

MINUTES

LEAGUE OF ARIZONA CITIES AND TOWNS

EXECUTIVE COMMITTEE MEETING

Friday, November 7, 2008
League Office Building
1820 W. Washington, Phoenix

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 *
Steve Berman, Mayor, Gilbert

Elaine M. Scruggs, Mayor, Glendale

*Not in attendance

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
Greg Stanton, Councilmember, Phoenix
Harvey Skoog, Mayor, Prescott Valley
Lynne Skelton, Mayor, Sahuarita
Mary Manross, Mayor, Scottsdale
Gerry Whipple, Councilmember, Show Low
Robert Strain, Mayor, Sierra Vista
Mark Mitchell, Councilmember, Tempe
Bob Rivera, Mayor, Thatcher

President Dunn called the meeting to order at 10:04 a.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. Ken Strobeck, Executive Director, indicated that Mayor Badillo needed to be added to the list of those who attended the August 21, 2008 Annual Business meeting.

Mayor Nelson moved that the minutes of the August 20, 2008 Executive Committee meeting and the corrected minutes of the August 21, 2008 Annual Business meeting be approved. Mayor Loomis seconded the motion and it carried.

2. STATE “CONTRIBUTION” AND DPS CRIME LAB FEE UPDATE

Mayor Dunn explained the history on this issue—the “contribution”—by noting it was before the Executive Committee at the August meeting. He explained that the League and our attorneys have met with Governor’s staff. The most recent meeting lasted for over an hour and the discussion focused on whether we could work out a resolution. However, we did not come up with one as the Governor’s representatives indicated that they were willing to discuss our concerns about the

provision only after cities and towns came up with a way to pay the contribution amount. We were asked to meet again and we have called them, but nothing has occurred. Other issues such as HURF and DPS crime lab fees may also be involved. At this point it appears we have three options: 1) negotiate an agreement that involves paying the assessment amount and hoping that we could reach a resolution dealing with the statutory precedent; or 2) Special action to the Supreme Court. There was a clear indication that if we sue, Governor Napolitano may be less willing to defend shared revenue in the future. The legal principle of “laches,” i.e., the Governor’s claim that we waited too long to deal with the issue through a lawsuit – has to be considered. Pros for proceeding with the special action - it will deal clearly with the precedent. Cons - if we are unsuccessful, we may damage working relationships in the future. 3) Do nothing. If we do nothing, we will have not dealt with the legal precedent.

Ken Strobeck said that during the meeting with the Governor’s staff the issue was brought up about whether the “contribution” was supposed to come from VLT funds. We were told that was one initial possibility, but that the Rules attorney decided that would violate Prop 108, so they changed it to “contribution.” Also, a number of legislators have told us that we should sue to clarify this issue. If we win, it will set down as precedent that a two-thirds vote is necessary to alter shared revenue.

Discussion ensued. We have our own attorney’s opinion that this is a Prop 108 issue, and also the Legislative Counsel’s earlier opinion that changes in the shared revenue percentage would be a Prop 108 issue, in addition to some HURF funds. It was noted several times that this is a special action about the precedent, not “suing” the Governor.

Individual members went around the table explaining their position on the issue. The overwhelming opinion voiced by members was that the League should pursue a special action to the Supreme Court in order to deal with the legal precedent. We will consult with our legal counsel to see if other issues (HURF, DPS, etc.) should be involved. Mayor Nelson moved, Mayor Scruggs seconded that the League pursue the special action. The motion passed unanimously.

3. REPORT ON SPECIAL POLICY COMMITTEES & DISCUSSION OF POSSIBLE WATER ISSUES SUBCOMMITTEE

Mayor Dunn said the issue of a new water issues subcommittee will be discussed at the next Executive Committee meeting because the Mayor of Flagstaff was unable to attend today’s meeting. The “special policy committees” formal process and their standing status are not necessary as our Constitution allow us to have the President of the League appoint special committees as needed. Mayor Dunn stated he would not appoint committees and enumerate their processes unless he first consulted with the Executive Committee. Staff will look at by-law process for these appointed committees.

4. LEGISLATIVE PROGRAM UPDATE

Mayor Dunn called on Ken Strobeck. Ken spoke of new leadership in the legislature and the Governor’s office and our need to form relationships with them. Ken then called on Legislative Associate Cheyenne Walsh. She reported on the election results, and encouraged local elected officials to talk with their legislators, especially the newly-elected people. She said the League would help with this in any way we could. Mayor Shipley brought up the idea of having a data base of officials on the local level that have relationships with officials at the state level. Cheyenne requested that local officials let the League know of these relationships and we will keep track of them.

Ken then called on Legislative Associate Dale Wiebusch who reported on the Legislative Recaps held in cities around the state and thanked those who hosted the League presentations. Ken also talked about GPEC and their request to speak to the Executive Committee about solar manufacturing and incentives. We have spoken with them and they have talked with individual cities and towns as well. Support for economic incentives relating to manufacturing is covered within the scope of one of the League Resolutions this year.

5. LEAGUE ANNUAL SURVEY RESULTS

President Dunn recognized Matt Lore, Communication & Education Director to present the results of the 2008 League Annual Survey.

Matt directed Executive Committee members to the full survey located in their meeting packets. He discussed the history of the survey, indicating that the League began administering it in 2002. Matt stated that since 2004, the League has streamlined the process and administration of the League Annual Survey through the use of an online survey tool. The survey has been e-mailed to city and town mayors, council members, managers, clerks, attorneys, finance officers, intergovernmental coordinators and public information officers.

Matt reviewed the survey touching on the highlights and results of each of the three areas; General Demographics, Overall Performance and League Services. He pointed out that in terms of overall performance, the League received a 94% “good” or “excellent” rating. Matt concluded by stating that the survey included two open-ended questions that allowed the respondent to relay suggestions they had for the League. He stated that staff was pleased with the results and plans to use the suggestions we received to explore ways to better serve League members.

6. UPDATES/EDITS TO LEAGUE STRATEGIC PLAN

President Dunn recognized Ken Strobeck to discuss possible updates and edits to the League’s Strategic Plan.

Ken stated that at the Executive Committee retreat in late September of 2008, there was a discussion about making updates to the League Strategic Plan. Staff has since synthesized the comments that were made at the meeting and have made suggestions for revisions. Ken directed the Executive Committee to the updates in their meeting packet.

Mayor Loomis moved that the amendments to the League Strategic Plan be approved as presented. Mayor Nelson seconded the motion and it carried.

7. RECAP OF 2008 ANNUAL CONFERENCE

President Dunn invited Matt Lore to brief the Committee on the 2008 League Annual Conference.

Matt briefly overviewed the 2008 Annual Conference, stating that 1,062 people attended. Matt directed the Committee to the financial report which showed a net profit of \$139,679.05. He explained that the profit was largely due to sponsorship revenue, which was still high even during a tough economic climate.

Matt directed the Committee to the full survey report in their meeting packets, and stated that the League received mostly positive feedback on the conference surveys. He said that staff would be taking the criticisms given and using them to improve future meetings.

President Dunn thanked League staff for a job well done and stated that the conference seems to improve each and every year.

8. 2007-2008 AUDIT REPORT

President Dunn introduced Ken Strobeck, Executive Director, to present the results of the 2007-2008 audit report.

Ken stated that the report from the League's auditors was positive and that they did not find any deficiencies or issues.

Mayor Evans moved that the 2007-2008 Audit Report be approved as presented. Mayor Rivera seconded the motion and it carried.

9. REPORT FROM EXECUTIVE DIRECTOR

President Dunn invited Ken Strobeck to give an update on recent League activities.

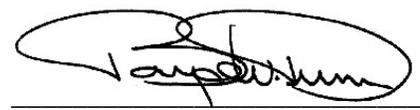
Ken discussed a few miscellaneous items, including the possible Snowflake-Taylor consolidation. He stated that the two towns have become very serious about consolidation. Tom Belshe, League Deputy Director has recently made frequent visits to the area to answer questions and help with their consolidation efforts.

Ken noted that League staff member Marisa Hoskins would be leaving the League at the end of the year to pursue other activities and thanked her for her hard work for the past four years.

President Dunn asked if there was any other business. Seeing none, he adjourned the meeting at 11:58 a.m.



EXECUTIVE DIRECTOR



PRESIDENT