088	\$186,080	\$185,346
Pinal County (c) (i)	138,150	\$7,189	\$354		\$7,937	\$2,557	\$2,359	\$20,396	\$19,959
Queen Creek (f)	33,967	\$1,767	\$87	\$1,074	\$1,951	\$629		\$5,508	\$5,209
Salt River Pima-Maricopa (h)	6,641	\$346	\$17	\$210	\$382	\$123		\$1,078	\$1,075
Scottsdale	231,204	\$12,031	\$592	\$7,313	\$13,283	\$4,280	\$3,948	\$41,447	\$40,898
Surprise	125,621	\$6,537	\$322	\$3,973	\$7,217	\$2,325	\$2,145	\$22,519	\$22,432
Tempe	172,021	\$8,951	\$441	\$5,441	\$9,883	\$3,184	\$2,938	\$30,838	\$30,719
Tolleson	6,837	\$356	\$18	\$216	\$393	\$127		\$1,110	\$1,111
Wickenburg (g)	6,661	\$347	\$17	\$211	\$383	\$123		\$1,081	\$1,082
Youngtown	6,467	\$337	\$17	\$205	\$372	\$120		\$1,051	\$1,052
TOTALS	4,336,820	\$225,882	\$11,113	\$130,440	\$159,882	\$80,277	\$66,906	\$674,500	\$669,764

FY 2016 Total Costs		\$220,510	\$10,859	\$127,458	\$156,229	\$78,443	\$65,377
Based on Population		\$5,372	\$254	\$2,982	\$3,653	\$1,834	\$1,529
Per Capita Cost		\$0.05208	\$0.00256	\$0.03008	\$0.03687	\$0.01851	\$0.01543

Each year, the MAG annual Dues and Assessments are apportioned according to per capita populations and the CPI-U from the prior calendar year is applied to the Dues and Assessments. The final calendar year CPI-U change for 2015 will be determined and applied in early 2016 when this number becomes available. The average prior fiscal year CPI-U change of 2.34 % has been applied to the draft MAG Dues and Assessments as an estimate until the CPI-U calendar year becomes available. Changes in population account for the individual member differences between the FY 2016 and FY 2017 Dues and Assessments totals.

- (a) MAG July 1, 2015 Approved Population within one percent of the approved Maricopa County control total are used. These population updates are needed by the State Economic Estimates Commission by December 15th of each year and in order to project the final estimates.
- (b) The 9-1-1 assessment is apportioned according to per capita populations excluding the City of Phoenix that performs 9-1-1 operations and the Town of Florence that is not part of the Maricopa Region 9-1-1 system.
- (c) The Homeless Prevention assessment is only charged to cities who are CDBG recipients and have populations over 50,000 and to Maricopa County and Pinal County.
- (d) Total Dues and Assessments minimum at \$350 per member results in an overall increase for these members and a slight adjustment for the other members.
- (e) The Maricopa County portion of the dues and assessments includes the balance of the county, excluding the Fort McDowell Yavapai Nation and the Salt River Pima-Maricopa Indian Community (except when calculating the Homeless Prevention assessment).
- (f) Maricopa and Pinal County portions.
- (g) Maricopa and Yavapai County portions.
- (h) Maricopa County portion only.
- (i) The Pinal County portion of the dues and assessments includes unincorporated areas in Pinal County in the the MAG Metropolitan Planning Organization Area planning boundaries; also included is the entire population of the Gila River Indian Community as well as the Town of Florence and the City of Maricopa.
- (j) The Water Quality Planning Assessment is applied to the members that have their Water Quality Planning performed by the Maricopa Region.

Maricopa Association of Governments
 Fiscal Year 2017
 DRAFT December 15, 2015
Work Program and Annual Budget Proposed Timeline

01/05/16	Tuesday	Intergovernmental Meeting
01/06/16	Wednesday	Management Committee Meeting-dues/assessments; timeline
01/11/16	Monday	Regional Council Executive Committee Meeting-dues/assessments; timeline
01/27/16	Wednesday	Regional Council-dues/assessments; timeline
02/04/16	Thursday	Intergovernmental Meeting
02/10/16	Wednesday	Management Committee Meeting- present new projects; presentation of summary budget documents
02/16/16	Tuesday	Regional Council Executive Committee Meeting- present new projects; presentation of summary budget documents
02/18/16	Thursday	Budget Workshop-webinar 1:00 p.m.Cottonwood Room, 2nd Floor, MAG Building
02/24/16	Wednesday	Regional Council Meeting- present new projects; presentation of summary budget documents
03/03/16	Thursday	Intergovernmental Meeting
03/09/16	Wednesday	Management Committee Meeting- information and review of draft budget documents
03/14/16	Monday	Regional Council Executive Committee Meeting- information and review of draft budget documents
03/23/16	Wednesday	Regional Council Meeting- information and review of draft budget documents
April	TBD	IPG meeting with FHWA, FTA, ADOT and others
04/07/16	Thursday	Intergovernmental Meeting
04/13/16	Wednesday	Management Committee Meeting- information and review of draft budget documents
04/18/16	Monday	Regional Council Executive Committee Meeting- information and review of draft budget documents
04/27/16	Wednesday	Regional Council Meeting- information and review of draft budget documents
April		Changes in draft budget projects and/or any changes in budgeted staff will be brought to the Executive Committee, Management Committee and Regional Council in their April meetings if needed (TBD)
05/05/16	Thursday	Intergovernmental Meeting
05/11/16	Wednesday	Management Committee meeting - present draft Budget for recommendation of approval
05/16/16	Monday	Regional Council Executive Committee meeting - present draft Budget for recommendation of approval
05/25/16	Wednesday	Regional Council meeting - present draft Budget for approval