

MINUTES

LEAGUE OF ARIZONA CITIES AND TOWNS

EXECUTIVE COMMITTEE MEETING

Wednesday, September 2, 2009
Hilton El Conquistador Resort
10000 N. Oracle Rd.
Tucson, AZ 85704

MEMBERS

President

Boyd Dunn, Mayor, Chandler

Vice President

Robert Walkup, Mayor, Tucson

Treasurer

Larry Nelson, Mayor, Yuma

Marie Lopez Rogers, Mayor, Avondale
Doug Von Gausig, Mayor, Clarkdale
Gilbert Lopez, Councilmember, Coolidge
Byron Jackson, Mayor, Eloy
Elaine M. Scruggs, Mayor, Glendale

Fernando Shipley, Mayor, Globe
Jim Cavanaugh, Mayor, Goodyear
Monica Badillo, Mayor, Hayden
Mark Nexsen, Mayor, Lake Havasu City
Scott Smith, Mayor, Mesa
Paul Loomis, Mayor, Oro Valley
Kenny Evans, Mayor, Payson
Bob Barrett, Mayor, Peoria
Claude Mattox, Councilmember, Phoenix
Harvey Skoog, Mayor, Prescott Valley
Lynne Skelton, Mayor, Sahuarita
Gerry Whipple, Councilmember, Show Low
Robert Strain, Mayor, Sierra Vista
Mark Mitchell, Councilmember, Tempe
Bob Rivera, Mayor, Thatcher

*Not in attendance

President Dunn called the meeting to order at 12:30 p.m. Executive Committee members recited the Pledge of Allegiance.

1. REVIEW AND ADOPTION OF MINUTES

President Dunn asked if there were any corrections or changes to the minutes as presented. Mayor Shipley moved that the minutes of the May 22, 2009, Executive Committee meeting be approved. Mayor Loomis seconded the motion and it carried.

2. REPORT FROM THE NOMINATING COMMITTEE

After a lengthy discussion at the February meeting, it was decided that President Dunn would put together a Nominating Committee to be tasked with reviewing and possibly amending the current policy for Executive Committee appointments. The Nominating Committee met in June.

President Dunn recognized Mayor Nelson to provide an update on the committee's findings. Mayor Nelson and Mayor Smith noted that after review, the Nominating Committee decided to keep the current policy. Mayor Smith said that sometimes the best course of action is moving forward with the policy that is already in place and President Dunn agreed.

3. EXECUTIVE COMMITTEE APPOINTMENT

After Phoenix Councilmember Maria Baier resigned from the Executive Committee on June 17, 2009, Mayor Phil Gordon requested that Councilmember Claude Mattox replace her on the League Executive Committee. President Dunn noted there was a copy of his letter to the League in the committee's packets. Mayor Dunn also mentioned that according to the League Constitution, the Executive Committee is permitted to make appointments to fill vacancies. Since Phoenix is the largest municipality in the state, he said they have consistently held a seat on the committee.

Mayor Shipley motioned to appoint Councilmember Mattox to the vacant seat. Councilmember Lopez seconded the motion and it carried. Councilmember Mattox expressed gratitude to the Executive Committee and the board welcomed him.

4. LEGISLATIVE REPORT

President Dunn called for the Legislative Report. Ken Strobeck explained that Jeff Kros was back at the Capitol, keeping watch on the budget process. Ken proceeded with the report and explained that the budget impasse was not over. He said Democrats were meeting in closed caucuses, but it was not clear to what avail. The budget package that was passed is very similar to what the Governor already vetoed, he said. Governor Brewer has until Saturday, September 5 to sign, veto or let the budget go into law without her signature.

Ken continued with the legislative report, citing two of the most contentious bills. In Senate Bill 1025, there is a transfer of \$22 million Vehicle License Tax (VLT) money from cities and towns to public schools and the reduction in assessment ratio for Class One property. House Bill 2008 is also of serious concern, as it contains the freeze on impact fees, building codes and construction sales tax. Because the call for the special session was very narrow, Ken explained the impact fee issue may be outside the call. Additionally, there are policy and formula issues on the VLT transfer. Ken asked for input from the committee on how to proceed with possible legal options and discussion ensued. Members of the Executive Committee voiced concern over the precedent the VLT transfer would set and agreed that the League must protect these funds. Mayor Rivera said cities and towns must defend all sources of shared revenue, including VLT.

Mayor Nexsen requested that the League pursue legal opinions on both VLT and impact fees and other board members agreed. Mayor Dunn questioned if the Governor may veto some of these provisions and Ken said it was a possibility, as was another special session to clean up some of the provisions.

Mayor Smith noted that VLT is a legal issue, and that impact fee freezes are a political issue, so he urged some caution. Mayor Scruggs said cities and towns could rally citizens around the impact fee issue, because if they are eradicated, growth will no longer pay for itself and municipalities would be forced to raise taxes on existing residents to cover the cost of infrastructure for new developments. Councilmember Mitchell, Mayor Loomis and other Executive Committee members agreed. A consensus was reached that the League must continue to be proactive on impact fees.

Mayor Evans made the motion to pursue legal options on VLT, and to proceed with obtaining legal opinions on impact fees, codes and other matters of policy within the budget package. Mayor Nelson seconded and the motion carried unanimously. Mayor Dunn said the Executive Committee may consider reconvening when the Governor's decision is known.

5. NLC BOARD CANDIDATE REQUESTS & OTHER BUSINESS

President Dunn informed the committee that Mayor Lopez Rogers was seeking an officer position with the National League of Cities and has requested the Executive Committee's endorsement. She is a candidate for the Second Vice President seat of the organization. Mayor Rivera moved that the Executive Committee endorse Mayor Lopez Rogers. Councilmember Lopez seconded the motion and it carried unanimously.

Mayor Dunn then recognized Ken to update the committee on a few NLC items. Ken said he sent application packets to intergovs for NLC leadership positions next year for Steering Committee or chair/co-chair positions. He recommended committee members check with their intergov if they are interested in applying. Ken also reminded members the NLC conference will be in San Antonio, November 11-14. The NLC Conference will be in Phoenix in 2011, next year will be in Denver.

6. EXECUTIVE SESSION ON EXECUTIVE DIRECTOR EVALUATION

President Dunn stated that the Executive Committee would now move to Executive Session for the Executive Director evaluation. Mayor Strain motioned that the Executive Committee move to Executive Session. Mayor Loomis seconded the motion and it carried.

7. ADJOURNMENT

Following Executive Session discussion, the meeting adjourned at 1:55 p.m.



EXECUTIVE DIRECTOR



PRESIDENT