MINUTES

STEERING COMMITTEE MEETING
November 13, 2013
St. George, Utah

MEMBERS IN ATTENDANCE	REPRESENTING
Commissioner Jim Matson, Chair	Kane County Commissioner Representative
Commissioner Mike Dalton	Beaver County Commissioner Representative
Mayor Nolan Davis	Beaver County Mayor Representative
Commissioner Clare Ramsay	Garfield County Commissioner Representative
Mayor Jerry Taylor	Garfield County Mayor Representative
Ken Platt	Garfield County Schools Representative
Commissioner Dale Brinkerhoff	Iron County Commissioner Representative
Shane Adams	Iron County Schools Representative
Commissioner Denny Drake	Washington Co. Commissioner Representative
Mayor Dan McGuire	Washington County Mayor Representative
Cal Durfey	Washington County Schools Representative
Frank Lojko	Dixie State University
Wes Curtis	Southern Utah University

OTHERS IN ATTENDANCE	
Jake Hardman	Governor's Office of Economic Development
William Swadley	Senator Hatch's Office
Gary Webster	Congressman Stewart's Office
Stephen Lisonbee	Department of Workforce Services
Rick Torgerson	Utah Department of Transportation
Dana Meier	Utah Department of Transportation
Bryan Thiriot	Five County Association of Governments
Scott Leavitt	Five County Association of Governments
Levi Roberts	Five County Association of Governments
Diane Lamoreaux	Five County Association of Governments

MEMBERS NOT IN ATTENDANCE	
Carolyn White, Excused	Beaver County Schools Representative
Mayor Connie Robinson, Excused	Iron County Mayor Representative
Mayor Nina Laycook, Vice-Chair	Kane County Mayor Representative
Wendy Allan	Kane County Schools Representative

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Commissioner Jim Matson, Chair, welcomed everyone in attendance and introductions were provided. Those asking to be excused include: Mayor Connie Robinson, Iron County Mayor Representative; and Ms. Carolyn White, Beaver County Schools Representative. Members new to the board include Mr. Cal Durfey, Washington County Schools Representative and Mayor Nolan Davis, Beaver County Mayors Representative.

I. MINUTES OCTOBER 9, 2013 - REVIEW AND APPROVE

Chairman Matson indicated that a quorum was present for conduct of business and presented minutes of the October 9, 2013 meeting for discussion and consideration of

approval.

MOTION WAS MADE BY MAYOR DAN MCGUIRE, SECONDED BY MR. KEN PLATT, TO APPROVE MINUTES OF THE OCTOBER 9, 2013 MEETING AS PRESENTED. MOTION CARRIED.

II. EXECUTIVE COMMITTEE ACTIONS - OCTOBER 17, 2013

Chairman Matson reported that the Executive Committee met on October 17, 2013 where they authorized six promotions and no merit increases. Ratification of this action is required of the Steering Committee.

MOTION WAS MADE BY COMMISSIONER CLARE RAMSAY, SECONDED BY COMMISSIONER DALE BRINKERHOFF, TO APPROVE EXECUTIVE COMMITTEE ACTIONS AS PRESENTED. MOTION CARRIED.

III. FY 2013 AUDIT REPORT

Mr. Chad Michaeli, Hafen, Buckner, Everett & Graff, provided copies of the FY 2013 Audit Report and reviewed highlights of interest with the committee. The audit is performed through field work and examination of a sampling from various programs provided at the Association of Governments. The easiest way to utilize the report is to reference the table of contents to locate specific information. The first page of the Independent Auditor's Report is included on page one and continues to pages two and three. He read the opinion contained on page 2 of the letter. The next section deals with Management's Discussion and Analysis of what is taking place during the year with the financial statements. This section also contains the history and background of the Five County AOG as well as financial highlights, an overview of the financial statements, and an explanation of various fund types.

Mr. Michaeli reviewed the Comparative Summary of Net Position included on page seven of the report. Several of the basic financial statements were reviewed in the next section including the following: **1) Statement of Net Position--** Outlines assets and total net position of the organization; **2) Statement of Activities--** Includes program revenues over expenses and the net position at the end of the fiscal year; **3) Balance Sheet - Governmental Funds--** This chart includes assets, liabilities and fund balances; **4) Reconcilation of the Balance Sheet of Governmental Funds to the Statement of Net Position--** Includes the capital assets and long-term liabilities, including accrued leave that are not due and payable in the current period and therefore reported as liabilities; **5) Combined Statement of Revenue, Expenditures and Change in Fund Balance--** Provides additional detail about revenues and sources of these funds; and **6) Reconciliation of the Statement of Revenues, Expenditures and Change in Fund Balances of Governmental Activities--** The chart outlines depreciation and accrued leave. The charts on pages 16-18 contain information for the Revolving Loan Fund, Down Payment Assistance Program and the Southern Utah Planning Authorities Council (SUPAC). Notes to the financial statements begin on page 19 to provide information and clarity regarding what has taken place in the financial statements. Page 30 of the audit report contains the combined statement of revenues, expenditures and change in fund balance, budget to actual, for general fund types. This depicts reconciled amounts

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compared to the budget that was passed prior to the beginning of the fiscal year. A combining balance sheet for all funds is contained on page 31. Pages 32 and 33 contain information for the fiduciary fund types for the Revolving Loan Fund, Down Payment Assistance and SUPAC. Beginning on page 35 information is provided for individual programs based on their own budget amounts. A summary of the audit results is presented on page 74. No material weaknesses over internal control, noncompliance or findings were identified. The letter contained on page 77-78 addresses legal compliance with the State of Utah and the audit opinion is covered on page 78.

Mr. Michaeli noted one area of concern relating to the Revolving Loan Fund that is operated by the Association of Governments. This deals with separation of duties to assure that one person does not have all of the control pertaining to this program. In two instances there were some minor discrepancies and AOG management has been notified of specific changes that need to be addressed. Mr. Scott Leavitt indicated that this will require minor adjustments that will be coordinated between himself and Mr. Gary Zabriskie.

MOTION WAS MADE BY COMMISSIONER DALE BRINKERHOFF, SECONDED BY COMMISSIONER CLARE RAMSAY, TO ACCEPT THE FY 2013 AUDIT REPORT AS PRESENTED. MOTION CARRIED.

Mr. Michaeli complimented management at the Association of Governments and acknowledged that staff members are very conscientious and knowledgeable. He noted that Hafen, Buckner, Everett & Graff is in the second year of a five year contract to conduct the annual audit. Chairman Matson asked that the report be provided at least two weeks in advance next year to allow review of the audit prior to the Steering Committee. He encouraged Steering Committee members to read the report.

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IV. COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG) - STATE POLICY COMMITTEE REPRESENTATION

Ms. Diane Lamoreaux referenced information on page 12 of the packet containing a description of the CDBG Policy Committee and recommendation for Mayor Jerry Taylor to serve an additional two year term on the committee. State CDBG staff is also requesting that the Steering Committee nominate an alternate member to serve in this capacity. Mayor Taylor is currently serving as the Chairman for this committee and is willing to continue in this capacity.

MOTION WAS MADE BY COMMISSIONER DENNY DRAKE, SECONDED BY MAYOR DAN MCGUIRE, TO NOMINATE MAYOR JERRY TAYLOR TO SERVE AN ADDITIONAL TWO YEAR TERM. MOTION CARRIED.

Commissioner Matson indicated that he would be willing to attend any meetings that Mayor Taylor is unable to attend, but he does not want to be formally designated as an alternate.

V. TITLE VI PLAN FOR FEDERAL TRANSIT PROGRAM

Mr. Levi Roberts, Community and Economic Development Planner, referenced page 13 of the packet containing information regarding the Title VI Plan for Federal Transit Programs. A link was provided in the packet for members to review the complete document. The Five

County Association of Governments is required to adopt this plan as part of the mobility management services provided through our agency. The Federal Transit Administration has established policy that requires all sub-recipients to adopt a Title VI plan. This assures that there is no discrimination as items go through a public process. This plan is patterned off the UDOT Title VI Plan. Adoption by the Steering Committee is required after which UDOT must approve the plan.

MOTION WAS MADE BY COMMISSIONER CLARE RAMSAY, SECONDED BY MAYOR JERRY TAYLOR, TO APPROVE THE TITLE VI PLAN FOR FEDERAL TRANSIT PROGRAMS AS PRESENTED. MOTION CARRIED.

VI. DISCUSSION REGARDING BYLAWS AND ARTICLES OF ASSOCIATION

Commissioner Jim Matson indicated that information was provided in the packet requesting that Steering Committee members review the highlighted portions of the Bylaws and Articles of Incorporation for discussion at today's meeting. Commissioner Matson and Bryan Thiriot are working to prepare an updated draft document for presentation to the Executive Committee after the first of next year. Committee members acknowledged that many things are not included in the documents, one of which is the Executive Committee, and a number of the standing committees are no longer functional. Chairman Matson asked members to provide any recommended changes to Bryan Thirort for incorporation into the revised documents.

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VII. STATE AGENCY UPDATES

A. GOVERNOR'S OFFICE

Mr. Jake Hardman, Governor's Office of Economic Development (GOED), reviewed reorganization of GOED when previous staff retired last year. He reported that a lot of programs and initiatives previously enacted were based on urban areas. However, many of the initiatives did not work well for rural Utah. Staff has been working with counties throughout the state to develop the top three priorities for rural counties. Priorities provided for the Five County Region include the following: **1) Beaver County--** Establish an economic development council and plan; **2) Garfield County--** Develop some type of feasibility for industrial park in Panguitch. Staff is in the process of developing a countywide and regional study as well; **3) Iron County--** The county is requesting the Governor's support for Southwest Applied Technology College building funding. This was to occur last year, but was pushed back for another year; **4) Kane County--** Better communication with GOED and EDC Utah. The county would like to have a better voice with state staff to promote county economic development efforts; and **5) Washington County--** Workforce development to provide a trained and qualified workforce.

Mr. Hardman presented information pertaining to the Fast Track Program which targets counties under 30,000 in population, requires a 50% match amount and can be used for buildings or equipment. Iron and Washington counties are not eligible to make application to this program. However, the program has been modified to include partially rural areas for cities even though they may be in close proximity to larger population centers. Kane and Garfield counties have a high percentage

employment in leisure and hospitality and both of these counties would be eligible to make application for these funds. He also provided information regarding tax credit to 501(c)3 non-profit organizations for economic development and enterprise zone requirements.

B. DEPARTMENT OF TRANSPORTATION

Mr. Rick Torgerson, the new Region Four Director for UDOT, introduced himself and indicated that UDOT will continue to move forward to accomplish initiatives that were reviewed last month by Monte Aldredge. UDOT will be working with the Southern Utah Bicycling Alliance Second Summit this Saturday. There are also some initiatives that are pertinent to educational courses that can be offered by the School Districts and reimbursed by UDOT. He would like to visit with school district representatives that may be interested in taking advantage of these initiatives. UDOT is continuing to partner with various agencies and/or companies throughout the region on broadband infrastructure and trading conduit for fiber optic lines. Fiber optic has been installed to the new St. George airport as part of the Southern Parkway road construction. This helps to provide larger broadband deployment zones in many of the counties. The major focus is on the I-15 corridor for fiber optic connection.

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Mr. Torgerson provided a UDOT project update as follows: **1) Exit 8 DDI Interchange--** Exit 8 will be closed to through traffic from Saturday to Tuesday to accommodate implementation of the Diverging Diamond Interchange. The new configuration will be operational on Tuesday, November 19th prior to the Black Friday shopping the day after Thanksgiving. Two phases of signals in this area will open up more mobility in this area; **2) Southern Parkway Phase 3A--** This phase will connect Washington City to the St. George Airport and it is scheduled to open the first part of December. Segment 4A by the Sand Hollow Golf Course will also be completed to open up connectivity to the airport from the east side of Washington County via the Washington Dam and Washington Fields roads. Segment 3B is still an unfunded portion other than some grading that will be accomplished. UDOT is still seeking additional funds to complete this project; **3) Interstate 15--** Truck lanes have been completed from the Toquerville/ Zion National Park exit to the top of the Black Ridge. Additional truck lanes are planned in 2015 for the Beaver Ridge, north and south bound lanes, as well as the Pine Creek area. The concrete pavement north of Beaver will be replaced with asphalt pavement this summer; **4) Rockville Bridge--** There has been a considerable amount of study to build a new bridge and leave the old bridge in place for pedestrian traffic. This is a historic bridge that should not be torn down; **5) I-15 at Leeds--** This project to straighten the curve is nearing completion; **6) Cedar South Interchange--** This interchange will be reconfigured to a Diverging Diamond Interchange (DDI). Construction is anticipated to begin next summer; **7) Interstate 15 Washington County--** UDOT has completed the environmental for the I-15 corridor from milepost 0-16 and will be moving forward with some improvements in the urban St. George area. Cable barrier will be installed on the Black Ridge mainly to protect workers from the Washington County Water Conservancy District.

Several Board members commented that the freeway between Summit and Parowan is very rough and needs to be fixed.

C. DEPARTMENT OF WORKFORCE SERVICES

Mr. Stephen Lisonbee, DWS, introduced his assistant Lisa Butler and provided a handout titled Utah Insights. This provides a lot of information on Utah's economic recovery. He noted that the top priority for DWS is job placement to help people obtain employment that will support their families. The DWS website contains a lot of labor market information that can assist with economic development and education to select the best fields to prepare a workforce. Success has resulted from the Utah Cluster Acceleration Program. Job growth monies were utilized to identify gaps to provide curriculum and instruction to meet the demand of industry with higher education partners. Dixie Applied Technology College submitted applications for three programs and the Southwest Applied Technology is in the final process of submitting their application.

Mr. Lisonbee reported success with the Bridge Program to stem job growth in the area. The program encourages businesses to hire new employees at jobs that are sustainable. Up front capital is provided to hire the new employees with the intent that the business commit to the positions for a one year period of time. The program has been extremely successful in Southwest Utah and many businesses have taken advantage of this opportunity. In just three to four months, over 300 jobs have been created in this area. This program has very specific requirements and the wages are paid based on the partner industry, not just a minimum wage.

DWS has provided labor exchange enhancements on their website. This information will be presented at the Utah Association of Counties meetings today. The Governor has also announced that Utah will be focusing on hiring veterans in state government. DWS has proposed this with the Governor to set an example for other businesses. There are currently 144 veterans in southwest and central Utah that are drawing unemployment compensation. Some have barriers to employment and may need vocational rehabilitation to find a fit in employment. This is a pro-active approach to a very real problem. There is also a lot of work being done in the jails and prison utilizing vocational rehabilitation, the LDS church employment center, etc. to reduce recidivism and to make finding employment a priority for these individuals.

Mr. Lisonbee also reported that DWS is striving to work with refugees in the state of Utah in helping them to become engaged and part of the community. Another hot topic is inter-generational poverty and how to break this cycle. A lot of work in this area will be required to get these people back into the workforce.

VIII. UNIVERSITIES

A. SOUTHERN UTAH UNIVERSITY

Mr. Wes Curtis provided a brief update on the selection of the new president and an announcement may be made prior to Thanksgiving. A new aviation program at SUU has created a lot of excitement on campus and in the community. A news story on KUTV features the program and opportunities that are available. Helicpoters are mainly being used for this program and there are 32 students enrolled this semester, of which a large number are veterans.

B. DIXIE STATE UNIVERSITY

Mr. Frank Lojko, Dixie State University, reported that donations have allowed for the installation of several tables and benches at various locations on campus to be used for study areas that have Wi-Fi connection. The Snow Math and Science building was recently completed. The Trio Program and Education Talent Search have moved to the Browning Resource Center. The Fine Arts Program has been growing and has also move into a new location that will provide room for expansion. Another project includes a clock tower that will have a clock and the ability to play music with light effects. Dixie State University has 13 new academic programs with minors. President Nadauld has announced his retirement and a search committee is currently being established to engage in the search for a new president. A new campaign titled "I am Dixie" will be airing on television spots as a new advertising approach. DSU is encouraging students to complete their degrees in four years and is also focusing on student retention.

IX. CONGRESSIONAL STAFF UPDATES

Mr. Bill Swadley, Senator Hatch's Office, reported that the Senator has co-sponsored legislation sponsored by Lamar Alexander to reimburse the state of Utah for funds provided for the national parks to open during the government shutdown. The bill has bipartisan support in the Senate. He also responded to carbon regulations proposed by the Environmental Protection Agency and the process of their visiting tour which bypassed most of the states that have larger coal production and/or consumption. A letter has been sent to EPA requesting that representatives revisit places that would be directly impacted by the proposed regulations. In addition, there is no shortage of discussion regarding the Affordable Care Act and the need for assurances regarding privacy protection and progress on the website usage. The Secretary of Health and Human Services, Kathleen Sebelius, has been asked to return to the Senate regularly to update the Finance Committee in this regard. A major concern right now is the number of people who have lost their insurance and addressing this issue.

Mr. Gary Webster, Congressman Stewart's Office, reported that the Affordable Health Care Act issues are at the forefront in the House as well. The Congressman is supportive of legislation that would provide access and return continuity to the Act. Legislation introduced in terms of funding to run the national parks was well thought out. Congressman Stewart's office is also following closely the EPA regulations and immigration proposals. Speaker Bonner has indicated that an immigration bill will not be discussed in the House this year. He also noted that Secretary Sally Jewel has indicated that national monument designations through the Antiquities Act may be announced in the near future. Congressman Stewart is concerned that this is on the table and would like to see the size and scope of these type of designations to be limited.

X. LOCAL AFFAIRS

A. CORRESPONDENCE

Chairman Matson referred to correspondence contained on pages 30 through 37 of the packet containing a copy of the letter to Governor Gary Herbert, the resolution outlining the impacts of the federal government shutdown, a letter from

the Dixie National Forest thanking the Association of Governments for their cooperating agency participation on the DNF Motorized Travel Plan; and correspondence from Angelita Bulletts, DNF Forest Supervisor, introducing Joseph Rechsteiner as the new Pine Valley District Ranger; and correspondence from the Bureau of Land Management providing a status update for the Grand Staircase-Escalante National Monument Livestock Grazing Monument Management Plan. The e-mail provides dates for public scoping meetings to be held in Kanab, Escalante and Salt Lake City in early December.

Chairman Matson expressed concern regarding the expiration of the cooperating agency participation of Five County AOG on the Dixie National Forest Motorized Travel Plan. There are many issues at the present time that need to be addressed as well as a possible need to re-open the travel plan. This is something that the Steering Committee should consider taking action to extend the agreement. Commissioners Mike Dalton and Dale Brinkerhoff expressed the need to keep this MOU active as well as to move away from a cooperating status into a coordination status and to extend the agreement between these two agencies. In this instance, the Association of Governments was the lead agency on behalf of the counties. Staff was instructed to move forward to extend the MOU and to work to secure a coordination status position.

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B. OUT-OF-STATE TRAVEL

One out-of-state travel is included on page 38-39 of the packet for Gary Zabriskie to travel to Denver, Colorado on, or about, November 20-22, 2013 to receive specialized Revolving Loan Fund technical assistance training by staff at the Denver Regional Office of the Economic Development Administration. Funding is in place to cover expenses associated with this travel.

MOTION WAS MADE BY MAYOR DAN MCGUIRE, SECONDED BY MR. CAL DURFEY, AUTHORIZING OUT-OF-STATE TRAVEL FOR GARY ZABRISKIE AS PRESENTED. MOTION CARRIED.

C. OTHER BUSINESS

Ms. Diane Lamoreaux referenced the annual meeting schedule contained on page 40 of the packet. This schedule is tentative and room reservations will be confirmed prior to the next Steering Committee meeting. A list of conferences and other meetings is provided at the bottom of the schedule outlining Utah Association of Counties and Utah League of Cities and Towns meetings that may conflict with the normal meeting schedule of the Steering Committee. Chairman Matson indicated that the January 2014 meeting may need to be moved to January 15, 2014 to accommodate discussion regarding the State of Utah Fire Plan update.

Mr. Bryan Thiriot announced the Association of Governments staff Christmas luncheon scheduled for December 5, 2013 in Cedar City. All members of the Steering Committee will be receiving invitations to attend this event at the Stone Haven Event Center, a new facility that will be opening in late November. Everyone is asked to wear their favorite Christmas sweater.

XI. AREAWIDE CLEARINGHOUSE REVIEWS

No A-95 reviews were received for consideration.

The next meeting is scheduled for Wednesday, January 8, 2014 in St. George at the Five County Association of Governments office at 1:00 p.m.

The meeting adjourned at 12:05 p.m.

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