



TOWN COUNCIL AGENDA PACKET

REGULAR MEETING

**Tuesday, August 23, 2011
6:00 p.m.**

**Council Chambers – South Campus
202 N. State Route 89**

NOTICE OF THE REGULAR SESSION OF THE CHINO VALLEY TOWN COUNCIL

**August 23, 2011
6:00 P.M.**

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Chino Valley Town Council and to the general public that the Chino Valley Town Council will hold a Regular Meeting open to the public on **Tuesday, August 23, 2011 at 6:00 p.m.** in the Chino Valley Council Chambers located at 202 N. State Route 89, Chino Valley, Arizona. Members of the Town Council will attend either in person or by telephone conference call.

RULES FOR ADDRESSING THE COUNCIL – AMENDED MAY 13, 2010

It is the Council's desire to hear public comment on agenda items. Because it is important to maintain order during the meeting, please adhere to the following rules of order if you wish to speak:

- 1) Members of the public wishing to speak must be first recognized by the Chairman.
- 2) Please state your name and whether or not you are a Town resident in an audible tone for the record.
- 3) **TIME LIMIT: 3 MINUTES PER PERSON.**
- 4) Remarks shall be limited to the agenda item under consideration.
- 5) All remarks shall be directed to the Mayor and to any or all members of the Council.
- 6) A person wishing to make a presentation that exceeds the three-minute time limit should make such a request of the Town Clerk prior to the meeting.
- 7) Members of the public are expected to observe rules of propriety and decorum.
- 8) Speakers shall not discuss employee performance, employee evaluations, or employee health, family or personal matters.

The **Agenda** for the meeting is as follows:

- 1) **Call to Order, Invocation; Pledge of Allegiance; Roll Call.**
- 2) **Introductions, Presentations and Proclamations**
 - 2a) **Proclamation by the Chino Valley Elks declaring September 5-11, 2011 National Patriotism Week.**
- 3) **Call to the Public**

Call to the Public is an opportunity for the public to address the Council concerning a subject that is not on the agenda. Public comment is encouraged. At the conclusion of an open call to the public, individual members of the Council may respond to those who have addressed the Council, may ask staff to review a

matter or may ask that a matter be put on a future agenda. However, members of the Council shall not discuss or take legal action on matters raised during an open Call to the Public unless the matters are properly noticed for discussion and legal action.

Individuals are limited to speak for three (3) minutes. The total time for Call to the Public may be up to 30 minutes per meeting.

4) Mayor/Council/Manager Report

This item is for information only. Presentation on information requested by the Mayor and Town Council will be made and questions answered. No action will be taken.

Consent Agenda

All those items listed below may be enacted by one motion and approved as consent agenda items. Any item may be removed from the consent agenda and considered separately if a member of the Council so requests.

- 5) Consideration and possible action to waive Park Rental Fees of \$90.00 for Memory Park rental on September 16, 17, and 18, 2011 for a Geocaching event planned around Arizona's Centennial Theme, and in conjunction with the County's Centennial celebration.**

Staff recommended motion: Move to accept Consent Agenda item # 5.

Action Items

- 6) Consideration and possible action regarding the Town of Chino Valley Transit program.**

Staff recommended motion: To be determined per Town Council discussion.

- 7) *Continued from August 9, 2011:* Consideration and possible action to authorize the Police Department to expend approximately \$11,500 to expand the current fenced impound yard at the Police Department to accommodate additional vehicles impounded under A.R.S. § 28-3511.**

Staff recommended motion: To be determined per Town Council discussion.

- 8) PUBLIC HEARING and possible action to approve application from Timothy Smith for person transfer of a Series 6 (Bar) Liquor License for Doreen's Back Street Bar & Grill, located at 2879 Arizona Trail in Chino Valley.**

Staff recommended motion:

- A) Hold Public Hearing, and

B) Move to approve application for a new Series 6 Liquor License transfer for Doreens, located at 2879 Arizona Trail.

- 9) **Discussion and possible recommendations with regard to the 2011 resolutions submitted for consideration by the League of Arizona Cities and Towns Resolution's Committee.**

Staff recommended motion: To be determined per Council discussion.

- 10) ***Continued from August 9, 2011: Discussion and possible action with regard to the 2011/2012 Chino Valley Area Chamber of Commerce ("Chamber") contract.***

Staff recommended motion: Move to direct staff per Council discussion

- 11) **Adjournment.**

Dated this 17 day of August, 2011.

By: *Cecilia J. Watts, Deputy Town Clerk*

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 636-2646 (voice) or 636-1787 (TDD) 48 hours prior to the meeting to request a reasonable accommodation to participate in this meeting. Supporting documentation and staff reports furnished to the Council with this agenda are available for review on the Town website at <http://www.chinoaz.net/clerk/townagenda.shtml>, and in the Public Library and Town Clerk's Office.

ITEM # 29

Proclamation: National Patriotism Week



PROCLAMATION

National Patriotism Week - September 5-11, 2011



Whereas, the Benevolent and Protective Order of Elks, through its Constitution, is a PATRIOTIC ORDER; and

Whereas, the Order promotes the ideals that the citizens of this Nation live in freedom, won through the great sacrifices and many tribulations which have provided the foundation for a free, prosperous, and independent life; and

Whereas, we realize that each generation must work to maintain this freedom; otherwise through carelessness or indifference, the rights and liberties enjoyed may vanish; and

Whereas, it is fitting and proper to recognize this freedom and to honor the Nation which provides it;

Now, Therefore, I, Chris Marley, Mayor of the Town of Chino Valley, do hereby proclaim September 5-11, 2011 as National Patriotism Week in Chino Valley, Arizona, and during this event, urge all citizens to join with the Benevolent and Protective Order of Elks in expressing gratitude for the privilege of American Citizenship with appropriate celebrations and observances.

In Witness Whereof, I have hereunto set my hand and caused the Seal of the Town of Chino Valley to be affixed this 23rd day of August 2011.

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk





**TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT**

Item No. 5

☒ Regular Meeting ☐ Special Meeting ☐ Other _____

MEETING DATE: 08/23/2011 TIME: 6:00 p.m.

SUBMITTING DEPARTMENT: Recreation Department

CONTACT PERSON: Cecilia Watts PHONE: Ext 136

☐ Presentation Only ☐ Report Only ☒ Consent Estimated
☐ Action-Presentation ☐ Action ☐ Executive Length of Staff
Presentation: _____ min.

ITEM LOCATION:

PROPOSED AGENDA ITEM:

Consideration and possible action to waive Park Rental Fees of \$90.00 for Memory Park Rental on September 16, 17 and 18, 2011 for a Geocaching event that is planned around Arizona's Centennial theme, and in conjunction with the County's Centennial celebration.

FISCAL IMPACT? N If Yes, Budget Code: _____ Available: \$ _____

FUNDING:

TYPE OF DOCUMENT(S) FOR CONSIDERATION:



**TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT**

Item No. 5

SITUATION AND ANALYSIS:

Kim Eldridge, a member of a local Geocacher's group, was approached by a member of the County Centennial Committee and asked if she would be willing to help coordinate an event in the Chino Valley area for Arizona's Centennial celebration. Ms. Eldridge has planned a 2 ½ day event on September 16, 17, and 18, 2011 at Memory Park and hopes to have at least 200 participants. There is no fee for participation.

RECOMMENDED MOTION:

Move to waive Park Rental Fees of \$90.00 for Memory Park Rental on September 16, 17 and 18, 2011 for a Geocaching event that is planned around Arizona's Centennial theme, and in conjunction with the County's Centennial celebration.

ATTACHMENTS:

PERTINENT DOCUMENTS AVAILABLE UPON REQUEST:

SIGNATURES OF SUBMITTING AND/OR AFFECTED OFFICERS:

C Watts
Author

C Watts
Department Head

Vera J. Smith
Finance

Other:

Other:

Sharon Sargent-Flack
Legal

Other:

Other:

Michael K. Scannell
Town Manager/Designee



**TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT**

Item No. 6

☒ Regular Meeting ☐ Special Meeting ☐ Other _____

MEETING DATE: August 23, 2011 TIME: 6:00 pm

SUBMITTING DEPARTMENT: FINANCE

CONTACT PERSON: VERA SMITH PHONE: 636-2646 x173

☐ Presentation Only ☐ Report Only ☐ Consent Estimated
☒ Action-Presentation ☐ Action ☐ Executive Length of Staff
Presentation: 15 min.

ITEM LOCATION:

N/A

PROPOSED AGENDA ITEM:

Consideration and possible action regarding the Town of Chino Valley Transit Program.

FISCAL IMPACT? Yes If Yes, Budget Code: _____ Available: _____

FUNDING:

TYPE OF DOCUMENT(S) FOR CONSIDERATION:

Summary of Transit Program Financial Information and Transit Program Service Statistics



**TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT**

Item No. 6

SITUATION AND ANALYSIS:

On May 5, 2011, Staff presented additional items for possible consideration to Town Council. One of the additional items was to modify or eliminate the Transit Program.

On May 24, 2011, Town Council authorized Staff to continue the Transit Program for a period of 90 days.

The 90 day period has occurred and Staff has compiled a summary of the Transit Program financial information along with Transit Program Service Statistics.

RECOMMENDED MOTION:

To be determined by Town Council.

ATTACHMENTS:

Summary of Transit Program Financial Information and Transit Program Service Statistics

PERTINENT DOCUMENTS AVAILABLE UPON REQUEST:

N/A

SIGNATURES OF SUBMITTING AND/OR AFFECTED OFFICERS:

V Smith / J Kelly
Author

V Smith
Department Head

Finance

Other:

Other:

Legal

Other:

Other:

[Signature]
Town Manager/Designee

TOTAL TRANSIT PROGRAM EXPENDITURES (9 MONTHS OF GRANT YEAR 1) (EXCLUDES \$4,220.01 FORMATION EXPENSES IN THE GENERAL FUND)	\$ 59,433.77
---	--------------

5311 FEDERAL GRANT REVENUE	\$ 32,497.89	54.68%
----------------------------	--------------	--------

TOTAL GENERAL FUND IN-KIND CONTRIBUTIONS TO TRANSIT PROGRAM WITHOUT FORMATION EXPENSES	\$ 8,509.08	14.32%
---	-------------	--------

GENERAL FUND LTAF II MATCH FOR TRANSIT PROGRAM	\$ 2,950.45	4.96%
--	-------------	-------

LTAF II FUNDS USED FOR TRANSIT PROGRAM	\$ 10,902.89	18.34%
--	--------------	--------

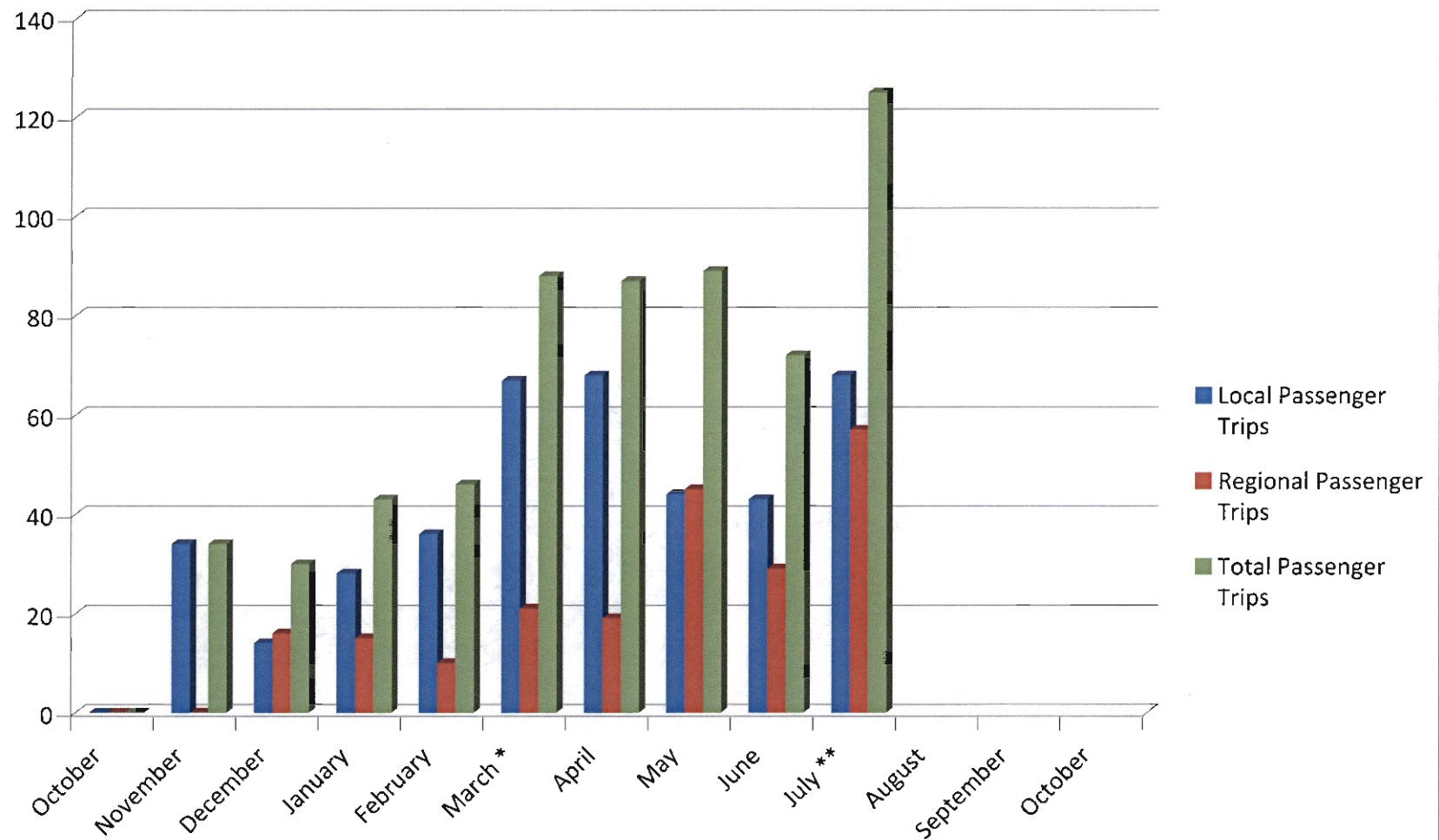
06/30/11 REMAINING LTAF II FUNDS AVAILABLE FOR QUALIFIED TRANSPORTATION PROGRAMS (INCLUDES REQUIRED GF MATCH)(QUALIFIED PROGRAMS SUCH AS SENIOR CENTER TRANSPORTATION PROGRAM, TRANSIT PROGRAM, AND TRANSPORTATION VOUCHER PROGRAM)	\$ 34,246.66
---	--------------

PROPOSED 5311 YR 2 GRANT BUDGET SUMMARY

	As Available	5311 Grant Total					
	Capital - 93 / 7	Capital - 80 / 20	Operating	Administration	Training	Total	% of Total
Fare Revenues			\$1,300			\$1,300	2%
Other Operating Revenues (Advertising/Sponsorship)			\$400			\$400	0%
Local Share	\$473	\$1,350	\$24,413	\$3,610		\$29,373	35%
Federal Share	\$6,277	\$5,400	\$33,712	\$14,440		\$53,552	63%
TOTAL	\$6,750	\$6,750	\$59,825	\$18,050		\$84,625	

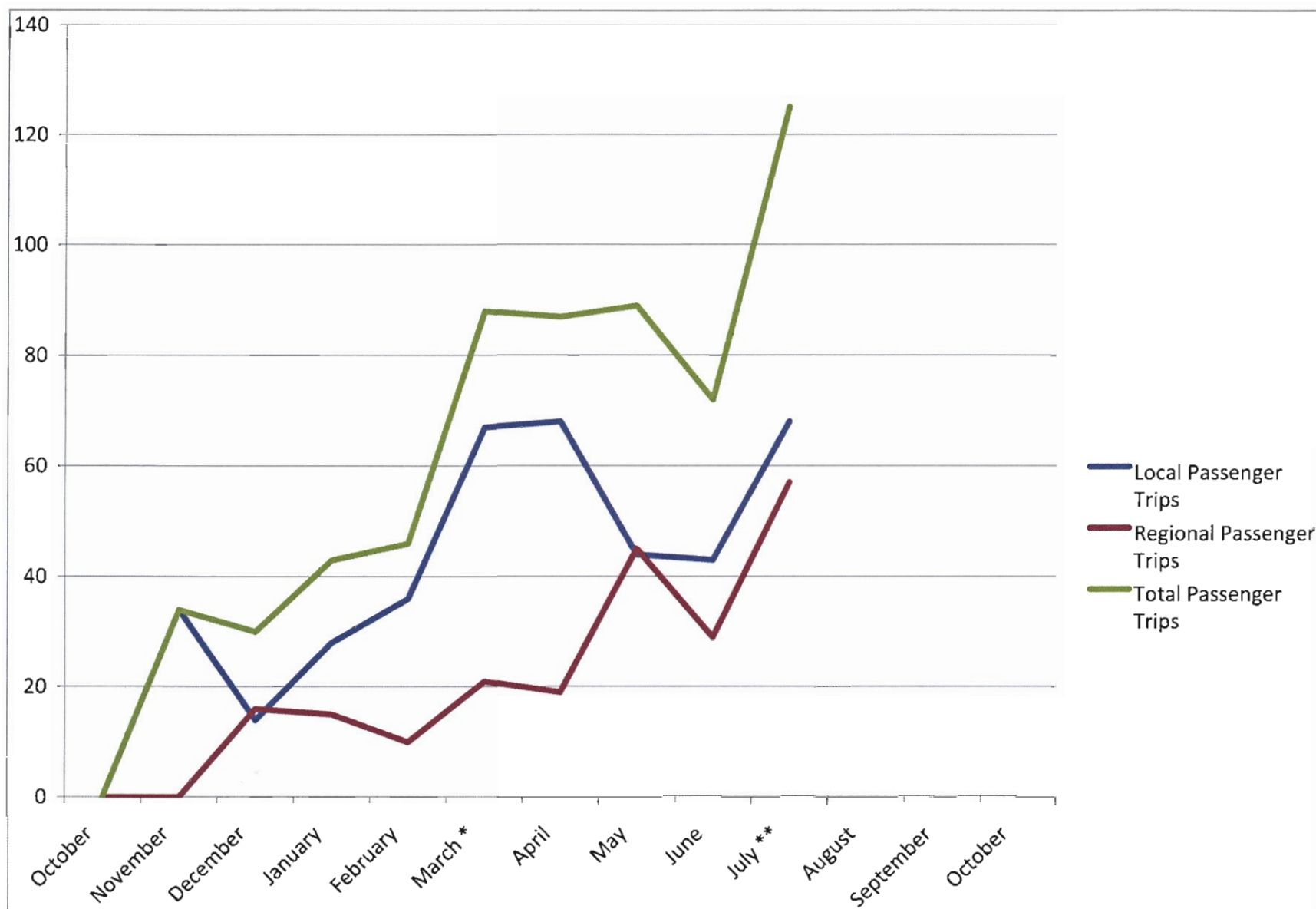
PROPOSED LOCAL MATCH BREAKDOWN

HARD MATCH		SOFT MATCH			OTHER	TOTAL MATCH FUNDING
LTAFIG	GENERAL FUND MATCH for LTAFIG	IN-KIND GENERAL FUND EXPENSES	IN-KIND PERSONNEL	IN-KIND VOLUNTEER	FARES	
\$13,360	\$3,340	\$2,928	\$2,100	\$7,245	\$400	\$29,373



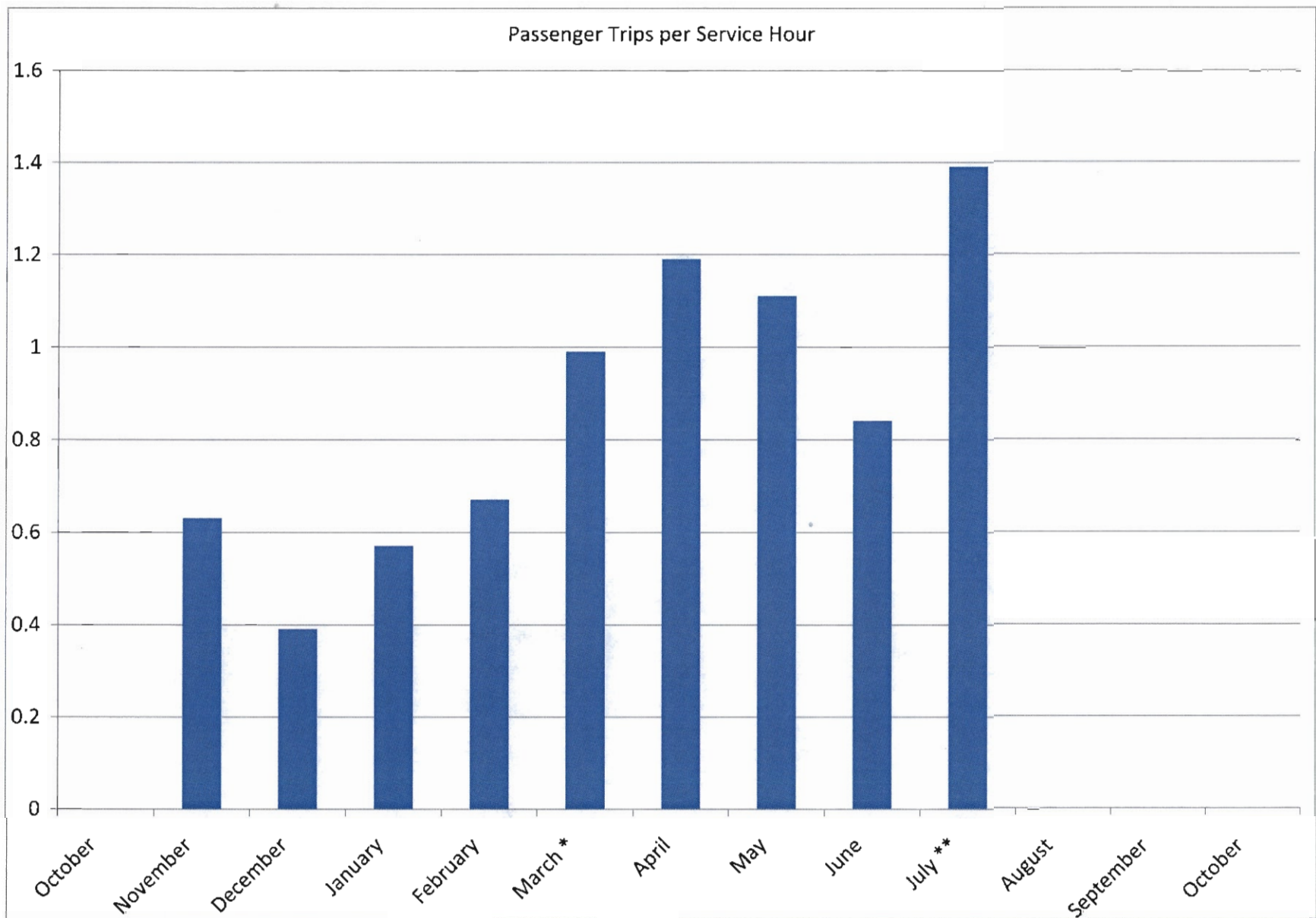
* Grand Opening

** Open House



* Grand Opening

** Open House



* Grand Opening

** Open House



**TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT**

Item No. 107

☒ Regular Meeting ☐ Special Meeting ☐ Other _____

MEETING DATE: 08/23/11 TIME: 6:00pm

SUBMITTING DEPARTMENT: Police

CONTACT PERSON: Commander Chuck Wynn PHONE: 636-4223

☐ Presentation Only ☐ Report Only ☐ Consent Estimated
☐ Action-Presentation ☒ Action ☐ Executive Length of Staff
Presentation: _____

ITEM LOCATION:

Police Department

PROPOSED AGENDA ITEM:

Continued from August 9, 2011: Consideration and possible action to authorize the Police Department to expend approximately \$11,500 to expand the current fenced impound yard at the Police Department to accommodate additional vehicles impounded under A.R.S. § 28-3511.

FISCAL IMPACT? Yes If Yes, Budget Code: 11-60-5470 Available: \$137,000

FUNDING:

Funds to come from the Police Impact Projects expenditure line in the Police Impact Fee Fund.

TYPE OF DOCUMENT(S) FOR CONSIDERATION:



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Item No. 7

SITUATION AND ANALYSIS:

Beginning in 2006, the Police Department revised its tow policy to reflect changes made to A.R.S. § 28-3511, which deals with vehicle immobilization, impoundment and storage. The statute mandates under certain criteria, such as the driver operating the vehicle with a revoked or no driver's license, that vehicles must be impounded or immobilized for a period of up to 30 days. Up to this point, the Police Department has relied upon private towing companies to provide storage for these vehicles due to the current size of the department's impound yard.

After careful analysis, it has been determined that expanding the fenced impound yard will enable the Police Department to store vehicles towed under this statute on site. Under the current economic situation, the department believes this to be a viable source of revenue for the town. In addition, the recommended change will provide a more streamlined process for citizens whose vehicles have been impounded under this statute. Currently, citizens must appear at the police department, pay a hearing fee and have a hearing before a hearing officer prior to their vehicle being released. After completing this process, paperwork must be faxed by the Police Department to the appropriate tow company where the citizen must go to pay towing and storage fees and pick up their vehicle. Moving storage of vehicles to the Police Department will allow citizens to take care of all paperwork and payment at one location. It will also allow for extended hours for citizens to pick up their vehicles past the normal business hours of most commercial businesses.

The expanded fenced area for the storage yard will be on the immediate north side of the Police Department and will tie into the existing fence. Additional lighting will be added for security. Supervision of this program falls under the auspices of the department's Management Assistant, who supervises the Civilian Officers who will be tasked with handling the day to day duties associated with this program.

RECOMMENDED MOTION:

Motion per Council discussion.

ATTACHMENTS:

PERTINENT DOCUMENTS AVAILABLE UPON REQUEST:

SIGNATURES OF SUBMITTING AND/OR AFFECTED OFFICERS:



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Item No. 7

C. Wynn
Author

P. Huntsman
Department Head

Vera Smith
Finance

Other:

Other:

Sharon Sargent-Flack
Legal

Other:

Other:

Michael K. Scannell
Town Manager/Designee



**TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT**

Item No. 8

☒ Regular Meeting ☐ Special Meeting ☐ Other _____

MEETING DATE: August 23, 2011 TIME: 6:00 p.m.

SUBMITTING DEPARTMENT: Town Clerk

CONTACT PERSON: Jami C. Lewis PHONE: 636-2646, ext. 119

☐ Presentation Only ☐ Report Only ☐ Consent Estimated
☐ Action-Presentation ☒ Action ☐ Executive Length of Staff
Presentation: _____ min.

ITEM LOCATION:

Doreen's Back Street Bar & Grill, 2879 Arizona Trail

PROPOSED AGENDA ITEM:

PUBLIC HEARING and possible action to approve application from Timothy Smith for person transfer of a Series 6 (Bar) Liquor License for Doreen's Back Street Bar & Grill, located at 2879 Arizona Trail in Chino Valley.

FISCAL IMPACT? No If Yes, Budget Code: _____ Available: \$ _____

FUNDING:

TYPE OF DOCUMENT(S) FOR CONSIDERATION:

Liquor License Application



**TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT**

Item No. 8

SITUATION AND ANALYSIS:

A.R.S. § 4-201 provides that provides that a person desiring a liquor license shall apply with the State Liquor Board. Upon receipt of an application, the State forwards the application to the local governing body, who is tasked with making a recommendation to the Board for granting or denying the license. If the recommendation is for disapproval, a statement of the specific reasons containing a summary of the testimony or other evidence supporting the recommendation for disapproval must be provided to the Liquor Board.

Timothy Smith has applied with the state for transfer of Series 6 (Bar) Liquor License for Doreen's, located at 2879 Arizona Trail. The Police and Planning Departments reviewed the application and recommended approval with no comments.

Staff posted the establishment with the necessary notices to meet the required 20-day period from July 27, 2011 through August 23, 2011. As of the date of this report, staff has not received any written arguments in favor of or in opposition to the application.

RECOMMENDED MOTION:

(a) Hold public hearing; and (b) move to approve application for a new Series 6 Liquor License transfer for Doreens, located at 2879 Arizona Trail.

ATTACHMENTS:

Summary of Series 6 Liquor License provisions

PERTINENT DOCUMENTS AVAILABLE UPON REQUEST:

Liquor License application – available upon request and also posted at the establishment

SIGNATURES OF SUBMITTING AND/OR AFFECTED OFFICERS:

_____ Author	_____ Jami C. Lewis Department Head	_____ Vera J. Smith Finance
_____ Sgt. Tom King Other: Police	_____ Mike Bovée Other: Zoning	_____ Sharon Sargent-Flack Legal
_____ Other:	_____ Other:	_____ Michael K. Scanrell Town Manager/Designee

Series 6 Bar License

The bar (series 6) liquor license is a "quota" license available only through the Liquor License Lottery or for purchase on the open market. Once issued, this liquor license is transferable from person to person and/or location to location within the same county and allows the holder both on- & off-sale retail privileges. This license allows a bar retailer to sell and serve spirituous liquors, primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises. A retailer with off-sale ("To Go") privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. A.R.S. 4-206.01.F. states that after January 1, 2011, the off-sale privileges associated with a bar license shall be limited to no more than ten per cent of the total annual sales receipts of liquor by the licensee at that location. Payment must be made no later than the time of delivery. Off-sale ("To Go") package sales of spirituous liquor can be made on the bar premises as long as the area of off-sale operation does not utilize a separate entrance and exit from the ones provided for the bar. A hotel or motel with a Series 06 license may sell spirituous liquor in sealed containers in individual portions to its registered guests at any time by means of a minibar located in the guest rooms of registered guests. The registered guest must be at least twenty-one (21) years of age. Access to the minibar is by a key or magnetic card device and not furnished to a guest between the hours of 1:00 a.m. and 6:00 a.m. Monday through Saturday and 1:00 a.m. and 10:00 a.m. on Sundays.



**TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT**

Item No. 9

☒ Regular Meeting ☐ Special Meeting ☐ Other _____

MEETING DATE: August 23, 2011 TIME: 6:00 p.m.

SUBMITTING DEPARTMENT: Town Clerk

CONTACT PERSON: Mike Best PHONE: 636-2646

☐ Presentation Only ☐ Report Only ☐ Consent Estimated
☐ Action-Presentation ☒ Action ☐ Executive Length of Staff
Presentation: 15 min.

ITEM LOCATION:

PROPOSED AGENDA ITEM:

Discussion and possible recommendations with regard to the 2011 resolutions submitted for consideration by the League of Arizona Cities and Towns Resolutions Committee.

FISCAL IMPACT? No If Yes, Budget Code: _____ Available: \$ _____

FUNDING:

TYPE OF DOCUMENT(S) FOR CONSIDERATION:

Municipal Resolutions submitted to the League Resolutions Committee

SITUATION AND ANALYSIS:

The primary activity of the League of Arizona Cities and Towns is to represent the collective interests of Arizona's 90 incorporated cities and towns at the Capitol. During each legislative session and throughout the year, the League provides a number of services and publications to assist Arizona cities in more effectively communicating and monitoring issues that affect their local communities.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Item No. 9

Each year the League asks cities and towns to submit resolutions based on issues of concern to their local communities. The resolutions are considered by representatives from the cities and towns at the Annual League Conference, and some are elected to go into the League's Municipal Policy Statement, which outlines the League's legislative priorities for the coming year.

The Annual League Conference is August 29-September 1, 2011 and the Council customarily reviews the proposed resolutions and provides feedback so that the Town representative on the Resolutions Committee, Mike Best, can represent the entire Council's view at the resolutions meeting.

RECOMMENDED MOTION:

None.

ATTACHMENTS:

- A – Memorandum from Chair of the League Resolutions Committee
- B – Resolutions Committee conference meeting agenda
- C – Recommendations of Resolutions Subcommittee
- D – 2012 Proposed Resolutions (Council only)

PERTINENT DOCUMENTS AVAILABLE UPON REQUEST:

Full text of resolutions available from the Town Clerk's Office and on the Town website at <http://www.chinoaz.net/clerk/townagenda.shtml>

SIGNATURES OF SUBMITTING AND/OR AFFECTED OFFICERS:

_____ Author	_____ Jami C. Lewis Department Head	_____ Vera Smith Finance
_____ Other:	_____ Other:	_____ Sharon Sargent-Flack Legal
_____ Other:	_____ Other:	_____ Michael K. Scannell Town Manager/Designee

ATTACHMENT "A"

Memorandum from Chair of the
League Resolutions Committee

July 27, 2011

TO: Members of the Resolutions Committee

FROM: Mayor Scott Smith; Chairman

SUBJECT: PROPOSED RESOLUTIONS AND MEETING REMINDER

This memo is to remind you that the Resolutions Committee meeting will be held at the League Annual Conference at the following time and location:

Tuesday, August 30, 2011
JW Marriott Starr Pass Resort in Tucson
Lunch- 12:30 pm (AZ Ballroom 12)
Meeting- 1:30 pm (Tucson Ballroom, Salons F-J)

Enclosed with this memo are a meeting agenda, the Resolution Subcommittee Recommendations chart and the full Resolutions Packet with Subcommittee Recommendations. Please review the packet and bring it with you to the meeting. If your city or town is sponsoring resolutions, you may be asked to explain and possibly answer questions regarding the resolution. Also, please talk with your City/Town Manager and appropriate staff to research the other resolutions and their potential impact to your community. A contact from the sponsoring city or town is listed on each resolution and will be able to answer any questions that you may have. Seeking these answers prior to the meeting will allow the Committee to spend our limited amount of time on debate and voting rather than learning about each resolution.

The Committee will be considering 22 resolutions that were submitted by the deadline. As such, your preparation prior to the meeting and your prompt attendance will allow the Committee to complete its work in a timely fashion. The meeting will begin promptly at 1:30 pm with introductions, followed by a report of the Resolutions Subcommittee, which met on July 20, 2011. The Subcommittee put the resolutions into categories (Recommend for Adoption, Recommend with Amendments, etc.). You will have the option to remove items for individual discussion. After the report, action will be taken on any motions followed by discussion and voting on individual resolutions.

Late resolutions will not be considered except in the case of emergency as determined by the Resolutions Committee Chairman. The Resolutions approved by the Resolutions Committee will be formally adopted at the Annual Business Meeting, scheduled for Thursday, September 1, 2011 at 4:00 p.m.

We look forward to seeing you at the meeting. If you have any questions or a change in your plans to attend, please call Dale Wiebusch at the League office at (602) 258-5786.

Enclosure

cc: City/Town Managers or Clerks
Intergovs

ATTACHMENT "B"

Resolutions Committee conference meeting agenda

LEAGUE OF ARIZONACITIES AND TOWNS
RESOLUTIONS COMMITTEE CONFERENCE MEETING

Tuesday, August 30, 2011
Lunch - 12:30 pm -- AZ Ballroom 12
Meeting - 1:30 pm -- Tucson Ballroom, Salons F-J
JW Marriott Starr Pass Resort

Mayor Scott Smith; Chairman

AGENDA

12:30 pm

Lunch for Resolutions Committee Members

1:30 pm

Resolutions Committee Meeting

- I. Call to Order and Introductions
- II. Report of Resolutions Subcommittee
 - Recommend for Adoption
Resolutions # 1, 3, 6, 11, 17, 19, 20, 22, Staff 2
 - Recommend with Amendments
Resolutions # 2, 4, 10, 12, 13, 21, Staff 1
 - Critical Municipal Issue
Resolutions # 5, 15, 16, 18
 - Not Recommended for Passage
Resolutions # 7, 8, 9, 14,
- III. Discussion and Action on Resolutions
- IV. Adjournment

ATTACHMENT "C"

Recommendations of Resolutions Subcommittee

League of Arizona Cities & Towns
Recommendations of Resolution Subcommittee Meeting

No.	Summary	Sponsor	Co-Sponsor	Subcommittee Recommendation
1	<i>Prohibit the legislature from changing the funding formula for shared revenues with cities and towns and increasing costs to cities and towns through shifting existing service costs through increased fees that replace state funding.</i>	Prescott Valley	Bullhead City, Kingman, Clarkdale	Recommend for Adoption
3	<i>Urges the Legislature to protect the Arizona State Parks (ASP) authority to generate and utilize its revenues as deemed necessary by the ASP Board. Fees generated by the Arizona State Parks are protected for use toward the purposes of State Parks.</i>	Sedona	Payson, Clarkdale, Prescott Valley, Kingman, Cottonwood, Bullhead City, Jerome, Camp Verde	Recommend for Adoption
6	<i>Recommend that the State of Arizona continue to support retention of existing economic development tools and programs and increase access to new tools for cities to help them remain competitive nationally and internationally.</i>	Flagstaff	Sedona, Kingman, Yuma, Tempe, Oro Valley	Recommend for Adoption
11	<i>Urges the Governor and the State Legislature to develop and pass legislation that allows greater flexibility in annexing county islands.</i>	Marana	Sierra Vista	Recommend for Adoption
17	<i>Urges the Governor and the State Legislature to develop and pass legislation that supports efforts to reduce the shortage of physicians in the State of Arizona. The League encourages the Legislature to consider addressing any major issues that affect a physician's decision to locate or remain in Arizona to practice.</i>	Sierra Vista	Bisbee, Douglas, Clarkdale	Recommend for Adoption
19	<i>Amend the laws and regulations for granting a Certificate of Necessity (CON) and allow cities & towns the authority to provide emergency ambulance transportation services within their jurisdictions.</i>	Yuma	Sierra Vista, Bullhead City, Kingman	Recommend for Adoption
20	<i>Urges Congress to repeal Section 511 of the Tax Increase Prevention and Reconciliation Act of 2005, which mandates Federal, State and Local government entities to withhold and remit to the IRS 3% of nearly all contract payments, effective January 1, 2013.</i>	Mesa	Phoenix	Recommend for Adoption
22	<i>Oppose federal preemption of state and local taxing authority over online travel companies.</i>	Tusayan	Flagstaff, Sedona	Recommend for Adoption
Staff 2	<i>Support Reasonable Structural Reform to the State's Revenue System</i>	Staff		Recommend for Adoption

League of Arizona Cities & Towns
Recommendations of Resolution Subcommittee Meeting

2	<i>Request the Legislature freeze future sweeps of Highway User Revenue Funds (HURF) and restore HURF funding to FY2008 levels over a 3-5 year period to begin in FY2012/2013.</i>	Douglas	Bullhead City, Apache Junction, Bisbee, Coolidge, Globe, Kingman, Page, Sierra Vista, Tolleson, Wickenburg, Williams, Yuma, Thatcher, Payson, South Tucson	Recommend with Amendments- <i>Request the Legislature freeze STOP future sweeps of Highway User Revenue Funds (HURF) and restore HURF funding to FY2008 levels over a 3-5 year period to begin in FY2012/2013.</i> ADDITIONAL CO-SPONSORS ADDED (at end of this document).
4	<i>Urges the authorization of expenditure and full appropriations through the reauthorization of ARS 41-501, 503 and 504 to restore the Arizona State Park Heritage Funds.</i>	Sedona	Payson, Clarkdale, Prescott Valley, Kingman, Cottonwood, Bullhead City, Jerome, Yuma, Camp Verde	Recommend with Amendments- <i>Urges the authorization of expenditure and full appropriations through the reauthorization of REENACTMENT OF REPEALED ARS 41-501, 503 and 504 to restore the Arizona State Park Heritage Funds.</i>
10	<i>Amend A.R.S. § 13-1602 (Criminal Damage) to include criminal damage by graffiti.</i>	Yuma	Bullhead City	Recommend with Amendments- <i>Amend A.R.S. § 13-1602 (Criminal Damage) to include criminal damage by graffiti, BUT ONLY ON A MISDEMEANOR LEVEL.</i>
12	<i>Urges the Legislature to amend A.R.S. § 39-121.01 regulating requests for public records that are overbroad or abusive.</i>	Yuma	Apache Junction, Bullhead City, Queen Creek, of Kingman	Recommend with Amendments- <i>Urges the Legislature to amend A.R.S. § 39-121.01 regulating requests for public records that are overbroad or abusive TO INCLUDE SPECIFICITY OF SUBJECT MATTER AND TIME PERIODS, STAFF TIME REQUIREMENTS AND TO EXCLUDE RECOGNIZED MEDIA FROM BEING LIMITED IN THEIR REQUESTS.</i>
13	<i>Urges the Legislature amend statutes requiring cities to publish notices, agendas, reports, and other statutorily mandated publications in a newspaper to allow cities and towns the option to publish on an official website.</i>	Yuma	Apache Junction, Sierra Vista, Bullhead City, Queen Creek, Sedona, Oro Valley	Recommend with Amendments- <i>Urges the Legislature amend statutes requiring cities to publish notices, agendas, reports, and other statutorily mandated publications in a newspaper to allow cities and towns the option to publish on an official website OR A THIRD PARTY'S WEBSITE IN ADDITION TO THE MUNICIPALITY'S WEBSITE.</i>

League of Arizona Cities & Towns

Recommendations of Resolution Subcommittee Meeting

21	<i>Urges the President of the United States and the U.S Congress to enact effective and large-scale forest restoration efforts for Arizona and other western forests to improve forest health and reduce the risks from catastrophic wildfires.</i>	Scottsdale	Payson, Paradise Valley	Recommend with Amendments- <i>Urges the LEGISLATURE TO SUPPORT</i> <i>President of the United States and the U.S Congress to enact effective and large-scale forest restoration efforts for Arizona and other western forests to improve forest health and reduce the risks from catastrophic wildfires.</i>
Staff 1	<i>Supporting city and town authority over local matters; Constitutional authority of Charter Cities.</i>	Staff		Recommend with Amendments (attached to full Resolutions packet)

League of Arizona Cities & Towns
Recommendations of Resolution Subcommittee Meeting

5	<i>Identify and establish funding sources for Arizona Water Supply Revolving Fund Development authorized by H.B.2692.</i>	Flagstaff	Prescott Valley	Critical Municipal Issue with Amendment- <i>Identify and establish funding sources for Arizona Water Supply Revolving Fund Development authorized by H.B.2692.</i>
15	<i>Legalize and encourage changes to net metering policies allowing for aggregate net metering (ANM) and use of energy and credits generated at available public and/or private sites to benefit energy meters located away from the generating site.</i>	Clarkdale	Payson, Prescott Valley, Sedona, Oro Valley	Critical Municipal Issue
16	<i>Request the Legislature establish the mechanism for the creation of sustainable energy financing district authority. Encourage the Arizona State Legislature to identify and define energy efficiency and renewable energy as a public benefit that enhances the public good and promotes the health, safety, prosperity, security, and general welfare of the community.</i>	Flagstaff	Sedona, Surprise, Bullhead City	Critical Municipal Issue
18	<i>Urges the State Legislature to support implementing a pilot program to restrict trucks to the two right-most lanes when traveling on Arizona highways in urban areas with three or more lanes in each direction</i>	Apache Junction	Douglas	Critical Municipal Issue

League of Arizona Cities & Towns
Recommendations of Resolution Subcommittee Meeting

7	<i>Request the Legislature to amend Arizona Revised Statutes § 16-1004 to clarify that it is illegal to interfere with an election officer during the course of any official election-related duties.</i>	Apache Junction	Kingman, Bullhead City	Not Recommended for Passage – Too specific to one community, and may be an interpretation of statute issue.
8	<i>Request the Legislature amend Arizona Revised Statutes § 13-2904(A) by adding language that protects public employees by clearly indicating that public employees, in the course of their official duties, can be victims of disorderly conduct.</i>	Apache Junction	Kingman, Bullhead City	Not Recommended for Passage - Statute could be interpreted as already covering public employees.
9	<i>Support legislation that institutes licensure requirements, regulations and standards for body art “tattoo” establishments.</i>	Glendale	Kingman, Bullhead City	Not Recommended for Passage - Potential to be anti-local control if the State mandated us to take action, or initiated laws or rules that were inconsistent with local ordinances.
14	<i>Urges the Governor and the State Legislature to develop and pass legislation that requires disclosure of development impact fees on purchase contracts for new residential construction.</i>	Sierra Vista	Bisbee, Douglas	Not Recommended for Passage - May violate current agreement on moratorium on impact fee legislation.

Recommendations of Resolution Subcommittee Meeting

Key to Subcommittee Recommendations

Recommend for Adoption – Becomes a part of the Municipal Policy Statement, and will help guide legislative activity in the coming session.

Recommend with Amendments - Becomes a part of the Municipal Policy Statement, and will help guide legislative activity in the coming session, but needed amending for either content or technical reasons.

Critical Municipal Issue – Although an important concept to cities and towns, does not quite rise to the level of legislative activity. League staff may address the issue with state agencies and/or other stakeholders.

Not Recommended for Passage – The resolution may be too confined to one community, be on its face contrary to core principles, or not in line with current agreements with other stakeholders.

Subcommittee Recommendations column uses strike-throughs and capital letters to indicate changes to Resolutions summary statements.

League of Arizona Cities & Towns
Recommendations of Resolution Subcommittee Meeting

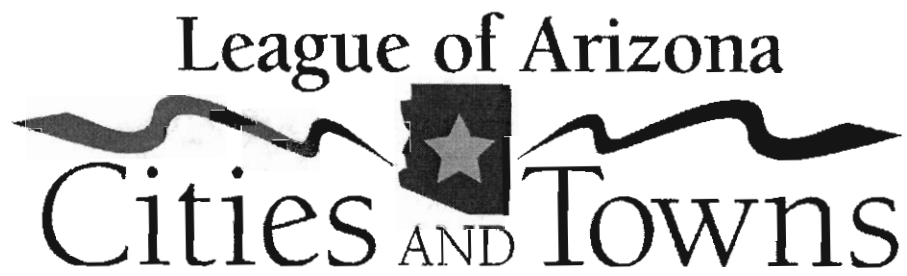
Amendment of Resolution #2

Additional Co-Sponsors-Approved by the Resolutions Subcommittee

City of Safford, Town of Pima, City of Eloy, City of Willcox, Town of Tusayan, Town of Chino Valley, City of Williams, City of Coolidge, City of Benson, City of Nogales, Town of Wickenburg, Town of Parker, Town of Snowflake, Town of Taylor, Town of Duncan, City of Winslow, Town of Patagonia, City of San Luis, Town of Fredonia, Town of Clifton, City of Tolleson, City of Casa Grande, Town of Pinetop-Lakeside

ATTACHMENT "D"

2012 Proposed Resolutions (Council & web only)



2012 PROPOSED RESOLUTIONS

To be reviewed by the Resolutions Committee on August 30, 2011

Resolution #1

This resolution would prohibit the legislature from: 1) changing the funding formula adopted by the voters of the State as it relates to shared revenues with cities and towns and 2) increasing costs to cities and towns through shifting existing service costs through increased fees that replace state funding.

Submitted by: Town of Prescott Valley, City of Bullhead City, City of Kingman, Town of Clarkdale

Greater Arizona Mayor's Association (GAMA) Cities

A. Purpose and Effect of Resolution

The purpose of the resolution is to preserve existing revenue streams to local governments that have been responsibly managing their budgets during these difficult economic times. Local governments vehemently object to shifting costs from the State to local governments through new fees. Additionally, the State should fund legislative mandates on local governments. Rather than take an adversarial stance, legislators should facilitate the ability of cities and towns to create jobs, provide public safety, maintain roads and parks, and provide other vital services to the 80% of Arizona constituents that live in municipal limits. The current funding formula for state shared revenues works efficiently when both the State and municipalities live within their means. Please see the attached exhibit that the State of Colorado recently implemented to support their cities and towns.

B. Relevance to Municipal Policy

The impacts to local governments are a diminishment in existing service levels as revenue continues to decline or burdens are shifted.

C. Fiscal Impact to Cities and Towns

Existing voter approved revenues streams to cities and towns will remain, allowing for local municipalities to effectively plan for essential services and critical infrastructure.

D. Fiscal Impact to the State

The State must live within its budget as cities and towns must.

E. Contact Information

Name: <u>Larry Tarkowski</u>	Title: <u>Town Manager</u>
Phone: <u>(928) 759-3100</u>	Email: <u>ltarkowski@pvaz.net</u>

RECOMMEND FOR ADOPTION

Resolution #1 Addendum

EXECUTIVE ORDER

Establishing a Policy to Enhance the Relationship between State and Local Government

Pursuant to the authority vested in the Office of the Governor of the State of Colorado, I, John W. Hickenlooper, Governor of the State of Colorado, hereby issue this Executive Order directing state agencies to take specific steps to enhance relations with local government.

I. Background and Purpose

For many years state government has imposed an ever-increasing number of legal requirements on local governments, without regard to the costs such requirements impose on already-strained local budgets, and without providing additional funding to enable local governments to comply. Local governments continue to face difficulties such as funding, complexity, and delay in securing flexibility and approvals regarding state requirements.

Local governments should have more flexibility to design solutions to problems without excessive interference or oversight, or unnecessary regulation, from state government. In addition, local governments should not be expected to implement laws and regulations without the funding necessary to do so. In order to assist local governments in effectively complying with such requirements, this Executive Order gives direction to state agencies on consulting and working with local governments before imposing new regulations or other obligations.

II. Directive and Scope

A. To the extent authorized by law, no state agency shall promulgate any regulation creating a mandate on local governments unless:

1. The mandate is specifically required by federal or state law;
2. The agency consults with local governments prior to promulgation of the regulation; and
3. The state government provides the funding necessary to pay for the direct costs incurred by local governments in complying with the mandate.

B. Each agency, prior to the formal promulgation of regulations containing the proposed mandate, shall provide to the Director of the Governor's Office of State Planning and Budgeting a description of the nature and extent of the agency's consultation with representatives of the local governments that would be affected by the proposed mandate, the nature of their concerns, any written communications or comments submitted to the agency by such units of local government, and the agency's reasoning supporting the need to issue the regulation containing the mandate.

C. Each agency shall develop a process to actively solicit the meaningful and timely input of elected officials and other representatives of local governments into the development of regulatory proposals affecting local government. Each agency shall implement its process as soon as practicable and post the process on its website.

D. Each agency that is permitted by law to grant temporary or permanent waivers of statutory or regulatory requirements shall adopt rules for granting waivers if a local government can demonstrate that the requirements conflict with other regulations or statutes, or are unduly burdensome. Each State agency shall prepare and publish on its website a policy describing the circumstances in which temporary or permanent waivers will be granted, and the criteria required for obtaining a waiver.

E. Each agency shall consider any application by a local government for a waiver of statutory or regulatory requirements in light of the goal of increasing opportunities for local governments to exercise flexibility in seeking to comply with statutory or regulatory requirements.

F. To the fullest extent practicable and as permitted by law, each agency shall render a decision on an application for waiver within 90 days of receipt of such application by the agency. If the application for waiver is not granted, the agency shall provide the applicant local government with timely written notice of its decision and the reasons for its decision.

G. The executive director of each agency shall be responsible for ensuring implementation of, and compliance with, this Executive Order.

H. Executive agency means any authority of the State of Colorado that is an "agency" pursuant to C.R.S. § 24-3-101.

III. No Creation of Rights

This Executive Order is intended only to improve intergovernmental operations, and is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or equity by any party against the State of Colorado, its agencies, officers, employees, or any other person. This Executive Order shall not be used as a basis for legal challenge to statutes, regulations, or other actions or to any inaction of any state agency subject to it.

IV. Duration

This Executive Order shall remain in full force and effect until modified or rescinded by future Executive Order of the Governor. This Executive Order supersedes Executive Order D 0007 94.

GIVEN under my hand and the

Executive Seal of the State of

Colorado this eleventh day of

January, 2011.

John W. Hickenlooper

Governor

Resolution #2

The City of Douglas through the League of Cities and Towns and its Municipal members is requesting the Arizona State Legislature freeze future sweeps of Highway User Revenue Funds (HURF) allocated to Arizona Cities and Towns. Douglas further resolves that the Arizona Legislature restore HURF funding to FY2008 levels over a 3-5 year period to begin in FY2012/2013.

Recommended Amendment from the Resolutions Subcommittee:

Request the Legislature freeze ~~STOP~~ future sweeps of Highway User Revenue Funds (HURF) and restore HURF funding to FY2008 levels over a 3-5 year period to begin in FY2012/2013.

Submitted by: City of Douglas, Bullhead City, City of Apache Junction, City of Bisbee, City of Coolidge, City of Globe, City of Kingman, City of Page, City of Sierra Vista, City of Tolleson, City of Wickenburg, City of Williams, City of Yuma, Town of Thatcher, Town of Payson, City of South Tucson

Additional Co-Sponsors Approved by the Resolutions Subcommittee

City of Safford, Town of Pima, City of Eloy, City of Willcox, Town of Tusayan, Town of Chino Valley, City of Williams, City of Coolidge, City of Benson, City of Nogales, Town of Wickenburg, Town of Parker, Town of Snowflake, Town of Taylor, Town of Duncan, City of Winslow, Town of Patagonia, City of San Luis, Town of Fredonia, Town of Clifton, City of Tolleson, City of Casa Grande, Town of Pinetop-Lakeside

A. Purpose and Effect of Resolution

ARS 28-6540 provides a method of distributing motor vehicle fuel tax revenues to Arizona Counties, Cities, and Towns for the mandated purpose of road construction, reconstruction or maintenance of roads within the jurisdiction. The State has swept portions of these revenues each year since FY2008.

In 2008, Douglas received \$1,469,404. In FY2011/2012 Douglas will receive \$1,105,914 or a reduction of \$363,490 (24.74%). At the same time, Douglas portion of State Shared Revenues declined \$1,263,975 (26.07%). HURF revenues will no longer support minor or major street improvements. The decline in other State Shared revenue negates the General Fund being able to subsidize street improvements. The Douglas maintenance streets program is now limited to pothole/sidewalk repair. Further HURF losses will mean employee layoff and further street deterioration.

B. Relevance to Municipal Policy

Upon information and belief many other Arizona Counties, Cities and Towns are in the same situation. Arizona enjoys year round Tourism to all Urban and Rural Areas of the State. With the prospect of very poor, declining Street Infrastructure, Cities will be forced to find other methods of local taxation to replace HURF Sweeps and General Fund Revenues Sharing losses. The inability to fund even minor street repairs will also affect General Contractor payrolls as street projects slow down or come to an end. Ultimately transportation infrastructure, jobs and economic growth will further deteriorate in the State.

C. Fiscal Impact to Cities and Towns

Douglas has lost \$363,490 or 24.74% of 2008 HURF revenue. At 17,500 population, Douglas is roughly in the middle compared with Arizona's other 91 Cities or Towns. Many other Arizona Cities and Counties will be

unable to do minor or major construction/reconstruction of streets without new taxes forced by State sweeps. Under ARS 28-6533 HURF revenues to Cities must be used for Street and Road repair not for enforcement of traffic. State Sweeps have caused the municipal loss of over \$100 million in Street repair monies to fund the operations of the State D.P.S.

D. Fiscal Impact to the State

Sweeps of Arizona HURF should be restored to municipalities' budgets ~~from the DPS to bring HURF funds back to 2008 levels~~. The State should find the necessary funds for DPS within its own General Fund as the economy recovers.

E. Contact Information

Name: Margaret Morales Title: Council Member Ward 1 – City of Douglas Representative to the Arizona League of Cities and Towns Resolutions Committee
Phone: (520) 417-7302 Email: Margaret.Morales@douglasaz.gov

On their Council Agenda for approval

City of Benson, City of Casa Grande, City of Duncan, City of Eloy, City of Fredonia, City of Nogales, City of Safford, City of San Luis, City of Willcox, City of Winslow, Town of Pinetop-Lakeside, Town of Gila Bend, Town of Miami, Town of Springerville

Other Supporters

Representative Karen Fann, LD1

Yavapai County Contractors Association

RECOMMEND WITH AMENDMENTS

Resolution #3

Urges the Legislature to protect the Arizona State Parks (ASP) authority to generate and utilize its revenues as deemed necessary by the ASP Board. In particular, we seek the assurance that fees generated by the Arizona State Parks are protected for use toward the purposes of State Parks.

Submitted by: City of Sedona, Town of Payson, Town of Clarkdale, Town of Prescott Valley, City of Kingman, City of Cottonwood, City of Bullhead City, Town of Jerome, Town of Camp Verde

A. Purpose and Effect of Resolution

The Arizona State Parks (ASP) has suffered cuts totaling more than \$81.6 million since FY 2008. More than \$15 million of those cuts have come from revenue directly generated by State Parks – which is now being sent from the generating agency to support various programs in the State General Fund. Despite the cuts, ASP has been able to keep open multiple state parks through partnership agreements with non-profits and local governments. These partnership agreements rely heavily on the fees generated at the state park in order for the costs of operation to be met.

ASP has recently taken on a study that looks to further the utilization of partnerships (non-profit, public and private) to make the current partnerships sustainable in the long-term and to increase the number of partnerships and financial arrangements to make the entire park system more viable over time. The only way for the current and future partnerships to be viable is to ensure that fees generated at state parks stay with state parks.

ASP has stated time and again that the loss of either its partnerships or availability of its forecasted revenue will render the state parks system unsustainable. According to ASP “The FY12 ASP operating budget is predicated on the park system generating \$10 million in revenue, coupled with the authority of ASP to spend the revenue it earns, and its partnership agreements (for Alamo Lake, Boyce Thompson Arboretum, Fort Verde, Homolovi, Jerome, Lost Dutchman, Lyman Lake, McFarland, Picacho Peak, Red Rock, Riordan Mansion, Roper Lake, Tombstone Courthouse, Tonto Natural Bridge, Tubac Presidio, Yuma Prison, Yuma Quartermaster Depot). *Without the authority to expend its own earned revenues, even with intergovernmental and private partnership agreements, the park system cannot be sustained.*”

The ultimate purpose of this resolution will be to assure that State Parks remain open to the public as a recreational, environmental, and cultural benefit that supports and generates tourism, and provides important revenue to not only local, but also to the regional and statewide economies. In addition, the availability of the State Parks System will continue to provide a high quality of life for Arizona residents and serve as an attraction to new residents.

B. Relevance to Municipal Policy

State Parks are essential to the rural economies and people of Arizona, and the continued threat to their operation leaves a continued threat to the still weak local economies in rural Arizona. In addition, Arizona’s natural environment, including access to the environment through availability of State Parks across the state draws millions of tourists to Arizona, benefiting every entity that relies on tourism as part of its economy.

Increasingly, ASP is reliant on partnerships and financial contributions from local governments to make its state parks viable. This comes at a time when local resources are shrinking. The only way for the state parks system

to remain viable and eventually become a self-supporting system is the assurance that ASP will keep the fees generated at state parks for their use.

C. Fiscal Impact to Cities and Towns

Visitors' expenditures combined with their direct and induced impacts resulted in \$21,171,627 in Federal Government taxes and \$22,762,326 in state and local government taxes. The total tax impact of Arizona State Park visitors in 2007 was \$43,933,953. The estimated tax impact is based on non-park taxable expenditures such as:

Groceries	\$	27,129,959
Food & Beverages	\$	24,375,662
Recreation Equipment Supplies	\$	4,708,540
Retail Shopping	\$	15,347,294
Lodging	\$	18,594,618
Personal Auto Expenditures	\$	32,345,735
Tourist Services	\$	5,012,916
Total	\$	127,514,724

D. Fiscal Impact to the State

The revenues generated at State Parks are not general revenues of the State and therefore there should be no fiscal impact to the State. However, the generated fees could not be swept and should not be considered by the Legislature as a possible source of funds for other programming. This policy actually supports the Legislature's request that the ASP operates as much like a business as possible – because a business generates and keeps revenue for its operations, R&D, and capital needs.

The economic benefit of the State Park System is statewide. Calculated at the state level for FY07, the total economic impact of Arizona State Parks (direct, indirect and induced) on the state was \$266,436,582. This total state income resulted in 2,397 direct jobs and 950 indirect jobs for a total of 3,347 jobs statewide. The jobs provided were generated directly, through State Parks employment, but also indirectly, for the tourism industry that is supported and enhanced by the existence of State Parks.

Visitors' expenditures combined with their direct and induced impacts resulted in \$21,171,627 in Federal Government taxes and \$22,762,326 in state and local government taxes. The total tax impact of Arizona State Park visitors in 2007 was \$43,933,953.

Economic figures cited are from "The Economic Impact of Arizona State Parks 2007" study prepared by The Arizona Hospitality Research & Resource Center, Center for Business Outreach and The W. A. Franke College of Business, Northern Arizona University in February 2009.

E. Contact Information

Name: Alison Zelms	Title: Assistant City Manager
Phone: 928-204-7120	Email: azelms@sedonaaz.gov

RECOMMEND FOR ADOPTION

Resolution #4

Urges the authorization of expenditure and full appropriations through the reauthorization of ARS 41-501, 503 and 504 to restore the Arizona State Park Heritage Funds.

Recommended Amendment from the Resolutions Subcommittee:

Urges the authorization of expenditure and full appropriations through the reauthorization of REENACTMENT OF REPEALED ARS 41-501, 503 and 504 to restore the Arizona State Park Heritage Funds.

Submitted by: City of Sedona, Town of Payson, Town of Clarkdale, Town of Prescott Valley, City of Kingman, City of Cottonwood, City of Bullhead City, Town of Jerome, City of Yuma, Town of Camp Verde

A. Purpose and Effect of Resolution

The Arizona State Parks (ASP) Board Heritage Fund was established in November 1990 by voter initiative and provides up to \$10 million annually to Arizona State Parks from Arizona Lottery proceeds (A.R.S. §41-503). There were three competitive grant programs offered annually from the Heritage Fund dollars to provide opportunities for the public to enjoy parks and outdoor recreation, and to help preserve natural and cultural resources. Seventeen percent of the State Parks Heritage Fund revenues were available annually (up to \$1.7 million) through the Historic Preservation (HP) Grant Program. Thirty-five percent of the revenues (up to \$3.5 million) were available through the Local, Regional and State Parks (LRSP) Grant Program, and five percent of the revenues (up to \$500,000) went to the Trails Heritage Fund, of which 95% was available through the competitive grant program.

Over the past two years, sweeps of the Heritage Fund resulted in the discontinuation of the Heritage Fund Grant Programs due to lack of funding. The Heritage Fund Grant Programs were an important source of funding, through the LRSP in particular, to Cities and Towns for their ability to enhance and expand local park sites. The sweep of Heritage Funds directly impacts the ability of Cities and Towns to provide funds to conserve our state's natural, cultural, and historic resources and shifts costs to Cities and Towns that are the burden of the State, and which benefit the state.

Last legislative session, not only were the remaining Heritage Funds eliminated – funds that were used for Capital Improvements to the Arizona State Parks – but the Legislature fully repealed the funding mechanism for Heritage Funds through the repeal of authorizing statutes A.R.S. 41-501, 41-503, and 41-504. The FY 12 State Budget swept the remaining \$2,090,000 of the Enhancement Fund, which eliminated the amount available for Capital Programs and means that ASP will have no capital funds available to repair any structural emergency. Without reauthorization of the related statutes, there is no vehicle to appropriate funds, and the future of not only local funding but the entirety of Arizona State Parks hangs in the balance. The inability to fund needed Capital Improvements, and even emergency repairs puts ASP at a dangerous financial precipice.

B. Relevance to Municipal Policy

Approval of this resolution and resulting policy changes would provide a vehicle for funding to continue municipalities' and the state's ability to provide and enhance the conservation of our state's natural, cultural, and historic resources. It would shift the responsibility for these programs back to the State and reinforce the vote-approved initiative that originally placed the burden on the State.

C. Fiscal Impact to Cities and Towns

Arizona Heritage Fund re-appropriations impact recreational opportunities, environmental education for the K-12 curriculum and enrichment for educators, grants and research, and response to and help with ameliorating human-wildlife conflicts in urban areas. It also impacts the viability of State Parks as the most recent sweep has left ASP without funds for capital improvements or for any structural emergency. The danger to State Parks is a direct impact to the Cities and Towns due to the economic impact of State Parks as evidenced in the "The Economic Impact of Arizona State Parks 2007" study prepared by The Arizona Hospitality Research & Resource Center, Center for Business Outreach and The W. A. Franke College of Business, Northern Arizona University in February 2009.

D. Fiscal Impact to the State

Restoring statutory authority and appropriations for the Heritage Funds returns the financial burden to the State where they originated and where they belong.

E. Contact Information

Name: <u>Alison Zelms</u>	Title: <u>Assistant City Manager</u>
Phone: <u>928-204-7120</u>	Email: <u>azelms@sedonaaz.gov</u>

RECOMMEND WITH AMENDMENTS

Resolution #5

Identify and establish funding sources for Arizona Water Supply Revolving Fund Development authorized by H.B.2692.

Recommended Amendment from the Resolutions Subcommittee:

Identify ~~and establish~~ funding sources for Arizona Water Supply Revolving Fund Development authorized by H.B.2692.

Submitted by: City of Flagstaff, Town of Prescott Valley

A. Purpose and Effect of Resolution

The Legislature finds many water providers in Arizona, particularly in rural areas, lack access to sufficient water supplies to meet the long-term water demands and these providers need financial assistance to construct water supply projects and obtain additional water supplies. The purpose of this resolution is to improve revenue sources that would provide dependable, long-term financial assistance consistent with the legislative intent.

B. Relevance to Municipal Policy

There is no funding available to support water supply development in rural Arizona. As surface water supplies diminish and aquifers taxed due to consumption and potential climate changes, water supplies need to be augmented for sustainability, economic well-being, and the quality of life in Arizona. The lack of water will affect the environment, recreation, tourism and home development in the areas which have traditionally had dependable water supplies. Water conservation is a near-term solution, but much of rural Arizona must pay their own way for water development projects. A funding mechanism is needed to insure that funds are made available for loans or other funding solutions for communities. Long-term financing is needed so that cities and towns in rural Arizona are not restrict to limited bonding capacity to finance large water projects or to simply not afford water supply projects. This is not solely a rural Arizona issue, as it will have an effect on larger municipalities as water becomes scarce.

C. Fiscal Impact to Cities and Towns

The source of revenue for the Water Supply Fund must be matched to the ultimate size and length of time needed to accrue a sufficient amount of funds to offer loans. A large number of big water projects are needed throughout Arizona for a long term and the revenue sources need to provide a permanent, dependable, and sufficient income for a long period. Assets in a sufficient quantity to serve the water development needs of Arizona are needed and must be dependable.

D. Fiscal Impact to the State

Potential revenue sources include additional property tax allocations (Ad valorem taxes), annual groundwater withdrawal fees for water pumped, transaction privilege tax or a tax assessed on the sale of water, fees on new development based on their use of water, well fees for new ground water well development and/or more appropriations from the Legislature.

E. Contact Information

Name: Daryl Melvin

Title: Government Relations

Phone: 928-213-2075

Email: dmelvin@flagstaffaz.gov

CRITICAL MUNICIPAL ISSUE WITH AMENDMENT

Resolution #6

Recommend that the State of Arizona continue to support retention of existing economic development tools and programs and increase access to new tools for cities to help them remain competitive nationally and internationally. Support for economic development remains a policy driver for the State's economy through the provision of high wage jobs and increasing revenue to municipalities and the State.

Submitted by: City of Flagstaff, City of Sedona, City of Kingman, City of Yuma, City of Tempe, City of Oro Valley

* * * * *

A. Purpose and Effect of Resolution

It is important that economic development continue to be a goal for the League given that 91 percent of the state's income tax revenues come from municipalities. Cities and towns are the economic engines that positively affect the state's financial well-being.

In order to attract new high-wage jobs to Arizona and to sustain our economic health, it is crucial that we have adequate tools to be competitive. Cities and towns need additional support from the State for new job attraction because municipalities must frequently compete with cities in other states and with state governments. In addition, cities are now competing internationally to attract companies. Arizona's competitive edge in these areas has diminished.

The purpose of this resolution is to maintain existing programs like the GPLET and job training funding while identifying and implementing new programs that assist municipalities in their efforts to attract new business, keep current business, and retain business expansion in the state.

B. Relevance to Municipal Policy

The disparity between the cost of living and available good paying jobs is significant, especially in Flagstaff and other rural communities. High wage jobs are critical for the economic health of Arizona's cities and towns. Unfortunately, Arizona lacks the economic tools to assist municipalities in attracting high-wage employers. Individual municipalities require significantly more incentives than solely provided through local funding in order to be successful.

C. Fiscal Impact to Cities and Towns

Creating and funding economic development programs to support local government efforts to bring business to Arizona would allow both the state and municipalities to experience increased employment and tax revenues. State programs are critical in the effort to attract new business to Arizona and to assist local businesses considering expansion in Arizona versus another state.

D. Fiscal Impact to the State

Creating and funding economic development programs to support local governmental efforts to bring business to Arizona, both the state and municipalities would experience increased employment and tax revenues. Existing programs need to be maintained and reinforced to remain competitive.

E. Contact Information

Name: Daryl Melvin

Title: Government Relations

Phone: 928-213-2075

Email: dmelvin@flagstaffaz.gov

RECOMMEND FOR ADOPTION

Resolution #7

The City of Apache Junction, through the League of Arizona Cities and Towns and its municipal members, requests the Arizona State Legislature to amend Arizona Revised Statutes § 16-1004 to clarify that it is illegal to interfere with an election officer during the course of any official election-related duties.

Submitted by: City of Apache Junction, City of Kingman, City of Bullhead City

A. Purpose and Effect of Resolution

A.R.S. § 16-1004 makes it illegal to interfere with or attempt to corrupt an election officer at any election. It does not clearly address similar criminal behavior that might occur throughout the election process. Events and processes related to elections can occur for months both preceding and following the actual date of any election. The same protections need to be afforded to election officers during the entire extended election process. The language of A.R.S. § 16-1004 should be broadened so that it applies during the course of any official election-related duties.

B. Relevance to Municipal Policy

Municipal election officers throughout Arizona have been and will be subjected to attempts to interfere or undermine the integrity of the election process. These events can occur at any time during the election process and not just on the day of the election. A statutory amendment will clarify the law and its application to any phase of the election process.

C. Fiscal Impact to Cities and Towns

No obvious fiscal impact.

D. Fiscal Impact to the State

No obvious fiscal impact.

E. Contact Information

Name: George Hoffman	Title: City Manager
Phone: (480) 474-5066	Email: ghoffman@ajcity.net

NOT RECOMMENDED FOR PASSAGE - TOO SPECIFIC TO ONE COMMUNITY, AND MAY BE A STATUTE INTERPRETATION ISSUE.

Resolution #8

The City of Apache Junction, through the League of Arizona Cities and Towns and its municipal members, is requesting that the Arizona State Legislature amend Arizona Revised Statutes § 13-2904(A) by adding language that protects public employees by clearly indicating that public employees, in the course of their official duties, can be victims of disorderly conduct.

Submitted by: City of Apache Junction, City of Kingman, City of Bullhead City

A. Purpose and Effect of Resolution

A.R.S. § 13-2904(A) defines disorderly conduct and its classification. This definition does not provide that a public employee, in the course of performing their official duties, can be a victim of disorderly conduct.

In March 2011 in a single incident, six City of Apache Junction civilian employees of the city clerk department were subjected to over 40 minutes of verbal abuse, threats and hostile behavior. These employees filed victim witness statements and have a reasonable expectation that their position as a public employee should not count against them in receiving the same benefits of the judicial system as afforded to private sector employees in similar circumstances.

B. Relevance to Municipal Policy

Municipal/public employees throughout Arizona have been and will be subjected to incidents of abusive, hostile and threatening behavior while in the course of doing their jobs. Public employees have every reason to expect the protection of the courts and equal protection as afforded by the Constitution. The fact that someone is a municipal/public employee should not diminish their basic rights.

C. Fiscal Impact to Cities and Towns

No identifiable fiscal impact.

D. Fiscal Impact to the State

No identifiable fiscal impact.

E. Contact Information

Name: George Hoffman	Title: City Manager
Phone: (480) 474-5066	Email: ghoffman@ajcity.net

NOT RECOMMENDED FOR PASSAGE- STATUTE COULD BE INTERPRETED AS ALREADY COVERING PUBLIC EMPLOYEES.

Resolution #9

Support legislation that institutes licensure requirements, regulations and standards for body art "tattoo" establishments.

Submitted by: City of Glendale, City of Kingman, City of Bullhead City

A. Purpose and Effect of Resolution

With growing popularity, few rules and no oversight or licensing, tattoo shops are popping up all over cities and towns throughout the State. Yellowpages.com currently lists 274 tattoo parlors across the state. Many more individuals are also illegally performing tattoo procedures out of their residence. Legislation being introduced this session will require body art establishments to obtain a license and be subject to additional standards and oversight by the State Department of Health Services (DHS).

In 1996, the Legislature enacted legislation making it unlawful to tattoo a person under 18 years of age without the presence of that person's parent or legal guardian. The legislation specified that a person who commits a violation is guilty of a class 6 felony (Laws 1996, Chapter 222).

The law expanded in 1999 to also prohibit the practice of branding, scarifying, implanting, mutilating or piercing a person under the age of 18 without the physical presence of the person's parent or legal guardian. However, the prohibition does not apply to ear piercing if the person under 18 has written or verbal permission from a parent or legal guardian. The prohibition also does not apply to procedures prescribed by a licensed health care provider (Laws 1999, Chapter 323).

Current statute further regulates the practice of tattooing and other forms of body modification by prohibiting certain acts in the Arizona Criminal Code (Arizona Revised Statutes, Title 13). Specifically, it is unlawful for a person to do any of the following:

- Use a needle, or any substance that leaves color under the skin, more than once.
- Use a needle that is not properly sterilized.
- Engage in the business of tattooing, branding, scarifying, implanting, mutilating or body piercing out of a home or an impermanent structure, such as a tent or trailer.
- If the person is not a licensed health professional, it is unlawful to administer anesthesia during the course of any procedure that involves branding, scarifying, tattooing, implanting, mutilating or piercing the body of another person.

Finally, current statute regulates waste disposal from tattoo establishments. Tattoo needles and any waste exposed to human blood generated in the creation of a tattoo must be disposed of in the same manner as bio-hazardous medical waste. A person who does not comply with these disposal requirements is subject to a civil penalty of \$500 per violation (Laws 2005, Chapter 239).

Arizona currently does not require licensure or certification to engage in the practice or business of tattooing, branding, scarifying, implanting, mutilating, tattooing or piercing which makes it very difficult for health departments to track, investigate or enforce the current laws.

B. Relevance to Municipal Policy

The licensing and oversight of tattoo parlors by the State Department of Health Services will provide the assurance to communities and patrons that the services being provided are safe and that there are uniform standards and procedures throughout the State which can be enforced.

C. Fiscal Impact to Cities and Towns

The support of the legislation will not have a direct fiscal impact on cities and towns.

D. Fiscal Impact to the State

Any costs occurred by the state or local public health department can be offset by a licensure fee.

E. Contact Information

Name: Brent Stoddard	Title: Intergovernmental Programs Director, City of Glendale
Phone: 623-930-2078	Email: Bstoddard@glendaleaz.com

NOT RECOMMENDED FOR PASSAGE - POTENTIAL TO BE ANTI-LOCAL CONTROL IF THE STATE MANDATED CITIES AND TOWNS TO TAKE ACTION, OR INITIATED LAWS OR RULES THAT WERE INCONSISTENT WITH LOCAL ORDINANCES.

Resolution #10

Amend A.R.S. § 13-1602 (Criminal Damage) to include criminal damage by graffiti.

Recommended Amendment from the Resolutions Subcommittee:

Amend A.R.S. § 13-1602 (Criminal Damage) to include criminal damage by graffiti, BUT ONLY ON A MISDEMEANOR LEVEL.

Submitted by: City of Yuma, City of Bullhead City.

A. Purpose and Effect of Resolution

Graffiti is a continuing and fast growing problem for cities and towns. Abatement of graffiti and apprehension and prosecution of the perpetrator is costly to cities and these costs are seldom if ever recovered. Arizona statutes allow prosecution of graffiti under the criminal code as criminal damage. Because graffiti is such an immediate and growing problem on both public and private property, it needs to be addressed in statutes setting forth stricter penalties for graffiti. Adding graffiti to the criminal damages statute as a separate offense, without regard to costs of damages, will make a statement that graffiti is not acceptable anywhere, anytime, by anyone, whether by an impertinent juvenile or by members of criminal gangs. In addition, a community service component could be added to the penalty, as done in New Mexico and California, which would provide even greater disincentives, especially if the community service involved is cleaning up graffiti.

B. Relevance to Municipal Policy

The physical appearance of communities is a source of pride for Arizona cities. It is one of the factors that attract people to visit or relocate into an area. While graffiti was once limited to older and deteriorating communities or facilities, it has become prevalent in all areas of cities, regardless of age, appearance, or use. Despite the penalties for selling instruments of graffiti to minors enacted in the last few years, the numbers of incidents and the extent of damages have continued to increase. Stiffer penalties are needed to deter the rising tide of this vandalism.

C. Fiscal Impact to Cities and Towns

The City of Yuma spends a minimum of \$105,000 annually to abate graffiti. Since the costs to Yuma are so high, it would follow that statewide, the costs may be in the millions of dollars. Increasing the penalties for criminal damage may deter graffiti vandals, and reduce the number of incidents and the extent of damages, thereby reducing costs of abatement. Any additional revenue generated from the stronger penalties could be directed to reduce the costs to cities for abatement. Also, if violators are required to perform community service, they would be able to witness the consequences their actions have on the community.

D. Fiscal Impact to the State

Because graffiti may also occur on state owned properties, abatement costs to the state could be reduced.

E. Contact Information

Name: Connie Scoggins

Title: Assistant City Attorney

Phone: (928) 373-5055

Email: Connie.Scoggins@YumaAz.gov

RECOMMEND WITH AMENDMENTS

Resolution #11

Urges the Governor and the State Legislature to develop and pass legislation that allows greater flexibility in annexing county islands.

Submitted by: Town of Marana, City of Sierra Vista

A. Purpose and Effect of Resolution

Over the past 30 years, the State Legislature has made changes in annexation law to respond to actions by local governments that have had unintended, and often negative, consequences. In 1980, the Legislature disallowed "strip" annexation by communities wanting to annex only highly lucrative commercial properties. That same legislation also changed the law further to disallow the creation of county islands, recognizing that having such islands completely surrounded by an incorporated city or town is not good public policy. Other steps have been taken within state law to improve the process, but more are needed.

Although new county islands can no longer be created, unfortunately a number of cities and towns in Arizona still have such areas within their corporate limits. The islands are governed by the laws of their respective county, which is a branch of local government largely designed to provide rural services and a one size fits all approach to planning and growth management. Depending on the individual county/city, disparities between county and city regulations often exist and in many cases, these service and/or enforcement differences are taking place literally across the street from areas with the same density and neighborhood type.

It is time to allow cities or towns more flexibility to extend urban services to these islands. This could include: allowing a city to shrink an island annexation area once the process has started if there is not enough interest to proceed with the entire area; removing the tie to assessed valuation in the process; allowing property owners with multiple properties within an annexation area to have a vote for each property; requiring property owners to sign a petition to opt out of a county island annexation rather than opt in, to address those areas with high out-of-town owners; or any combination of these methods. Ideas would be discussed with legislators to determine the most viable.

B. Relevance to Municipal Policy

Counties, by design, are funded to provide a rural level of service. But such a service level within the middle of an urban area can, and has, led to problems that bleed over into incorporated cities and towns.

C. Fiscal Impact to Cities and Towns

If legislation moves forward that allows greater flexibility in annexing county islands, it would be up to cities and towns themselves to determine timing on annexing these areas if they choose. Those communities that choose to move forward will need to extend their services to newly annexed areas. Those costs would be different for each community. But the legislation should not require a city or town to annex county islands if they feel they cannot provide services. It should be noted that counties currently providing services to these islands, if annexed, may realize savings by not providing those services in the future.

D. Fiscal Impact to the State

There is no fiscal impact to the state when it comes to which local government provides local services. Minor adjustments in state-shared revenues would be made based on any population changes, but it would be a

reshuffling of the total allocation, not an increase in state revenues to local government. Eliminating barriers to annexation would also encourage economic development thereby resulting in increased revenue to the state.

E. Contact Information

Name: Town of Marana, Del Post

Title: Deputy Town Manager

Phone: 520-382-1906

Email: dpost@marana.com

RECOMMEND FOR ADOPTION

Resolution #12

Urges the Legislature to amend A.R.S. § 39-121.01 regulating requests for public records that are overbroad or abusive.

Recommended Amendment from the Resolutions Subcommittee:

Urges the Legislature to amend A.R.S. § 39-121.01 regulating requests for public records ~~that are overbroad or abusive~~ TO INCLUDE SPECIFICITY OF SUBJECT MATTER AND TIME PERIODS, STAFF TIME REQUIREMENTS AND TO EXCLUDE RECOGNIZED MEDIA FROM BEING LIMITED IN THEIR REQUESTS.

Submitted by: City of Yuma, City of Apache Junction, City of Bullhead City, Town of Queen Creek, City of Kingman.

A. Purpose and Effect of Resolution

This Resolution seeks amendments to public records laws to discourage overbroad and abusive requests for public records.

Municipalities receive and process thousands of requests for public records each year. Most of these requests are reasonable, coming from persons who may or may not make other requests but who seek specific and limited information. Other requests require preparation of voluminous amounts of documents or materials and substantial amounts of staff time in multiple departments to locate, review, and prepare the documents for review and/or coping.

But other requests are overbroad, such as requests for "All documents, e-mail, memoranda, etc. pertaining to the city action" These documents can cover many years, require production of hundreds or thousands of documents, and involve research and review by several City departments.

Municipalities also receive and process numerous requests for public records from only a few individuals. For example, in Yuma, one individual is responsible for the following statistics:

<u>Year</u>	<u>Number of requests</u>
2008	114
2009	120
2010	85
2011 May year to date	75

These requests, some of which require locating massive amounts of documents from across city departments in different locations, have a significant impact on city resources. Such requests from one or two individuals require a disproportionate amount of city-wide staff time to locate, review, and prepare the records for examination. Oftentimes, a requestor may never review the documents after being notified they are ready for inspection. As an example, Yuma has received 46 requests in 44 business days from a single individual, including nine filed in one day, while 25 filled requests wait to be reviewed. These overbroad and abusive requests by a few individuals abuses the rights and privileges these laws were enacted to protect.

Amending Title 38 to give municipalities authorization in certain instances to restrict the number or frequency of requests made by a single individual and to limit overbroad requests will allow cities to both comply with spirit and intent of public records laws while discouraging overbroad and abusive requests.

B. Relevance to Municipal Policy

Transparency is an essential component of a responsive representative government. Cities endeavor at all times to be open, accessible and responsive to their citizens. Making records available for inspection by the public is important to maintaining transparency and trust in government. Most citizens are conscientious and purposeful in their requests. However, requests by a few individuals which are overbroad or abusive and require disproportionate amounts of city-wide staff time do not further the goal of transparency.

C. Fiscal Impact to Cities and Towns

Cities will still respond to public records requests in the spirit of transparency and openness in government. Allowing cities some relief from abusive public records requests or to identify potentially abusive practices will free staff to perform other governmental functions.

D. Fiscal Impact to the State

There will be no fiscal impact to the State. However an amendment could include public records requests of the State, which will result in savings.

E. Contact Information

Name: Connie Scoggins

Title: Assistant City Attorney

Phone: (928) 373-5055

Email: Connie.Scoggins@YumaAz.gov

RECOMMEND WITH AMENDMENTS

Resolution #13

Urges the Legislature amend statutes requiring cities to publish notices, agendas, reports, and other statutorily mandated publications in a newspaper to allow cities and towns the option to publish on an official website.

Recommended Amendment from the Resolutions Subcommittee:

Urges the Legislature amend statutes requiring cities to publish notices, agendas, reports, and other statutorily mandated publications in a newspaper to allow cities and towns the option to publish on an official website OR A THIRD PARTY'S WEBSITE IN ADDITION TO THE MUNICIPALITY'S WEBSITE.

Submitted by: City of Yuma, City of Apache Junction, City of Sierra Vista, City of Bullhead City, Town of Queen Creek, City of Sedona, Town of Oro Valley.

* * * * *

A. Purpose and Effect of Resolution

Arizona statutes require cities and towns to publish numerous notices, agendas, financial reports, bids, etc. in a newspaper. These statutes specify the number of times a notice must be published and when and where publication must be made. Some statutes also dictate the size of the notice (e.g. quarter page) and the font size. Publication must be in a newspaper of general circulation having "a bona fide list of paying subscribers", in the county where the city is located.

Current trends indicate that more and more people are accessing news and information through electronic means, such as news media websites, social websites, and online communication. Cities strive to disseminate the most information to the widest possible audience, wherever located, including to their citizens and other interested parties. Allowing cities and towns to publish required notices to an official municipal website or other electronic media sites, or to a newspaper, in a form and format selected by the municipality, may reach exponentially more people at a lesser cost, freeing those resources for vital municipal services.

B. Relevance to Municipal Policy

Cities seek to provide the most information to the widest audience as quickly as possible. The internet is rapidly overtaking newspapers as the primary source of news and information. Posting required notices on an official website will reach a wider audience in less time and keep citizens better informed on matters that affect them.

C. Fiscal Impact to Cities and Towns

Allowing cities the option to publish on their website will free these funds for critical services. Expenditures by City: (*through May 2011)

	<u>10-1109-10</u>	<u>08-0907-0806-07</u>			
Yuma	*\$33,306	\$36,296	\$30,829	\$35,158	\$27,978
Apache Junction	\$8,000	\$8,000	\$13,613	\$43,977	\$46,556

D. Fiscal Impact to the State

There is no anticipated cost to the State; however, posting to a website could produce the same revenue saving benefits.

E. Contact Information

Name: Connie Scoggins

Title: Assistant City Attorney

Phone: (928) 373-5055

Email: Connie.Scoggins@YumaAZ.gov

RECOMMEND WITH AMENDMENTS

Resolution #14

Urges the Governor and the State Legislature to develop and pass legislation that requires disclosure of development impact fees on purchase contracts for new residential construction.

Submitted by: City of Sierra Vista, City of Bisbee, City of Douglas

A. Purpose and Effect of Resolution

Development impact fees are allowed under state law to permit a community to apply the cost of future infrastructure needed to support new growth to those who purchase the new homes and businesses requiring such infrastructure. Each community is required to go through a rigorous analysis that justifies current levels of service, and assesses the appropriate fair share cost to new construction for infrastructure such as major roadways, additional public safety facilities, and new parks needed for expanded areas and population.

Although common practice in Arizona, some new homeowners are unaware of this additional fee which is added to the cost of their new house. In an effort to be more transparent in communicating with property owners their contribution toward this new infrastructure, the City is recommending that the homebuilding community be required to specifically list on the purchase contract the full amount of such development impact fees. This also insures that unscrupulous homebuilders do not add such fees to the final closing documents, and blame the local government for the additional cost. State law notification and implementation requirements for development impact fees makes it clear that homebuilders would know the cost of such fees prior to finalizing a purchase contract.

B. Relevance to Municipal Policy

Local governments are working to improve transparency in how and where revenues are collected, how they are used, and why such programs or capital projects are needed for a community. Development impact fees are an important component to a community in addressing new growth, and the justification for such fees is well documented by those communities who choose to include such fees in their planning and revenue programs. Requiring homebuilders to disclose development impact fees on purchase contracts is not a negative for local governments, but rather, helps communicate the methodology used by a city or town in planning for the future.

C. Fiscal Impact to Cities and Towns

There would be no fiscal impact to cities and towns if legislation supporting this resolution were enacted.

D. Fiscal Impact to the State

There would be no fiscal impact to the state if this legislation supporting this resolution were enacted.

E. Contact Information

Name: Mary Jacobs

Title: Assistant City Manager

Phone: 520-458-3315

Email: mary.jacobs@sierravistaaz.gov

**NOT RECOMMENDED FOR PASSAGE-MAY VIOLATE CURRENT MORATORIUM ON
IMPACT FEE LEGISLATION.**

Resolution #15

Legalize and encourage changes to net metering policies allowing for aggregate net metering (ANM) and use of energy and credits generated at available public and/or private sites to benefit energy meters located away from the generating site. This change would allow for the establishment of community solar gardens throughout Arizona, more efficient use of municipal/public land for solar powering of multiple facilities, and will further the realization of solar energy generation in the state.

Submitted by: Town of Clarkdale, Town of Payson, Town of Prescott Valley, City of Sedona, Town of Oro Valley

A. Purpose and Effect of Resolution

"Solar Gardening" is a very efficient and economical way for a community's citizens to pool resources and convert their homes to solar electricity. Instead of placing hundreds of individual installations on people's rooftops or in their yards, with all the structural and zoning complications they can bring, solar gardens place all the solar panels in one off-premises location. This makes them easier to maintain, install, and tie to the electrical grid. It also means the large number of people who can't install a large array of photovoltaic panels at their residence can take advantage of solar electric opportunities. Further, it places unsightly installations in an area where neighbors have fewer objections and which can be better secured.

According to the International City/County Management Association (ICMA), "Financing solar is often a challenge and more communities are looking at community solar and collective purchasing options as a way for community members to pool their resources and bring down the costs of solar. Community solar offers a way for community members to pool resources and collectively develop a solar project that provides the benefits of solar to a group or a neighborhood, rather than an individual homeowner. It can be an effective way to reduce the price of solar through volume purchasing and it can also provide renters, condo owners, or homeowners who are unable to install solar systems on their properties with the opportunity to benefit from solar."

Given the structure of rate tariffs within Arizona, regulated power providers do not currently support solar gardens because the installation and use of solar generated power must be provided behind each individual meter. In order for community scale energy projects to be viable and to allow for the most efficient use of local government sites to provide for both the local government and the community at large, aggregate net metering that also allows for excess energy generation credits to be applied to multiple energy accounts must be implemented. In addition, it is necessary that aggregate net metering allow for geographic installation criteria that is not site specific, and does not require adjacency, but allows for the credit to be applied as long as the generating site(s) and benefiting site(s) are within a single utility's service territory.

Aggregate Net Metering would allow cities and towns to establish solar facilities remote from their multiple electric meters and credit all of the solar power generated to designated meters/accounts, resulting in reduced electricity costs. ANM would also allow local governments to leverage prior investments in public lands that are deemed suitable for solar development.

The current direction that the Arizona Corporation Commission is taking would limit the distance between an ANM customer's generation facility and that customer's participating meters to the same property or contiguous properties. This does not address the needs of local governments or community scale projects.

In addition, to support the expanded use of solar generation by residential customers requires changes to the Arizona Corporation Commission's definition of net metering to permit generating an electric customer's bill net of credit for the customer's allocation of solar energy generated and fed back into the grid regardless of the location of the generation (provided the location is within the service territory). Creating these billing adjustments is typically the responsibility of the regulated power providers in locations where community solar gardens are in use. Working with these providers plus the Legislature and the Arizona Corporation Commission to craft a mutually-agreeable solution is essential if Arizona is to reach its full potential as a renewable energy center for the country. Such a solution may require legislative action and/or rulemaking at the commission level.

All Cities and Towns should consider enabling changes in support of community-scale solar initiatives and non-geographic specific aggregate net metering to be one of the most essential changes needed in order for our local governments and our state to move toward energy sustainability.

B. Relevance to Municipal Policy

To encourage increased solar energy generation across Arizona, municipalities need the flexibility to utilize available land and financial resources efficiently for the organization and across the community. The ability to site solar facilities at large sites, such as water and wastewater facilities, and to offset the cost of electricity for off-site city-owned or for general community wide use most effectively uses the land and financial resources of the municipality and the community at large. To create community-scale solar projects, such as solar gardens in communities, the current rate structure and net metering requirements in Arizona must change. With such installations, solar energy generation becomes accessible for a broader population – renters (now able to purchase solar power without impacting the residence in which they live) and those with older homes with structural or electrical concerns and/or those with small yards or shaded or small rooftops. Purchasing solar energy generated in solar gardens would ideally result in individual customers receiving a utility bill net of credits for solar energy generated and attributed to their individual electric bills.

With community solar, large scale solar arrays can be located in fewer, larger locations each with a single grid tie, minimizing visual impacts as desired and providing for the ease of maintenance of the entire solar array. Additionally, subscribing to solar gardens can be less costly than installing individual systems on owner-occupied facilities as there are no additional structural or electrical system upgrades required at individual homes.

Community solar gardens also facilitate the achievement of the sustainability goals of individual cities and towns while enhancing security through the distribution of energy generation, thereby reducing the impact of a single point of failure. Furthermore, the availability of community gardens can be attractive to businesses and residents alike, helping Arizona grow in a more sustainable way.

For the municipality, the ability to generate electricity for all city-owned facilities at one or more multiple large sites provides an economy of scale for implementation of solar, a more efficient use of land, and a greater likelihood for broad utility savings. The reduction in the cost of electricity is a benefit to the municipality that reduces the burden on scarce revenue sources for ongoing overhead costs. Ultimately this benefits residents and businesses with less need for tax and fee revenue to support the municipality.

C. Fiscal Impact to Cities and Towns

The totality of fiscal impacts for cities and towns are unknown. However, Arizona will see benefits from increases in state and local sales tax collections, building permits issued, and job creation locally. There may be offsetting impacts to the franchise fees collected by cities and towns from electric utilities, depending on the terms of the legislation, and depending on the individual terms of Franchise Agreements.

In general, however, the benefits of solar energy generation and this resolution's commitment to broader access in a more efficient implementation format are widely accepted. These include economic and/or, environmental benefits, reduced water consumption, lower energy costs, economic growth and new "green" job opportunities - ultimately leading to increased long-term energy and water security that provide a more suitable environment for sustained residential and business growth in Arizona.

D. Fiscal Impact to the State

As a leader in the robust solar panel industry both nationally and globally, this resolution will enhance the demand for solar equipment, benefitting the State in the direct increase in product demand, jobs, and taxes generated.

E. Contact Information

<u>Name: Jodie Filardo</u>	<u>Title: Clarkdale Sustainability Project Manager</u>
<u>Phone: 928-639-2542</u>	<u>Email: Jodie.Filardo@Clarkdale.AZ.gov</u>

CRITICAL MUNICIPAL ISSUE

Resolution #16

Request and encourage the Arizona State Legislature to establish the mechanism for the creation of sustainable energy financing district authority. In addition, encourage the Arizona State Legislature to identify and define energy efficiency and renewable energy as a public benefit that enhances the public good and promotes the health, safety, prosperity, security, and general welfare of the community.

Submitted by: City of Flagstaff, City of Sedona, City of Surprise, City of Bullhead City

A. Purpose and Effect of Resolution

Sustainable energy financing district authority enables local government to create a financing mechanism to provide up front funds to residential and commercial property owners for energy efficiency improvements and renewable energy systems. Property owners can opt in to finance energy improvements and renewable energy installations on their property and repay financing through a property tax assessment.

Energy efficiency and renewable energy creates an opportunity to utilize our nation's resources wisely and secure reliable, clean, and safe energy. In the current economic climate, the upfront financial commitment necessary to implement energy efficiency improvements and deploy renewable energy installations is often a barrier for property owners. Energy efficiency and renewable energy financing programs can remove these barriers.

In Arizona, energy efficiency and renewable energy financing programs have significant potential to stimulate the state's economy and transition residents to sustainable energy use and production. Such programs can deliver benefits beyond energy independence, including a new source of workforce stabilization and development, increase value and comfort of buildings, protection from increasing energy costs and increased community awareness.

Energy efficiency and renewable energy financing programs have been developed in numerous communities across the nation. The states of California and Colorado have passed legislation that allows city and county agencies to establish sustainable energy financing district authorities, defines energy efficiency and renewable energy as a public benefit, and grants the authority to issue bonds.

The federal government currently encourages the installation and use of renewable energy through a series of federal tax incentives and credits. Arizona also has several tax based incentive programs to encourage the production of renewable energy. These incentives collectively make renewable energy projects more affordable only after installation but do little to address the upfront financial commitment.

Improving the energy efficiency of existing structures and deploying renewable energy installations supports legislation that requires towns, cities, and counties with a population greater than 150,000 to adopt an energy element to their planning policies that will encourage and provide incentives for the efficient use of energy. Legislation also requires that community general plans contain an assessment that identifies policies and practices that will provide for the greater use of renewable energy sources.

This resolution supports the efforts of the American Recovery and Reinvestment Act of 2009 to improve our economy and save and create millions of jobs. Furthermore, this resolution supports Arizona regulated utilities'

efforts to meet the Arizona Corporation Commission's Renewable Energy Standard that requires 15% of their energy generation to come from renewable resources by 2025.

Additionally, Flagstaff and many other cities and towns in Arizona have signed-on to the United States Mayor's Climate Protection Agreement and have committed to reduce the community's greenhouse gas (GHG) emissions by 7% below 1990 levels by 2012. Supporting the creation of sustainable energy financing district authority directly supports this goal.

B. Relevance to Municipal Policy

This resolution would support cities that choose to promote energy efficiency and renewable energy practices within their communities. Many Arizona communities are working to improve the efficiency of existing building stock in the residential and commercial sectors to promote sustainability and help protect community members from rising energy costs.

C. Fiscal Impact to Cities and Towns

Sustainable energy financing district authority would allow local governments to provide a mechanism for property owners to decrease their fossil fuel use and increase energy cost savings. Energy efficiency and renewable energy financing programs can remove upfront financial barriers for property owners that would like to incorporate energy efficiency improvements and renewable energy projects. Incorporating opt-in participation to the program protects property owners that do not choose to participate unlike a standard district. Incremental pay back either through property tax or utility bills ensures the loan stays with the property. Thus, funds that would otherwise have paid higher operating costs are freed to pay for other municipal priorities.

D. Fiscal Impact to the State

There are no fiscal impacts to the State. Sustainable energy district authority would allow for opt-in energy efficiency and renewable energy financing programs at the fiscal responsibility of the property owner.

E. Contact Information

Name: Daryl Melvin	Title: Government Relations
Phone: 928-213-2075	Email: dmelvin@flagstaffaz.gov

CRITICAL MUNICIPAL ISSUE

Resolution #17

Urges the Governor and the State Legislature to develop and pass legislation that supports efforts to reduce the shortage of physicians in the State of Arizona. The League encourages the Legislature to consider: expanding the level of Graduate Medical Education (GME) funding; expanding medical school capacity within the state universities; addressing issues affecting the attraction and retention of physicians from out-of-state; reducing obstacles to medical practice in Arizona; and addressing any other major issues that affect a physician's decision to locate or remain in Arizona to practice.

Submitted by: City of Sierra Vista, City of Bisbee, City of Douglas, Town of Clarkdale

A. Purpose and Effect of Resolution

Part II of the 2005 Arizona Physician Workforce Study, conducted by specialists from the University of Arizona and Arizona State University, identified that since 1992 to 2004, Arizona's physician supply did not keep up with its population growth. The situation has not gotten any better. Arizona has 219 physicians per 100,000 in population, well below the national average of 293 per 100,000. Rural communities in the state are affected by the shortage even more, with one county at under 60 physicians per 100,000. Specialty physicians are particularly difficult to recruit and retain. By way of example, the City of Sierra Vista's regional hospital is now the only location in all of Cochise County in which a woman can deliver a baby outside of a setting in which emergency services are available.

Since approximately 60% of physicians who complete their training in Arizona teaching hospitals remain to practice within the state, enhancing the Graduate Medical Education (GME) program is a critical component to addressing this shortfall, and has been identified by previous gubernatorial task forces. Also recommended were efforts to reduce obstacles to medical practice in Arizona. Recruitment and retention of physicians is hampered throughout the state by higher professional liability premiums as compared to other states, and this is certainly an obstacle needing attention. Recent actions to reduce funding to the State's Medicaid program will only exacerbate the issue statewide. Now, more than ever, action is needed to retain existing physicians, and insure Arizona is a desirable place to practice for others.

B. Relevance to Municipal Policy

Health care is a key component of the overall quality of life for any community. It is an attraction and retention component for both business and military activities, both of which are the backbone of the state's economy. An adequate supply of physicians is the foundation of quality healthcare, and although most barriers to physician recruitment and retention are beyond the direct control of local government, the health of our citizens should be a strong consideration for local legislative input and advocacy. The National League of Cities has incorporated citizen health in its overall federal legislative platform by developing and advocating for health programs for children and youth.

C. Fiscal Impact to Cities and Towns

There should be no negative fiscal impact on Cities and Towns. To the contrary, not only will there be an intrinsic gain to Cities and Towns in overall quality of life of their residents if accessibility to health care is improved, but all communities in the state can use improved health care as an economic development tool in the future.

D. Fiscal Impact to the State

There are some solutions, such as investing in the graduate medical program that will require additional investment by the state in medical education. However, some recommendations can be implemented with little to no effect on state finances. But like the cities and towns, improvement in access to health care results in an improvement in the ability of the State to attract corporations who value health care access as a major factor in relocation to Arizona. In addition, more physicians in the rural areas of the state will reduce the number of trips on already overcrowded roadways that residents from those areas make to the Phoenix or Tucson metropolitan areas to seek treatment.

E. Contact Information

Name: Mary Jacobs

Title: Assistant City Manager

Phone: 520-458-3315

Email: mary.jacobs@sierravistaaz.gov

RECOMMEND FOR ADOPTION

Resolution #18

UrgestheStateLegislatureto support implementing a pilot program to restrict trucks to the two right-most lanes when traveling on Arizona highways in urban areas with three or lanes in each direction.

Submitted by:City of Apache Junction, City of Douglas

* * * * *

A. Purpose and Effect of Resolution

The purpose of this resolution is to improve traffic mobility, improve safety and facilitate the flow of goods on freeways in Arizona's busy urban areas. An initial step is to implement a pilot program to determine and compare the feasibility, impacts, and effectiveness of restricting trucks to operating only in certain lanes on highways in urban areas that have three or more lanes in each direction, which have a moderate or high level of truck traffic, and do not have left hand exits. The lane restrictions would apply to "trucks" as defined by Arizona State law. Trucks would be restricted to the two right-most lanes, leaving one lane for truck-free operation; assuring that trucks will always have access to at least two lanes.

Demand for trucking services continues to increase. According to statistics available from the Bureau of Transportation Statistics (BTS) trucking accounts for an estimated 70% of the total value, 60% of the weight, and 34% of the ton-miles of freight moved in the U.S (Bureau of Transportation Statistics, 2006). In addition, between 1980 and 2020, truck travel is predicted to increase by over 90% while lane-miles of public roads will increase by only 5% (FHWA, 2006). This increase will have significant negative influences on traffic congestion and safety. A truck lane restriction strategy is used in many states nationwide as a way to address some of these impacts.

With regard to improving safety and mobility, here are several safety benefits of truck lane restriction:

- Prevents "No-Zone" Wrap, Tractor trailer's on two (2) sides of passenger cars at same time
- Positions largest vehicles out of the highest speed lanes
- Reduces the frequency of passenger vehicles being "boxed-in" by large trucks
- Reduces evasive truck maneuvers to the right, or into the trucker's "blind" side
- Provides additional spacing from life-saving median barrier systems.
- Provides additional truck clearance from opposing direction traffic.
- Improves visibility and clearance for disabled vehicles in or along median shoulders.

By improving traffic mobility, the flow of transporting goods through the State positively impacts economic development. The Freight Industry has welcomed lane restrictions in other states because passenger vehicles are able to stay in the fast lanes, which gives more mobility for the trucks in the slower lanes. Trucks then reach their destinations in a timelier manner.

B. Relevance to Municipal Policy

Arizona residents directly benefit from improved traffic operations and improved safety on freeways in Arizona's busy urban areas. In addition, by improving the flow of transporting goods and services in Arizona, economic development of the State, cities and towns could also increase.

C. Fiscal Impact to Cities and Towns

As the State of Arizona is able to reap the positive economic effects of improved traffic flow which in turn improves the efficient movement of goods thru the State, this will positively impact cities and towns as well.

D. Fiscal Impact to the State

Positive fiscal impact to the State:

Whereas large metropolitan areas (e.g. North Texas) that are in direct competition with the Sun Corridor have successfully implemented 'Goods Movement' oriented traffic restrictions to facilitate enhanced traffic flow have experienced positive economic development effects, the City of Apache Junction and the City of Douglas urge implementation within Arizona so that we also experience positive economic effects.

Negative fiscal impact to the State include: Costs associated with developing and implementing a pilot program, which would include conducting a study before and after restrictions are implemented. If the new restrictions were put in place permanently there are costs associated with selecting, designing, implementation administration, advertising, enforcing, and monitoring of the truck lane restrictions.

E. Contact Information

Name: George Hoffman

Title: City Manager

Phone: 480-474-5066

E-mail: ghoffman@ajcity.net

CRITICAL MUNICIPAL ISSUE

Resolution #19

Amend the laws and regulations for granting a Certificate of Necessity (CON) and allow cities & towns the authority to provide emergency ambulance transportation services within their jurisdictions.

Submitted by: City of Yuma, City of Sierra Vista, City of Bullhead City, City of Kingman.

* * * * *

A. Purpose and Effect of Resolution

Many local governments are ready and able to improve the emergency medical services provided to their residents by providing emergency ambulance transportation. Current State statutes and rules developed by the Arizona Department of Health Services Bureau of Emergency Medical Services have made it difficult, if not impossible for municipalities to receive a CON if there is a current CON holder servicing the jurisdiction.

Former Arizona Auditor General, Douglas R. Norton, in his 1999 performance audit, made a number of pertinent findings, including that the CON process "does not meet goals, is an unnecessary form of regulation", and that the system "limits competition". When explaining how the system was flawed Mr. Norton explained that the system was a barrier to local government involvement. The 1999 audit asked the State to convene a committee to find ways to include local government and adequately regulate real quality indicators.

The CON statutes should be amended to allow a municipality to provide emergency ambulance transport services within its jurisdiction. Local governments would work with the existing CON holders to coordinate emergency ambulance transportation services across CON boundaries. Integrated transport systems could also be provided, resulting in increased quality assurance and system efficiencies, in both service levels and costs. This type of arrangement has been implemented and is working with urban fire services.

B. Relevance to Municipal Policy

By allowing cities to provide emergency medical transport services, the quality of the service to local residents can be improved. It will allow local government to provide this essential service to their residents and to integrate emergency medical transport services into their public safety infrastructure. Local government can integrate the EMS transportation function into mutual aid agreements and emergency management functions without the artificial barriers inherent in the current CON system.

C. Fiscal Impact to Cities and Towns

Local jurisdictions may incur initial start-up costs. However, some of the costs associated with providing emergency ambulance transportation may be recouped from private insurers, up to the cost of the service. Additionally, allowing local governments to provide these services may result in lower cost to citizens needing emergency transportation services.

D. Fiscal Impact to the State

The State should see a reduction in the need to monitor and adjudicate disputes between ambulance providers, which would result in cost reductions. The Auditor General in his report suggested that the CON process was not cost efficient or needed.

E. Contact Information

Name: Connie Scoggins Title: Assistant City Attorney
Phone: (928) 373-5055 Email: Connie.Scoggins@YumaAZ.gov

RECOMMEND FOR ADOPTION

Resolution #20

Urges Congress to repeal Section 511 of the Tax Increase Prevention and Reconciliation Act of 2005, which mandates Federal, State and Local government entities to withhold and remit to the IRS 3% of nearly all contract payments, effective January 1, 2013.

Submitted by: City of Mesa and City of Phoenix

A. Purpose and Effect of Resolution

This resolution urges Congress to repeal the 3% withholding law, which was enacted in Section 511 of the Tax Increase Prevention and Reconciliation Act of 2005. If the law is not repealed, beginning January 1, 2013, all government entities with more than \$100 million in annual expenditures would be required to withhold 3% of payments for most goods and services paid to third parties.

B. Relevance to Municipal Policy

Local governments will encounter considerable challenges in preparing to implement Section 511, resulting in a significant commitment of time and money – and unfortunately, at the expense of the local taxpayer. Each municipality will have to obtain the Federal taxpayer identification number of each vendor, deposit the federal withholdings twice weekly and issue annual Forms 1099-MISC. The hiring and training of new staff will be unavoidable in order to complete the daunting tasks required in Section 511. Most municipalities will also need to purchase or upgrade existing procurement systems to retain and report the required data.

Additionally, state and local governments cannot suffer an increase in the cost of goods and services that will likely result when private sector companies pass along the 3% withheld as a cost of doing business. Private sector companies could experience cash flow problems, which could create difficulties for job-creation – a considerable concern as local governments are actively striving to create economically sustainable communities.

Undoubtedly, Section 511 will be damaging to both the public and private sectors. Neither can absorb the unnecessary and unfunded costs associated with this new withholding requirement.

C. Fiscal Impact to Cities and Towns

While the exact fiscal impact cannot be calculated, compliance with this law will undoubtedly impose significant and unnecessary financial burdens on local government. The expense of hiring new employees, expanding government services, purchasing new financial systems, and paying more for goods and services are certain to cost local taxpayers millions of dollars in expenses.

D. Fiscal Impact to the State

The State will have the same unfunded requirement as cities and towns as a result of this federal withholding requirement.

E. Contact Information

Name: Scott J. Butler

Title: Assistant to the City Manager – Government Relations

Phone: (480) 644-2964

Email: scott.j.butler@mesaaz.gov

RECOMMEND FOR ADOPTION

Resolution #21

Urges the President of the United States and the U.S Congress to enact effective and large-scale forest restoration efforts for Arizona and other western forests to improve forest health and reduce the risks from catastrophic wildfires.

As amended by the City of Scottsdale; Recommended Amendment from the Resolutions Subcommittee:
Urges the Legislature to support ~~President of the United States and the U.S Congress to enact effective and large-scale forest restoration efforts for Arizona and other western forests to improve forest health and reduce the risks from catastrophic wildfires.~~

Submitted by: City of Scottsdale, Town of Payson, Town of Paradise Valley

* * * * *

A. Purpose and Effect of Resolution

In the Western United States there are millions of acres of diseased, dying, and overgrown forests that have created a widespread forest health problem. The poor condition of these forests has dramatically increased the effects of insect infestation, understory overgrowth, and unnatural fire conditions. The forest health problem is widespread and is affecting wildlife habitat, watershed management, and increasing the dangers to human life and property.

While there have been some small-scale forest restoration efforts, prescribed by existing state and federal policies, overall forest health is rapidly declining. New policies SUCH AS THE 4 FORESTS RESTORATION INITIATIVE AND THE WALLOW FIRE RECOVERY AND MONITORING ACT are needed to ~~initiate~~ COMMENCE cost-effective and large-scale restorations to address the growing forest health problem. Because state and federal financial resources are currently limited, the use of commercial operations should be considered as a means of providing cost-effective forest restoration efforts.

U.S. Forest Service data indicates that growth of Western forests exceeds removals by three-fold. Without large-scale forest health treatments, events associated with high-risk forests will continue to cause severe social, economic and ecological impacts. Any new state or federal policies must consider all effective forest treatment tools and should include both public and private sector resources to accomplish forest health and management goals.

B. Relevance to Municipal Policy

Properly maintained forests provide numerous benefits to the residents and visitors to Arizona cities and towns. Benefits include increasing water yields and creating sustainable watersheds, recreation and tourism, timber, maintaining real estate values, wildlife habitat, and adding value to the State's economy.

C. Fiscal Impact to Cities and Towns

The initiation of large scale forest restoration activities may provide additional jobs and secondary economic benefits to the local economy such as the purchase of equipment, food sales, etc. The negative economic impact to local governments from unhealthy forest conditions can include the costs of residents being displaced from their homes, job losses, the loss of tourism, diminished real estate values, and loss or damage to public infrastructure.

D. Fiscal Impact to the State

State or federal monies would likely be necessary to implement large-scale forest restoration projects. With the increased use of commercial forest operations, these types of projects could conceivably become more revenue neutral.

E. Contact Information

Name: <u>Brad Lundahl</u>	Title: <u>Government Relations Director</u>
Phone: <u>(480) 312-2683</u>	Email: <u>Blundahl@ScottsdaleAZ.gov</u>

RECOMMEND WITH AMENDMENTS

Resolution #22

Resolution opposing federal preemption of state and local taxing authority over online travel companies.

Submitted by: City of Tusayan, City of Flagstaff, City of Sedona

* * * * *

A. Purpose and Effect of Resolution

To prevent the preemption of state and local taxing authority.

B. Relevance to Municipal Policy

Hotel taxes are a vital revenue source for counties across the nation. Some jurisdictions funnel these revenues into the general fund and are used for a myriad of public purposes, including fire and police services. Some communities use these funds to promote local tourism, which creates jobs and pumps badly needed funds into local economies. Some localities use these funds to pay bond obligations used to finance the construction of convention centers, sports facilities, and other public buildings.

This revenue source is being threatened by efforts of the online travel companies (OTCs) to obtain preferential tax treatment at the expense of local government budgets. The OTCs, such as Expedia, Travelocity, and Orbitz pay hotels a discounted, wholesale rate for the rooms they book. These rooms are then sold to customers at a higher, retail rate. But while customers are charged the applicable hotel tax on the retail rate, the OTCs remit taxes based on the wholesale rate, short-changing local governments while pocketing the difference. This practice is currently the subject of numerous lawsuits across the country. In response, the OTCs are actively lobbying Congress to preempt the authority of state and local governments to impose and collect hotel taxes from the OTCs.

Municipalities oppose any federal legislative or regulatory initiatives that would preempt state and local taxing authority over Online Travel Companies (OTCs).

C. Fiscal Impact to Cities and Towns

Preemption of state and local taxing authority over the OTCs will adversely affect state and local government budgets, with revenue losses nearing \$700 million annually.

D. Fiscal Impact to the State

Preemption of state and local taxing authority over the OTCs will adversely affect state and local government budgets, with revenue losses nearing \$700 million annually.

E. Contact Information

Name: Enrique Medina Ochoa

Title: Town Manager

Phone: 928-637-4297

Email: tusayantownmanager@gmail.com

RECOMMEND FOR ADOPTION

Staff Resolution# 1

A RESOLUTION OF THE LEAGUE OF ARIZONA CITIES AND TOWNS CALLING UPON THE ARIZONA LEGISLATURE TO RESPECT THE AUTHORITY OF CITIES AND TOWNS TO GOVERN THEIR COMMUNITIES FREE FROM LEGISLATIVE INTERFERENCE AND TO REJECT LEGISLATION THAT CONFLICTS WITH CHARTER PROVISIONS OF ARIZONA'S CHARTER CITIES

WHEREAS, the League of Arizona Cities and Towns shares Governor Brewer's concern, "that many bills introduced [during the first session of Arizona's 50th Legislature] micromanage decisions best made at the local level"; and

WHEREAS, the League further shares Governor Brewer's, "conservative belief that the most effective, responsible and responsive government is government closest to the people"; and

WHEREAS, the Arizona Constitution specifically provides that any city, "may frame a charter *for its own government*" [emphasis added]; and

WHEREAS, once a city has successfully completed the city charter process, the charter becomes the organic law of the city ~~or town~~; and

WHEREAS, charter cities draw their power from their citizens, are governed by their charters, and do not require legislative authority from the State to exercise power; and

WHEREAS, the provisions of the charter, as the organic law of the city, supersede all laws of the State in conflict with the charter provisions, insofar as such laws relate to purely municipal affairs; and

WHEREAS, the Arizona Constitution thus establishes a home rule mechanism to render CHARTER cities independent of the Legislature with respect to matters of local concern; and

WHEREAS, Arizona courts have affirmed that provisions of a city's charter supersede conflicting statutes with respect to matters of local concern; and

WHEREAS, ~~localities~~ ALL MUNICIPALITIES are no less affected by the imposition of burdensome mandates by the State than is the State by the imposition of similar mandates by the Federal government;

NOW, THEREFORE, BE IT RESOLVED, that the League of Arizona Cities and Towns calls upon the Arizona Legislature to affirmatively reject, oppose and renounce legislative proposals that diminish local authority, address matters of purely local concern, and conflict with the organic law of Arizona's charter cities.

RECOMMEND WITH AMENDMENTS

Staff Resolution # 2

Support Reasonable Reform to the State Revenue System

Arizona's Transaction Privilege Tax (TPT, commonly referred to as Sales Tax), applies to goods but not to services. The system was developed in the early 20th Century when the economy was significantly different—dominated by farming, mining and trading of commodities and hard manufactured goods. Today's 21st Century economy is significantly different and is increasingly dominated by the service sector. However, services are not subject to state or local sales taxes. With the temporary one-cent increase approved by voters in Proposition 100, Arizona's state sales tax rate is now 6.6%. Added to local and county sales taxes, the rate in many places is now over 10%, making it one of the highest in the nation. The addition of services to the base could potentially lead to an actual lowering of the rate while producing the same amount of revenue, i.e. a "revenue-neutral" reform. Tax analysts frequently advocate the benefits of the "broad base, low rate" concept in taxation in which all sectors are taxed at a low, affordable rate, and other sectors do not have a "free ride." The State of Arizona and its political subdivisions would benefit from a system in which no business category was exempt from taxation, but which produced a rate low enough to be affordable for citizens and not a hindrance to business success.

Arizona also has one of the lowest personal income tax rates in the nation—currently 41st out of the 43 states that have such a system. Conversely, our corporate income tax is one of the higher in the nation, and corporate personal property tax is seen as a barrier to attracting some kinds of manufacturing industries to the state.

As various proposals emerge and are debated, the League needs to be able to advocate for tax reform that adheres to the principles of simplicity, fairness, progressivity and balance. Any reforms should also not in any way impair the ability of cities and towns to implement tax systems that reflect their own local priorities.

RECOMMEND FOR ADOPTION



**TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT**

Item No. **10**

☒ Regular Meeting ☐ Special Meeting ☐ Other _____

MEETING DATE: 08/23/2011 TIME: 6:00 p.m.

SUBMITTING DEPARTMENT: Finance Committee - Town Clerk

CONTACT PERSON: Carl Tenney PHONE: 636-2646

☐ Presentation Only ☐ Report Only ☐ Consent Estimated
☐ Action-Presentation ☒ Action ☐ Executive Length of Staff
Presentation: _____ min.

ITEM LOCATION:

PROPOSED AGENDA ITEM:

The proposed agreement with the Chino Valley Area **Chamber of Commerce** ("Chamber") to provide services in the areas of Tourism and Visitor Center, Citizens Academy, Economic Development, Business Retention, and Business Leakage for the 2011/2012 fiscal year as discussed and drafted by the Finance Committee.

FISCAL IMPACT? yes If Yes, Budget Code: 01-95-5563 Available: \$ 38,000

FUNDING:

There is available funding of \$38,000 in the Non-Departmental Outside Agency Funding expenditure line in the General Fund. Any amount approved in excess of \$38,000 will require a transfer from Non-Departmental Contingencies expenditure line in the General Fund.

TYPE OF DOCUMENT(S) FOR CONSIDERATION:

Funding Proposal

ATTACHMENT "A"
PROPOSED AGREEMENT FOR CONTRACTED SERVICES

SITUATION AND ANALYSIS:

For several years, the Chino Valley Area Chamber of Commerce has been providing a variety of services to the Town of Chino Valley. For this fiscal year, Chamber of Commerce Chief Executive Officer Ab Jackson presented a proposal for services to the Town of Chino Valley, with copies to the Town Manager and Town Council members. Mr. Jackson's proposal identified three (3) levels of services with the corresponding funding requirements necessary to accomplish the work. Proposal #1 encompasses the services that the Chamber has provided in the past, including staffing and operation of the Tourism and Visitor Center and conducting a Citizens Academy, with funding of \$38,000 for these services. Proposal #2 includes the services in Proposal #1 plus Economic Development, Business Retention and Business Leakage, with funding at \$60,000. Proposal #3 includes Proposal #1 and #2 plus coordinating Town Events such as Territorial Days, Home Town Christmas, Halloween, and Spring Fest, with funding at \$75,000.

Councilmembers Echols and Croft, members of the Economic Development Committee, have been meeting with CEO Jackson and opine that the services in Proposal #2 are necessary to operate the Visitors Center and provide the Business and Economic Development services that are currently not available from Town staff. The Economic Development Committee members felt that the funding for these services would be money well spent toward retaining current businesses and recruiting future businesses to increase revenues and help the Town meet its fiscal obligations.

RECOMMENDED MOTION:

Move to direct staff per Council discussion.

ATTACHMENTS:

A -Proposed agreement for contracted services

PERTINENT DOCUMENTS AVAILABLE UPON REQUEST:

SIGNATURES OF SUBMITTING AND/OR AFFECTED OFFICERS:

L Hart
Author

Jami C. Lewis
Department Head

Vera J. Smith
Finance

Other:

Other:

Legal

Other:

Other:

Michael K. Scannell
Town Manager/Designee

AGREEMENT FOR CONTRACTED SERVICES

This agreement by and between the Chino Valley Area Chamber of Commerce, a nonprofit corporation, hereafter referred to as "Chamber" and the Town of Chino Valley, a municipal corporation, hereafter referred to as "Town" is effective the 1st day of July, 2011 and unless terminated under the provisions set forth below shall run through June 30, 2012.

RECITALS

Whereas, the Town desires to invest in economic development, enhance tourism, and assist visitors and tourists while in Chino Valley by providing information and facilities which improve the quality of their experience when in Chino Valley; and

Whereas, the Chamber is qualified and has the experience, organization, and personnel to provide visitor services, and promote Chino Valley as a destination for tourists and as a cultural-historical center, and such efforts will generate tax revenue to assist the Town in providing facilities and services to all residents of Chino Valley; and

Whereas, the Town receives a portion of its tax revenue from tourists spending in the community and from sales tax revenue from businesses; and

Whereas, the Town desires to maintain a strong and vital local economy and to assist in the retention of existing businesses and the attraction of new businesses that are deemed desirable; and

Whereas, the Chamber is qualified and has the experience, organization, and facilities to attract new retail business to the community as well as provide business services to new and existing commercial and retail businesses in the community; now therefore the Chamber and the Town agree as follows:

PURPOSE OF THE AGREEMENT

The purpose of this agreement is to delineate and define the terms by which the Town will retain the services of the Chamber to promote, develop, and enhance tourism and economic development for the Town and to render specific professional and technical services to the Town as delineated in this agreement. It is understood and agreed that the Chamber, while retained under this agreement, will also be rendering other services to its members.

For all parts of the agreement, it is understood that the provisions of ARS 9-500.14 are in effect in pertinent part:

" 9-500.14 use of city or town resources or employees to influence elections; prohibition

A. A city or town shall not use its personnel, equipment, materials, buildings or other resources for the purpose of influencing the outcomes of elections. Notwithstanding this section, a city or town may distribute informational reports on a proposed bond election as provided in section 35-454. Nothing in this section precludes a city or town from reporting on official actions of the governing body...". The Chamber agrees not to use any town funds or resources for a political purpose.

On the date of execution of this agreement, the Chamber shall provide a copy of the Certificate of Good Standing issued by the Arizona State Department of Corporations showing that the Chamber is in good standing beginning on the effective date of the agreement. The Chamber shall maintain "good standing" with the Arizona Department of Corporations during the entire term of this agreement. The Town reserves the right to deny payment for any periods of time in which the Chamber does not maintain "good standing" with the Arizona Department of Corporations. The Town Manager may request an additional copy of a "Certificate of Good Standing" to verify the Chamber's status with the Department of Corporations at any time during this agreement."

The town reserves the right to contract with other entities and/or individuals for services similar to those listed herein.

PROVISIONS OF THIS AGREEMENT

Now, therefore, in consideration of the mutual promises and covenants of the parties, and other good and valuable consideration, the parties agree as follows:

1. The Chamber, during the term of this agreement, shall maintain and staff the Visitor Center within the Town. The Visitor Center will be open to the public during the normal working hours Monday through Saturday and shall be staffed adequately for the purpose of answering all correspondence, telephone, and or walk-in inquiries for general information relating to Chino Valley. The Visitor Center will be closed Sundays.

In addition, in consideration of the funding set forth herein, the Chamber also agrees to produce and distribute through its Visitor Center and other venues an annual printed directory of businesses with active business licenses in the zip code of 86323. A listing in the directory may be requested by a business at the time of purchasing from the Town a new business license. An existing business with an active business license may also request to be added to the listing at any time. Chamber Members in the directory may be listed in bold lettering or in a separate section.

The Town through its Town Manager must approve the format and presentation of a printed directory of businesses with a zip code of 86323. The directory must indicate that the directory is funded by the Town.

The Chamber shall maintain a link to the Town web page which lists all businesses with an active Town business license.

2. During the term of this agreement, the Chamber agrees to develop and administer an economic development program the basic tenets of which are focused on business retention and business expansion of businesses located in the corporate limits of the Town of Chino Valley. Specifically for those businesses, the Chamber will sponsor a business to business discount purchasing program, promoting a shop local program known as the "\$20 on the twentieth" campaign, sponsoring and holding the Home, Health and Business Expo and other similar events. The Town of Chino Valley, acting through

its Town Manager, reserves the right to approve the elements of any business retention and expansion program that may be developed and implemented.

PAYMENTS: During the term of this agreement, the Town agrees to tender thirty-eight thousand dollars (\$38,000.00) to the Chamber in two installments of nineteen thousand dollars (\$19,000) on the dates which follow: no later than ten days after the full execution of the document and on January 10, 2012.

REPORTING: The Chamber shall submit a written report to the Town Council on a quarterly basis. The report shall address progress on the deliverables set forth above. In addition, the Chamber shall provide the Town with a copy of its budget and financial statements for the latest fiscal year.

TERMINATION: If, and in the event that, a dispute between the parties arises relative to the quality of the services rendered under the terms of this agreement, the Town and Chamber shall attempt to resolve said dispute. In the event that said dispute cannot be resolved in a manner that is satisfactory to the parties, the Town of Chino Valley reserves the right to terminate this agreement by providing the Chamber of Commerce with thirty days written notice. This is not an exclusive agreement for the type of services provided herein. The Town may choose to seek other agreements for similar services with other entities.

COORDINATION: The Chamber Chief Executive Officer and Town Manager shall have regular meetings to discuss the coordination between Town and Chamber relative to issues of mutual interest.

TOWN DUTIES: Upon request but no more frequently than monthly the Town shall disclose the name and address of business licensed in the Town.

THIS AGREEMENT is entered into in the State of Arizona and shall be construed and interpreted under the laws of the State of Arizona, including without limitation the provisions of ARS 38-511.

THE RECITALS AND PURPOSE set forth at the beginning of this agreement are hereby acknowledged and incorporated herein and the parties hereby confirm the accuracy thereof.

Time is of the essence in implementing the terms of this agreement.

The Chamber may not assign any of the Chamber's rights and duties under this contract without Town's prior written consent, which may be given or withheld in Town's sole discretion. Any assignment by the Chamber without Town's written consent shall be null and void.

All notices, requests, demands, and other communications under this agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service if served personally on the party to whom notice is to be given, or (ii) on the fifth day after mailing if mailed to the party to whom notice is being given, by first class mail, registered or certified, postage prepaid, or (iii) on the day after mailing if mailed to the party to whom notice is being given, by overnight delivery by Federal Express, Airborne, or United Parcel Service. Notice shall be sent:

Approved as to Form -- Town Attorney

Date: _____

Approved as to Form Leonda Armstrong, DVM , Board President

Date: _____