

MINUTES

LEAGUE OF ARIZONA CITIES AND TOWNS

EXECUTIVE COMMITTEE MEETING

Wednesday, August 29, 2012 at 11:45 a.m.
Sonoran A & B Room
Hyatt Regency Scottsdale at Gainey Ranch

MEMBERS

President

Doug Von Gausig, Mayor, Clarkdale

Vice President

Mark Mitchell, Councilmember, Tempe

Treasurer

Jay Tibshraeny, Mayor, Chandler

Marie Lopez Rogers, Mayor, Avondale
Gilbert Lopez, Councilmember, Coolidge
Lana Mook, Mayor, El Mirage
Elaine M. Scruggs, Mayor, Glendale
John Salem, Mayor, Kingman
Mark Nexsen, Mayor, Lake Havasu City

Thomas L. Schoaf, Mayor, Litchfield Park
Scott Smith, Mayor, Mesa (by telephone)
Kenny Evans, Mayor, Payson
Bob Barrett, Mayor, Peoria
Greg Stanton, Mayor, Phoenix
Harvey Skoog, Mayor, Prescott Valley
Lynne Skelton, Vice Mayor, Sahuarita
W.J. "Jim" Lane, Mayor, Scottsdale
Rob Adams, Mayor, Sedona
Gerry Whipple, Councilmember, Show Low
Rick Mueller, Mayor, Sierra Vista
Bob Rivera, Mayor, Thatcher
Jonathan Rothschild, Mayor, Tucson
Alan Krieger, Mayor, Yuma

**Not in attendance*

President Doug Von Gausig called the meeting to order at 11:45 a.m. He welcomed everyone and led them in the Pledge of Allegiance.

1. REVIEW AND ADOPTION OF MINUTES

President Doug Von Gausig asked for review and approval of the minutes as presented. Lynne Skelton noted that she was in attendance in the last meeting. Mayor Adams moved that the minutes of the May 11, 2012 and June 6, 2012, Executive Committee meeting be approved as amended. Mayor Krieger seconded the motion and it carried unanimously.

2. TPT WORK GROUP REPORT

President Von Gausig recognized League Executive Director Ken Strobeck to report on the TPT work group. Mr. Strobeck said that we have had good representation from the League, City of Gilbert and City of Phoenix on the Governor's TPT Simplification Tax Force. He reported on the first meeting held at the governor's conference room which included a presentation that was given by the City of Chandler's Tax Audit Supervisor Lee Grafstrom. The task force created three subcommittee

workgroups. The groups are meeting at the League offices and are open to the public. Mr. Strobeck then recognized League Deputy Director Tom Belshe to report on the subcommittee workgroups. Mr. Belshe said that one group is discussing an online retail sales tax. The other is the standardization of the state base with the Model City Tax Code. These are the focuses that the task force is working on. The first four weeks went well and included meetings with the business community and the Arizona Tax Research Association (ATRA). The online group is discussing the concept of a single point of administration, potentially expanding on the portal idea.

Mr. Belshe noted that the issue of prime contracting is the subject of the third workgroup and is likely to be the most controversial. The group is discussing ways to streamline the construction contracting tax, making it easier to comply with while maintaining revenue to the state and municipalities. Mayor Jay Tibshraeny noted that the simplest way is to continue the way it is being done now.

3. REPORT ON LEGISLATIVE TOUR/LEAGUE OUTREACH/LEGISLATIVE ISSUES

President Von Gausig recognized Mr. Strobeck to further discuss League outreach and legislative issues. Mr. Strobeck said that Dale, Jim, René and he went on an annual legislative tour to 11 different cities to give a legislative report and they had a great turnout. Mr. Strobeck also informed the Executive Committee that the New Laws Report is now available online and that the Municipal Budget and Finance Manual has also been updated.

Mayor Rothschild asked for discussion on the League position on initiatives such as Proposition 204 and the state sovereignty issue, which he felt was a direct threat to cities and towns. President Von Gausig said the primary test is how any proposal affects the operations of cities, and that any member of the Executive Committee can ask for discussion of an issue by either the League Officers or the full Executive Committee. Mayor Scruggs recounted the chronology of the discussion of Proposition 204 and the Executive Committee meeting when the proponents presented it. She noted that the majority of the Executive Committee believed the proposition had a direct impact because it did not include the shared revenue distribution of the existing state sales tax and that that opinion was reflected in their vote to oppose the measure. Mayor Rothschild said he wants to have outreach to other stakeholders on these kinds of issues. Mayor Stanton said he would have preferred that the League would have taken a neutral position on Proposition 204. Mayor Von Gausig asked all committee members to communicate with the League when they hear about proposals that may impact cities and towns. Mayor Lane added that there needs to be discussion on various issues about whether they do in fact impact local control.

Mr. Strobeck asked if the Committee had decided to take a position in support of Proposition 118, as requested by State Treasurer Ducey. The Committee felt the proposition did not have direct impact on cities and towns and declined to take a position on the issue.

4. HB 2826 (CONSOLIDATED ELECTIONS) REPORT

Mr. Strobeck noted that there was a meeting of a work group to discuss implementation issues and legislative changes that would be necessary to implement the legislation; a summary of the work group discussion was included in the packet. League General Counsel Joni Hoffman also issued two opinions on the legislation, one saying that general law cities and towns did not likely have a basis for a legal challenge and the other opinion discussed the issue of whether councilmember terms should be shortened or lengthened to comply with the new law.

5. REPORT OF LEAGUE COMMUNICATIONS SUBCOMMITTEE

Mayor Salem thanked the committee members that have participated and reported that the committee was making good progress on the directive given at the Executive Committee retreat in January to have both a short-term and long-term communications strategy. The Scutari & Cieslak firm has been retained year-round to be focused on legislative issues and topical media strategy. An RFP has been issued to more conventional PR firms to continue with an overall campaign building on the “Strong Cities” effort from several years ago and presentations will be made in upcoming weeks.

6. LIFE MEMBER NOMINATIONS (SCRUGGS, WALKUP)

President Von Gausig read the Life Member Resolution for Glendale Mayor and former League President Elaine Scruggs and asked for a motion to approve it. Mayor Stanton asked that an additional clause be added to the resolution to recognize Mayor Scruggs’ efforts in supporting the presence and mission of Luke Air Force Base. The committee agreed, a motion was made and seconded and the resolution passed unanimously.

President Von Gausig read the Life Member Resolution for former Tucson Mayor and former League President Bob Walkup. Andrew Greenhill from Tucson noted Mr. Walkup would be at the Awards Dinner Thursday night, and that he appreciated the resolution. A motion was made and seconded and the resolution passed unanimously.

7. EXECUTIVE SESSION: EXECUTIVE DIRECTOR EVALUATION

The committee convened in executive session at 12:50 p.m. to conduct the annual evaluation of Executive Director Ken Strobeck.

The committee re-convened in open session at 1:45 p.m.

Seeing no further business, President Von Gausig adjourned the meeting at 1:46 p.m.



EXECUTIVE DIRECTOR



PRESIDENT