

**MINUTES**  
**LEAGUE OF ARIZONA CITIES AND TOWNS**  
**EXECUTIVE COMMITTEE MEETING**

Friday, February 7, 2020  
League of Arizona Cities and Towns  
1820 W Washington Street  
Phoenix, Arizona

**MEMBERS**

**President**

Christian Price, Mayor, Maricopa

**Vice President**

Cathy Carlat, Mayor, Peoria

**Treasurer**

Douglas Nicholls, Mayor, Yuma

Tom Brady, Mayor, Bullhead City  
Craig McFarland, Mayor, Casa Grande  
Kevin Hartke, Mayor, Chandler\*  
Doug Von Gausig, Mayor, Clarkdale\*  
Robert Uribe, Mayor, Douglas  
Coral Evans, Mayor, Flagstaff  
Jenn Daniels, Mayor, Gilbert  
Jerry Weiers, Mayor, Glendale  
Georgia Lord, Mayor, Goodyear  
Thomas L. Schoaf, Mayor, Litchfield Park  
Ed Honea, Mayor, Marana

John Giles, Mayor, Mesa  
Greg Mengarelli, Mayor, Prescott  
Gail Barney, Mayor, Queen Creek\*  
W.J. "Jim" Lane, Mayor, Scottsdale\*  
Sandy Moriarty, Mayor, Sedona  
Daryl Seymore, Mayor, Show Low  
Rick Mueller, Mayor, Sierra Vista  
Mark Mitchell, Mayor, Tempe+  
Bob Rivera, Mayor, Thatcher  
Anna Tovar, Mayor, Tolleson+  
Regina Romero, Mayor, Tucson

\*not in attendance

+participated via phone

President Christian Price called the meeting to order at 10:07 a.m. He then led the Executive Committee in the Pledge of Allegiance.

President Christian Price recognized Mayor Regina Romero, new Mayor of the City of Tucson. The Executive Committee may fill vacancies as they occur; Tucson Mayor Jonathan Rothschild previously served on the Executive Committee and did not run for re-election. As Tucson is the second-largest municipality as a League member, the Executive Committee will be appointing Tucson Mayor Romero to the League Executive Committee to fill this vacancy.

President Price requested a motion to adopt this appointment. Mayor Ed Honea moved to approve Tucson Mayor Regina Romero filling the vacancy on the Executive Committee; Mayor Bob Rivera seconded the motion and it carried unanimously.

## **1. REVIEW AND ADOPTION OF MINUTES**

President Christian Price requested a motion on the adoption of the minutes. Mayor Jenn Daniels moved to approve the minutes of the November 8, 2019 Executive Committee Meeting; Mayor Cathy Carlat seconded the motion and it carried unanimously.

## **2. LEGISLATIVE POLICY UPDATE**

League President Christian Price welcomed League Legislative Director Nick Ponder to provide the legislative policy update.

### **Governor's/Senate Budget**

Legislative Director Nick Ponder provided an overview of both the Governor's and Senate Budgets. He highlighted specific items of focus for the League, including infrastructure and transportation spending, water quality, funding to mitigate homelessness issues, closing of the Florence prison, education and presumptive firefighter cancer spending including mitigating risk and treatments.

The House budget consisted of improvement of transportation in Arizona and \$150 million in tax relief.

### **Presumptive Firefighter Cancer**

Mr. Ponder discussed bills relating to presumptive firefighter cancer. The League has been working on a statewide concern for this issue. When the bill was originally dropped it included police officers assigned to special duty, but the League worked to remove this from the statute because it was never part of the conversation. This means police officers have a rebuttable presumption and firefighters and fire investigators have an irrebuttable presumption.

### **Short Term Rentals**

Legislative Director Ponder discussed Short Term Rentals, which affects several of our municipalities. He noted that one of the items being worked on, which will be amended, is if someone has a primary residence or first secondary residence, they are not regulated. Any property owned by a corporate entity, would be limited to renting out their property once in a 30-day time period. Setting this up at the state level prevents municipalities from facing lawsuits. Each individual municipality would be able to draft an ordinance to be more permissive than the state's parameters.

### **Construction Sales Tax**

Mr. Ponder explained to the Executive Committee that this year Representative Regina Cobb has brought forward an item that says anything that is an expansion of square footage would become prime contracting. This incentivizes revenue in the area where the development occurs. Anything

that is not expansion of square footage would be a point of sale. This would result in a lot of lost revenue for municipalities since many projects are not an expansion of square footage. Additionally, the Department of Revenue has language that is difficult to interpret resulting in projects becoming point of sale instead of prime contracting, which the League is working on simplifying. The League will testify in opposition of the bill and will continue to work on the substance of this legislation.

### **Vacant Property Registration**

Legislative Director Ponder touched upon HB2705 sponsored by Representative Shope. This stemmed from a discussion at the League Resolutions Committee Meeting. It came out of the Copper Corridor and has become a statewide discussion. League Senior Legislative Associate Tom Savage has been the League's point person on this issue; this has not been on the agenda yet but will be in the next few weeks. There will also be a meeting with the rural caucus to explain to them the benefits. Mr. Ponder called upon Mr. Savage to provide specifics of this bill.

Mr. Savage said that the bill has been modeled after West Virginia, if a property has been vacant for more than 150 days the city will reach out to the property owner and register the property. One challenge has been difficulty getting in touch with the owner due to the properties being owned by an LLC. The other aspect of this legislation will require internal inspections of the building.

### **Executive Session Bills**

Mr. Ponder noted that the League has two bills on Executive Session currently in process: HB2051 and SB1042. They are mirror bills stating that different types of municipalities can go into executive discussion to cover issues of public safety and IT Vulnerabilities as well as all documentation to remain private. Both bills have passed through committees.

### **Fire Sprinklers**

Mr. Ponder presented on a bill related to fire sprinklers, which came from the Arizona Restaurant Association. He noted that a 2015 national fire code included an item that required a building's need to install fire sprinklers at a certain occupancy. In 2018 the fire code was limited to say this applied only to entities serving alcohol. Many municipalities have adopted the 2018 code meaning many restaurants have to be retrofitted with sprinklers. This not only protects mass casualties but minimizes effects on firefighters. The League opposed the bill and it passed out; since there is not a fix it will likely be killed. Mr. Ponder said that the Arizona Restaurant Association introduced this bill to amend the current timeline provided that allots three years for these changes to be made. The firefighter associations are in opposition of the bill as well.

### **Southwest Gas Bill**

This bill is HB 2686 and SB 1222. Southwest Gas had previously informed the League that they were going to run a bill that would state that cities could not prohibit the use of certain types of energy, gas included. In other states, there are other municipalities that have prohibited natural gas connections in certain communities. One bill is sponsored by Senate President Fann, the other is sponsored by Speaker of the House, Representative Bowers, and is supported by the Governor's office.

The bill initially had some implications greater than original intent of the bill, so the League worked with Southwest Gas to mitigate any unintended consequences of the original language to

municipalities. As several municipalities have different views on this bill, the League feels that they cannot take a specific approach that would benefit every municipality involved.

The Executive Committee discussed various opinions on the bill.

### **Sanctuary City Bill**

Mr. Ponder noted that the bill states that no municipality can become a sanctuary city or create practices that interfere with federal immigration laws.

The Executive Committee discussed many opinions on this bill and felt no further discussion is needed.

Executive Director Tom Belshe informed the Executive Committee that League Staff is working on updates to the Policy Committee process and will be presenting this item at the May Executive Committee Meeting.

### **3. LEGAL UPDATE**

President Christian Price called upon League General Counsel Christina Estes-Werther to provide a Legal Update.

General Counsel Estes-Werther informed the Executive Committee that Representative Barto filed an SB1487 complaint against the City of Phoenix, noting that the alleged fees against rideshare companies at Sky Harbor Airport violate Proposition 126, which was passed in 2018 and prohibits public entities from imposing new taxes and increases in taxes on services.

The City of Phoenix argued that the constitution grants cities and towns the ability to engage in business; the Attorney General's Office rejected the response and responded that this is an issue that "may violate" SB1487 and filed an action with the Supreme Court. The City of Phoenix is in the process of filing a response and has requested an amicus brief from the League. Oral arguments are set for March 26.

Ms. Estes-Werther also covered a few amicus briefs that the League had filed over the past six months on behalf of Arizona's cities and towns. She noted that an amicus was filed on behalf of an ADOT case that dealt with a filing occurring outside of the notice of claim deadline. In a memorandum decision, the court found the notice of claim was deficient because it was submitted after the 180-day deadline. ADOT has filed a motion to publish the decision so it can be used as precedent in the future.

The League also filed an amicus on behalf of Peoria in a Goldwater case that noted the economic development benefits provided to a university violated the gift clause. The Court of Appeals stated that it did not violate the constitution; the Goldwater Institute will file an appeal with the Supreme Court.

An additional amicus will be filed on behalf of Florence in a case involving mining and the Town's enforcement of their zoning ordinance. The plaintiffs were awarded \$1.7 million in

attorney's fees because the court found it was a contract case and not a zoning matter. The League amicus will show the impact on other cities and towns trying to enforce their own ordinances and argue that a city or town cannot contract away its legislative authority.

Executive Director Tom Belshe informed the Executive Committee that there was an outstanding Legislative issue. He noted that Representative Campbell of the House Transportation Committee was interested in an increase of the gas tax to allow for additional preservation of transportation funding.

The Executive Committee discussed Representative Campbell's ideas.

Mr. Ponder stated something can be drafted to show multiple funding outlets not just the gas tax. There has not yet been a bill but there has been for the past few years. This bill would potentially include electric vehicles by including a user fee.

The Executive Committee agreed that it can be told to Representative Campbell that the Executive Committee agrees the transportation funding needs to be increase but would like to look at additional avenues on top of gas tax.

#### **4. REPORT FROM BUDGET SUBCOMMITTEE**

President Christian Price called upon League Treasurer and Budget Subcommittee Chairman Mayor Douglas Nicholls.

Mayor Nicholls noted that there will be no significant funding changes in this year's budget. Typically, over the last few budget years, there has been a regular increase formula on dues. The same process is being proposed for the upcoming fiscal year. The preliminary budget has been provided to the Committee, but the full budget will be approved at the May Executive Committee Meeting.

Executive Director Tom Belshe clarified that the dues structure had not changed when the City of Phoenix were not members; the City of Phoenix has paid for the remainder of this fiscal year and have received authority from Council to pay their dues for the next fiscal year.

Mayor Douglas Nicholls moved to approve the proposed dues structure; Mayor Rick Mueller seconded the motion and it carried unanimously.

#### **5. ANNUAL CONFERENCE ROOM RESERVATIONS**

President Christian Price welcomed League Deputy Director Matt Lore to discuss the Annual Conference room reservation process.

Deputy Director Lore reminded the Executive Committee that they requested League Staff provide a proposal for a different solution for Annual Conference room reservations.

Deputy Director Lore informed the Executive Committee of the current rooming process, which provides pre-reserved room reservations for sponsors, VIPs, and Executive Committee members and their cities and towns. The room block is then opened on a tiered level, allowing cities and towns to reserve rooms first, followed by other outside individuals. When the League Annual Conference is held at smaller venues, particularly when the conference is held out of the Valley, the hotels typically fill up quickly and many cities and towns have individuals who must stay off-site.

Mr. Lore provided a number of options to the Executive Committee which included only staying at hotels that had enough capacity to hold all attendees opening the block at one time for all cities, towns and outside organizations to reserve rooms on a first-come, first-serve basis, providing at least one room for each city and town and then open the room block to everyone following this and creating a more stringent cancellation policy.

Mr. Lore noted that League Staff proposed a process for this year that would include a variety of the proposed options. As there are limited rooming options at the Renaissance Glendale, which is the 2020 League Annual Conference location, the League proposes to provide pre-rooming reservations to just gold and platinum-level sponsors, pre-reserving rooms for Executive Committee members and VIPs, and then providing one room to each of the 91 cities and towns. The League will then open the room block at a certain date and time, which will be promoted to cities and towns, silver and bronze sponsors, and other outside organizations. Rooms will then be distributed on a first-come, first-reserved basis. There would also be a more stringent cancellation policy implemented.

Mr. Lore informed the Executive Committee that the 2021 League Annual Conference will be held at the Biltmore in Phoenix, which should have enough rooms for all attendees. Should this process be successful, it will be employed for the 2022 Annual Conference and beyond.

Mr. Lore also let the Executive Committee know that they were doing a call for sessions and speakers for the upcoming League Annual Conference and requested Committee Members submit any topics of interest.

## **6. STRATEGIC PLAN**

President Christian Price welcomed Executive Director Tom Belshe to discuss the League Strategic Plan.

Executive Director Belshe indicated that he had received feedback from Executive Committee Members on the Strategic Plan from the last meeting. He noted that one of the items to be changed will be to clarify that education applies to both Legislators and City and Town officials and staff.

He also noted that the strategies, when crafting the League Budget, will stem from the items of this Strategic Plan. Mr. Belshe referenced the League's desire to focus on data in the future which will be discussed at the May Executive Committee Meeting.

President Christian Price requested a motion to approve the League Strategic Plan. Mayor Craig McFarland moved to approve the League Strategic Plan; Mayor Daryl Seymore seconded, and it carried unanimously.

## **7. RESOLUTION OF APPRECIATION**

President Christian Price asked the Executive Committee to provide a motion to approve a Resolution of Appreciation for Former Tucson Mayor and League Executive Committee Member Jonathan Rothschild.

Mayor Bob Rivera moved to approve a Resolution of Appreciation for Former Mayor Rothschild; Mayor Rick Mueller seconded the motion and it carried unanimously.

President Price welcomed Mayor Giles, who announced to the Committee that he would be chairing the Mayors Roundtable on Education and he needs more participation. He welcomed all mayors to attend their meeting on March 10.

Seeing no further business, President Christian Price adjourned the meeting at 12:24 p.m.

  
EXECUTIVE DIRECTOR

  
PRESIDENT