

**INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF GILA, ARIZONA**

**P.O. Box 127**

**Claypool, AZ 85532**

Fred Barcón, President  
William Long, Vice President  
Robert Pastor, Member  
Timothy Humphrey, Member  
Stanley Gibson, Member

William Byrne, Member  
Cliff Potts, Member  
James Feezor, Member  
Timothy Grier, Member

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the Industrial Development Authority of the County of Gila, Arizona, Board of Directors, and to the general public, that the Board of Directors will hold a meeting open to the public on Monday, August 26, 2013 at 2:00 p.m. at the Gila County Courthouse, 1400 E. Ash Street, Globe, Arizona. Members of the Board of Directors will attend the meeting in person, via I-TV, or be present telephonically. The following Agenda lists the matters to be discussed, considered, or decided at the meeting:

I. CALL TO ORDER

II. ROLL CALL

Bill Long, resigned. Fred, Bill Byrne, Robert Pastor, Tim Humphrey, Stan Gibson, Cliff Potts, James Feezor (Mac) Timothy Grier. All else present.

III. INFORMATION/DISCUSSION Open Meeting Law training: Bryan Chambers, Deputy County Attorney.

Presentation by Bryan Chambers. A number of the Board Members have received OML training. Arizona Attorney General, Arizona Agency Handbook. Open Meeting Law. Two places the OML violation may go, County attorney and State Attorney General. Attorney General has their own version. State Statues. Arizona Agency Handbook, chapter 7. All information taken from the handbook. Public bodies are covered. IDA must comply with OML. There is no criminal law for OML violation, significant consequences for violations include fines. Power to swear witnesses. Example: If a quorum of the Board gets together outside of the meeting, 24 hour notice. The attorney will put all members under oath to discover if there was a violation. If there is a violation that could be pretty serious. Power investigation. Consequence include civil penalties. Maximum penalty forfeit public office and a maximum fine of \$500. Board serves pro bono, all public minded. OML's are not always apparent.

If (A) member of the Board is concerned about an issue on the Board, he may consult a (B) Board member. If (B) forwards that communication to other members via e-mail, that would be considered OML violation. Members of the public must be able to witness the business of the entity (IDA). Splintering the quorum, when small groups of the Board get together to discuss.

Post notice to the public when the Board will have a quorum present at an event. Without an agenda published the Board can't discuss any business. No real requirement to post notice if it's a social event in which the Board members are present. Can't discuss business of the Board. Post in notice that no business will be discussed. If a member of the public recognizes the Board members in a public event, there is always the notion that business might be discussed. It's best to not all sit together. Public perception.

Why do members of the public care? Public's business should be conducted in open. All decisions made outside of a public meeting are void; the vote will have to be ratified. If there is a violation of OML then all the decisions made will be void.

Violation of OML brought up after a contract agreement. OML allows an opportunity to ratify the when there is an OML violation. Ratification can be a lengthy process. To ratify, you must have a special notice to the public. A description of the action to ratify and a description on how it needs to be ratified. That means you have to admit there has been an OML violation. What ratification allows you to do is to preserve the established date (contract). Ratification takes care of the violation. Leading to removal from Board, it would have to be with the intent of trying to keep information from the public. In executive session, it's possible to violate OML when the reasons for going into executive session are not valid. Seven reason for going into executive session.

County attorney's office will try to get a consent agreement, in the event of a violation. The county may ask they rectify in a certain manner. Public bodies may be required to adjust their policy or mandatory training. Most of the time the first offense will not result in a removal from office. If it's a repeat offence, there may be a removal from the Board.

Call to public: Up to the Board, it is not a requirement. Call to the public with a statement that the public stating that all public issues may be brought up, but the Board will not be able to address those items unless it is on the agenda. Members of the Board are allowed to address criticism in a call to the public. The member in question may address the issue, but other members should not mention because that can be counted as "discussion".

On the bottom of the agenda the Board reserves the right to go into executive session to get legal advice from their attorney. Attorney must be present. Just because you have an attorney on the board doesn't mean you can enter executive session with an attorney of the Board.

It might be a good idea to have the disclaimer on the agenda if the need arises. Standing item on the agenda. If not on the agenda, you will have to schedule another meeting. All of the other reasons must be more specific.

Conflict of interest: you may want to seek legal advice on conflict of interest. Consult the IDA's by-laws for conflict of interest. Always best to error on the side of caution.

Mr. Chamber's packet was made from the Arizona ambutzman's website. Arizona Agency Handbook.

#### IV. INFORMATION/DISCUSSION Industrial Development Authority current events and projects.

Fred discussing events and past history. Restructuring the bond issue for ASARCO. The majority of the Board decided to charge the mines a user fee. Fred negotiated with the attorneys for ASARCO. 1.8 million in restructuring fees. ASARCO was purchased by another group who then filed for bankruptcy. The county had a fund set up, the county was to be watching the fund. There were payments that were not made. About \$300,000 that was to be paid that wasn't. The IDA was awarded the funds plus attorney's fees. Very long negotiations. The IDA has been very frugal with their funds. The issues with past Supervisor, the other Supervisors advised to lay low until her term was up.

The IDA met with Tom Manos who was then the executive director of Maricopa County IDA. There are two types of IDAs. The smaller get together only when there are bond issues. The other is those who go out and make things happen.

Meetings the IDA has had. Meeting with the General Manager of Casino to discuss the ways the IDA can be involved.

CPLC- small business lending program. Need to get brochures from CPLC.

USDA- small business lending program, CAG looking for an underwriter for the USDA program. RBEG and RBOG programs.

Phoenix IDA- reputation for having a seamless process. Has offered to take us under their wing, walk us through their process and introduce us to their legal counsel- currently working with three firms.

Freeport McMoran: Smelter remodel, bond issue? Must meet EPA restrictions. Establish relations with Freeport- discover companies utilizing molybdenum products. Courting industrial development, economic development.

Marketing package. Just a sample, after meeting with each region we will be able to target the needs of each region and cater marketing to meet those needs.

Information to new Board members on the old business, financials, etc. To all Board Members with an annual accounting from Mitzi Lopez, new statutory agent assignment. Have Mitzi or her report to present at the next meeting, quarterly meeting.

Discussion on the hospital bonds. The Board will have to find an attorney to represent the IDA on the bond issues and other matters.

Proposal for attorney. Donation to various entities. The old Board set up the regulations for all entities approaching the IDA for funds, they must meet certain criteria.

Meeting minutes available.

Send e-mail presentation to all the Board members for the IDA website video.

#### V. INFORMATION/DISCUSSION/ACTION Annual Officer Elections 2013-2014.

Bob Pastor nominates Stanley Gibson for President. Stanley declined as he doesn't have enough background. Bill Byrne asked Fred how long he has been president. Bob Pastor asked Cliff if he would like the nomination. Cliff elaborates on the wonderful job Fred has done.  
Cliff as President.

Vice President: Bob Pastor elects Fred Barcon as Vice President. All in favor.

Treasurer/Secretary: Bob Pastor invites Stanley Gibson. All in favor.

Resolution for signature for Stanley Gibson and Cliff Potts to be added to checking account.

VI. ADJOURNMENT

For further information, contact Sandy Palmer at (928) 425-5426. If any disabled person needs any type of accommodation, please notify at least 24 hours prior to the scheduled meeting time.

**DATED AND POSTED** this 21<sup>th</sup> day of August, 2013.

---

Fred Barcón, President