

SPECIAL SESSION
August 18, 2005

The Board of Supervisors of Maricopa County, Arizona convened in Special Session at 12:30 P.M. August 18, 2005, at CSA Board Rooms A and B, 1905 W. Washington Street, Phoenix, Arizona, with the following members present: Max W. Wilson, Chairman, District 4, Don Stapley, Vice Chairman, District 2, and Andrew Kunasek, District 3. Also present: Fran McCarroll, Clerk of the Board, and Paul Golab, Deputy County Attorney. Votes of the Members will be recorded as follows: aye-nay-absent-abstain.

COUNTY SUPERVISOR'S ASSOCIATION (CSA) BOARD OF DIRECTORS
AND LEGISLATIVE POLICY COMMITTEE

President David Brown called the County Supervisors Association Board of Directors meeting to order at 12:31 p.m. The following members were present (ADM604):

David A. Brown, Apache County
Tom White, Jr., Apache County
Richard Searle, Cochise County
Paul Newman, Cochise County (telephonically)
Matt Ryan, Coconino County
Liz Archuleta, Coconino County
Tommie Martin, Gila County
José Sanchez, Gila County
Shirley Dawson, Gila County
Jim Palmer, Graham County
Mark Herrington, Graham County
Richard G. Lunt, Greenlee County
Hector Ruedas, Greenlee County
Amy McCullar, Greenlee County
Gene Fisher, La Paz County

Don Stapley, Maricopa County
Andrew Kunasek, Maricopa County
Max W. Wilson, Maricopa County
Pete Byers, Mohave County
J. R. DeSpain, Navajo County
David Tenney, Navajo County
Ramón Valadez, Pima County
Sandie Smith, Pinal County
David Snider, Pinal County
John Maynard, Santa Cruz County
Manny Ruiz, Santa Cruz County (telephonically)
Carol Springer, Yavapai County
Lenore L. Stuart, Yuma County (telephonically)
Russell McCloud, Yuma County (telephonically)

Proxies:

Carlos E. Taylor, Jr., Coconino County
Deborah Hill, Coconino County

Louise Yellowman, Coconino County

Others present:

Dennis Smith, Maricopa Assn. of Govts
Greg Lucero, Santa Cruz County
Delwin Wengert, Apache County
Kay Gale, Greenlee County
Tina Chaffin, Gila County
James Bloom, Maricopa County
Scott J. Isham, Maricopa County
James Candland, Maricopa County
Yvonne Pearson, Greenlee County
Stacey Espinoza, Gila County
Dennis Miller, Santa Cruz County
Kevin Tunell, Yuma County (telephonically)
Nicole Waldron, AACo

Eric Anderson, Maricopa Assn. of Govts
Terry Cooper, Graham County
Terry Doolittle, Pinal County
Martin Willett, Pima County
Diane Sikokis, Maricopa County
Richard Bohan, Maricopa County
Fran McCarroll, Maricopa County
Mike Ellegood, Maricopa County
Paul Golab, Maricopa County
Gerald Jaye Hale, Apache County
Darlene Fraley, Navajo County
Ferrin Crosby, Apache County
William Hardy, ACIP

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Craig Sullivan, CSA Staff
Penny Adams, CSA Staff
Beth Lewallen, CSA Staff

Mark Barnes, CSA Staff
Todd Madeksza, CSA Staff

WELCOME

President Brown welcomed everyone to the meeting.

APPROVAL OF MINUTES OF THE JUNE 16, 2005 BOARD OF DIRECTORS LEGISLATIVE POLICY COMMITTEE MEETING

Supervisor Gene Fisher moved to approve the minutes of the June 16, 2005 CSA Board of Directors and Legislative Policy Committee meeting. Supervisor Liz Archuleta seconded the motion and the motion was passed unanimously.

President David Brown congratulated Supervisor Don Stapley for his election as Second Vice-president of the National Association of Counties (NACo) at its annual conference in July. Supervisor Stapley will become NACo president in three years. He said it was a great tribute to Arizona and to Maricopa County to have one of our supervisors so involved on the NACo board. He also congratulated Supervisor Tom White for his re-election as an at large appointee by the NACo president. Helen Purcell and President David Brown also serve as representatives for Arizona on the NACo board.

Supervisor Stapley commented that he appreciated how CSA and AACo encouraged him along on his campaign for the Second Vice-presidency. He noted that Sally Bender and Jim Sawyer were very encouraging. He said a large organization such as NACo takes time to understand and he appreciates how his own board was so supportive. He said CSA as an organization and friends worked hard to help him, and it was nice to run unopposed. He thanked everyone who helped at his booth at the NACo annual conference in Hawaii. His hope is to link CSA and AACo with NACo more.

Supervisor Stapley, Craig Sullivan, Nicole Waldron, Jim Bloom and James Candland will visit NACo while in Washington in a few weeks to get a working knowledge of all resources available to and through NACo. They have been extended an invitation to have breakfast in the White House with President Bush's intergovernmental relations person. Jim Sawyer will be taking them to lunch while in his new job capacity with NACo in D.C. Supervisor Stapley said he is very grateful for the opportunity to serve.

Supervisor Stapley mentioned a cover story in the *Newsweek* magazine was the same topic NACo President Bill Hansell had chosen as his initiative this year. The topic is "The Meth Epidemic." Copies of the magazine article were available on the table for distribution. NACo President Bill Hansell is cited in the article, as well as a survey that was completed prior to the July annual conference. Supervisor Stapley said he believes it is the number one drug problem in America.

CONSIDERATION OF NOMINEES FOR APPOINTMENT TO THE ARIZONA SUPREME COURT'S COMMISSION ON TECHNOLOGY (COT)

Penny Adams reported that CSA holds a position on the Supreme Court's Commission on Technology (COT). Nicole Waldron was previously CSA's representative; however, her term was not extended at the conclusion of this past fiscal year ending June 30, although CSA had recommended her re-appointment. The chair of the COT has requested CSA submit the names of two or more individuals who were willing

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and qualified to serve and the chairman of the committee would select one as the CSA representative. The position was opened up to all counties. Penny advised applications were received from two counties: Don Smith, the director of the Maricopa County Integrated Criminal Justice Information Systems; and Mike Matthews, the director of the Mohave County Information Technology Department. CSA carefully reviewed both applications and believe that both applicants are extremely qualified and would serve CSA well. The floor was opened up for further nominations. There being no further nominations, Supervisor Richard Lunt moved to accept the applications of both applicants to submit to the Commission. Supervisor Matt Ryan seconded the motion and the motion passed unanimously.

CONSIDERATION AND APPROVAL OF CSA EXECUTIVE COMMITTEE RECOMMENDATION FOR THE CSA EXECUTIVE DIRECTOR POSITION

President Brown noted the CSA executive committee had previously distributed a memo to the board stating it unanimously recommended Craig Sullivan to be hired as executive director for CSA. The executive committee met this morning to discuss the details. Supervisor Jim Palmer moved to hire Craig Sullivan as CSA executive director. Supervisor Lunt seconded the motion and the motion passed unanimously.

DISCUSSION OF CSA LEGISLATIVE SUMMIT

Craig thanked everyone for their faith and confidence in him to serve as executive director. He said he was grateful for the support. He noted it is his commitment to serve to the best of his abilities and believes in doing so with the right team around him. He introduced two new staff members to the CSA team. He welcomed Beth Lewallen as our research analyst. She recently graduated from honors college at ASU, she is originally from Yavapai County and served last legislative session as an intern for Senator Flake's Natural Resources committee. He also welcomed Todd Madeksza who has a masters in Public Administration, he served as legislative liaison for the Department of Real Estate, and as a Senate analyst for the Commerce committee and Banking and Insurance committee.

Craig Sullivan presented a PowerPoint presentation on the Legislative Policy Summit set for September 13 – 15 at the Hon-Dah Resort in Pinetop. A few years ago, under Supervisor Stapley's leadership, the LPC was created. This year under the leadership of President Brown, CSA wanted to take that one step further in order to become a little more effective. A legislative policy workgroup was charged with taking a look at how the LPC was working and to recommend strategies to maximize CSA's ability to advance the interests of counties at the legislature. The workgroup proposed three recommendations: change the bylaws to empower CSA staff to work more quickly and effectively for the organization during the legislative session; improve communications related to legislative activity; and to establish a consistent policy development process to maximize what is delivered for all counties. Chief among the methods was the creation of the Legislative Policy Summit. Craig noted that three key things need to occur at the summit: prioritize legislative proposals for short-term and long-term; establish the outreach strategies to get them done; and use those as a benchmark to measure progress.

CSA has hired a third party facilitator for the summit, Barry Aarons. Mr. Aarons is a long-time lobbyist and has served numerous associations in helping them understand how to advance a legislative agenda. Tuesday's, September 13, dinner will help orient everyone to the program. The core of the discussions will be held on Wednesday, September 14. Some of the main topics will be signature issues connected to campaign elections, how a bill becomes a law (in reality, not the cartoon version), the importance of building coalitions and grassroots lobbying.

Craig advised he met with agencies the past few months on how they approach lobbying. Four characteristics surfaced: reactive, negative, self-interested and balkanized. He said the objective on the approach to policy should be efficient and expeditious service to constituents. Counties need to be unified in a proactive way and help legislators understand we have a shared interest with them in what we're trying to accomplish. He said we need to look at the proposals that have come into the process and look at which ones are most important to the majority of counties. Counties also need to consider the defensive side. CSA spends a lot of time and resources playing defense, and, therefore, its proactive agenda needs to be thoughtful and targeted.

The 25 proposals received to date were separated into three categories: fiscal policy, county authority, and service/process improvement. One more was received today. CSA will work with the counties who submitted proposals to come up with staff recommendations to whittle down the number of proposals to those that are viable for the majority of counties. He said the toughest are fiscal issues. CSA would like for the number crunchers within the counties to evaluate those proposals prior to the summit. The proposals were reviewed as to the number of counties impacted by the proposal, whether it was a mandate or a discretionary activity, and the fiscal impact to counties.

Supervisor Carol Springer noted that Yavapai County is still working on proposed legislation regarding the Meth issue and wanted to know if CSA would be flexible in allowing proposals to be brought forward at a later date. Craig replied a county could make a statement at a board meeting on big legislative items that are being reviewed to be addressed at a later date on whether to bring it into the process. He noted the CSA legislative agenda would not be a contained box and would always be open to discussion. Supervisor Lenore Stuart noted that Kevin Tunell would be e-mailing the legislative items the Yuma County board supports.

President Brown commented that registration for the summit has gone really well and there are over 30 supervisors registered for the summit, with over 60 registrants total. He requested registration forms not yet turned in to be forwarded to Penny Adams as soon as possible. He welcomed Nicole Waldron to the board meeting.

President Brown commented it should be a fun time on Wednesday evening at the barbecue dinner to be hosted by Coconino, Apache and Navajo counties. Penny Adams provided directions to the park. He noted legislators and guests are welcome to attend and to please notify Penny. He stated the focus of the summit will be to take care of the immediacy of issues facing counties for 2006, then 2007, and then to look at how to address issues facing counties five to 10 years from now. He stated counties need to look at the big picture and keep the long-term view in mind as we react to situations that affect us on a day to day basis. Supervisor Manny Ruiz questioned whether the action taken at the retreat would become the legislative platform for the year. President Brown stated that was so, but there would be opportunity for adjustments as we proceed.

Supervisor Tom White asked about registration and lodging for the summit. Penny Adams replied she would provide a registration form and the lodging information was listed on the form to contact the hotel directly. President Brown thanked Craig and the CSA staff for their hard work in preparing for the summit.

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IMPACT OF HURF DIVERSIONS TO COUNTIES AND CITIES

President Brown welcomed Dennis Smith, Executive Director of the Maricopa Association of Governments (MAG). Mr. Smith commented the Boy Scout motto is "be prepared," and he is wondering if Arizona is ready for what is going to happen in Arizona. When creating their regional transportation plan, MAG looked at growth in Arizona and found the level of congestion maps in the east valley were way off; they were showing no congestion in intersections. They discovered the population input they received from the Department of Economic Security (DES) was wrong. They worked cooperatively with Pinal County and the Central Arizona Association of Governments on a model called Regional Economic Model (REMI) and greatly increased population projections for Pinal County, which changed the intersections in the east valley.

They held a regional council retreat in February and looked at growth in Arizona. They had their population staff use land use information to best guess what Arizona would look like in 2050. He said they were stunned. They then showed the information to Supervisor Fulton Brock who suggested providing the information to the CSA board. MAG has encouraged the Governor's Office to put together a blue ribbon committee to look at best practices on population. Mr. Smith commented that Arizona is the second fastest growing state in the nation, with the worst population projection unit in the nation through DES.

Mr. Smith reported that Pinal County had 180,000 in population in 2000, and MAG forecasts 1.5 million in 2030; Mohave County was at 155,000 in 2000, and they forecast 512,000 in 2030; and Cochise County had 118,000 in 2000, with a forecast of 274,000 in 2030. Mr. Smith noted that Pinal County will be about equal to Pima County in population in 2050.

Eric Anderson, Transportation Director of MAG, presented a PowerPoint presentation on the population growth in Arizona and how the HURF revenues and the transfers that shift away from counties affect counties. The presentation included population forecasts in Arizona at different year intervals on a growth map, and land use in Arizona (private, state, BLM, Indian Reservations, forest and park, and military). The population forecasts for Arizona showed 5 million people in 2000, then 7 million, then 10 million, 12 million in 2030, 14 million in 2040, and 16 million in 2050. Mr. Smith noted these were MAG's best guesses and were not official. Mr. Anderson mentioned the growth is following the transportation corridors statewide, which ties in with the HURF portion of the presentation. The next slides showed components of population change and then demographic components of population from 2000 to 2050, with the majority population becoming mostly Hispanic. The next slide showed the top six industries by share of new job growth from 2000 to 2030.

Mr. Anderson noted the HURF funds are the primary source of funding for transportation purposes. Total collections in FY 2005 were about \$1.2 billion, of which ADOT receives about half and counties receive about 19 percent. Fifty-four percent of HURF comes from gas and use fuel, and VLT comprises 27 percent. In 1999, the legislature reduced VLT rates by 30 percent, while the depreciation rate increased. The HURF impact of VLT reductions in 2010 will be \$510 million to ADOT and \$499 million to local governments. Diversions from the HURF fund to DPS include monies off the top of HURF before any distributions to ADOT, cities or counties, and from the State Highway Fund, which is ADOT's share of the HURF distribution. Mr. Anderson stated that tax dollars invested in road construction can generate two and a half times the economic impact compared to spending on government services.

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

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Supervisor Joe Sanchez asked if the reservation land in Gila County was shown as private land on the slide shown. Mr. Anderson said they intended to show reservation land. Supervisor Fisher requested a copy of the presentation on disk. Mr. Anderson stated it could be downloaded from MAG's website and they will also send the link to CSA to be distributed. Mr. Smith stated they're trying to get the \$118 million back that was diverted in FY 2005 to balance the general fund. He noted that the cities are working on a resolution to take to the League conference regarding getting those monies back. Supervisor Matt Ryan noted that one of CSA's draft legislative proposals suggests creating a study committee to review the HURF formulas. President Brown thanked both gentlemen for their presentation. (Ed. Note: the HURF presentation can be viewed at www.countysupervisors.org/ArizonaGrowthHURF.ppt).

COUNTY CAUCUS REPORTS

Supervisor Hector Ruedas stated the Small County Caucus was well attended last evening. Representative Jack Brown and Brent Brown from the Governor's office attended. Legislative issues important to all counties were discussed. Supervisor Pete Byers stated the Magnificent Six met this morning, had a good meeting and are excited about going to the summit. There was no report from the Large County Caucus.

NEXT MEETING DATE AND TIME

President Brown reiterated the summit would be held September 13, 14 and 15 at the Hon-Dah Resort in Pinetop. The CSA board of directors meeting will be held on September 15 as the final event of the summit. He said he hopes to see everyone attend; it should be a great time of year and should be productive and fun.

ADJOURN

There being no further business, President Brown adjourned the CSA board meeting at 1:28 p.m.

Max W. Wilson, Chairman of the Board

ATTEST:

Fran McCarroll, Clerk of the Board