

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

Friday, February 4, 2022, at 10:00 a.m.  
League of Arizona Cities and Towns  
1820 W. Washington St.  
Phoenix, Arizona

**MEMBERS**

**President**

Cathy Carlat, Mayor, Peoria

**Vice President**

Douglas Nicholls, Mayor, Yuma

Craig McFarland, Mayor, Casa Grande +  
Kevin Hartke, Mayor, Chandler  
Alexis Hermosillo, Mayor, El Mirage +  
Paul Deasy, Mayor, Flagstaff +  
Brigitte Peterson, Mayor, Gilbert  
Jerry Weiers, Mayor, Glendale  
Cal Sheehy, Mayor, Lake Havasu City +  
Thomas L. Schoaf, Mayor, Litchfield Park +  
Ed Honea, Mayor, Marana  
Christian Price, Mayor, Maricopa  
John Giles, Mayor, Mesa +

Kate Gallego, Mayor, Phoenix +  
Stephanie Irwin, Mayor, Pinetop-Lakeside +  
Gail Barney, Mayor, Queen Creek +  
Tom Murphy, Mayor, Sahuarita  
David Ortega, Mayor, Scottsdale +  
Sandy Moriarty, Mayor, Sedona +  
Rick Mueller, Mayor, Sierra Vista  
Mila Besich, Mayor, Superior +  
Corey Woods, Mayor, Tempe +  
Regina Romero, Mayor, Tucson\*

\*Not in attendance  
+ Attended via Zoom

President Cathy Carlat called the meeting to order at 10:01 a.m. She then led the Executive Committee in the Pledge of Allegiance.

**1. REVIEW AND ADOPTION OF MINUTES**

President Cathy Carlat requested a motion on the adoption of the minutes. Mayor Kevin Hartke of Chandler moved to approve the minutes of the November 10, 2021, Executive Committee Meeting; Mayor Brigitte Peterson of Gilbert seconded the motion and the motion carried unanimously.

## **2. POSSIBLE AMENDMENTS TO BYLAWS/CHARTER**

President Cathy Carlat of Peoria introduced and welcomed Executive Director Tom Belshe to discuss possible amendment to the League Charter and Bylaws.

Executive Director Tom Belshe presented two items to be voted on by the Executive Committee.

### **Addition of Article V, Section 2, to League Bylaws**

The first item to be voted on was the amendment to the bylaws on formal communications by or on behalf of the executive committee.

President Cathy Carlat of Peoria called for a motion to approve the addition of Article V, Section 2, to the bylaws as written. Mayor Rick Mueller of Sierra Vista made a motion to approve the addition to the bylaws; Mayor Brigitte Peterson of Gilbert seconded the motion, and it passed unanimously.

### **Amendment to Article IV, Section 1, of the League Charter**

The next item to be voted on by the Executive Committee was an amendment to the League of Arizona Cities and Towns charter regarding officer terms. If approved, the amendment would next be voted on by the League membership.

President Cathy Carlat asked for a roll call vote by the Executive Committee to decide whether the amendment should be approved and brought to the membership. A vote of no would result in the amendment being presented to the membership for a vote, and a vote for yes would result in the amendment to be withheld for a vote by the membership.

The roll call vote resulted in twelve votes for no, eight votes for yes, and two non-votes. The amendment to the charter was approved by majority vote and will be presented to the general membership at the August meeting.

## **3. LEGISLATIVE POLICY OVERVIEW AND UPDATE**

President Cathy Carlat of Peoria introduced and welcomed Legislative Director Tom Savage to provide a legislative policy overview.

Legislative Director Tom Savage informed the committee that it is day twenty-six of the legislative session and there have been 1,532 bills introduced.

### **Governor's Budget**

Legislative Director Tom Savage reviewed highlights of the executive budget proposed by the Governor. The proposed budget included: \$10 million dollars allocated for cybersecurity grants for cities and school districts; \$50 million for rural transportation SMART grants; \$400 billion for I-10 expansion between Casa Grande and Phoenix; \$176 million to state parks for system wide upgrade. One issue to be monitored in the executive budget proposal is the impact of the Arizona Department of Revenue's (AZDOR) integrated tax system authorization project on city and town shared revenues. This project will modernize software used to collect transaction privilege tax (TPT). It is unknown yet whether cities and towns will be included in the procurement process for the new software.

### **Short Term Rentals**

Two bills were introduced by Representative Blackman and Senator Rogers to repeal SB 1350 passed in 2016. Representative Biasiucci and Representative Kavanagh introduced bills HR 2625 and HR 2663. These bills are meant to 1) establish regulatory license requirements for short term rental operators to enforce the code and law requirements and 2) require short term rental operators to provide contact information on front of the property and share it with surrounding property owners if there are issues with nuisance complaints or other issues. The Kavanagh bill also addresses the proliferation of short-term rentals.

### **Vaccine Related Bills**

Fourteen vaccine related bills were introduced this session. Problematic bills include preemptive language that affects cities and towns. One example is HB 2043 sponsored by Representative Nguyen which shifts liability to employers if an employee is injured or becomes ill after receiving a vaccine. Representative Blackman introduced a bill which preempts city and town request for proposal (RFP) processes by requiring cities not to contract with companies that has a vaccine mandates.

### **Vaping/Tobacco Preemption**

Legislative Director Tom Savage overviewed two bills on tobacco and vaping preemption. SB 1245 sponsored by Senator Leach preempts cities and towns from passing ordinances that restrict or regulate the sales and marketing of tobacco products and preempts city's zoning requirements for tobacco stores. Representative Udall introduced a bill which would impose a statewide license on tobacco retailers and protect cities and town's ability to impose restrictions on tobacco store zoning and marketing (HB 2125).

### **All Mail Ballots**

Several bills introduced in the legislative session address election related issues. SB 1133 sponsored by Senator Rogers bans mail ballots for cities, towns, and school districts.

### **League Dues Bill**

HB 2099 would make it so that a city or town may not pay dues to a membership organization in an amount that is greater than the city or town's total population multiplied by the per capita membership amount paid by the most populous city or town that is also a member of that organization. SB 1258 sponsored by Senator Mesnard requires all organizations with government members to be subject to public records.

### **Local Government Lobbying Preemption**

SB 1198 sponsored by Senator Peterson prohibits local governments from hiring outside lobbyists to engage in advocacy activities and would prohibit membership dues to associations to be used for lobbying activities.

Executive Director Tom Belshe noted that the League closely monitors cities and towns' ability to pay dues, and structure of dues, to ensure undue influence is not given to any type of community. It was observed that HB 2099 is not likely to go forward in the legislature due to the efforts of mayors who testified at the legislature and contacted Representative Carter to oppose this bill.

Executive Director Tom Belshe explained that the League recommends not opposing SB 1258 as the organization does not have the same kind of records as a public body and has nothing to hide. General

Counsel Nancy Davidson overviewed possible negative consequences of the bill, such as the possibility of lawsuits that the League could not afford to cover legal fees to oppose in court. However, staff shared most of the information which would be provided in public information requests has always been publicly available. It was also noted that responding to public records requests could be time-consuming and costly for the League.

President Cathy Carlat of Peoria asked for discussion from the executive committee. Executive committee members expressed concern over the influence SB 1258 could have on chambers of commerce, COGs, and economic development organizations. Other executive committee members agreed it might be positive to take the initiative to adopt open meeting law and public records request.

The League resolved not to oppose the bill, but to take a neutral position for the time being, and report back to the committee on new developments.

### **Urban Revenue Sharing Bill**

Executive Director Tom Belshe spoke on HB 2375 that states urban revenue sharing must be used on public safety, which includes fire, dispatch, police, but not courts. This bill will affect cities differently based on presence of fire districts and annual expenditures on safety. The League will oppose this bill.

### **Affordable Housing**

Legislative Director Tom Savage spoke on affordable housing including preemption, zoning, land-use regulations, and parking regulations.

Housing and homelessness are the number one issue of this year's legislative session. HB 2674 sponsored by Representative Kaiser, and Representative Chavez, went forward before the League could provide input on the bill. This bill focuses on by-right zoning, which takes away city's rights for due process on discretionary developments, removes council out of decision-making process, and prevents the public from weighing in on new developments. The League will oppose this bill. The League plans to build a coalition and publicly advocate in opposition to this bill.

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

Vice President Douglas Nicholls of Yuma reported the outcomes of the League Budget Committee. The committee met on January 15 to review budget options. Budget options and updates to membership dues considered rate changes in relation to population changes from 2020 census of cities and towns.

Executive Director Tom Belshe explained the proposed changes found in the recommended budget (Option 1). The League designated funding towards a contracted lobbyist to work with the minority party in the Legislature on key issues for cities and towns. Executive Director Tom Belshe also recommended setting aside funding in the budget to take advantage of strategic data tools. Other budget adjustments included the cost-of-living adjustments and merit raises for employees.

Revenues from the upcoming conference are likely to be excellent. There is a possibility of going into a deficit if all funding is spent without the projected revenues expected from the League Annual

Conference. Executive Director Tom Belshe explained that funds were set aside previously during COVID-19 in the fund balance, and that it may be time to consider one-time uses for this money.

President Cathy Carlat asked for any further discussion or comments and informed the committee that the final budget will be proposed and put to a vote at the next meeting in May. No further discussion.

President Cathy Carlat called for a motion to approve the changes to membership dues as outlined in Option 1. Mayor Kevin Hartke of Chandler motioned to approve the dues; Mayor Tom Murphy of Sahuarita seconded the motion and it carried unanimously.

Vice President Douglas Nicholls of Yuma noted that the Property Corporation Budget was also discussed during the League Budget Committee in January. Executive Director Tom Belshe shared that this item will be put to a vote at the May meeting. Mayor Cathy Carlat of Peoria asked for comments on the Property Corporation Budget. No further discussion.

## **5. PROPOSED AUDIT FIRM CONTRACT**

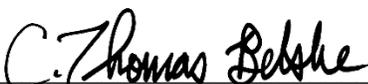
Executive Director Tom Belshe presented the recommended audit firm contracts collected from the RFP process for the League of Arizona Cities and Towns.

The proposed contract will be for three years. CliftonLarsonAllen LLP was recommended to complete the League's audit, as it is the lowest priced of the accounting firms. Additionally, the firm is familiar with the League's structure as an instrumentality since they completed the previous audit for the League. The firm will rotate staff in the next audit to ensure it is a fair audit.

Mayor Ed Honea of Marana asked to know what might be involved in rotating auditing firms in the future. Executive Director Tom Belshe will have the League's office administrator who is involved in the auditing process review to identify what would be needed if the League should work with another auditing firm for the following contract.

President Cathy Carlat of Peoria called for a motion to approve the recommended audit firm contract. Mayor Brigitte Peterson of Gilbert made a motion to approve the audit firm contract; Mayor Christian Price of Maricopa seconded the motion, and it passed unanimously.

The Executive Committee adjourned the Executive Committee meeting at 12:16 p.m.

  
EXECUTIVE DIRECTOR

  
PRESIDENT