

MINUTES

STEERING COMMITTEE MEETING

June 8, 2011

Kanab, Utah

MEMBERS IN ATTENDANCE

Commissioner Chad Johnson, Chair
Carolyn White
Commissioner Leland Pollock for
Commissioner Clare Ramsay
Mayor Jerry Taylor
Kay Englestead for Ken Platt
Commissioner Dale Brinkerhoff
Mayor Dutch Deutschlander for
Mayor Connie Robinson
Alan Adams
Commissioner Douglas Heaton
Mayor Nina Laycook
Commissioner Denny Drake
Brian Cottam

OTHERS IN ATTENDANCE

Marreen Casper
Ellen Schunk
Mike Empey
Jan Thompson
Ken Sizemore
Diane Lamoreaux

MEMBERS NOT IN ATTENDANCE

Mayor Mark Yardley
Wendy Allan
Mayor Tom Hirschi
LuAnne Forrest, Excused
Frank Lojko

REPRESENTING

Beaver County Commissioner Representative
Beaver County Schools Representative
Garfield County Commissioner Representative

Garfield County Mayor Representative
Garfield County Schools Representative
Iron County Commissioner Representative
Iron County Mayor Representative

Iron County Schools Representative
Kane County Commissioner Representative
Kane County Mayor Representative
Washington Co. Commissioner Representative
Southern Utah University

Senator Hatch's Office
Senator Lee's Office
Congressman Matheson's Office
Department of Workforce Services
Five County Association of Governments
Five County Association of Governments

Beaver County Mayor Representative
Kane County Schools Representative
Washington Co. Mayor Representative
Washington Co. Schools Representative
Dixie State College of Utah

Commissioner Chad Johnson, Chair, welcomed those in attendance. LuAnne Forrest, Washington County Schools Representative, asked to be excused. Commissioner Leland Pollock is representing Commissioner Clare Ramsay, Garfield County Commissioner Representative; Mr. Kay Englestead is representing Ken Platt, Garfield County Schools Representative; and Mayor Dutch Deutschlander is representing Mayor Connie Robinson, Iron County Mayor Representative.

I. MINUTES OF APRIL 20, 2011 AND MAY 11, 2011 - REVIEW & APPROVE

Chairman Johnson indicated that a quorum was present for the conduct of business and presented minutes of the April 20, 2011 and May 11, 2011 meetings for Board consideration.

MOTION WAS MADE BY MS. CAROLYN WHITE TO ACCEPT MINUTES OF APRIL 20, 2011 AND MAY 11, 2011 MEETINGS AS PRESENTED. MOTION SECONDED BY MAYOR JERRY TAYLOR AND CARRIED BY UNANIMOUS VOTE.

II. FY 2012 BUDGET

A. PUBLIC HEARING

Chairman Johnson entertained a motion to enter into the public hearing for the FY 2012 budget.

MOTION WAS MADE BY MR. ALAN ADAMS, SECONDED BY MAYOR NINA LAYCOOK, TO ENTER INTO THE FY 2012 BUDGET PUBLIC HEARING. MOTION CARRIED.

Mr. Ken Sizemore reported that the Five County Organization has grown and changed over the years since a group of commissioners and other officers started meeting in the early 1950s. Issues have remained similar in terms of economic development and social development programs. Staffing has grown from 15 employees in 1986 to over 70 employees today. The FY 2012 budget shows a decrease from \$8.5 million in FY 2011 to \$8.1 million. This is a direct result of federal budget cuts in funding for various programs. Approximately 85% of the total budget is derived from federal funds which are funneled through the state of Utah.

He reviewed budget cost centers as follows:

Administration, \$270,518-- The Office of Management and Budget (OMB) allows organizations to use an indirect cost allocation plan for collection of administrative costs from each contract. Salary and fringe of the last fiscal year divided by operating costs determines the rate charged to each contract. Personnel allocations include 50% for the executive director, 50% for the chief financial officer, 100% of the human resource director's salary and 10% for secretarial;

Aging Waiver Administration, \$69,700-- Allows administration of aging services programs where case managers coordinate needs of their clients to keep them in home rather than institutionalized. It is less costly to maintain clients in their own home with some support services;

HOME Program, \$100,000-- Provides home renovations to income eligible clients that go beyond weatherization such as roof replacement, doorway widening, bathroom remodel, etc. Staff typically completes 3-4 homes each year because of the number of specific program requirements. Funding is provided through the U.S. Department of Housing and Urban Development funneled through the state of Utah;

Aging Waiver Services, \$121,697-- One of the many programs to help income eligible elderly clients remain in their home. Funding is from the U.S. Department of Health and Human Services through the state Department of Human Services;

Community and Economic Development, \$585,435-- This is a combination of many programs including the Community Development Block Grant, Economic Development Administration, Circuit Rider Planner, Community Impact Board, etc.

Personnel covered under this cost center include 30% of the executive director's time and five FTE planners. The budget has decreased from FY 2011 and will likely continue to shrink as funds are reduced from various programs;

Special Contracts, \$1,162,195-- Contracts that do not require an established cost center for a number of reasons. The second item from the bottom "retirement insurance" is the line item that pays for sick leave conversion from funds set aside in a savings account;

Area Agency on Aging, \$468,195-- Different from the in-home services with the majority of funding passed through to County Councils on Aging for operation of their senior citizen center programs. This is only a portion of funds with counties also providing large amounts of funding for delivery of these services;

Weatherization, \$592,500-- Allows income qualified households to receive energy efficiency improvements to their homes such as insulation, window replacement, furnace replacement, etc. Two crews based out of Cedar City provide the majority of work on these homes;

Retired Senior Volunteer Program (RSVP), \$120,332-- The largest of the National Senior Corps programs administered by the Volunteer Center that receives direct federal funding from the Corps. Funding depicts a 25% cut this fiscal year for a nine month period through March 2012. It is hoped that more budget certainty will be in place beginning April 1st;

Human Services, \$5,000-- Covers overhead costs for operating community action programs, with the majority of funding included in Special Contracts;

Volunteer Center of Iron County, \$11,500-- This is funded by local participation which has decreased over time. A one-half time administrative assistant recently resigned after graduating from SUU, and that position will not be replaced;

Child Care Resource & Referral, \$528,429-- Program based out of Cedar City that provides service to 11 counties including the six county area. The main purpose of the program is to provide training for child care providers as well as to connect families that need child care resources to providers. Federal funding is funneled through the Utah Department of Workforce Services;

Nutrition Program, \$1,192,692-- Provides food to senior citizen centers for congregate and home-delivered meals. The majority of funds are for food, preparation and county supervisors who direct these services;

HEAT Assistance Program, \$487,776-- Allows income eligible clients to receive assistance with utility costs mainly during the winter months. However, the program is available year round in Washington County;

Mobility Management, \$42,200-- A new program established to assist in coordinating transportation services that are available through various agencies. These are federal highway funds funneled through the Utah Department of Transportation (UDOT);

Volunteer Center of Washington County, \$23,183-- This cost center covers ½ of the director's time, a small amount in contractual services and operation costs. Donations have been contributed by Tucahan, Rotary Club, Applegate Hospice, Daniels Foundation and First America Credit Union;

Foster Grandparent Program, \$123,939-- Another of the National Senior Corps programs which provides volunteers in local elementary schools for literacy development. Approximately 30 individuals volunteer in this capacity. Other contracts include funding from the Daniels and Clifford non-profit organizations;

United Way, \$26,855-- Affiliate organization that rents space in the St. George office and also has the AOG run their payroll on a reimbursement basis;

Human Services Transportation Planning, \$25,000-- This effort allows one of the program specialists to spend 1/4 of their time in coordinating transportation services. Funding is provided through a UDOT contract;

Transportation Planning (Metropolitan Transportation Organization), \$402,000-- Transportation planning for the St. George urbanized area. Funding is from the FHWA through UDOT and is matched with local participation funds from cities. This allows the MPO to prioritize and program transportation dollars allocated to the organization. The consultant services line item covers studies such as the Northern Corridor Study;

American Recovery and Reinvestment Act (ARRA) Weatherization, \$924,443-- Federal stimulus funds allocated nationwide through March 30, 2012 to provide services to households beyond the pace of the regular weatherization program;

Senior Companion Program, \$131,580-- Allows income eligible seniors to provide support to elderly clients for activities such as shopping, doctor appointments, errands, visiting, caregiver support, etc. Match funds are provided by the Daniels Foundation, Applegate and the State Commission for the Blind. Volunteers receive a stipend for their service and are also reimbursed for travel;

Community Services Block Grant (CSBG), \$265,161-- A new cost center requested by the state of Utah. The majority of funds are passed through to non-profit organizations in the community that provide services. The Human Services Council recommends funding allocations to applicants;

Iron County Rural Planning Organization (RPO), \$40,000-- The RPO allows local elected officials to make recommendations in programming transportation investments in the area. The actual allocation of funding is accomplished by UDOT. Iron County receives 5% in administrative fees;

Habitat for Humanity, \$4,100-- Affiliate organization that rents space in the St. George office and pays for services on a reimbursement basis;

Utah Department of Transportation (UDOT), \$1,400-- Another affiliate renting space and services at the St. George office;

New Choices Waiver, \$184,987-- Another aging program that provides services in the Five County area. Funding in this program covers costs of two FTE case managers;

St. George Down Payment Assistance (DPA), \$194,533-- St. George City contracts a portion of their CDBG funds to the AOG for administration of down payment assistance to income eligible clients. Approximately 25-30 households are served under this program for first time home buyers;

Eastern Washington County RPO \$32,000-- This program serves Hurricane, Leeds, LaVerkin and Toquerville under a UDOT contract with local jurisdictions providing match funding.

Mr. Sizemore reported that changes in transportation planning are brewing at the congressional level to cap MPOs population at 200,000 or greater. There is an effort to grandfather or create regional RPOs that coincide with AOG boundaries. Any changes will be in future funding cycles.

Ms. Carolyn White suggested that next year another column be included in the table to outline funding in each cost category for the previous year as well as the current year. The table depicts the total budget for the previous year but needs to show amounts for each category within the cost center. Chairman Johnson called for comments from the audience and Board members. Noting no other comments, he entertained a motion to close the public hearing.

MOTION WAS MADE BY COMMISSIONER DENNY DRAKE, SECONDED BY MR. ALAN ADAMS, TO CLOSE THE FY 2012 PUBLIC HEARING. MOTION CARRIED.

B. BUDGET APPROVAL

Chairman Johnson presented the FY 2012 budget for Board consideration.

MOTION WAS MADE BY COMMISSIONER DALE BRINKERHOFF, SECONDED BY MAYOR JERRY TAYLOR, TO APPROVE THE FY 2012 BUDGET AS PRESENTED. MOTION CARRIED.

C. RATIFICATION OF EXECUTIVE COMMITTEE ACTION - FY 2011 BUDGET REVISIONS

Chairman Johnson reported that the Executive Committee met earlier in the day to discuss FY 2011 budget revisions and other personnel items. FY 2011 budget revisions were approved and action was taken to change the Five County AOG sick leave policy from unlimited carryover to 480 hours effective July 1, 2011. By consensus, the Board also clarified that the latitude of providing promotions to employees is frozen for the upcoming fiscal year. He presented actions for ratification of the Board.

MOTION WAS MADE BY COMMISSIONER DENNY DRAKE, SECONDED BY MS. CAROLYN WHITE, TO RATIFY EXECUTIVE COMMITTEE ACTIONS AS OUTLINED. MOTION CARRIED.

Commissioner Douglas Heaton requested additional discussion in terms of programs included in the AOG's budget. This needs to encompass the validity of programs, where funding is derived, budget items that are mandated as opposed to optional and the impact on constituents if the program(s) were to be eliminated. Mr. Sizemore indicated that this information will be included in the annual report which will be presented to the Board in October.

III. COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

A. PROGRAM SUMMARY/SCHEDULE

Ms. Diane Lamoreaux referenced information contained on page 47-48 of the packet which provides a summary of the Community Development Block Grant national objectives, presumed low-moderate income groups, a typical annual program schedule and some examples of eligible CDBG project activities. This is provided for informational purposes.

B. RATING AND RANKING FY 2012

Ms. Lamoreaux explained that the State CDBG Policy Committee has mandated eight criteria that must be incorporated into each region's rating and ranking system. Those criteria are outlined on page 48 of the packet. Correspondence and a copy of the previous year's rating and ranking have been mailed to jurisdictions in the region for comment and/or suggestions. It was noted that Enterprise City provided comments for consideration last year after the criteria had been approved by the Steering Committee. Those concerns include LMI housing stock considerations for smaller communities, geographic impact, job creation, unemployment and per capita income. Staff will review items of concern and address as appropriate. The FY 2012 rating and ranking criteria will be presented in August for Board approval.

C. PRE-APPROVED FUNDING PROPOSAL

Ms. Lamoreaux referenced a proposal contained on page 65 of the packet outlining the amount of CDBG funding provided to the Association of Governments on an annual basis for CDBG program administration, Consolidated Plan update, rating and ranking, housing and RLF program delivery, economic development technical assistance, and direct planning assistance to income eligible communities. State CDBG staff has notified AOG staff that pre-approved funding for direct planning activities will not be available to AOGs in FY 2012. The intent is that communities must prioritize planning activities and make application for specific planning projects. If funded, communities could choose to utilize AOG staff to accomplish those projects or other consultants at their discretion. Funding for administration of the CDBG program has been cut \$10,000 in FY 2011 and could be reduced further in FY 2012, depending on federal funding cuts. Staff is proposing that \$90,000 be pre-approved to the AOG to accomplish the above mentioned tasks in FY 2012. The amount of pre-approved funding must be included in the rating and

ranking criteria which will be approved by the Steering Committee during their August meeting. This is with the knowledge that this amount could change as a result of further funding cuts to the CDBG program.

MOTION WAS MADE BY MS. CAROLYN WHITE TO APPROVE \$90,000 AS PRE-APPROVED FUNDING TO THE AOG FOR FY 2012. MOTION WAS SECONDED BY MR. ALAN ADAMS AND CARRIED BY UNANIMOUS VOTE.

IV. REVOLVING LOAN FUND BOARD APPOINTMENTS

Mr. Ken Sizemore explained that a Revolving Loan Fund Administration Board is utilized to administer the RLF program. Over the past year some changes were incorporated increasing the membership of the board from seven to nine members. An introduction of the program is summarized on page 66 of the packet and a roster of current Board members is contained on page 67. Terry Keyes, a recently appointed banking representative, has transferred to Salt Lake City necessitating appointment of a replacement. An individual was recommended for the appointment but has since declined because of his work load. Another recommendation will be solicited and presented at a future meeting. Kanab City has also requested that staff pursue a replacement for Van Mackelprang who has served for a number of years as the attorney representative on this Board. Staff will proceed to recruit a new county or city attorney to serve in this capacity. Joe Judd has represented the Workforce Services Council for many years but has asked to not be re-appointed because of care giving needs of his spouse. The Workforce Services Council has recommended the appointment of Richard VanAusdal with Dixie Applied Technology College to represent the Council in this two-year term which begins in June 2011. Staff also recommends that Jeff Marchant be re-appointed for an additional two year term beginning in June 2011. Jeff serves as vice chairman of the Board and will provide important continuity as many new board members have recently been appointed.

MOTION WAS MADE BY COMMISSIONER DOUGLAS HEATON TO APPOINT RICHARD VANAUSDAL AND JEFF MARCHANT TO THE REVOLVING LOAN FUND ADMINISTRATION BOARD FOR TWO YEAR TERMS, BOTH COMMENCING JUNE 2011. MOTION WAS SECONDED BY COMMISSIONER DENNY DRAKE AND CARRIED BY UNANIMOUS VOTE.

V. SOUTHERN UTAH UNIVERSITY REGIONAL SERVICES UPDATE

Mr. Brian Cottam provided copies of the Shakespeare Festival brochure and noted that this is a remarkable world class theater. He provided a building update on the Gibson Science Center which is ahead of schedule for completion in mid July. He also reported that the Southern Utah Museum of Arts facility is back on the drawing board in terms of design. He provided an announcement that SUU has once again earned rank on the President's Higher Education Community Service Honor Roll for the second consecutive year. This is the greatest recognition a college or university can receive for its commitment to volunteering, service-learning and civic engagement. He reminded Board members that the Rural Summit is scheduled for August 11-12th on the SUU Campus.

VI. DIXIE STATE COLLEGE UPDATE

No representative available to provide update.

VII. DEPARTMENT OF WORKFORCE SERVICES UPDATE

Ms. Jan Thompson, DWS, reported that the Governor's office has required all agencies to provide information in terms of returning to a five day work week effective September 6, 2011. State directive is that all offices will be open five days a week from 8:00 a.m. to 5:00 p.m. with no extended hours of service. Customer service will remain a priority for DWS. In finalizing lease space in the five county area, lease space in Washington County will be reduced by 50 percent which will provide substantial savings. The department is in the process of finalizing their service area plans over the next 3-4 weeks. An executive summary of this plan will be provided which outlines workforce development activities. Ms. Thompson announced that Ann Barnson, of the Cedar City office, will be retiring June 30th.

VIII. CONGRESSIONAL STAFF UPDATES

Ms. Ellen Schunk, Senator Lee's Office, reported that their southern Utah staff has moved to a new permanent location at 285 West Tabernacle, Suite 200, and she hopes to have printed business cards in the near future. Senator Lee was pleased with the announcement from Secretary Salazar to rescind Executive Order 3310. The Senator is supportive of the county land bill process and involvement of the state of Utah. Staff is actively working on the prairie dog issue as well. The Senator is very concerned about the withdrawal of uranium leases and is working diligently on this issue. Senator Lee supports a balanced budget amendment and acknowledges that many federal programs will experience budget cuts as a result of this action.

Marreen Casper, Senator Hatch's Office, thanked Garfield County and Escalante City for the wonderful experience provided on Memorial Day weekend with dedication of the Hole-in-the-Rock visitor center and fun activities provided. Senator Hatch has introduced a number of bills including SB1129 Grazing Impact Act of 2011 which regulates the use of livestock grazing permits. Another bill is the Wild and Roadless Act of 2011 which would release lands identified by the Bureau of Land Management and Forest Service as not suitable for wilderness. SB 249 Big Game and Livestock Act will remove the gray wolf from protection and allow states to manage this species. The Senator is excited about Secretary Salazar rescinding 3310, but is suspicious of the wording and distrusts his intent. The Senator has also introduced two bills that will assist families and individuals with private health savings accounts established to take care of health care needs. This legislation caps the amount of money awarded to frivolous law suits and limits response to threatened law suits intended to be used as delay tactics. Senator Hatch has also introduced the American Alternative Fuels Act of 2011 which would repeal barriers to domestic fuel production. He also supports a balanced budget amendment.

Mr. Mike Empey, Congressman Matheson's Office, reported that issues are similar in the House where proposed budget cuts are in the trillions of dollars and will be tied to raising the debt ceiling. It is anticipated that this action will result in major cuts to all federally funded programs. The Congressman supports shortening of the permitting process for domestic energy including oil. His main focus is to expedite processes both on and off shore. The Salazar press release is encouraging and will hopefully result a more locally driven process. The Piute County land bill is close to introduction, possibly later this summer.

IX. LOCAL AFFAIRS

A. CORRESPONDENCE

Mr. Sizemore referenced a draft agenda provided on page 68 of the packet for a meeting next week with fire management officials. This is an effort of Forest Service, State Forestry and Fire and the Bureau of Land Management representatives to discuss federal fire policy, talk about smoke management, etc. Agency representatives have dedicated the entire afternoon for discussion and are requesting that elected officials provide an RSVP for attendance.

B. OUT-OF-STATE TRAVEL

None.

C. PERMANENT COMMUNITY IMPACT FUND BOARD (PCIFB) APPLICATIONS

Mr. Sizemore reviewed applications for Board consideration as follows: **1) Santa Clara City, Water System Improvements in the Santa Clara Heights Area--** Request is for a \$2.975 million dollar loan at 2.5% interest for 20 years; **2) Big Water, Sewer System Project--** Request is for a \$2.2 million dollar loan at 2.5% for 20 years and a \$2.95 dollar grant; **3) Iron County, Construction of a Safety Services Building--** Request is for a \$3.0 million dollar loan at 2.5% for 20 years; **4) Iron County, Purchase of Two Replacement Ambulances--** Request is for a \$195,000 grant; and **5) Kane County Water Conservancy District, Water System Improvements for the Zion View Mountain Estates on Cedar Mountain--** Request is for a \$3.5 million dollar loan at 1% for 30 years and a \$3.5 million dollar grant. The Board has the opportunity to support, remain neutral or not support these applications. Commissioner Denny Drake recommended that the Board support all applications and let each stand on its own merits with the Permanent Community Impact Fund Board.

MOTION WAS MADE BY MAYOR DUTCH DEUTSCHLANDER TO SUPPORT ALL APPLICATIONS AS PRESENTED. MOTION WAS SECONDED BY MAYOR NINA LAYCOOK. MOTION CARRIED.

D. PLANNING ASSISTANCE

None.

E. OTHER BUSINESS

Mr. Sizemore reported that a study on the Alton Coal Hauling project has been funded by the Utah Department of Transportation. This includes the area between the mine and the off-load site either at Iron Springs or Delta. The study is being completed by Wilbur Smith and Associates and is anticipated to be available in September. As this study proceeds, updates will be provided to this Board. He also announced that the annual celebration of Highway 143 "Utah's Patchwork Parkway" will be held Friday and Saturday in Parowan and Panguitch. A handout of various activities was provided for those wishing to attend.

X. AREAWIDE CLEARINGHOUSE REVIEWS

Commissioner Johnson referenced two A-95 reviews contained in the packet and one late arrival for Board consideration. He noted that staff recommendation for all reviews is supportive and entertained a motion to accept the A-95 reviews.

MOTION WAS MADE BY COMMISSIONER DENNY DRAKE, SECONDED BY COMMISSIONER LELAND POLLOCK, TO APPROVE A-95 REVIEWS AS PER SUPPORTIVE STAFF RECOMMENDATIONS. MOTION CARRIED.

Commissioner Dale Brinkerhoff extended his compliments to Garfield County and Escalante City for efforts to honor their heritage through the activities and dedication of the Hole-in-the-Rock visitor center.

Meeting adjourned at 2:40 p.m.