



U.S. MAYOR

Nov 15 Deadline for Arts Award Applications Page 7

Nov 15 Deadline for Gardens/Green Spaces Grants . . Page 9

Mayoral Election Results Page 12

Smith Promotes Trade, Cooperation at Global Summit of Local Leaders

By Evangelina Garcia

Conference President Mesa Mayor Scott Smith was among 2,000 local leaders from around the world to speak at the Annual World Summit of Local and Regional Leaders held October 1-4 by United Cities and Local Governments (UCLG) in Rabat, Morocco. He served on a panel titled "Strengthening Solidarity Among Territories," where he discussed the importance for local

See MOROCCO on page 3



USCM President Mesa Mayor Scott Smith serves on panel at UCLG World Summit in Rabat (Morocco).

NEW DEADLINES, TOUGH SPENDING/TAX DECISIONS COMING UNDER BUDGET AGREEMENT See Story on Page 10

Mayors Tackle Water Mandates, Affordability and Cost-Containment

By Rich Anderson

Mayors Water Council (MWC) Co-Chairs Stephanie Rawlings-Blake, mayor of Baltimore, and Gregory A. Ballard, mayor of Indianapolis led two days of discussion October 9-10 on city water challenges in Alexandria (VA). Alexandria Mayor William Euille gave a host-city welcome to participants in the Mayors Water Summit. Several panels focused on innovative practices

See WATER MANDATES on page 4



Mayors Water Council Co-Chairs: Baltimore Mayor Stephanie Rawlings-Blake, left, with Indianapolis Mayor Greg Ballard.



**October 17, 2013
Washington (DC)**

As *U.S. Mayor* goes to press, we are experiencing the end of the 16-day shutdown of the federal government.

A big part of my job is to try to tell you what is happening in your capital city, Washington (DC), and my answer is that for the last 16 days nothing was happening, and some would argue that the situation is even worse than before the shutdown.

As the federal government reopens, President Obama has called for a budget to be agreed upon, the passage of immigration reform legislation, and a farm bill.

Speaker Boehner has called for his Republican members to get back to work. And there are assurances given by him there won't be another shutdown.

In contrast, the leader of the Tea Party, Texas Senator Ted Cruz, said the day the government was reopened that he will use his shutdown weapon again. In other words, it's still on the table due to the fact that so many House members follow, listen, and act with him.

Let us hope that all the partisan actions and feelings will go away like a vapor in thin air. Many believe the budget drama will continue because it's not a long-range deal. This is a short-term agreement that will take us to January 15. This deadline has a clock that started ticking today, and produces a political atmosphere that jeopardizes governance.

These political machinations where a small number of Members of Congress can impede the progress of our nation is most unfortunate.

Mr. Smith is coming to Washington next week – he's the mayor of Mesa and he's your President. Mayor Smith continues to point out to the national press that while Washington is sick and broken, cities are alive with our metro economic engines driving the nation forward.

While Washington staggers around from crisis to crisis, USA mayors are moving around here in the USA and in other nations bringing jobs and new businesses to our cities.

The recent poll, done with Chuck Todd of *The Daily Rundown*, shows that our nation, our people, are not divided on key issues that are most important to our cities. Todd and his partners are saying that Washington is divided but our nation, made up of metro areas, are united on key issues. There is a political center according to Todd, and that political center is where you, the mayors, live and work every day. You are compromisers. You are dealmakers. You have to deal with the left, the right – and the extreme right – to bring cohesion and find common ground to keep your cities thriving.

It's like the song "two different worlds – we live in two different worlds." Mayors can't sit things out, mayors must engage. They have no choice.

What has happened here is that a small number of members shut down the government all because they object to a national health insurance bill that was passed by both the House and the Senate, signed by the President, and since tested by the Supreme Court.

LEADERSHIP, LEADERSHIP, LEADERSHIP. We see it every day with our mayors. But Washington is devoid and bereft. And the question is, due to this shutdown and count-down mentality, the business of the federal government being a partner with our cities, large and small, seems to be on a far and distant shore.

America needs to thank the mayors of this nation who, since the meltdown of 2008 – through the political turbulence from 2008 to the shutdown of 2013 – have always been steadfast. They have gone about their business of working with the private sector to produce jobs and provide leadership and bring people together to make our metro economies strong. And it's the metro economic engines that will continue to drive the national economy. Our cities are strong. Thank you mayors for continuing to lead and for being there morning, noon, and night, 24-7 and working with your citizens to keep our nation strong.



U.S. MAYOR

**Publisher,
Editor-in-Chief
Tom Cochran**

ISSN 1049-2119

Managing Editor:
Ed Somers

Contributing Editors

David W. Burns
Debra DeHaney-Howard
David Gatton
Evangelina Garcia
Larry Jones
Kathryn Kretschmer-Weyland
Eugene Lowe
Kevin McCarty
Tom McClimon
Geri Powell
Judy Sheahan
Crystal Swann
Elena Temple-Webb
Laura DeKoven Waxman
Jim Welfley
Kathy Wiggins

Produced by Cicuye Studios
Proofreader: Kathy Wiggins

Advertising information:
<http://usmayors.org/usmayornewspaper>
advertise@usmayors.org

U.S. MAYOR (ISSN 1049-2119) is published semi-monthly except for August, September and December by The United States Conference of Mayors, 1620 I Street, NW, Washington, DC 20006-4005.

Tom Cochran, Executive Director.

Send address changes e-mail to:
usmayor@usmayors.org.

Subscription: <http://usmayors.org/usmayornewspaper/>

usmayors.org

CHANGE OF ADDRESS: Please e-mail address corrections to usmayor@usmayors.org. No telephone calls please.

MOROCCO

from page 1

governments to work with business leaders to spur economic development and about the importance of increasing trade between the U.S. and world cities.

Smith served on a panel with local leaders from seven regions around the world including: Association of Netherlands Municipalities President Almere (Netherlands) Mayor Annemarie Jorritsma, Catalonia (Spain) Government Vice-President Joana Oretaga i Alemany, World Bank Department of Finance and Economics Director Zouibuda Allaoua, and UN Habitat Deputy Director Aisa Kacyira Kirabo.

During the panel discussion, Smith focused his remarks on the importance of city leaders establishing public-private partnerships both with local companies and companies based overseas in order to spur economic development and local job growth. He emphasized that cities in the United States cannot rely on federal or state funding to support their day-to-day operations.

With nearly half a million residents, Mesa is the 38th largest city in the coun-



Left to right, USCM President Mesa Mayor Scott Smith; Joan Clos, Executive Director of the United Nations Human Settlements Programme, UN-HABITAT, and Under Secretary General of the United Nations; and USCM CEO and Executive Director Tom Cochran.

try and experiences many of the same challenges as other big American cities and other larger cities around the globe. That includes their facing the same challenges presented by the recent economic recession.

He said that during the recession, in Mesa they found creative ways to invest

in their future while dealing with their problems.

Smith said, "Among many things, we found a way to become America's unique college town by attracting five legacy private liberal arts universities, including the first Catholic university in Arizona, to establish campuses in our downtown. We also started construction on a three-mile extension of light rail through our downtown and we began commercial airline service at Phx-Mesa Gateway Airport, a former Air Force Base, and just celebrated our five millionth passenger. These public investments have attracted millions in new private investment, which forms the foundation for long-term economic growth and improves the quality of life in our community."

Smith also stated that Mesa is well on its way to expanding business opportunities globally, in order to increase trade and cooperation with other countries and to support the growth of local small businesses. He concluded by stating that conducting business and partnerships with other cities overseas has become much easier and quicker due to the use of 24-hour online networks.

While in Morocco, Smith also met with leaders from the Frente Nacional de Prefeitos (FNP – National Association



Left to right, USCM CEO and Executive Director Tom Cochran, USCM President Mesa Mayor Scott Smith, FNP President Porto Alegre (Brazil) Mayor Jose Fortunati, FNP VP for International Affairs Vitoria Mayor Luciano Rezende, FNP VP for Education Canoas Mayor Jairo Jorge, and FNP Secretary General Gilberto Perre at the UCLG Annual World Summit in Rabat (Morocco).

See MOROCCO on page 4

WATER MANDATES

from page 1

and policy areas including federal water mandates and community affordability.

Panelists presented information on innovative practices that are saving cities money. Steve Tarallo of Black & Veatch identified the areas of energy optimization, modification of fleet fuel consumption, integration of solar power, the growth of cogeneration, and energy recovery from wastewater biosolids as examples. Tarallo stated there are “significant opportunities existing to reduce energy consumption and recovery energy.” Bobbi Harris of Sensus provided information about the energy used to treat and convey water, indicating that her work with the mayor and city of Olathe (KS) has resulted in the installation of 35,000 household smart meters that has become the key tool in conserving water and reducing energy use. Dr. Mark Slavens of Scotts Miracle-Gro presented information on how his company’s products protect water quality. He stated that Scotts considers residential lawns as green infrastructure to buffer impervious surfaces and improve water quality by reducing stormwater runoff and soil erosion (sediment). By retaining wet weather, a healthy green space reduces nutrient losses and increases groundwater recharge. Scotts developed a phosphorous free lawn product for commercial use that addresses nutrient contamination of water bodies such as the Chesapeake Bay.



Left to right, Trenton Mayor Tony Mack, Lake Barrington (IL) Mayor Kevin Richardson, Village of Hempstead Mayor Wayne Hall, Maui Mayor Alan Arakawa, Racine Mayor John Dickert, Hallandale Beach Mayor Joy Cooper, Indianapolis Mayor Greg Ballard, Baltimore Mayor Stephanie Rawlings-Blake, and Urbana Mayor Laurel Prussing.

Water Mandates and Community Affordability

Rawlings-Blake reported a planned meeting with EPA officials to review a list of additional community affordability considerations was postponed due to the federal government shutdown. She indicated that the integrated planning policy that provides a framework for taking a holistic view of community water needs can help to establish time frames to meet water mandates and the need for water infrastructure investments to match what citizens can afford to do.

Rawlings-Blake stated that Baltimore submitted an integrated plan to comply with clean water mandates and reinvest in the city’s water systems in January of 2013 (nearly nine months before the gov-

ernment shutdown), but EPA has not yet responded to the submittal. The mayor suggested that integrated planning will only work if EPA takes steps to follow through.

Conference of Mayors Assistant Executive Director Judy Sheahan reported that a meeting was held with Conference of Mayors President Mesa Mayor Scott Smith and newly confirmed EPA Administrator Gina McCarthy in September. Smith reinforced the importance of achieving a more flexible approach under the integrated planning policy. He also emphasized the need for EPA officials in Washington to take stronger steps to coordinate regulatory flexibility with

See WATER MANDATES on page 5

MOROCCO

from page 3

of Mayors) including their FNP President Porto Alegre Mayor Jose Fortunati, FNP VP for International Relations Vitoria Mayor Luciano Rezende, and FNP VP for Education Canoas Mayor Jairo Jorge to discuss a plan to take a delegation of U.S. mayors to Brazil in 2014.

Smith and Conference of Mayors CEO and Executive Director Tom Cochran met with Joan Clos, Executive Director of the United Nations Human Settlements Programme, UN-HABITAT, and Under Secretary General of the United Nations, to learn about the upcoming Habitat III Summit. Clos also served as mayor of Barcelona (Spain) from 1997 to 2006.

United Cities and Local Governments

(UCLG), headquartered in Barcelona, is the world’s largest organization that represents and defends the interests of local governments on the world stage, regardless of the size of the communities they serve. More information is available online at <http://www.uclg.org/en/organisation/about#sthash.vp5SuxGo.dpuf>

WATER MANDATES

from page 4

the Agency's regional offices. McCarthy agreed that a meeting between the Regional Administrators and the Conference of Mayors would be scheduled some time after the federal government shut down ends.

Water Legislation Reviewed

Water Resources and Environment Subcommittee of the House Transportation and Infrastructure Committee Counsel Jonathan Pawlow addressed the mayors concerning the Water Resources Development Act (WRDA) reauthorization legislation. He stated that the Senate has passed its version of WRDA, and the House Subcommittee passed a version of WRDA, unanimously, out of Committee and is waiting for House floor action.

Pawlow stated that a new WRDA authorization could break a logjam of water related projects pending at the U.S. Army Corps of Engineers (USACE). The House version of WRDA seeks to avoid ceding all control over projects to the Administration, and would give Congress greater oversight of Corps project decisions. This, he stated, is a way to address the decline in project advance-

ment since Congress halted earmarks several years ago.

Pawlow also pointed out that the Subcommittee is very interested how the EPA's integrated planning and permitting policy is unfolding. The Subcommittee held two hearings on this subject, and Pawlow emphasized that federal budget concerns suggest that grant programs to help cities with water mandates is an unlikely solution given the current state of the national economy. Members of his Subcommittee are concerned about the local costs to comply with the Clean Water Act and the diminishing level of financial resources available for that purpose.

Susan Bodine with the law firm Barnes & Thornburg provided a review of the Water Quality Improvement Act of 2013, a legislative proposal initiated by a host of Ohio mayors including Lima Mayor David Berger and Akron Mayor Donald A. Plusquellic, and is based on policy adopted by the Conference of Mayors. The legislation is under development in response to concern that EPA may not be able to provide adequate flexibility for



Photo by Judy Sheahan/USCM

At left, Susan Bodine of Barnes & Thornburg with House Committee on Transportation and Infrastructure Subcommittee on Water Resources and the Environment Counsel Jonathan Pawlow.

communities facing the high cost of compliance with clean water mandates. The legislation is designed to ensure that communities can afford to meet those mandates through integrated planning models that can be used to identify priorities. It is also designed to restore the intergovernmental partnership that existed when federal grants were available and EPA would collaborate with local government to achieve clean water goals.

Water Partnership Models Morphing to Meet Local Needs

By Rich Anderson

Experts addressed recent developments in water partnerships and alternative service delivery on a panel at the Mayors Water Summit held in Alexandria (VA) on October 9. There is growing interest at the local government level to explore new arrangements to provide essential water and wastewater services that contain or lower costs. The recent series of new partnerships address cost issues in several ways, including substantial concession fees

and/or transforming system management to eliminate system slack and employ new methods to contain cost.

Bayonne (NJ)

Bayonne Mayor Mark Smith remarked that Bayonne is experiencing the same thing that every other city is contending with: citizens are demanding more services, the water and wastewater departments are facing increased and costly regulations, and there are fewer resources available to address these issues.

Additionally, the water system is served by a 92 year old aqueduct, the many miles of pipes are invisible to the public and costly to maintain, and the city has an aging workforce. United Water Vice President Bill Ames, one of two partners in the Bayonne project, remarked that the mayor directed his staff to think outside the box to come up with a business model to address existing debt, new financing, cost containment and modernize the Bay-

See PARTNERSHIPS on page 6

PARTNERSHIPS

from page 5

onne Municipal Utilities Authority (BMUA) water and wastewater systems.

The innovative model adopted addresses all of the mayor's concerns through a unique joint venture between United Water and Kohlberg Kravis Roberts (KKR), a leading global investment firm. The partnership allows KKR to acquire a 40-year water and wastewater concession from the BMUA. Under the agreement, the joint venture has made an initial payment to the BMUA of \$150 million, which will be used to eliminate the BMUA's existing debt and improve its finances. The joint venture has further committed to funding another \$157 million into the system over the life of the contract. KKR, which made the investment through its infrastructure fund, will fund 90 percent of the joint venture with United Water.

The BMUA maintains ownership of the water and wastewater system and will provide oversight of the partnership and its adherence to high quality standards and customer service performance. In addition, the BMUA will maintain control of rates charged to users, which will be guided by a formula in the agreement. United Water will operate the system for the 40-year term under an operations and maintenance agreement with the joint venture.

United Water states that, "This investment in Bayonne's infrastructure will lead to improved service reliability and water quality while maintaining rate stability. The funds will be used to upgrade water systems and to help ease pressure on municipal balance sheets, freeing the city to invest in other services. The initial capital investment will provide for the addition of highly accurate wireless water metering and other monitoring systems, such as geographic information systems (GIS), and computerized dashboard controls and asset management efficiencies, which help reduce water loss from leakage, prioritize pipe replacement and improve operational efficiency."

Pittsburgh Water and Sewer Authority

James Good, a senior official of Veolia Water North America, reported on what he termed a peer performance solution model for Pittsburgh Water and Sewer Authority (PWSA). Good, on loan to PWSA as Interim Executive Director, is directing an effort designed to bring near-term operational improvements using industry best practices to contain or reduce costs, and more mid-to long-term support to incentivize and transform the management culture, an area that is often resistant to change.

Good stated that Veolia's arrangement with PWSA does not include outsourcing of the assets, management or employees, thus avoiding even resistance to private sector involvement with public water systems. Instead, this model is more along the lines of a series of strategic performance contracts. Veolia is able to bring world-wide expertise to bear, and the savings is divided between PWSA and Veolia. The Authority keeps asset ownership and control over rate setting. This is, according to Good, the best mix of private sector operations and consulting support without the often damaging debate over privatization.

The arrangement has achieved immediate improvements in customer service. For example, customer call wait times have been reduced by 77 percent at no additional operating cost. Additionally, customer call abandonment rates have declined 62 percent. Operational improvements with in treating water and reducing backwash has achieved over \$900 in savings in 12 months. Another \$1.1 million in revenue enhancement was achieved by winning back a single large volume industrial customer and by implementing fire line charges exacted in 2006 but were never collected. Together these improvements totaled \$2.4 million in the first year. Good estimates that \$4.9 million in savings will be achieved in the



Photo by Judy Sheehan/USCM

At left, Hawkins, Delafield & Wood Partner Eric Petersen with Bayonne (NJ) Mayor Mark Smith.

first 18 months; and that represents ten percent of overall system operating costs.

P3 for New Water Infrastructure

Eric Petersen, a Partner in the law firm Hawkins, Delafield & Wood, and a long standing advisor to municipal government and the Mayors Water Council, provided an overview of several recent partnership projects that depart from the traditional municipal water infrastructure development model known as design-bid-build (DBB). He stated that after four decades of municipalities engaging in the traditional DBB approach the drawbacks have become well recognized. For example, the bidding process relies too heavily on price, and the model forces designers and builders to work together but in consecutive order. This has led to longer delivery times, usually higher than bid cost by way of change orders, and impaired collaboration between designers and builders that is dispute prone, which often leads to litigation.

Petersen said that his experience working with cities on partnerships has broadened as cities are more willing to consider: design-build (DB) with a single entity responsible for both project phases; design-build-finance (DBF), where the private partner assumes some or all of the

See PARTNERSHIPS on page 7

PARTNERSHIPS

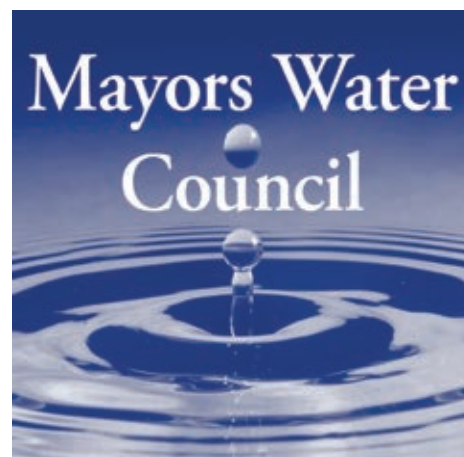
from page 6

financing responsibility; design-build-operate (DBO), where the responsible party also operates the system under a service agreement; and, design-build-finance-operate (DBFO), where a single party assumes the entire responsibility for infrastructure development and operation (a true P3 model).

Each of these alternatives, according to Petersen, comes with several public benefits not attainable through traditional DBB models. He listed those benefits as follows: bidders can be prequalified through a pre-bid review process; there is one point of responsibility for all phases of the project – the contracting entity: this

one point of responsibility tends to shorten project delivery time, increases collaboration and cuts overall capital costs (sometimes considerably); allows for competition on non-price factors, minimizes change orders and promotes innovation.

Petersen listed a number of successful projects in the last few years. The drinking water system projects he identified include: Santa Fe, Seattle, San Diego, Phoenix, Tampa Bay, and San Juan Capistrano. Other successful P3 projects identified dealt with wastewater systems looking for savings and efficiencies in complying with mandates and providing services: Pima County (AZ), Fulton County (GA), Cranston (RI), Holyoke (MA), Santa Paula (CA), Sacramento, Rialto, and Bayonne.



APPLY NOW 2014 Public Leadership in the Arts Awards



The United States Conference of Mayors and Americans for the Arts are seeking nominations for the 2014 Public Leadership in the Arts Awards for local leadership. These awards are given annually in recognition of a mayor whose vision, leadership, and role in the advancement of the arts and arts education within his or her community provided heightened visibility to the value of the arts.

In response to a high number of nominations in the past, two mayoral awards will be presented. One award will honor a mayor of a city with a population under 100,000 and the other will honor a mayor of a city with

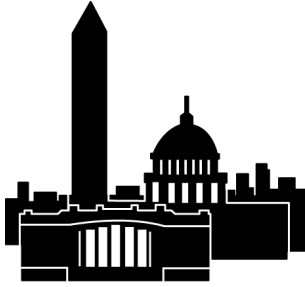
a population over 100,000.

The United States Conference of Mayors and Americans for the Arts will formally present next year's recipients at The United States Conference of Mayors 82nd Winter Meeting in Washington (DC). Recent award recipients include: Santa Fe Mayor David Coss (2013), New Orleans Mayor Mitch Landrieu (2013), Burnsville Mayor Elizabeth Kautz (2012); Pembroke Pines Mayor Frank Ortis (2012); Philadelphia Mayor Michael A. Nutter (2011); Carmel Mayor James Brainard (2011); Honolulu Mayor Mufi Hannemann (2010); Seattle Mayor Greg Nickels (2009); and Las Vegas Mayor Oscar

Goodman (2008).

The deadline to submit a nomination for these awards is Friday, November 15.

For more information or to submit a nomination for the 2014 Public Leadership in the Arts Awards, visit the website: http://www.artsusa.org/news/annual_awards/public_leadership_nominate.asp or send an e-mail to Jocelyn Bogen at The United States Conference of Mayors at jbogen@usmayors.org or Jay Dick at Americans for the Arts at jay@artsusa.org.



By Laura DeKoven Waxman

Led by Leader Nancy Pelosi, House Democrats announced the introduction of bipartisan comprehensive immigration reform legislation in an October 2 Capitol Hill press conference. The bill incorporates most of the provisions in the Senate bill, which passed June 27 with significant bipartisan support. "Every piece of this legislation has had bipartisan support. And that is important to us. We want bipartisan support," Pelosi said.

Conference of Mayors President Mesa Mayor Scott Smith applauded passage of the Senate bill when it occurred and urged the House to "follow the Senate's strong lead and adopt comprehensive, bipartisan immigration reform legislation this year." Conference of Mayors policy calls for further strengthening border security, creating an effective employer verification system, reforming the legal immigration system, and allowing the 11 million people residing in the country illegally to get right with the law and earn a pathway to citizenship.

House Democrats Introduce Bipartisan Comprehensive Immigration Reform Bill

Thus far, the House Republican approach to immigration reform has been to consider separate bills that deal with components of the immigration system, and not a comprehensive measure. The House Judiciary and Homeland Security Committees have reported out five bills, and are working on several others. A bipartisan "Gang of 8" House members has been working on a comprehensive bill but it has not yet been introduced.

"We waited for the 'Gang of 8' to be accepted," Pelosi explained. "We graciously deferred to the Speaker as to the timing, as to the method, whether it was one [or] two bills at a time, singly, jointly, whatever it is comprehensive, and we're prepared to do whatever it takes to go to conference with a good bill that stops the deportations and [provides] a path to citizenship. So, the timing really, really relates to what hasn't happened. And now, we want to rally around comprehensive immigration reform. We think this is the best vehicle."

Among those joining Pelosi in the press conference were Democratic Whip Steny Hoyer (MD), Democratic Caucus Chairman Xavier Becerra (CA), Democratic Vice Chairman Joe Crowley (NY), and

the bill's original co-sponsors – Representatives Joe Garcia (FL), Suzan DelBene (WA), Jared Polis (CO), Steven Horsford (NV), and Judy Chu (CA).

Among the bill's provisions:

Border Security

The bill would establish security goals that must be achieved within five years, including "operational control" (90 percent illegal border crossing effectiveness rate) of high traffic areas and of the southwest border. It would provide for hiring 3,500 additional Customs and Border Patrol officers and require the submission of a plan to implement an entry-exit system.

It is this portion of the bill that differs most from the Senate-passed bill. The Senate bill would require that "triggers," or goals be met, before the bill's legalization plan could be implemented, and provide for significantly more new border control agents and spending for border fencing and equipment.

Immigrant Visas

The bill would create a Registered Provisional Immigrant program for undocumented immigrants that would allow them to apply for citizenship in 13 years, after paying taxes and penalties, passing criminal and security background checks, and maintaining employment. Shorter paths to citizenship would be provided for DREAMers (undocumented young people brought to the U.S. as children) and for agricultural workers, with similar fees and security checks. In addition, it would provide sufficient visas to erase the current backlog of family and employment-based visa applicants in the next seven years, ensuring that no undocumented immigrant obtains permanent resident status before others in line. It also would increase the number of immigrant

Conference of Mayors President Mesa Mayor Scott Smith applauded passage of the Senate bill when it occurred and urged the House to "follow the Senate's strong lead and adopt comprehensive, bipartisan immigration reform legislation this year."

See IMMIGRATION on page 9

IMMIGRATION

from page 8

visas and those for highly skilled workers in technical fields; create a new merit-based system that is based on points accrued through education, employment, and family ties; and change some family-based immigration programs; and create a "W" visa for agricultural workers intended to be easier for U.S. employers to use and provide protections for both immigrant and U.S. workers.

Nonimmigrant Visas

The bill would reform the nonimmigrant visa programs for skilled workers and create new programs for less-skilled workers, investors, and visitors. The visa cap on the H-1B skilled-worker program is raised while worker wages and job protections are increased. A new "W" nonimmigrant visa for non-agricultural less-skilled workers would be created that is intended to be easier for employers to use and provide worker protections. A new nonimmigrant investor visa and an immigrant investor visa are also created to encourage foreign investment.

Interior Enforcement

The bill would provide for a phased in E-Verify employment eligibility verification program that would be mandatory for all employers in five years. Employers that hire unauthorized immigrants would be subject to increased fines and criminal penalties. The bill also would address important refugee and asylum issues, enhance due-process protections in the immigration courts, increase the oversight of detention facilities, and toughen penalties for gang-related convictions and other criminal offenses, such as drunk driving.

Accepting Applications: Mayors Compete for Multi-Year Grants to Create New, Expand Existing Garden, Green Spaces

By Crystal Swann

The United States Conference of Mayors and The ScottsMiracle-Gro Company's GRO1000 Gardens and Green Spaces Program are proud to once again promote and recognize mayoral leadership in the development of greenscapes across the nation.

The program is made possible by the support of ScottsMiracle-Gro, the world's largest marketer of branded consumer lawn and garden products. Its strong commitment to garden and green space development in cities is demonstrated by its support of the GRO1000 Gardens and Green Spaces Grant Awards Program. Last January, Sacramento Mayor Kevin Johnson, Fort Worth Mayor Betsy Price, Tuscaloosa Mayor Walter Maddox, Cincinnati Mayor Mark Mallory, and Bridgeport Mayor Bill Finch were awarded grants

in the 2013 GRO1000 Gardens and Green Spaces Grant Awards Program during The U.S. Conference of Mayors' 80th Winter Meeting in Washington (DC).

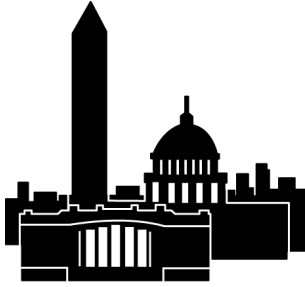
Effective 2014, GRO1000 grants will be expanded to award a total of \$40,000 in monetary funds and product, payable over three years. In Year 1, each winning city will receive a grant in the amount of \$25,000 (\$15,000 cash; \$10,000 in-kind product from ScottsMiracle-Gro). For Years 2 and 3, winning cities will receive a grant award of \$7,500 (\$5,000 cash; \$2,500 in-kind product from ScottsMiracle-Gro).

GRO1000 Garden and Green Space Awards Program application guidelines and application link can be found online at: www.usmayors.org/gro1000.

The 2014 awards promote and

recognize mayoral leadership in the development of green spaces across the nation, and will be presented at the 81st Winter Meeting in January 22-24, 2014, in Washington (DC). Local dedication events will be held from March through June 2014. GRO1000 will establish 1,000 community gardens and green spaces in the U.S., Canada and Europe by 2018. The program is designed to help communities and the residents experience the benefits of community gardening and green spaces and support local hunger needs.

Applications are due Friday, November 15, and consist of a brief description, responses to a series of questions, and a statement of support from the mayor. Finalists will be notified by December 7. All mayors are eligible to apply. For more information, contact Crystal Swann at cswann@usmayors.org or 202-861-6707.



New Deadlines, Tough Spending/Tax Decisions Coming Under Budget Agreement

By Ed Somers and David Gatton

After 16 days of a government shut-down, a bi-partisan agreement worked out by the Senate leadership was approved on October 16 to both reopen the federal government and extend the U.S. debt ceiling.

The U.S. Conference of Mayors sent a letter to the entire Congress urging passage of the agreement, and Conference of Mayors President Mesa Mayor Scott Smith issued a statement saying, "The nation's mayors today are grateful that the U.S. Congress appears to have finally reached a deal to open the federal government and move our national economy forward (see full statement below)."

Under the agreement, which passed the Senate by a vote of 81-18 and the House by a vote of 285-144, there are three key deadlines for future action:

- 1) December 13: This is the deadline that a House/Senate budget conference committee has been given to work out a new FY 2014 spending agreement, which would then have to be presented to the entire House and Senate for action.
- 2) January 15: This is the date that the new continuing funding resolution would expire.
- 3) February 7: This is the date the debt ceiling suspension would expire.

On the day after the agreement passed, the four leaders of the budget conference committee met to begin discussions on a possible longer-term budget agreement. The key leaders are Senate Budget Committee Chair Patty Murray (D-WA), Senate Budget Committee Ranking Member Jeff Sessions (R-AL),

House Budget Committee Chair Paul Ryan (R-WI), and House Budget Committee Ranking Member Chris Van Hollen (D-MD).

In addition, House members of the conference committee include Representatives Tom Cole (R-OK), Tom Price (R-GA), Diane Black (R-TN), Nita Lowey (D-NY), and James Clyburn (D-SC).

From the Senate, the entire Budget Committee has been appointed to the conference committee, so in addition to Senators Murray and Sessions, other members will be Senators Ron Wyden (D-OR), Bill Nelson (D-FL), Debbie Stabenow (D-MI), Sheldon Whitehouse (D-RI), Mark Warner (D-VA), Jeff Merkley (D-OR), Chris Coons (D-DE), Tammy Baldwin (D-WI), Tim Kaine (D-VA), Bernie Sanders (I-VT), Angus King (I-ME), Chuck Grassley (R-IA), Mike Enzi (R-WY), Mike Crapo (R-ID), Lindsey Graham (R-SC), Pat Toomey (R-PA), Ron Johnson (R-WI), Kelly Ayotte (R-NH) and Roger Wicker (R-MS).

With the Senate-passed budget nearly \$90 billion larger than the House-passed budget, much movement will be needed to reach an agreement on a FY 2014 funding bill.

Much is at stake for cities in this process - in addition to the scheduled second round of sequestration, which would take place on January 15, 2014.

The House budget could result in much lower funding levels for key domestic priorities. For example, as a result of lower budget caps, the House voted to cut CDBG by almost half for FY 2014.

And the Senate budget calls for new revenues from the closing of "tax loopholes," including language suggesting a possible cap on tax-exempt bonds as proposed by the Administration.

While any specific budget conference committee recommendations related to taxes would be non-binding - it would be up to the House Ways and Means and Senate Finance Committees to act on revenue changes - language calling for changes to tax-exempt bonds could set Congress on a very dangerous course for cities and critical infrastructure investment priorities.

Due to the federal government shut-down, IHS Global Insight, which partners with the Conference in its Metro Economy series, revised downward its 4th quarter projected growth in Gross Domestic Product from 2.2% to 1.6%, a reduction of 0.6% in economic growth. IHS also predicted that the federal government likely avoided a credit downgrade for now, but cautioned that a similar "debt ceiling showdown in January could be the straw that breaks the camel's back."

Smith Issues Statement on Congressional Deal: "Washington Finally Decided to Get Things Done for the Good of the Whole"

U.S. Conference of Mayors President Mesa Mayor Scott Smith issued the following statement on the deal recently reached in Congress:

"The nation's mayors today are grateful that the U.S. Congress appears to have finally reached a deal to open the federal government and move our national economy forward.

"The American people, the majority of which who live in cities, have been held hostage long enough to the partisan bick-

See BUDGET on page 11

RETIREMENT PROGRAM

FIDUCIARY CORNER WITH MARYILYN COLLISTER

Q. The last edition of Fiduciary Corner discussed the fiduciary duties necessary to keep our 457(b) plan compliant with the Internal Revenue Code and how to prepare for an Internal Revenue Service (IRS) audit. What guidelines does the IRS use when conducting a plan audit and what is the process?

A. A number of events can prompt an IRS audit. The agency may find information about the plan on the internet or receive a participant complaint, or a tip from another agency. It is also possible that your plan will just win the "audit lottery." Once selected for audit, the auditor's primary purpose pursuant to the IRS Examination Guidelines is to ensure your plan satisfies the 457(b) regulations in both form and operation. To satisfy the "form" test, you must have a written plan document that includes all material terms and conditions for benefits under plan. Additionally, all optional features offered to participants must be in the plan document. Optional provisions include, among others, special 457(b) catch-up, age 50 catch-up, unforesee-

able emergency distributions, loans, rollovers into the plan, and de minimis distributions. To satisfy the "operation" test, you must administer the plan in accordance with your plan document.

The auditor will begin the audit process by determining the scope of the examination. Typically, the auditor identifies three specific issues and sends you, the plan sponsor, a letter with a request for a copy of the written plan and trust documents and other types of records to be examined. Prior to the initial interview, the auditor will become familiar with the specific plan and trust provisions and know how you should be administering your plan's terms.

The initial interview is held at the employer's place of business and serves as a forum to gather information. The auditor will have a detailed list of questions and will want to speak with persons familiar with your organization, the types of defined contribution plans you maintain, and the day-to-day operation of the plan. He or she will evaluate your internal controls and based upon that assessment,

the auditor will determine the sample size of the data to be examined and set the parameters for the depth of the review.

During the examination, the auditor will determine whether your entity is eligible to sponsor a governmental plan, whether the trust agreement is properly drafted and signed, confirm that each eligible employee is allowed to participate based upon plan participation requirements, and obtain a sampling of documents for each specific issue to be audited. It is important that you be as prepared as the auditor. Review your plan document carefully and ensure that you are administering the plan provisions accurately. Take great care in selecting the persons to speak to the auditor, and in providing the requested documents.

Upcoming issues of Fiduciary Corner will provide details on the top IRS governmental 457(b) plan audit issues.

If you have any questions for Marilyn, or any questions about the Conference of Mayors Retirement Program, contact 202-302-6944 or send e-mail to fiduciary@usmayors.org.

BUDGET

from page 10

ering that has, unfortunately, become the norm in Washington.

"While mayors are doing their best to keep cities afloat, it is not fair to hard-working families who have been struggling to keep their households above water that federal lawmakers under-

mined those efforts because they could not reach a compromise.

"Mayors are pragmatic doers who believe in rolling up our sleeves, finding common ground on even the most difficult of issues and getting things done for the good of the whole. We are relieved that Washington has decided to do the same and we urge final passage of this bipartisan agreement in both the House and the Senate."



ABOUT THE MAYOR



Several incumbent mayors were reelected in October mayoral elections. Albuquerque reelected incumbent Mayor **Richard Berry** with 68 percent of the vote. Mayor Berry is the first mayoral candidate in the city's history to receive more than 50 percent of the vote in the first round, preventing a November runoff.

Key West voters reelected incumbent Mayor **Craig Cates** to a third term with 54 percent of the vote.

In another decisive vote, Raleigh Mayor Nancy McFarlane was reelected for a second term with 70 percent of the vote in Raleigh's October 8 election.

There was a high turnout of voters in the October 15 Macon mayoral election between Mayor **Robert Reichert** and former Mayor C. Jack Ellis. Reichert won with 63 percent of the vote and will serve a three-year term as mayor of the new Macon-Bibb County consolidated government.

In a special October 16 election to fill the seat of the late Senator Frank Lautenberg, Newark Mayor **Cory Booker** prevailed with 55 percent of the vote. Booker will become the second African American in the Senate.



Albuquerque Mayor Richard Berry



Key West Mayor Craig Cates



Raleigh Mayor Nancy McFarlane



Macon Mayor Robert Reichert



Newark Mayor Cory Booker

Calendar of Events

(Updated 10/15/13)



2014

January 22-24

82nd Conference of Mayors Winter Meeting, Washington (DC). Contact: Carol Edwards cedwards@usmayors.org / 202-293-7330. Sponsorship: Geri Powell gpowell@usmayors.org / 202-861-6774. Registration Now Open

April 25-27

Tourism, Arts, Parks, Entertainment and Sports (TAPES) Committee Meeting, New Orleans. Contact: Jocelyn Bogen jbogen@usmayors.org / 202-861-6727. Registration Available Winter 2014

June 20-23

82nd Annual Conference of Mayors, Dallas. Contact: Carol Edwards cedwards@usmayors.org / 202-293-7330. Sponsorship: Geri Powell gpowell@usmayors.org / 202-861-6774. Registration Available Spring 2014



For updates or changes, check our web site at usmayors.org

To see a full list of upcoming mayoral elections in cities across America, go to
usmayors.org



MAKE PLANS NOW to attend the **82nd Winter Meeting of The United States Conference of Mayors**

Washington (DC) • January 22-24, 2014



**Registration Open at
usmayors.org**



Sometimes Innovation of a Public Health Program Lies Not Only in Its Premise, But in Its Execution

By Las Cruces (NM) Mayor Ken D. Miyagishima

Statewide, more than one third (36.8 percent) of New Mexico's third-graders are overweight or obese – but that statistic, while clearly in and of itself a cause for concern, doesn't tell the fully story.

That's why when I was elected, I made children's health in general, and childhood obesity prevention in particular, one of my top public health priorities. And I, in short order presented with an opportunity to take action – shortly after my election, I was approached by and met with officials from the New Mexico Department of Health, to discuss the childhood obesity problem and to work collaboratively to develop strategies to reverse the trend. It was from those con-

versations that the "Mayor's 5-2-1-0 Fitness and Nutrition Challenge" was born. The Challenge has been, from its outset, based on the best available science – the length of the program, 21 days, was chosen because research has shown that this is the average length of time it takes an individual to change a particular bad habit and replace it with a good one, which is the overall goal of the Challenge. And third grade children were chosen as the primary target demographic for the program because, I and my health officials believed, they're old enough to comprehend the nature of the "challenge," while still young enough to make lifestyle changes more easily than older children. In mid-2008, we presented our program to the Las Cruces Public School System (I felt that the program would be most eas-



Las Cruces (NM) Mayor Ken D. Miyagishima

ily delivered in the school setting, where they'd have a captive audience, so to speak), and received approval to implement the program at each of the public elementary schools.

What sets the Las Cruces program apart from the rest is its execution. The specific elements of the "Mayor's 5-2-1-0 Fitness and Nutrition Challenge" are as simple as they are effective. During the school year, I travelled to each elementary school within the Las Cruces Public School System, and made a presentation to the school's third grade students. I first have a photo taken of with each third grade class. I then tell the students that each of them will be receiving an auto-graphed copy of the photo, to remind them not only of the day the mayor came to their class to speak to them personally, but of the importance of the presentation. I show the children a blank Mayor's Award Certificate, as well as my special "Mayor's Coin," and ask whether they would like to win a certificate and coin.



Las Cruces (NM) Mayor Ken Miyagishima and children taking the health challenge.

See Public HEALTH on page 15

Best Practices

PUBLIC HEALTH from page 14

I then use plastic fruits and vegetables to ask whether the children know what they are. The children love calling out the name of each item and identifying whether it's a fruit or vegetable. I ask the children to name other fruits and vegetables, not included in my bowl. I explain that the reason I want to make sure they are familiar with fruits and vegetables is because, for the next 21 days, I issue a challenge to them. I then explain in detail the four components of the 5-2-1-0 Challenge. As the I noted, once the children's groans die down, I point out several types of physical activity that they can engage in, instead of spending time in front of a screen, as well as acceptable drinks,

fruits and vegetables they can consume and enjoy. Soon, the children realize that adhering to the challenge won't as painful as they initially thought it'd be.

At the end of the presentation, I reiterate what each of the numbers stand for. Each teacher is given a booklet where each child would record their 5-2-1-0 selections. An important aspect of the program is that each child's page is to be signed by her/his parent – reinforcing the notion that the entire family will support the child's effort to complete the challenge. The teachers are also given a blank certificate and a coin to display in their classrooms, as an added incentive and reminder to the students.

Since the launch of the program in the 2007-2008 school year, I have personally issued the Challenge to nearly 12,000 third grade students. The "Mayor's 5-2-1-

0 Fitness and Nutrition Challenge" has gained statewide and national recognition; even more rewarding to me is the fact that the program has been implemented by mayors in other cities in the state.

For more information contact: Carolyn Horner; 575-636-7227; Carolyn.Horner@yahoo.com

Mayors are invited to submit the "Best Practices" of their cities to U.S. MAYOR. Contact Public Affairs at 202-293-7330 or send e-mail to usmayor@usmayors.org



SHARE YOUR GOOD NEWS!

We know you have good news to share about your mayor or a unique local program. Tell us about it so other cities can learn from your success!

Send your press releases and photos for U.S. Mayor newspaper to



USCM Public Affairs Office

etemple@usmayors.org

202-861-6719