

MINUTES

LEAGUE OF ARIZONA CITIES AND TOWNS

EXECUTIVE COMMITTEE MEETING

Friday, November 2, 2018 at 10:00 a.m.
League of Arizona Cities and Towns
1820 W. Washington St.
Phoenix, Arizona

MEMBERS

President

Christian Price, Mayor, Maricopa

Vice President

Cathy Carlat, Mayor, Peoria

Treasurer

Douglas Nicholls, Mayor, Yuma

Tom Brady, Mayor, Bullhead City

Jay Tibshraeny, Mayor, Chandler

Doug Von Gausig, Mayor, Clarkdale

Lana Mook, Mayor, El Mirage

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

Satish Hiremath, Mayor, Oro Valley*

Thelda Williams, Mayor, Phoenix

Gail Barney, Mayor, Queen Creek

W.J. "Jim" Lane, Mayor, Scottsdale

Daryl Seymore, Mayor, Show Low

Rick Mueller, Mayor, Sierra Vista

Sharon Wolcott, Mayor, Surprise

Mark Mitchell, Mayor, Tempe

Bob Rivera, Mayor, Thatcher

Anna Tovar, Mayor, Tolleson

Jonathan Rothschild, Mayor, Tucson

*not in attendance

President Christian Price called the meeting to order at 10:02 a.m. He then led the Executive Committee in the Pledge of Allegiance.

President Price welcomed new Executive Committee members, Mayor Tom Brady of Bullhead City and Mayor Anna Tovar of Tolleson.

1. REVIEW AND ADOPTION OF MINUTES

Mayor Mark Nexsen moved to approve the minutes of the August 22, 2018 Executive Committee Meeting; Mayor Bob Rivera seconded the motion and it carried unanimously.

President Price moves to agenda item #8, Resolutions of Appreciation.

8. RESOLUTIONS OF APPRECIATION

President Price informed the board that Mayor Satish Hiremath will no longer be serving on the Executive Committee and thanked him for his service to cities and towns.

President Christian Price read the Resolution of Appreciation for Chandler Mayor Jay Tibshraeny. President Price thanked Mayor Jay Tibshraeny for his years of service and dedication local government and to the League.

9. LIFE MEMBER NOMINATION

President Christian Price informed the committee that Mayor Jay Tibshraeny has been nominated for Life Membership.

Mayor Nexsen moved to grant life membership to Jay Tibshraeny; Mayor Nicholls seconded the motion and it carried unanimously.

10. DISCUSS EXECUTIVE DIRECTOR KEN STROBECK'S PERFORMANCE EVALUATION

The Executive Committee moved into Executive Session at 10:10 a.m.
The Executive Committee adjourned the Executive Session at 12:10 p.m.

Mayor Rothschild moved to authorize the Executive Committee Officers to negotiate an amended contract with the League's Executive Director; Mayor Schoaf seconded and the motion carried unanimously.

2. LEGISLATIVE POLICY DISCUSSION AND UPDATE

President Christian Price asked League Executive Director Ken Strobeck to introduce Legislative Director, Nick Ponder to present on the Legislative Update.

Legislative Director Nick Ponder informed the board that Legislative Staff is working on reintroducing the League to the Legislature. He mentioned that the League held a 2018 Legislative Candidate Symposium which invited Legislators to learn about the League, how it operates, how cities and towns work with the state regarding economic development and other areas. The League hopes to expand this training at the Legislature for prospective candidates as well as established legislators.

Mr. Ponder discussed the makeup of the House of Representatives and the Senate. He noted that the Senate will be similar to the previous year as 17 republicans and 13 democrats. The House will be narrow with Republicans having a majority of only 1 or 2 seats. In regard to leadership, it has been said Karen Fann will be the President of the Senate with Rick Gray as the Majority Leader and Sonny Borrelli as the Majority Whip. In the House, Rusty Bowers as the Speaker, Anthony Kern as the Majority Leader and David Cook as the Majority Whip.

Legislative Director Nick Ponder informed the board that in an effort to revise SB 1487 in the 2019 legislative session, the League is working to educate legislators on the effects of the bill. He noted that many legislators are not aware of what SB 1487 does, what it means to cities and towns and why we want to revise the bill.

Mr. Ponder noted that League General Counsel Christina Estes-Werther and Legislative Associate Tom Savage have been working on completing a Food Truck Model Ordinance that is acceptable for Rep. Payne and stakeholders.

Mr. Ponder informed the board that with the recent Wayfair decision on the taxation of digital goods, the Legislative Team and Tax Policy Analyst Lee Grafstrom are working to set the dialogue for the approaching session. He noted that there has been discussion on whether a state must be a member of the Streamlined Sales Tax program in order to implement the outcomes from the Wayfair decision. It has been proven that being a Streamlined state is not necessary as other states have begun the implementation of the outcomes without adopting the system.

Mr. Ponder indicated that the draft of the 2019 Municipal Policy Statement has been provided in the Executive Committee Meeting materials. This statement is the result of League resolutions and will be addressed in the 2019 Legislative Session. He noted that those resolutions that will not be addressed in the upcoming session are complex issues that may need additional time with stakeholders before moving forward.

3. LEGAL UPDATE

President Christian Price welcomed League General Counsel Christina Estes-Werther to present a legal update.

Ms. Estes-Werther informed the board that there have been no new developments regarding SB 1487. A summary of amicus briefs has been provided in the Executive Committee meeting materials. She told the board there are four amicus briefs listed in the materials. One of the briefs ended in a positive outcome for police officers. The second brief was for the City of Surprise and has just been filed. She noted this brief had to do with a condemnation proceeding that the Arizona Corporation Commission was intervening in and the amicus brief essentially states that there is a process to be followed. Oral arguments were held in October and we are waiting on a decision from the Supreme Court. There are two other briefs that are pending; one for the City of Peoria as the Goldwater Institute had challenged an economic development tool used by the City stating it violated the gift clause. The League amicus brief will be filed in December. The final summary listed is an amicus for the State and will impact Cities and Towns as well. This brief has to do with statute of limitations and notice of claim time frames, where a judge essentially waived these requirements, which will also impact cities and towns. Ms. Estes-Werther will be writing an amicus brief on this issue on behalf of the League as well as all 15 counties.

Mr. Strobeck asked Ms. Estes-Werther to update the Committee members about the FCC Order regarding Wireless and Wireline Services. She explained that the FCC issued an order that conflicts with the state law passed two years ago, but there is no clear preemption, which means it will be difficult for cities and towns to navigate under two sets of rules. The League joined in litigation with a coalition of other leagues and municipalities across the country to challenge the FCC order so we can clarify what rules apply to Arizona. The League has filed a stay with the FCC and if there is no response within a couple of weeks, the League plans to file a stay in federal court.

4. RECAP OF 2018 ANNUAL CONFERENCE

President Price welcomed League Communication and Education Director Matt Lore to present a recap of the 2018 League Annual Conference.

Mr. Lore noted that the attendance/financial report were provided in the meeting materials along with the conference survey results. He informed the board that the conference yielded \$197,000 in net revenue with an attendance of 1,332 which is the largest League Conference to date. Of those attendees, 82 of the 91 cities and towns were represented. Mr. Lore said that the survey results are to be used for planning the 2019 conference which will be held August 20-23 at the J.W. Marriott Starr Pass in Tucson.

Mr. Lore asked the board to send any conference session suggestions for the 2019 League Annual Conference to League staff.

5. CITIES AND TOWNS WEEK 2018

President Price invited League Communication and Education Director Matt Lore to present on the 2018 Cities and Towns Week.

Mr. Lore welcomed League Communication and Education Associate Samantha Womer to discuss 2018 Cities and Towns Week and provide a brief update on communications efforts from the League.

Ms. Womer reminded the Executive Committee of the various platforms the League uses to communicate with cities and with the public, through both traditional and digital methods. She briefly reviewed the League's efforts this past year using the newsletter, website, magazine and social media platforms, which include Twitter, Instagram and Facebook. She also encouraged the Executive Committee to follow the League on all social media accounts and to interact and share stories with the League.

Ms. Womer then provided the Executive Committee with information about the 2018 Arizona Cities and Towns Week, which took place October 21 – 27, 2018. To increase participation in Arizona Cities and Towns Week, the League once again provided an online toolkit for cities and towns to use. This toolkit includes materials such as social media message points, sample proclamations, template press releases and creative materials and cities and towns are encouraged to use materials as they wish during the week. Ms. Womer recognized several municipalities for their participation in the week.

Ms. Womer concluded with a look at future communication efforts, including a Fall 2018 issue of the League magazine and the creation of a new League website in 2019. She also informed the Executive Committee that the League had started working with HighGround on their social media messaging and would continue to work closely with the organization throughout the legislative session.

6. 2017-2018 AUDIT REPORT; AUDIT FIRM CONTRACT

President Price invited League Executive Director Ken Strobeck to provide a report on the 2017-2018 Audit Report; Audit Firm Contract.

Mr. Strobeck informed the Executive Committee that the audit was clean and had no recommendations by the firm. He also noted that the general fund revenues exceeded the budgeted revenues and expenditures fell below budgeted expenditures.

Mayor Mark Nexsen moved to approve 2017-2018 Audit Report; Mayor Bob Rivera seconded the motion and it carried unanimously.

League Executive Director Ken Strobeck informed the committee that the League's three-year audit contract with CliftonLarsonAllen had ended. CliftonLarsonAllen has submitted a proposal for the next three years. He noted that the firm had not increased costs for FY17 and FY18. Mr. Strobeck explained that the quote included a 3% increase in cost 2019, a 2% increase in 2020 and a 1.5% increase in 2021. These costs include audits for GFOAz, ACMA and AMCA. Staff recommended to renew with CliftonLarsonAllen for three more years.

The Executive Committee requested that the League send a request for proposal to audit firms.

Mayor Mark Nexsen moved to approve sending a request for proposal to audit firms; Mayor Bob Rivera seconded the motion and it carried unanimously.

7. LEAGUE DIRECTOR'S REPORT

President Price invited League Executive Director Ken Strobeck to provide the League Director's Report.

Mr. Strobeck discussed work with a coalition of interests opposing Proposition 126. Executive Committee members expressed concern over the lack of aggressiveness of the No in Prop 126 campaign and hope the League will work to improve their messaging.

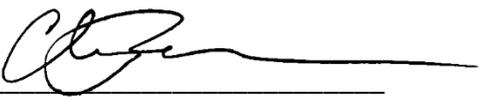
Mr. Strobeck informed the executive committees that the NLC City Summit is taking place next week in Los Angeles, CA. There are 130 Arizona attendees, which will most likely be one of the largest groups attending.

Lastly, Mr. Strobeck told the executive committee about several building improvements such as replacing the HVAC system, painting and adding new carpet, as well as adding LED lighting to save on costs.

Seeing no further business, President Price adjourned the Executive Committee meeting at 12:39 p.m.



EXECUTIVE DIRECTOR



PRESIDENT