

Economic Development Council

Executive Committee

Meeting Minutes

Thursday, February 4, 2021 • 9:00 AM • Zoom Virtual Meeting

Attendees	Present/Absent	Number of Absences for 2020
Rich Bowen, Chairman	Present	0
Paul Ramsey, Vice-Chairman	Present	0
Norman Perry, Chair-At-Large	Present	0
Paul Watson, Immediate Past Chair	Present	0
Art Babbott, Executive	Absent	1

Staff: Teri Drew, Regional Director
 Julia Sawyer, Executive Assistant

I. Call to Order, Welcome and Introductions

Chairman Rich Bowen called the meeting to order at 9:03 AM. A quorum was present.

II. Approval of Minutes – September 30, 2020

Chairman Bowen called for discussion and a **motion and second to approve the minutes from the September 30, 2020 minutes; so moved by Paul Watson and seconded by Paul Ramsey.** With no further discussion, Chairman Bowen called for a vote; **the motion carried unanimously.**

III. Chairman's Report

➤ **Election Committee Appointments**

Chairman Bowen turned this item over to Regional Director Teri Drew for comment. Ms. Drew announced that it is time to select an Elections Committee for the 2021 Officer elections for Chairman and Vice-Chairman. She noted that one member from each of the four counties is usually selected and appointed by the Chairman to serve on the Committee. The recommendations are as follows:

- Norman Perry, Yavapai County – to serve as Chairman of the Elections Committee
- Chris Pasterz, Coconino County
- Paul Ferris, Navajo County
- Alton Joe Shepherd, Apache County.

Ms. Drew noted that the Elections Committee would be appointed by the Executive Committee and would be presented to the EDC as appointed. Chairman Bowen thanked Ms. Drew and called for discussion. Paul Watson noted that these individuals would serve well as the Elections Committee, all agreed. Chairman Bowen asked Norman Perry if he would be willing to chair the Elections Committee, to which Mr. Perry agreed, noting it would be an honor to do so. Chairman Bowen called for a **motion to approve the appointment of the Elections Committee as noted; so moved by Paul Ramsey, seconded by Paul Watson. The motion carried unanimously.**

Chairman Bowen concluded his report and turned the meeting over to Ms. Drew for the Director's Report.

IV. Director's Report

Ms. Drew thanked everyone for agreeing to this meeting on short notice to have an important discussion.

➔ Broadband Proposal Discussion

Ms. Drew began by noting that, in every discussion or Town Hall Summit, broadband rises to the top of the discussion. She noted discussions that she has had with Chairman Bowen regarding the need to move broadband from discussion to planning and implementation.

Ms. Drew reported that she was approached by Paul Watson in November to sit in on a conversation and a presentation from Magellan Advisors following a request to help sponsor the Navajo County Strategic Plan. Ms. Drew noted that there was representation at the meeting from all four NACOG Counties, as well as the Arizona Commerce Authority (ACA). The conversation migrated to a regional discussion with the consensus of all parties on the call, with an emphasis on regional planning instead of stand-alone grants in order to give strength to the funding process. She spoke of previous discussions regarding the awarding of sub-grants throughout the NACOG counties/communities, which involved a great deal of time and monitoring compliance audits, as well as trying to determine a process to identify how much money to consider awarding and to whom. Several existing processes for planning are ongoing and could tie into a regional plan, including some ACA-funded sub-regional broadband projects.

Ms. Drew noted that she is recommending that NACOG absorb the cost of the Strategic Plan in lieu of the NACOG District Counties, cities and towns, allowing the members to use their own resources to implement the plan strategies at the local level. This would equal zero sub-grants or audits, or local level approvals, etc. and a much cleaner, faster process.

Ms. Drew invited three bids for a regional proposal, per the NACOG procurement process, which requires Executive Director Chris Fetzer's approval for projects over \$25,000. Two of the three responded; Magellan Advisors for \$130,000 and White Mountain Economic Development (WMED) for \$142,000. The third was an invitation to John Champagne of ATNI, who had brought a presentation regarding broadband in St. Johns in late 2020; Mr. Champagne did not respond to the request for a bid. Ms. Drew noted that approval from the funding source is also required, and she has received an informal letter from EDA allowing us to enter into a sub-contract for this plan out of the CARES Act funds the District has received.

Ms. Drew noted that Magellan Advisors will be presenting an introduction of their company today, not to pitch their proposal but to give an overview of their work. She reiterated that the decision regarding the proposals rests with Mr. Fetzer, however, if Chairman Bowen was so inclined, she would send out the bids to the Executive Committee for their review and recommendation. Ms. Drew paused for discussion.

Paul Ramsey asked if this process would be a feasibility study or implementation. Ms. Drew described it as a "turn-key" opportunity with actionable strategies for our communities. Ms. Drew discussed her prior experience with the State Digital

Arizona Council and one takeaway from that Council was a successful partnership with ADOT to trench for fiber cable in their road improvement projects.

Ms. Drew noted that the intention with the CARES Act funds was to benefit the District, and she believes this is a good investment of funds to best serve our communities in recovery strategies. She noted that both proposers have the capacity to apply for grants on behalf of the District, which is a plus.

Discussion followed regarding the communities managing the broadband locally as a new utility. Paul Watson noted the decision of Navajo County to contract with Magellan Advisors due to their capacity to manage and implement the project. He noted their willingness to work with other communities as well. Ms. Drew noted agreement by both proposers to work cooperatively with one another as well. She then asked Chairman Bowen if the Executive Committee would wish to be a part of the evaluation of the proposals. Chairman Bowen agreed for the Executive Committee only to review the proposals. Ms. Drew noted that there may be some conflict of interest on the EDC due to “competing” interests. More discussion followed regarding existing broadband projects within the region, and the regional strategic plan adding value rather than slowing the progress of these areas. The consensus was to allow the Executive Committee to review Ms. Drew’s recommendations and provide feedback. It was noted that the result of the plan will include recommendations on how to implement by area as well as how the region should prioritize. It will also be a document that our areas can use to pursue their own planning. Ms. Drew noted that the timelines range from 5-7 months to complete the plan, which allows ample time to then pursue funding and projects to implement the NACOG plan.

➔ **EDA Partnership**

Ms. Drew then began a discussion regarding the District’s relationships with EDA. She noted considerable issues with numbers of complaints and comments coming in from many of our communities as they are preparing to apply for District supported project funding that cast a negative impression of the District, generating many complaints. Ms. Drew noted that the opinion that being a part of EDA is losing support, as well as paying assessments to support a District with a lack of success or funding in 2020. She noted that she has heard that CARES Act funding is gone, and she has inquired about any Arizona investments, with no reply. Some complaints noted their outreach to EDA and, in some cases, they have reached out to public officials. Chairman Bowen reflected on his own experience with attempting to set up a meeting to have a conversation with the Arizona Economic Development Representative (EDR), Cynthia Ptak, to not avail. Discussion followed with expressions of concern for the State’s reduced chances in competing for EDA funding with the current Arizona EDR and her lack of experience with EDA and rural Arizona. Ms. Drew noted that a meeting is scheduled for next week with Ms. Ptak and she is expected to join the EDC as a guest today. Chairman Bowen suggested working with the legislative group, such as Senator Kelly and Congressman O’Halloran.

V. Member Comments

Chairman Bowen passed this Agenda Item for the sake of time.

VI. Public Comments

Chairman Bowen called for comments from the public, however, there was no public present.

VII. Adjournment

Chairman Bowen called for a **motion and second to adjourn; so moved by Norman Perry, seconded by Paul Ramsey/Watson. The meeting adjourned at 10:00 AM.**