



MAYOR AND COUNCIL Study Session Minutes

Approved by Mayor and Council
on January 21, 2026.

Date of Meeting: June 3, 2025

The Mayor and Council of the City of Tucson met in a study session in the Mayor and Council Chambers in City Hall, 255 West Alameda Street, Tucson, Arizona at 2:06 p.m., on Tuesday, June 3, 2025, all members having been notified of the time and place thereof.

OFFICIAL MEMBERS

PRESENT: Mayor Regina Romero
Vice Mayor Lane Santa Cruz (Ward 1)
Council Member Cunningham (Ward 2)
Council Member Kevin Dahl (Ward 3)
Council Member Nikki Lee (Ward 4)
Council Member Rocque Perez II (Ward 5)
Council Member Karin Uhlich (Ward 6)

OFFICIAL MEMBERS

ABSENT: None

STAFF: Timothy M. Thomure, City Manager
Mike Rankin, City Attorney
Maria Talamante, Assistant City Clerk

(NOTE: Minutes for Study Session are transcribed in verbatim format.)

**1. Executive Session –Pursuing Acquisition of Renewable Water Supplies at Auction from the United States Bureau of Reclamation (City Wide and Outside City)
SS/JUN03-25-107**

It was moved by Council Member Cunningham, duly seconded and carried by a voice vote of 7 to 0, to enter into executive session as noticed on the agenda.

Mayor Romero: Item 1 is an executive session. Ms. Clerk.

Clerk: Item 1 is noticed of as an Executive Session - Pursuing Acquisition of Renewable Water Supplies at Auction from the United States Bureau of Reclamation and is being held pursuant to A.R.S. Section 38-431.03(A)(3) and (A)(4).

Mayor Romero: May I have a motion to go into executive session please?

Council Member Cunningham: So, moved.

Council Member Dahl: Second.

Mayor Romero: There's a motion and a second. Any further discussion on this hearing none. All those in favor, please signify by saying aye.

All: Aye.

Mayor Romero: Any against, motion carries. We'll be back in what may be about 35 minutes. Alrighty, we'll be back in 35 minutes. Thank you everyone.

RECESS: 2:07 p.m.

RECONVENED: 2:50 p.m.

MAYOR & COUNCIL: All present

STAFF: All present

Executive Session was held from 2:10 p.m. to 2:47 p.m.

It was moved by Council Member Dahl, duly seconded, and carried by a voice vote of 7 to 0, to return to open session.

Mayor Romero: Item 2.

City Attorney Mike Rankin: Mayor, Members of the Council, I'd ask for a motion that the Mayor and Council authorize and direct the city manager, city attorney and staff to proceed as discussed in executive session.

Council Member Dahl: So, moved.

Council Member Cunningham: Second.

Mayor Romero: We have a motion and a second. Any further discussion hearing? None. All those in favor signify by saying aye.

All: Aye.

Mayor Romero: Any against? Motion carries. Item 3.

3. **Discussion of Final Budget and Compensation Plan for Fiscal Year 2026 (FY26) (City Wide) SS/JUN03-25-105 (City Wide)**

Introductory comments were made by Mayor Romero.

Information and presentation were provided by Timothy M. Thomure, City Manager, who fielded and answered questions.

Discussion ensued; no formal action was taken.

(Council Member Lee departed at 3:09 p.m., and returned at 3:12 p.m.)

Clerk: Item 3 is discussion of the final budget and compensation plan for fiscal year 2026.

Mayor Romero: Time has been set aside for Mayor and Council to discuss the final budget and compensation plan for fiscal year 2026 and to provide feedback. And I just wanted to kind of start this item because we've done a lot of work on this item and I just wanted to thank our City Manager, Tim Thomure, our Assistant City Manager Anna Rosenberry and all of the Team that has gotten us to this point. I know that we have had lots of discussion with the Community as well as labor groups, employees, employee town halls, etc. All this to say that there's a lot of work put into this work and I believe that it's gotten us to a better place.

I know that we've had to make some difficult decisions. We have balanced our budget despite the significant deficit by the Ducey era flat tax that we're living under and the continual onslaught of Trump's economic policies that are creating chaos and uncertainty. And we are noticing it in our sales tax collections. What I can say that we are proud of, right? We can say so much, but what I'm very proud of is that we fought to maintain nearly \$2,000,000 of investment in our KIDCO program. This was originally on the list to cut. And in my initial conversations with City Manager, Mr. Thomure, my first reaction to that suggestion was absolutely not. I understand that this is an important service to Tucsonans and even Pima County residents. More than two thousand children use KIDCO and it really keeps people at work knowing that their children have an after-school program that is vital for their safety.

We are also adding day trucks in the fire department that will help meet the needs where they are, in a safe and faster way. This is important because when dealing with medical emergencies, minutes absolutely matter. We continue to staff up and expand our 911, 311 call centers. The centers serve all of Tucson and our region for emergency calls through 911 and other line crisis calls for 311. This important effort puts the right work in the right hands and provides better, faster service to Tucsonans.

I'm also very proud of the investment we are making to continue funding and expanding the work of our violence prevention and intervention programs, the services of our VIVA programs and the work in the Thrive Zones provide valuable investments to areas of our community that really need that prevention work. And of course, the budget also funds more than \$20 million

worth of investment in our employees and our employees are a valuable resource and I'm proud of the work that we've been doing. I know that we've had to cut \$18 million worth of work. And you know, we're working with the community to prioritize those cuts, but also prioritize, the investment.

So, I just wanted to start by saying thank you, Mr. Manager, and thank you to the entire team. Thank you to our labor unions that have played an important part in getting us to this point, also compensation, the compensation plan, there's been a lot of work by our team and our human resources director. And so, I'm looking forward to the discussion and later on to the public hearing and us voting on this budget. With that Mr. Manager, the floor is yours.

City Manager Timothy M. Thomure: Thank you, Madam Mayor, and Members of the Council. Just as we're coming into the finish line on this, we wanted to just hit a few of the highlights of where we stand today. And as you go into tonight for final budget adoption. Some of the key highlights are that we have a few budget development key goals that were presented to us.

One is we were doing this in the environment of a bit of economic uncertainty. Both at the federal and state level, but also how the environment, how the economy could play out over the next few years. And our historic reliance over the last few years on significant federal funding is something that we need to understand has fundamentally shifted on us. As the Mayor mentioned, despite the challenges, we have included significant critical needs funding in the development of this budget that includes some investments in our police operations and equipment, implementing fire, truck fire day truck operations which will relieve significant call load off of our firefighters and paramedics. That expansion of public safety personnel but continued expanded investment in violence prevention and thrive zone efforts. Standing up for the first time in a long time, a general capital needs investment pool that will be able to deploy in future years. And there's a number of IT systems that we're able to sustain this. We've been bringing in technology as an expansion of the workforce.

As far as the compensation plan goes, we have a number of significant investments and at top line of \$23.6 million is actually almost double the investment from the prior year. And so that's a significant investment in and of itself, but it also is being deployed in a way to address some of our issues that we've had some more long standing than others. But one of them is in-range pay placement. We've talked about it at this table. Our employees have brought it to your offices. They've brought it to call to the audience and they're not wrong in that we have some of our employees that, especially tenured employees, that are not currently paid at the market rate they would be if they came in from the outside. So we are, we have moved forward with the analysis and the notifications of what phase one would look like if the budget's adopted. I don't if you're still playing that game will you drink when I say it? But it's OK.

We have an annual pay progression amount that goes literally across the board. We have a series of market adjustments that would occur in October and again budget adoption means we will do those things. It doesn't mean we're going to come back to you in October and say, are we going to do it? It's not like last year where there was an uncertainty over the second half of the money.

The market money is there and especially a three-year commitment to both police and fire sworn personnel is embodied in that market pay.

We have reinstated skill-based pay for the utility technicians at Tucson Water, and we have resumed performance review city wide. There were some areas of the of the city where performance reviews have been ongoing, but it's the minority. Now, we just did a snapshot of this and I believe almost 3000 of our 4900 employees have had performance reviews completed as of this week. And 4400 of the 4900 have either been started or completed. That is an amazing accomplishment within the last probably six weeks and another few weeks to go to get to as close down ever as we can.

So, people have not only been they've actually embraced the idea of having performance evaluations, and then we're on the cusp of doing what we call our 4900 Workday project, which would be the second phase of in-range pay placement. Where the data we had for round one was only some data, but over this next fall and winter we'll have everybody updating their education experience, their full resume in Workday, we will run the calculator again and make further adjustments. Even though some of those in phase one get an additional adjustment and then many people who aren't getting one in phase one because of they might have been relying on outside experience. That'll come in for phase two. So major investments there.

I do want to note we did report to you on disputes that were filed. We had one that was timely filed but misfiled. And so, there's one that's in your materials that we're actually working on as we speak. It wasn't that it wasn't of merit, it was just that, we got 73 when we should have gotten in 74 or whatever the numbers are.

So tonight, we're really at the finish line, there will be the public hearing on the FY26 budget as tentatively adopted and the increase in the primary tax levy. The reason that just says primary is because the secondary rate actually went down. So, the public hearing doesn't have to pertain to the secondary tax rate, which is changing, but it's a public hearing is on the budget as adopted in the primary tax levy. You would convene to a special meeting to do the final budget adoption. And then the next item would be the Compensation Plan adoption and then our work is almost done, but still the June 17th meeting, we have our financial policies, we need to bring back the reserve policy as you as you recall as part of balancing this budget we are proposing a change to the reserve policy, but you would need to adopt that and then we would fix the levies and assess primary and secondary property taxes in the regular meeting of June 17th.

With that, we are happy to take any questions or provide any other context that you're seeking.

Mayor Romero: Any questions or comments from my colleagues? Anything at all. Oh, well, this means I think I'm kind of flabbergasted that my colleagues don't have any questions or comments. Thank you. That means it's a wonderful job that you've done. I think that in the memo that you included, what I would like to include is just to note that we are making more than \$16,000,000 worth of a capital investments in our departments. In Tucson Police Department and Fire Department and all the other departments to keep both our police officers, firefighters, safe, equipped, and our employees giving them, giving our employees what the capital needs that they need to do their job. The other piece that I wanted to make a note of and on your memo, you look

ahead, right. And what the key goals ahead for fiscal year 26/27? Rightly so. You include public and community safety, housing affordability and unmet capital needs.

I would want to make a pitch for adding unsheltered homelessness and finding solutions. For our concerns with unsheltered homelessness because when I'm out and about, even when I'm grocery shopping, people usually come up to me and most of the time say, I like the work you're doing. Fix our roads and find solutions for unsheltered homelessness. We've got to make it a central piece of our work here at the mayor and council, and I am not denying the years' worth of investments and work and programs that we've created that never existed before that have helped. But I think that the big issue that we haven't found solutions for are those unsheltered people that are serious mentally ill and or have opioid substance use in our Community. Those are the ones that we're having big issues with and we are working with Pima County recognizing that substance use disorders are a public health crisis. And we're putting to work together in partnership with South Tucson and Marana and Pima County, the opioid settlement funds that could be an answer to that much more work to be done and I'm looking forward to regrouping as a city, to see where we need to pivot, what's working, what's not working and what we need to try.

So, if we can make sure that we add that to our key goals for fiscal year 26/27 as well, so that we can talk to the Community. Council Member Cunningham.

Council Member Cunningham: Few things I wasn't sure if I wanted to do this now or on the next piece. So, I'm gonna do part of it now. Just keeping in mind that we're adopting this, we adopted the ceiling. I want to be clear that if we adapt and add revenue streams mid-year, we're not going to be violating any pieces of our budget. if we do things on the fly.

The second thing is that if we decide to make an additional pay adjustment in the interest of meeting the market for different employees, again if the funds are available, then we'd be able to do that, especially if we implement like January 1st. I want to be able to be sure that we can be nimble enough to make room for those scenarios and I know we are, but I just wanna say it for the record because I think that's important.

This is an outstanding job overall, with being able to, we came in at \$27,000,000 down. We were looking at all kinds of different things. The \$16.3 just for the General Fund piece along with the \$7.3 and marketability adjustments is really hard thing to do when you're facing a deficit. And that's incredible that we're able to meet all those pieces, but we still can't be in a situation where we're running into problems of service delivery for next year. So, if we're able to identify new funding streams between now and December 1st, and they pop up, I think there's opportunity.

The other thing we talked about today was jail board and with the Mayor just talked about. I know you guys have been conservative about banking, jail board, those jail board stating's in, but maybe that's our opportunity to use for Community Court and stand up some of those immediate measures we wanna take with some of our folks that are unsheltered and homeless. So that's just kind of, I wasn't gonna say anything until you brought up the homeless stuff. And I was like, well, this is that, that jail board savings is that best opportunity for Community Court so. I know this is gonna seem like hell is freezing over, but thank you, Pima County, for actually doing a

good job on the jail board piece and not jamming us up, because that's kind of against the grain a little bit. So, I wanna give a shout out to them right there.

Mayor Romero: Any others? I just had a question about the Compensation Plan because as mayor, I have to serve in a public hearing for employees to talk about their compensation, and we had about 94 or more concerns about our Compensation Plan, Mr. Manager, have those been resolved and I know that there were some concerns about commissioned police officers and firefighters and a big piece on command staff. So, do we have a plan for that?

City Manager Thomure: Thank you, Honorable Mayor, and Members of the Council. Yes. The vast majority of those have either been an opinion rendered one way or the other, and whether they're disputable, not disputable, and those that are disputable. What our next steps would be, we still have some work to do in that space to finish it off, including that additional one that came into us after the fact, but the person was timely. We just didn't receive it timely. So, there's additional work to be done there, but even the ones if they were not found to be disputable, it's useful information for us to consider and react to. Specifically to police and police and fire command staff, we are doing a study, a market study as we speak and that is something that if we identify gaps in market there, my expectation is I would bring something back to you in in August or September to try to address that, at the same time, we're doing market in October.

So, I the conversation on compensation is never completely done. I think we've got a great groundwork, but as Council Member Cunningham said, and as you've just asked, there's additional refinements or clarifications or even potential investments that could play out during the during the fiscal year as we as we move closer to that market date and the real constraint we have is not going over the total dollars. But our ability to reallocate resources, this still remains with us.

Mayor Romero: Council Member Uhlich.

Council Member Uhlich: Thank you. It does occur to me that, that you know we're addressing our employees. We have some employees that are through other managed entities. For example, our transportation transit. I don't know there might be other groups that that I'm not thinking of, but can you just explain how the budget ensures that any positions funded through city resources have been handled in a fair manner so that we're not leaving out groups of employees as we look to address fair compensation.

City Manager Thomure: Thank you, Mayor, Council Member Uhlich, first of all, whether a direct city employee represented by Union or not, we treat them as equally as we can. So, all of the pay structures we talked about are applying to our workforce across the board, regardless of whether they're represented or not. In addition, the main sources of people we employ indirectly are, first of all, through our transit function we have a Teamsters Union of the drivers and the mechanics they negotiate with actually, the operator of the system. But we do budget dollars to accommodate the salary negotiations that occur there and the guidance that I've given to our operator is, treat them as close to the same way we treat our city employees as you can, and so then they're. They're in the middle of that negotiation right now, so I can't really say too much more about that, but the overall guiding principle is treating them as if they were city employees.

Council Member Uhlich: And the dollars allocated reflect that.

City Manager Thomure: That is correct. There are dollars allocated to cover that, and then I'll also mention this. Mayor and Council goes a step further. In contract, employees of the contractors who do business with the City of Tucson are treated fair from a wage perspective and sun protection and heat protection. All the things that you compel the City to do through your leadership with our employees, we do our very best to pass that on to the contracts that we award, even though those aren't our employees. We really seek for them to have a a good, safe work environment.

Mayor Romero: If there's no other questions, comments Mr. Thomure.

City Manager Thomure: Madam Mayor, there are two items. I just want to point out for tonight and no action required to right now one is we would ask again for a special motion related to the funding for the Metropolitan Education Commission, just so that we can avoid and it's the same amount we've been giving routinely recently. But we just want to make sure we don't have a conflict of interest potential there.

And the other is we're going to need to read into the record one element of the Compensation Plan. Our magistrates are always an interesting thing in that the way their salaries are set follows a bunch of guidelines, but our intent is if we're giving a 1 1/2 percent across the board raise, we want to make sure that they have access to that when the time's appropriate and that timing is normally when a any of the magistrate gets reappointed, they all kind of benefit, but we want to read that into the record tonight to make that abundantly clear, that for next year they would benefit from the annual pay progression when we have a triggering event before council to be able to allocate those dollars. So, we wanted to just read that into the record tonight so that we there's clarity on the magistrates. Thank you, Mayor, that's all we have.

Mayor Romero: Thank you, Mr. Thomure. We're gonna move on to Item 4

4. Discussion Regarding Union Release Time SS/JUN03-25-106 (City Wide)

Introductory comments were made by Mayor Romero.

Information and presentation were provided by Mike Rankin, City Attorney, who fielded and answered questions as discussion ensued.

It was moved by Council Member Cunningham, duly seconded, to direct the City Attorney to continue to engage with his peers in Phoenix and other Arizona cities to identify any union related activities that could lawfully qualify for paid release time, and to facilitate viable alternative models such as employee donated leave.

Discussion continued.

The motion was carried by a voice vote of 7 to 0.

Clerk: Discussion regarding Union release time.

Mayor Romero: Council Members Cunningham and Uhlich and I have requested this item because it is important for us to fully understand the effects of the recent court ruling regarding Union release. I want to thank my colleagues, Council Member Uhlich and Council Member Cunningham for bringing this item forward and being able to attach my name to it. I want to be clear about something that should never be in question. This Mayor and Council have been and will continue to be, pro-union and pro-worker.

I've always been pro-union. I understand firsthand what being part of union means to working families. My father was very involved with the United Farm Worker Union and as a result, our family and our neighbors really benefit from the benefits of what unions are and what they do for workers. First as a council member and now as mayor, we work together with labor unions to deliver historic progress here in the City of Tucson. We passed a Cesar Chavez and Dolores Huerta Holiday, and we raised the minimum wage for city workers to \$15.00 an hour and implemented compression adjustments across the board. This was before the minimum wage passed in the City of Tucson.

We invested in our workforce through the largest market-based compensation package in city history. \$33 million guided by the first, comprehensive pay study that had happened in years. We listened to our union partners and directed staff to conduct additional market reviews and issued payback when it was warranted. We moved away from an across the board percentage base across that gave the largest increase to the highest paid employees towards giving every employee the same amount of money, meaning that those paid the lowest saw the greatest percentage adjustment with respect to their previous salary.

We passed a prevailing wage and ordinance to prevent cash pay at work sites. We established the first ever labor liaison at the Mayor's office and later lobbied for and hired within the Human Resources Department, a labor liaison to ensure that Labor's voice was at the table. We championed to significantly strengthen our commitment to fair wage by expanding the living wage ordinance, ensuring that more workers both inside and outside city government are paid fairly for their labor. We passed a heat ordinance to for outdoor workers within the construction trades and establish a Heat Advisory Committee with union representation. No other mayor and council have presided over such significant pay packages as this mayor and council.

Now, with the Arizona Supreme Court's ruling in Gilmore versus Gallego regarding union leave time, the City of Tucson is facing a new legal reality. The City of Tucson manager and city attorney, in my opinion, were too fast to comply with the Arizona Supreme Court decision. They acted quickly rather than taking the time to truly understand the ramifications of how this would impact union representation for city employees. And in my opinion, they should not have taken us down this path. This recent ruling from the Arizona Supreme Court may restrict one specific tool, but it does not erase the commitment of mayor and Council to union representation for city of Tucson employees.

We will continue to look for lawful, creative and collaborative ways to continue this essential partnership and the reason I list all of the work that this Mayor and Council have worked on is not to toot our own horns. It is to really highlight not just to the public and workers in the City of Tucson, but also to remind our city manager, our city attorney, our HR Director, that this Mayor and Council is and will always be, as long as I'm mayor, pro-union and that we need to bring our unions to the table to help us make decisions in this particular issue was one that I believe the administration acted too quickly on. And unfortunately, the City of Tucson led on an issue that we should not have led on.

Many times, I like to tout that the City of Tucson leads on pro-union and sustainability issues and so many other things that are important. I don't think we should have led on this issue, so with that, I'd like to invite our city attorney and city manager to present. I know, Mr. Attorney, you have a presentation. And then and then we'll take it to our coworkers.

City Attorney Mike Rankin: Thank you, Mayor, Members of the Council, I do have a, it's a short presentation, at least in terms of slides, just about a half dozen slides, but I'll supplement the content of the slides as we go through and I have a feeling there might be some questions. So, I want to make sure we left some room for questions.

A quick introductory note that the Gilmore case relating to Union release time, the Supreme Court decision the City wasn't a part of it. It wasn't something that the City advocated for, but as the decision was issued by the Arizona Supreme Court, we're required to comply with it. It applies to all public employers across the State of Arizona. In connection with this item provided quite a bit of information in the agenda materials, including correspondence that between my office and the attorney for the public safety unions, and I just want to take a second to thank him Mike Boreal. We agreed early on that we would exchange public memos so that we could share them with others. So, I could use them to talk with my peers across the state and so that we could have this type of public discussion. So, I thank him for that.

So, let's be sure we know what we're talking about what is release time, what is Union release time. And in the context of the Gilmore decision, it's about Employer paid release time and it refers to time when a city or town employee is released, hence the name from his or her normal job duties and permitted to perform work on behalf of the Labor organization, the Union instead. As I mentioned, release time can be paid or unpaid. The issue in Gilmore and the issue with provisions in our MOU's with our labor unions is employer paid release time. We have four separate labor MOU's, one with each of our labor organizations. Each of them had different provisions about release time, but fundamentally, they in terms of the type of union activity that was authorized to occur on paid release time are all very comparable and very comparable to what was an issue in the Gilmore case. And examples of the activities that have been authorized through these agreements include time spent representing employees and grievance or disciplinary proceedings, participating in labor management meetings and discussions, educating employees on work rules, attending trainings, and conferences to become more effective representatives and other Union related matters.

So, I am not going to try and turn this into a legal dissertation or presentation to the State Bar convention or something like that. But it is useful to have a little bit of understanding of the progression of release time cases in the Arizona Courts because the Gilmore case was not the first time that the Arizona Supreme Court examined constitutional and legal issues that are associated with union release time. The first case goes back to 1984, it's the Wistuber case, and it's a sort of Seminole gift clause case in the State of Arizona, where the Supreme Court established the test for the gift clause. How do you satisfy the gift clause if you're a public employer? And in that case, the court was looking at release time for a single employee who was the President of the Teachers Union, and the issue was that the employer was paying for a portion of her salary while she was performing some union related duties. And in that instance, in 1984, the court, under the facts of the case, said it survived the gift clause analysis because the expenditure was modest. And there were significant and substantial duties that the employee was required to perform on behalf of the district as opposed to on behalf of the Union.

Then he had in 2016 the Cheatham case, and I have a separate slide on this, because this is one that gets a lot of discussion, and it involves far more substantial release time provisions in the plea, the Phoenix Law Enforcement Association MOU in Phoenix. Again, that case, the Supreme Court, Arizona Supreme Court, upheld the provisions of that agreement in the in the face of the gift clause challenge because they made the determination that the expenditures serve to public purpose, that's the first part of the gift clause test and they were supported by adequate consideration. But there was a key difference in the Cheatham case, and in that case it involved release time that was funded in lieu of other compensation that would have been paid to the labor, the represented Labor group.

So in other words, the court had made the determination that based on the evidence in the case, the city had agreed if they were gonna pay this money to the employees anyway, but they set aside a certain amount that would fund release time. So in other words, the court determined that the payment was actually being made by the employees rather than the employer, OK, because for release time specifically, it was being paid for by compensation that was foregone by the employees and instead given to the Union for the purpose of release time. The other thing about the Cheatham case is that it was the beginning of the end in many ways for employer paid release time because there was a very strong dissent written by Justice Timmer, who at the time was just an associate justice who's now the Chief, the Presiding Judge of the Arizona Supreme Court and her opinion in dissent, joined by another justice, was that it in fact violated the gift clause, and in that there was no public purpose, legitimate public purpose served by releasing public employees from the duties that they were hired to perform and instead paying them to work on behalf of a private association, the unions.

And that's important because that's, the evolution to the Gilmore case, and that ultimately became the unanimous position of the court in the Gilmore case, in which the court, as you know, said that the release time provisions that it was reviewing violated Arizona's gift clause and said that, in fact, they clearly flunked the consideration prong of that test. So, as I mentioned, I'll talk a little bit more about Cheatham because I know that you hear about it. Say, hey, this in Gilmore, the Arizona Supreme Court didn't expressly overturn Cheatham, so if release time was upheld in in that case, why can't we continue to do it after Gilmore?

As I mentioned in my earlier comments, in Cheatham there were taxpayers who sued, alleging the release time violated the gift clause. The trial court actually agreed and said yep, it's in violation of the Constitution, it's thrown out and the Court of Appeals agreed. But the Supreme Court reversed, as I mentioned, and except with dissenting, two of the judges dissented, but the key component of the case as to why it's different from Gilmore in the situation we are now, is that the court determined that was really paid by the employee group as foregone wages.

So that brings us to Gilmore. Little factual background with respect to Gilmore the lawsuit was brought by employees of the City of Phoenix who were eligible to be members of AFSME but chose not to be. And they were represented by the Goldwater Institute, and they brought two fundamental legal challenges to the release time provisions set in the AFSME MOU in Phoenix. The first, they said, based on a 2018 United States Supreme Court case, which is the Janus case, and I'll talk about that for just a minute, that the release time provisions in the AFSME MOU violated the 1st Amendment as compelled speech.

So, let me talk about that for a minute, because it's going to be important with respect to the gift clause. In Janus, the United States Supreme Court held that compelling union eligible employees to support union activities through dues or other diverted wages violates the 1st amendment because it's unlawful compelled speech. OK. And so the plaintiffs in Gilmore said to the extent that these release time provisions are being supported by diverted wages that otherwise would have gone to me, as a represented employee, they are compelled speech and they violate Janice and so and Arizona's right to work laws and that I won't go into that.

The court in Gilmore said no, we don't agree that this particular case and the facts of this case in Gilmore and the AFSME agreement violated Janice because we're determining that in this case, the monies that were being used to fund the release time were not foregone wages. They were, it was separately negotiated as just a release time that the employer is paying and not the individual employees through foregone wages. So, the good news for the defendants in that case was that the court did not invalidate it on the grounds of First Amendment compelled speech under Janis. However, that meant that it was a city expenditure of the employer funds, public funds. so it was subject to gift clause analysis and ultimately, as I've already mentioned, the court determined in an unanimous opinion that in under the circumstances and given what the release time activity was, that it didn't come close to satisfying the gift clause analysis.

Fundamentally, the court said that there it doesn't satisfy a public, the public purpose requirement, although the court ultimately invalidated it on the second prong of the gift clause test, which was the adequacy of consideration. One thing here to talk about is how the Arizona Supreme Court's jurisprudence on gift clause itself, take release time out of your head, but just generally gift clause. We've had to deal with it in the context of economic development and those have been around for a long time know that what we can do under the gift clause in terms of public expenditures, as incentives, etc., has changed over the year based on Supreme Court decisions and ultimately the Supreme Court has reviewed gift clause consideration to the public entity that it can't be an indirect benefit or something that you really can't quantify in terms of direct consideration in return for the expenditure that the public entity is making.

And so that has factored in now into the release time analysis because in the prior decisions on release time, the Supreme Court said the public employer gets benefit by improved relations between management and labor by more harmonious work environment, more productive operations environment. But that's not the kind of benefit that the Supreme Court looks at anymore in terms of what counts as consideration. You got to be able to point to dollars that you get back in return or benefits that you can quantify. And so, in that sense, Gilmore seems like a somewhat natural result of the evolution of the gift clause cases that we've seen some from our Arizona Supreme Court in the last dozen years or so.

An important part of Gilmore, because they did not, the Supreme Court did not expressly overturn Cheatham and people say, well, why not? It seems like for all practical purposes, you did well. They inserted into a footnote that they're not going to overrule Cheatham because none of the parties asked for it and it wasn't briefed as part of the case. What I would say is that the only thing, and so instead they distinguished Cheatham on the issue that I described that in Gilmore, it really was expenditure of employer funds to pay for release time. Whereas in Cheatham, it was expenditure of employee foregone compensation to pay for release time.

And so, some people have turned and said, well, if that's the case and that part of Cheatham is still viable law, why don't we just do that. Well, the court made sure that it covered that as well by saying if you try and cure this gift clause problem by making the release time paid by the foregone compensation that would have gone to the represented employees, now you're in violation of Janus, because now you're diverting the their compensation and it's compelled speech, OK. So,

Mayor Romero: And in the in the Arizona Supreme Court wrote that?

City Attorney Rankin: Yes, they didn't say it is a violation, but they said it's the likely result and their analysis really leaves no room for another conclusion. And if you look at the attorney, even the Arizona Attorney General's Office, well, I'll get to it here in a slide. So, I'm sure you've heard about this as well. In November of 2024, so about 3 1/2 months after the decision, the Attorney General issued a letter, it's not an opinion, and in fact it starts out by noting it's not an opinion and she's not in a position legally to give an opinion on the case, but was offering some observations about the impact of the decision, and she encouraged cities and towns to continue to work productively with their unions, to try to come up with some alternative model that could work. Although she says in the letter very clearly not sure what that would be. She also is part of that letter and I included in your materials, notes that the Supreme Court made that was careful to point out that if you switch your model to have it be paid for by foregone employee compensation, then you're going to run into the Janus ad the Arizona right to work problem.

OK, so I wanna note just something about what did we do in the immediate aftermath after the decision came out, it came out July 31st of 2024. I've been doing this long enough to know that Union issues are extraordinarily important to the Mayor and Council. I got an e-mail out to the Mayor and Council either that night or the next morning saying here's this decision that just came out. Based on our initial read of it, it probably ends employer paid union release time throughout the state, but we're gonna take a little time and I'm gonna confer with my peers across the state to you know, see if we're missing something. That week I got together with the Arizona

City Attorneys Association. We put together a working group of attorneys from across the state who have to address this issue. It doesn't affect every jurisdiction, because smaller jurisdictions don't necessarily have these arrangements, but it affected most of the large cities.

We started meeting every week or two, and we've continued those meetings not as frequently, but until this very day to say hey, are we missing something, what are you guys going to do, etc. So we have talked about this literally from the within the week of the of the case coming out because we're all facing the same thing. I also engaged in the exchange with the legal counsel for the public safety unions again, and we did that with public analysis so we could share those. And ultimately, we came to our determination that there was no lawful way to pay the release time. I'll talk about an exception with respect to donated leave, because that is a viable model under the gift clause under the Supreme Court's opinion.

Of course, the Labor Association's attorneys of a different opinion. And so, you know, back in August and September, when we were exchanging that correspondence invited a legal challenge and said, you know, if you want to bring an action, we can go over to Superior Court and see if the Court agrees with your position or not. And we haven't landed there yet, but I just wanted you all to know that that's something that's been on the table. Ultimately, based on my advice to the city manager, I felt that we could not continue to pay expenditures that the Arizona Supreme Court said violated the Arizona Constitution. I have not talked to a single municipal lawyer throughout the state who disagrees with that opinion. But not everybody acted with the same speed.

I can tell you that we are not alone in having suspended the payment of release time as we work through revised or new MOUs through meet and confer process with the different unions. Unpaid release time is not a problem, so Union employees can still be released from their normal job duties to go perform those functions, whether it's representing other union members in disciplinary proceedings or participating in the meet and confer process or any of the other things in the on the list. If it's not paid by the employer, there's no gift closet issue, right?

We have, I've had very extensive conversations with my peers across state. In fact, we just had our summer conference last month and we had a session on release time. And what's, does anyone think there's anything we can find, some tasks, some union related activities that can still be defended under the Gilmore case. About the only things that we've identified with any level of confidence based on the specific findings of the Arizona Supreme Court have been things like serving on a departmental task force and boards at the direction of the department. So, an example here would be the participation by the members on the local pension board towards you know, they can do that on city time. You don't even have to call it release time, just it's just part of their duties, but they would be paid by the city.

And we're continuing to try to figure out if there are other examples. But they're looking at the language of the case. The court really boiled it down to at release time it by its very definition you are releasing an employee from the duties and the job responsibilities that you hired them and that you pay them for. So, when you release them from performance of those duties that is exactly the type of issue that the gift clause is designed to prevent. So, in the months that followed our suspension of the payment of release time as the employer Mesa has done the same,

Tempe has done the same. Maricopa has done the same. There are others in some small jurisdictions. The City of Phoenix has allowed their existing MOUs to play out. They are expiring this month. And I can't speak for the City Phoenix as to what they will do July going forward, I am expecting that they will not be paying for Union release time at least in the manner that that they have been. But they have talked about securing an independent legal analysis and financial analysis to try to identify a quantifiable consideration that could be attached to certain different Union related activities to try and be in a better position to say OK, look now we can say this is this brings this much value back to the city as the employer as opposed to the value that it provides to the Union.

One thing I did want to mention on the viable is, yeah, that's my doc. I mentioned that there is a viable model even in the aftermath of the Court's Gilmore decision which is release time hours that are donated by other employees. So, in that case, it is not a compelled speech issue because it's a voluntary donation by employees. You don't, it's not mandated, but to all the Union eligible employees. They donate hours into a leave bank and then the authorized union representatives can use that leave bank to be paid their normal work hours while they are engaged in the authorized union activities. And in fact, our TPOA agreement already has that as part of its model. The TPOA agreements really has two different components. It had two full time, release time employees. In other words, two employees who were paid their city salaries, but were authorized to be on release, full time, right to do the Union work.

The other portion of it, and that's the portion that is, is invalidated by the court. There's a second portion, which is a bank of up to 3000 hours of donated leave from other employees. It goes into a bank and then they can use those hours for their release time. That doesn't violate the gift clause because it's coming from the employees who have chosen to donate into that bank as opposed to directly from the employer.

Mayor Romero: Alrighty, before I go on to questions, I love the picture of Sophia, by the way. Your daughter, your talented daughter. Really appreciate the promotion of her work. I've had a conversation with Mayor Kate Gallego about what the City of Phoenix is doing in terms of the financial analysis of how of trying to find something that does not constitute a gift clause and so I've asked her if the City of Tucson can join them, even going, you know, in terms of paying this financial analysis. And Mayor Gallego has said she would be more than happy to, you know, to have us, the City of Tucson join them. So, I just wanted to put that out there so that we have that option with that. I just wanted to make sure that I clarified and put that on the table. With that Council Member Cunningham.

Council Member Cunningham: Few things I remember putting a memo for this in February. It's good that we're hearing it now, I wish we would have had this conversation in February when I submitted the memo. We should have slow played this. We had a bunch of different opportunities to let this play out. We had existing agreements in place. None of the cities that didn't slow play this got penalized. This should not have been a first priority for us. It is a moving target, what release time is right now we have situations where we have people going to hearings to perform their union duties for people who are appealing and they are told they can't have it during work hours. And then they're told they can't meet with them during off hours because of this case law. They are getting contradictory emails that we have documentation of

telling them whether or not they should be meeting or not meeting. It is completely confusing. The bottom line is, if you are a Union Rep and you're representing someone in a disciplinary hearing, you are performing a public valued duty. It is a moving target. If you are meeting with a council member to talk about Union relations, that is of public value, it should be counted as your time. Those are things that other cities have put in and we have not.

There are different alternatives that should happen. But I have a few questions first. I saw, I have a couple questions first, referencing Kris May's letter, PowerPoint slide #3. You summarize the progression of release time cases and you mentioned Wistubur in 1984, but you don't mention that it was upheld. Does it make sense for us to look at that case to see what portion of it was upheld and some Union release time arrangements that are based on that case as a way to go forward with the City of Tucson?

City Attorney Rankin: Wistubur was analyzed by the Court in Gilmore and distinguished the case just like it had for Cheatham. So, there's it doesn't present any new opportunity to say, oh, we missed something because, you know, we could Wistubur somehow authority for us to continue to pay the release time as we had.

Council Member Cunningham: How can we ensure that our COT release time serves a public purpose? So, in other words, is there a way we can classify different types of release time where this release time is unpaid, and this release time is paid as part of this CBA or whatever negotiation we do in the next round. That's kind of what the alternative I'm looking for is I want to build some of that stuff in that actually serves a public purpose. Because what you said was we can't pay them for stuff they're not paid to do, but if we designate in their contract that the elected part of the elected reps job is to represent as a Union Rep and stored in different hearing and meet with council members to improve Labor Relations, and we put that in the job description of the duly elected person, by the union, how is that violating the case?

City Attorney Rankin: Because to serve a public purpose, the employee has to be performing duties at the direction and control of the employer and not the direction and control of ..

Council Member Cunningham: We are the employer and we are telling them that this is part of their job. How are we not doing that?

City Attorney Rankin: Because they're performing that duty in their role as the Union representative.

Council Member Cunningham: But we were the ones, we are saying that in, in the bargaining agreement, we're saying that in the bargaining agreement, you guys can elect a representative, and this is part of their job. So, if we're saying that that's part of their job, how are we violating that? I just I'm trying to figure this out.

City Attorney Rankin: Right, and the Supreme Court did directly address that issue in its analysis and stated that that's what the Union is there to do, the city isn't getting any additional consideration by that work. That is what the Union is already obligated to do in terms of representing.

Council Member Cunningham: But we have process for all of our discipline. We have a process and we have a meet and confer process for all of how we set our wages and that's all public benefit. It's how we maintain a workforce that's got our back, I mean that serves the city properly, that's part of the whole gig. So, I'm just trying to figure out how that isn't within public's public purpose and if we have to, then we'll go to the federal court and see what happens. But in the meantime, I'm not afraid to at least test the creativity waters on how we can implement this and I just want to make sure you guys know that because it doesn't make any sense to me right now that if we designate what these are in a generic way, as part of the collect bargaining agreement, then we can't have this. I know there's gotta be other creative ways. So, I have a motion.

City Attorney Rankin: Let me answer those questions. Sure. First, first of all, there is no path to the federal courts, this is a state issue, state constitution. Secondly, all of those structures were in place in the AFSME agreement that was the subject of the Gilmore decision. That's exactly the activities that the Court analyzed the Union work representing employees, engaging in, meet and confer, engaging in labor management meetings, engaging in training of other employees of employee work rules. It's not like those were not the factors in the case. These, the duties and lawful union activities that were the subject of the Gilmore decision are indistinguishable from those that are at issue with the MOUs across the state.

Council Member Cunningham: So, in other words, the Court gets to decide what our city designates as public benefit.

City Attorney Rankin: The court gets to decide what constitutes public benefit for the purposes of the Arizona Constitution's gift clause. And let me let me say this much. As I tried to say at the beginning, this was not an issue that we brought forward to say we don't think we get public benefit from the work that the Union does on release time, whether it's paid or not in. In fact, we have advocated for it. My personal opinion is I think the court is wrong in how it's analyzing the gift clause, not even just in the context of Gilmore, but in the context of some of the economic development cases. In fact, the attorney in my office who wrote the opinion memorandum in the material that I shared with you, Regina Nassen, she was actively involved in the litigation of the Cheatham case, advocating for release time, satisfying the gift clause. She filed multiple pleadings in that case. She understands it better than anyone in the state, certainly better than I. We're not saying it doesn't satisfy a legitimate city purpose. What the court's saying is for gift clause purposes, it does not. And they're the ones who wear the robes, I'm not.

Council Member Cunningham: Two other suggestions. One is what's the penalty for the gift clause violation? In other words, I'm thinking about Michael Jordan paying the fines when he violated the colors for his shoes.

City Attorney Rankin: Well, the first thing is ...

Council Member Cunningham: Fine, we'll pay the fine.

City Attorney Rankin: The first thing is you can't knowingly make an unconstitutional expenditure. The second thing is the penalties are that the monies have to be returned and you pay Goldwater all of their attorney's fees, which will be a lot.

Council Member Cunningham: All right. The second one is what if we build into it a bank and we give every employee an extra 2 hours a year and then they just in turn donate it as part of their CBA. And then we have our bank.

City Attorney Rankin What you can do is structure like we have in the TPOA agreement, in the past, there can be a donated leave bank. What I would suggest is being careful about saying we're gonna give additional compensation to feed it because now it has to be voluntary as well.

Council Member Cunningham: Gotta be voluntary.

Mayor Romero: Still gotta be voluntary, but council member, do you have a motion?

Council Member Cunningham: Yeah, I move that we direct the city attorney to continue to engage with his peers in Phoenix and other Arizona cities to identify union related activities that could qualify for paid release time to facilitate viable alternative models such as employee donated leave.

Council Member Uhlich: Second.

Mayor Romero: There's a motion and a second. I'm gonna go to Council Member Uhlich and then Vice Mayor Santa Cruz.

Council Member Uhlich: I appreciate, and I think that joining with our labor unions, we probably could come up with some very legitimate and viable strategies to address our need to have employee unions engaging with our labor liaison. We created a position for a reason. So, I don't think anybody disagrees, including you, Mike and Tim. I know that you understand what we're trying to accomplish, I think, and I appreciate your acknowledgement that you know it makes sense to slow walk it and really see if we're exhausting all opportunities and options. I'm not gonna suggest my creative ideas at the table here, I just want to assure everybody, including employees who aren't right now, members of any Union, we want to be fair for sure. I personally believe that every employee does benefit from the fact that we have labor unions, whether or not folks opt in to join. I think it benefits the public tremendously and so I just think that this is going to be a good process and I appreciate and quite frankly, Mike, I really respect you and your intelligence and your ability to help us find legitimate paths to make sure that we're keeping folks at the tables where we need them to be, all of our Union representatives, and like I said, given the legal lens on this right now, I'm just not gonna throw out ideas, but I think that we have a better shot figuring something out, cause, you're in in the chair, you're in.

Mayor Romero: So, especially with the City of Phoenix that's doing a they're paying for our financial analysis and you see that in the form of emotion in terms of partnering. OK, good, good, good. Vice Mayor and then Council Woman Lee.

Vice Mayor Santa Cruz: Yeah, I guess for the record. Thank you, Mayor. I, you know, also reiterate with the Mayor and what Council Member Cunningham said about it. I know it was like a directive, right? City Attorney talked to city manager and this was put into place and then we were just informed about it from our labor groups that it puts us in a very bad position when we talk about this Mayor and Council being pro labor and this happens without us knowing or giving input, and that this was a lawsuit against the City of Phoenix, who has dragged their feet and are trying to think creatively of how they navigate this court decision.

So, I'm a little frustrated about that and also like agree with Karin. I know that our staff is highly intelligent and looking out for Mayor and Council, but that this also has political repercussions for us. So, I think it's important to bring that to the table. My understanding is also that AFSME in the City of Phoenix, that part of the issue was that they had agreed to a specific dollar amount around a half a million dollars. That was never stipulated of how to track the hours for grievances, negotiations, etc. So, there was no way for them to demonstrate that they with data to back up the money and the benefit to the public employer. And so that's my understanding of how that that decision came to be.

And as we're talking about the public benefit, we know, as has been said, union representation has a critical role, served a critical Ombudsman role, resolving disputes early and reducing complaints, investigations and legal escalation. And, for example, I have a relative that's a president of her union and served halftime union release Ombudsman position with the Chandler Unified School District. She had a cubicle at the school district office and a job description working out of HR doing advocacy and support, listening and mediation, as well as serving as Union president on school district committees. When that position was eliminated and that wasn't related to this decision, HR had to hire two investigators to handle the increased number of claims.

And in this case, similar to the Wistubur decision, the school district more than met the adequacy of consideration prong of the gift clause and inspired by school districts around the state that have been making this work for years, can the City of Tucson, in conjunction with our four labor organizations, craft an agreement that keeps us legal and also safeguards productive employer employee relations in compliance with the Arizona Constitution. And as I was hearing Mike Rankin speak, it's really emphasizing on release time. And what if we don't call it release time and when we do have labor leadership? In in these positions that they had these additional HR related responsibilities and maybe they become more of the labor liaisons than what we currently have. So, for me, it's more like with any kind of legal anything, there's always creative ways to get around it, or to protect ourselves. And so, I'm hoping that we can think innovatively and how we do that rather than just saying, oh, too bad we can't do anything.

City Attorney Rankin: And Vice Mayor, that's what your, the point you just made is exactly why in response to an earlier question, I was talking about, you know, union activities that you know we're trying to think of that could still occur, but they don't have to be in release time. They're just part of their duties as under the control and supervision of the employer, which is the point you're making.

Mayor Romero: I have a question. Is there a possibility, as the City of Tucson joins the City of Phoenix, they have not instituted this ruling, as I understand it? Would it be possible for the City of Tucson to pause our not paying release time until we figure out what the City of Tucson, what financial, you know the financial work that they're doing in researching or with any ideas that that we might have. So is there a possibility of pausing what we are doing now.

City Attorney Rankin: So, Mayor, two things about that. First of all, I need to say that the City of Phoenix is in a unique position as compared to any other city in Arizona, by virtue of their Charter and Code provisions for the structure of their labor agreements. They've established their own Labor Relations Board. It's far closer to a collective bargaining model than any other city in the state. So, they have some separate legal concerns about taking action before an existing labor agreement expires. I can't say any more about that, but I just want you to know that each city is in a little bit different position, and that's true of Phoenix as well as Tucson.

I can't make the recommendation that we resume expenditures that I don't see any way to justify as not being in violation of the Constitution.

Mayor Romero: Based on the ...

City Attorney Rankin: But that said, but that said, and you know you said that you've reached out to the mayor. I've reached out to the city attorney there, to say if a financial analysis can identify certain activities that we could then feel comfortable paying for, I won't say granting release time for, but paying for is part of their duties. Then, I mean, during the conference, I was one of the three presenters. And I ended it by just saying to the room if anybody thinks of any, you know, new, creative, defensible approach because these activities that have been performed historically by the unions for all of our the different cities have great value to us, but they don't have the value in the in the context that the Supreme Court looks at in the context of the gift clause.

So, if any of you can quantify these or figure out a way where we can move forward and not violate the Constitution, you know, you know how to get a hold of me. So, we're all trying to figure out the same thing.

Mayor Romero: Well, not violate the Arizona Supreme Court interpretation of the Constitution and the gift clause. I'm just thinking of the work that many union representatives do on our Labor Council meetings that we want to get their opinion right on our benefits committee, we want that input. And in our benefits committees, a perfect example because we have our labor unions represented there, but we also have employees that are not in labor unions. And so how does that work? Employees that are not in labor unions are being paid to be there, I'm not sure. So, I agree, I think we need to be as innovative and creative as possible. And if other cities are looking at what benefit and what example of Union activities that meet the gift clause test, I wanna know too. First Council Woman Lee and then Council Member Cunningham.

City Attorney Rankin: And that's what the motion directs.

Council Member Lee: Thank you, Mayor, and thank you Council Member Cunningham, Councilmember Uhlich, for bringing this forward. I know I've had a lot of conversations with our Union leadership and some of my peers on this issue, so I'm really happy that we're having the ability to talk about this. And Mayor, I appreciate you reinforcing our values, our collective values and clearly, we do not agree with the Court's decision. So, this has been a really challenging situation. We can't do our job as Mayor and Council and make sure that we're delivering services to the residents without every single one of our employees. And so, for me, every interaction to your point, Council Member Cunningham, that I've had with the Union leadership is in service of the public. It is to help us focus on recruitment and retention and all the things essential for us to deliver services.

So, I just wanted to echo my support for finding a creative solution. I also appreciate you not throwing ideas out on the table. I have a few that I really want to spout out, but I'm going to keep those under my hat and talk to you guys about it 'cause there may be loopholes that we could consider as well, but just throwing my support for finding a unique solutions to work around this because I highly value the benefit that our unions bring to the table and we can't do anything without their support and understanding what the folks on the ground are really experiencing and what we need to provide for them, so I'll definitely be supporting the motion.

Mayor Romero: Council Member Dahl and then Council Member Cunningham.

Council Member Dahl: Thank you, Mayor. I'm gonna be supporting the motion, and it's so very frustrating to be in this position and be in the hands of a few conservative judges and the moneyed interests of Goldwater Institute in, in the Maricopa area dictating how we deal with our respected workers here in Tucson. A nerdy question, if there is a bank for donating hours, release time in this case, does it have to be within the department? I noticed John Kmiec's not here. Could water department someone from the water department donate a couple hours to the police?

City Attorney Rankin: Council Member Dahl, Mayor and Council, that hasn't how it's been structured in the past. But I don't see a reason why it couldn't be.

Council Member Dahl: Thank you. I'm just really interested in offline getting a deeper understanding of the tests. For public purpose, I think we're getting screwed by bad thinking. And if, besides debating it in this, I want to take it to the media and let them know that getting such a raw deal. Thank you.

Mayor Romero: Council Member Cunningham.

Council Member Cunningham: One other thing, I'm just curious about how we're not being found in violation of the contract we have, The other piece I'm worried about like, how are we not violating the contract we already have with the unions?

City Attorney Rankin: So, the each of the MOUs have a provision that says if any of these provisions are invalidated by a decision of a court of competent jurisdiction, blah blah blah, then that provision is severed from the remainder of the agreement. But the employer has to give notice to the Labor organization to get together, meet, and confer to try and negotiate a

replacement provision. So that's what exactly what we did. We gave notice to the unions. I engaged in that correspondence back and forth with public safety unions attorney we engaged in meet and confer. We were already in or about to go in the meeting, confer with AFSME, actually at the time, and the new agreement provides for unpaid release time.

So, in that instance it was resolved through that issue, but beyond that, we've been in ongoing meet and confer with in particular TPOA for several months now. It was also in that context where I said, you know, if that brings the legal issue to a head in terms of us suspending in the payment at the release time, you know file in Superior Court and we're happy to litigate the case over there.

Council Member Cunningham: So, this is my last piece and I'm just gonna tell people all this because it's what I'm gonna be doing for the next few days. There's a term that goes around called Doctor Google. When you, before you go to the ER, you check your symptoms and all that just to make sure that doctors got a rider then or whatever. I want you guys to all Google lawyer and see what we can find because there's got to be some provisions that can help us with this. It's not an easy one, but it's all hands-on deck, so that's it for me.

Mayor Romero: So just to clarify in terms of what you talked about, Mike, and again, I know that you believe in Mayor and Council's vision and what previous mayor and councils have done in terms of working with our labor groups. I know that you are our attorney and have to interpret the law based on what the Arizona Supreme Court and other courts interpret those laws to be. So, I'm not, I'm trying to not be accusatory. I personally believe that we jump too soon too quickly as opposed to having this conversation and trying to figure out a way. But besides that, just to clarify, what the possibility of not calling it release time and basically designated the let's just say the President of AFSME of being, doing city work, to be able to help us, with like for example the Benefits Committee and help the City of Tucson with participating in Labor Council meetings, or representing employees at disciplinary proceedings. You're saying that we could designate not a person, but a position designated by AFSME as the President to be able to do that work. Not in release time. Is that what I'm hearing?

City Attorney Rankin: No. Those are exactly along the list of activities that were the subject matter in the case, and we're not gonna get around the holding in this case by just calling it something else and doing the same thing. But, you know, with the direction from the motion we're and it's not like we're just starting to try to figure this out, we've been trying to deal with this for a yea, almost. And we'll continue to do so, and if the if the Phoenix Financial Analysis reveals something useful, we'll take advantage of that.

Mayor Romero: OK. Alrighty. And Vice Mayor and you're the last question we have to move on.

Vice Mayor Santa Cruz: I guess I'm just thinking out loud right now as we're talking about this, this bank, and people contributing to it and it was reminding me before we had parental leave that you had to use vacation, you had to use your sick time and then people could donate time. And then we created parental leave and then we extended parental leave. How does that not get considered a gift? So, I'm just trying to think out loud, how could we create some kind of leave

that would allow for some of these activities? So, I that's just trying to think through what we can do in the future.

City Attorney Rankin: Thanks. I understand the suggestion. I will say one last thing, I think on the donated leave model. There are some tax implications in terms of how that's set up that we have to be careful to navigate. So, we don't cause unintended negative tax consequence to the employees who donate to leave for the use by other employees.

Mayor Romero: Well, there's a motion and a second. All those in favor of the motion, please signify by saying aye.

All: Aye.

Mayor Romero: Any against? Motion carries. Thank you so much. Really appreciate it. Alrighty, we move on to Item 5.

5. Update on City of Tucson's General Plan, Plan Tucson 2025 SS/JUN03-25-104 (City Wide)

Introductory comments were made by Mayor Romero and Timothy M. Thomure, City Manager.

(Council Member Cunningham departed at 4:12 p.m.)

Information was provided by Koren Manning, Planning and Development Services Department (PDSD) Director.

(Council Member Cunningham returned at 4:16 p.m.)

(Vice Mayor Santa Cruz departed at 4:17 p.m., and returned at 4:20 p.m.)

Discussion ensued, as questions were fielded and answered by Ms. Manning and Daniel Bursuck, PSDS, and Mr. Thomure.

No formal action was taken.

Clerk: Update on city of Tucson's General Plan, Plan Tucson, 2025.

Mayor Romero: Time has been set aside for Mayor and Council to review and discuss the City of Tucson General Plan, Plan Tucson 2025. A separate item has been placed on the regular agenda for Mayor and Council to consider adoption of Plan Tucson 2025 as the City of Tucson's General Plan, Mr. Manager.

City Manager Timothy M. Thomure: Honorable Mayor, Members of the Council, thanks for the opportunity to bring you to the finish line on yet another pretty important part of our business

as a city. This will be our final study session item on putting Plan Tucson forward to the voters later tonight for November decision making and we've come a long way, I think you've all had a lot of familiarity with Plan Tucson. And in this last couple of weeks since our public hearing was held and closed last meeting. We've done some final language revisions that are presented to you and your materials, we even have one more for you that will mention today. But wait, there's more, but I think you'll like it. And so, without further ado, I'll turn it over to Koren Manning.

Planning and Development Services Department Interim Director: Thank you, honorable Mayor, Members of Council. Yes, this is a item you've heard about frequently over the past two years. Plan Tucson is just wrapping up after more than two years of very dedicated community input and engagement. And the Plan that you have reviewed is a result of really focused feedback we've gotten from our community. And I think really reflects our community's goals and aspirations for the future. Mayor and Council held a public hearing as required by state law on the General Plan update on May 20th. At that hearing there was several members of the public who spoke and provided comment and suggestions, as well as several letters that were received from stakeholder groups in advance, with some additional suggestions.

So, Mayor and Council at that hearing, did close the public hearing and then requested that staff incorporate some of those suggested revisions to the Plan and come back with a revised version of the General Plan. So that's what we've done. We've made a number of edits and revisions over the past couple weeks and as the city manager mentioned has have had some further conversation with some stakeholders, and have a couple, one other suggestion that we're going to make to you today.

So, some of the revisions that we made that are reflected in the updated draft that you have in your materials, is a number of suggestions from the Tucson, Pima County Historic Commission (TPCHC). They actually put together a task force to provide suggestions on Plan Tucson, we worked really closely with them over the course of this plan update. They had a few additional recommendations that they made at the public hearing and we have worked with them to make those revisions. The Southern Arizona Home Builders Association (SABHA) also spoke at the hearing and submitted a letter, and they had a number of recommended revisions. So, we did make edits to four of the policies based on their suggestions to recognize some of the need for flexibility around home construction and development policies.

We had also previously added a new policy to the land use section based on SABHA's suggestion and based on the Planning Commission recommendation. We also heard from the Tucson Neighborhood Undergrounding coalition at the hearing, and they requested some revisions to some of the goals to reflect more recognition of the aesthetics of our community and highlights. That's one of our community's goals is to promote the aesthetics of our community and so that is a land use policy that we had previously added.

Following the Planning Commission hearing which was to protect and enhance the aesthetic attractiveness of Tucson streetscapes along the arterials, collectors and within our neighborhoods. So, we have added a new policy to the Plan to reflect that intent to really beautify our community. So, the one suggested revision that is not yet reflected in the draft that was in your materials is a revision to Land Use Policy 23. This is a suggestion that came from

the Coalition for Sonoran Desert Protection and they really wanted to strengthen this plan, this policy around the conservation land system. So, over the past few weeks, there's been some dialogue between that coalition as well as input from SABHA. SABHA also submitted a comment related to this policy. So, we've tried to kind of blend those goals. So, the suggested revision to that policy is to apply the conservation land system map and guidelines in a flexible manner during entitlement reviews to promote residential and commercial development while protecting natural resources.

So, this policy would apply to rezonings and similar discretionary actions. And I just want to highlight that the General Plan is meant to set high level policy guidance. So that's what we've tried to really reflect in this policy. We do anticipate that this policy would then need to be refined over time as we put it into practice. So, there will likely be some further conversation with stakeholders as we really refine what that looks like and kind of use this on a case by case basis. Of course, working with Mayor and Council and stakeholders on how we implement that. But we think this really reflects the dual goals that we hear from Mayor and Council of promoting development in the places that make sense while also protecting our most valuable natural resources.

So that is the suggested revision from staff and based on that stakeholder input. The update to the General Plan is on the regular agenda tonight for Mayor and Council consideration. And then pending Mayor and Council adoption, that would be the, revised Plan would be sent to the State Attorney General's Office per state law, and then we would move into the next phase of outreach, which is our voter education and outreach campaign leading up to the November 2025 election.

Mayor Romero: Thank you so much for the presentation. Really appreciate it. I don't know if my colleagues have any questions, but I did want to thank the entire team for their work and I just want to recognize and I know I have them here somewhere starting of course, with our City Manager, Tim Thomure, Kristina Swallow, Koren Manning, Interim Director of Planning and Development Services Daniel Bursuck and Cesar Acosta. I know he did a lot of on the groundwork for this. Amanda Smith. Ian Wan, Jessica Jansack. Nicholas Martel, Ina Ronquillo, Aaron Coleman and Jasmine Chan. I know Jasmine worked on the initial piece of Plan Tucson because we've taken three years to put this plan together and really, to be honest, it shows. It shows that you all did the leg work to meet with neighborhoods and business, leaders and housing, affordable housing individuals. I mean it really does. So, thank you for your work. I don't have any questions. Appreciate your work until even last night to find language to include the CLS in in the General Plan. Any questions? Council Member Dahl and then Council Member Cunningham.

Council Member Dahl: Thank you, Mayor. Yeah, we don't need a motion, no. My appreciation to you all. It's taken a long time. I remember being briefed at the very beginning of this process and this is where a revision of an existing basically strategic plan. I was thinking if I was in business and someone said, hey, we're going to take three years to revise our plan. I would say your, fired. But I can see that the engagement has been really successful and I like what we've come up with and I'm wondering how soon after we pass this will you be starting on the next revision?

Mayor Romero: Well, and we took three years, some of it because it's good practice to be able to engage the community. But there was this little thing called COVID-19. That we couldn't do the planned engagement, so we had to wait a little bit to be able to, and even then, we started engaging via Zoom and Teams. So anyway, when do we start putting the pieces to work?

City Manager Thomure: Honorable Mayor, Members of the Council, the implementation, the embracing the deployment of this Plan Tucson will begin immediately upon the voters decision making and the revisions to it will be eight or nine years hence.

Mayor Romero: Any other questions or comments? Council Member Cunningham.

Council Member Cunningham: A big discussion last couple weeks ago was about the dark skies provision. I want to know. I want to be, I had to step out for a second. I want to be sure that that provision has been addressed and ensure that we're protecting our cosmology community or astronomical. It's cosmology. So, cosmologist the foremost cosmologist will, one of the foremost cosmologists in the United States is Max Tegmark, my mom's first cousin, so and his website says cosmologist. So that's where I'm going with.

Planning and Development Services Department Principal Planner, Daniel Bursuck: Honorable Mayor, Council Member Cunningham? Yes, so throughout the process, we've really had the Dark Sky community as a part of, of really all of our working groups who spoke at the public hearing has been at many, many of our events and we really have worked in tandem with them to make sure that the policies reflect the importance of the Dark Sky community. The, I think they mentioned a certification. That is really something that does occur outside of the General Plan and is something that it really does, it normally doesn't really apply to kind of larger urban areas, but it's something that definitely I think the policies of this Plan and the goals and policies give us the direction in order to pursue that, that certification.

Mayor Romero: Any others ready? Alrighty, thank you so much, see you later tonight. Thank you for the work. Alrighty, we move on to Item 6?

6. Update on and Direction Relating to State and National Legislation, Executive Orders and Administrative and Agency Orders; and Update on Federal, State and Regional Committees; and Update and Direction Relating to Any Associated Litigation (City Wide and Outside City) SS/JUN03-25-103

(Council Member Perez departed at 4:23 p.m.)

Introductory comments were made by Mayor Romero, who also provided an update on her travel to Qatar related to economic development.

(Council Member Perez returned at 4:27 p.m.)

Information was provided by Stephanie Zamora, City Manager's Office, regarding federal legislation and potential changes to funding.

Mayor Romero provided information on youth affected by funding cuts.

Clerk: State and national legislation, executive orders and direction to any associated litigation time has been set aside for mayor and council to receive an update on state and national legislation.

Mayor Romero: Time has been set aside for Mayor and Council to receive an update on State and national legislation, executive orders and administrative and agency orders an update on federal, state and regional committees and an update on direction relating to any associated litigation. Before I seat the mic over to Stephanie, I just wanted to begin by just giving a little bit of a highlight and information on what's happening with the Pima Council on Aging. So, since the last Council meeting, we have been made aware that several of our local nonprofits, including the Pima Council on Aging will be forced to end distribution of meals to seniors in our community. These are the consequences of the decisions by the Trump administration that is cutting left and right, especially on social services. This is especially hard for seniors as we head into the summer when higher utility bills make it harder for people to afford groceries and medication to pay for electric bills.

Since last night, my office, the City of Tucson's Housing First and Community, Safety, Health and Wellness teams as well as City Manager's teams, have been working closely with staff at the Fred G Acosta Job Corps, which is facing the devastating foreclosure of the federal job corps program. They were just informed of cuts to their entire program. This closure is leaving 260 students ages 16 to 24 unemployed, unhoused, and without services. Programs like these provide training and services to young people, preparing them for good paying jobs and self-sufficiency, and it helps disrupting the cycles of poverty and violence. Ending these services by ending federal funding is counterproductive to keeping our economy and family strong.

Another thing that has been happening in our community, the Department of Homeland Security has released a list of sanctuary cities. While this is happening at the national level, we continue to see actions in our local community that are causing fear and uncertainty. In Phoenix and in Tucson, we are seeing people who are trying to follow the law, see their cases dismissed and then be detained on the steps of the courts, detained and deported. We have seen ICE or HSI agents posing as utility workers in our community. I want to remind all of our residents that there are no your rights information available and those resources have been updated to include know your rights for immigration court organizers, organizations such as ACLU, National Immigrants Justice Center and Catholic Community Services have information available for anyone that needs it.

I would plead with our residents to continue to contact your congressional representatives to share your concerns with them. I also want to remind our Community that there are organizations that can help you, especially if there's need with law concerns.

I also want to share, my experience at the Global Economic Forum powered by Bloomberg in Qatar bringing investments to Tucson is one of the things that I am responsible for. I feel that as mayor I want to work on economic development and job creation and job creation in our Community. I have done so since my time as a council member and economic development is super holistic, in my view as to how we invest, and I had an incredible opportunity invited by the US Embassy of Qatar to with four other mayors to go to Qatar and participate in the Global Economic Forum. I participated with more than 1,500 other people from all over the world. letting them know that Tucson is open for business. Some of the incredible meetings that we had besides the Economic Forum was visiting their education city. I met with the President of Higher Education, Francisco Marmolejo, who, by the way, I did not know until I got there. taught for 16 years at the University of Arizona, has a huge interest in bringing the University of Arizona to Qatar, along with other universities that already teach there, George Mason, George Washington, Texas A &M are some of the universities that are already teaching in Qatar.

I also met with General Dickens and troops from Arizona station at Al Udeid Air Base. It was one of the best, I think, pieces of work that I did representing the City of Tucson. It was a great lunch, eating grilled cheese and apple juice with our air men and women, and asking them about what they do, but also giving them an opportunity about their, you know, satisfying their curiosity of what a mayor of Tucson does as well. It was really awesome to be there.

I also met with Ambassador of the United States to Qatar Ambassador Timmy Davis. Those discussions with him were about economic development opportunities and the priorities of Qataris in terms of relationship building with the United States and very specifically with mayors around the United States. I attended a dinner with the delegation of mayors that I went to with, Qatari business group, it was a business group of investors. This provided investors and mayors the opportunity to explore possible areas of economic development and begin developing strategic relationships. I've always explained to people interested in bringing their businesses here in Tucson, which, by the way, was really funny because while we were there was about 108, a hundred and 110, 112°, and the first thing that Qataris wanted to know is how we were dealing with the heat. And I'm like easy peasy. I come from the desert and you would feel right at home in Tucson.

And you know, I usually talk to people in my elevator pitch that the City of Tucson is blessed with being 60 miles away from our number one trading partner was, which is Mexico. We're connected by rail, by Interstate with Mexico, which does a lot of manufacturing work. And geographically we're blessed because of our proximity to Mexico, but also our connection via Interstate Rail and air with the rest of the country. And so that kind of perked some ears and eyebrows, which is always good for me, because I want to make sure that the City of Tucson is on the map and that we put ourselves insight for possible foreign investment.

A couple of other meetings that we did was, as you all know, Qatar hosted the FIFA World Cup in 2022. And we met with the Minister of Homeland Security, which really coordinated the safety and security of teams and fans alike. They offered help, I know that the City of Tucson and Pima County are a host site, we're a training site for the FIFA World Cup 2026 that's happening in the United States and so we had those discussions as well as like fan management with another area of their of their government.

These are just a few examples of the work that I did. I appreciate the support of Visit Tucson, the Chamber of Southern Arizona, our own economic initiatives team, and our city manager for helping prepare me to make sure that I represented Tucson in the best way possible, so just wanted to report on that and Mr. Manager, the MIC is yours.

City Manager Timothy M. Thomure: Thank you, honorable Mayor and Members of the Council, and thank you, Mayor, for taking that trip and representing our city so well there. I know reap the benefits of that. Nobody does it better than you on telling Tucson's story. With that, I'll be turning it over to Stephanie Zamora. Sometimes the state legislation is kind of quiet and sometimes there's a lot of fireworks going on. Right now, we're in the middle of the kind of a quiet period, but that doesn't mean there's nothing to share. So, I'll turn it over to you, Stephanie.

Assistant to the City Manager Stephanie Zamora: Thank you. Good afternoon, Honorable Mayor, Members of the Council, as City Manager said this is a brief update on federal and state legislative affairs, and I'll start with the federal level. The Trump Administration has presented its budget proposal, also known as the One Big, Beautiful Bill. This legislation is a comprehensive budget proposal that combines tax provisions, spending priorities and reductions to several federal programs, such as Medicaid and the Supplemental Nutrition Assistance Program. It passed the House by a narrow margin and is advancing through the budget reconciliation process in the Senate in the coming days, and leaders are targeting a July 4th passage.

In parallel, The House Appropriations Committee will be marking up all 12 fiscal year 26 spending bills over the next 10 weeks. This would advance a budget framework that reflects the administration's proposed 17% cuts to non-defense spending. Other notable updates at the federal level include that FEMA has begun denying and delaying hazard mitigation grants for states following disasters. These grants fund long term resilience efforts like flood prevention and safe rooms. The change may reduce funding available for communities for community preparedness projects if this continues. And additionally, Senators Padilla and Warren and Representative Waters have led a bicameral call to fully fund emergency housing voucher program. This supports individuals and families at risk of homelessness. HUD issued a warning that the program could run out of funds due to rising rents and continued funding is essential to keep recipients housed, including those in Tucson.

As a City Manager mentioned at the state level, the update is much briefer, the Senate has recessed and the House is set to go back into session tomorrow. The budget is on the horizon and will closely monitor that with potentially more to report by the next Council meeting as a legislature aims to complete the budget by the end of this month. With that honorable mayor, that concludes the update. Thank you.

Mayor Romero: Thank you so much. Any questions or comments on this, Mr. Rankin?

City Attorney Mike Rankin: No questions or comments on that. I was just going to mention I don't have any new updates with respect to the litigation which we've joined, but we are under the orders suspending the implementation of the unlawful conditions that we've joined in the

challenge on and as part of that. I just want to do a quick thank you. Folks are really grinding on this stuff, and not just on the litigation, but on the daily review of incoming grants, grant opportunities, grant contracts, grant awards, NOFOS that are posted. You know the work that's being done in Ann's shop, HCD and DTM, the police, with Lynn and others, the managers office, including Stephanie, and then my folks who are just, I'm. I'm glad they don't do billable hours because we wouldn't be able to afford it. I mean that.

But people also don't understand how much work the mayor and the mayor's office are doing with respect to the federal funding issues. This landscape changes every single day. And what you think you knew last week is different this week? The number of hours and amount of time Charlene, other staff and the Mayor herself are putting in, it's and with no end insight, but we're carrying out the direction of the Council and defending our interests in the litigation, but it's about a lot more than litigation. That's just what I wanted to put on the record.

Mayor Romero: Thank you, Mike. Yeah, I mean, we're all putting extra hours. I appreciate your words in terms of the work that we have to do that really nobody understands. But absolutely, there's a lot of time and effort put into it and I just wanted to give you all an update on the job corps situation. There were 10 youth or more. I believe there were more like 25 youth that were possibly going to be left that were left homeless, really. Since last night, my staff ,at the Mayor's office started working with Lane Mandle and Brandy Champion, as well as Lee Hopkins from Housing First and out Community, Safety, Health and Wellness to look for spaces and try and communicate with the with the youth left homeless, 11 youth. We were able to reach 11 youth and we will be getting the 11 youth that that we're entering into homelessness housed as soon as possible through El Portal, which is the City of Tucson. One of the Housing First grants will pay their rental assistance for a year while we get them stabilized into jobs and have them do a savings plan.

So, wanted to give you a update to just let you know that the City of Tucson, my office and our city manager, as well as other teams, are really trying to do as much as we possibly can to pick up the cruel policies really from the Trump administration. And that we will continue to do that. We know that we've lost federal funds for seniors, and I've scheduled an appointment with the Executive director of the Pima Council on Aging. This this work that we have to do are in times when we find ourselves in budget deficits, and so we will see how we can partner with other jurisdictions, as well as private partner. I did call Humberto Lopez from the Center of Opportunity and they received a few of the youth at the Center of Opportunity as well. And they're taken care of and in in a safe place. So, just wanted to give you an update on that.

Council Member Cunningham: You Honor, I had a quick follow up question. Do we know who owns that campus? Is it federally owned? Is it a private contracting company?

Mayor Romero: Job Corp? Not sure. I believe Job Corp was created by the federal government in the 60s, but I believe it's a nonprofit.

Council Member Cunningham: So, I think we ought to find out who actually owns the parcel.

Mayor Romero: OK. That's a good idea. Alrighty, if there's no more questions. Item 7.

7. Mayor and Council Discussion of Regular Agenda (City Wide) SS/JUN03-25-101

Council Member Cunningham requested Consent Agenda item e be considered separately.

Item 7e: INTERGOVERNMENTAL AGREEMENT (IGA): WITH THE CHURCH OF ST. MICHAEL AND ALL ANGELS FOR USE OF HAROLD BELL WRIGHT PARK (WARD 2) JUN03-25-169

Mayor Romero: Does anyone have any items to remove from the consent agenda?

Council Member Cunningham: Harold Bell Wright Agenda item. Please remove that from consent agenda.

Mayor Romero: Which one is that.

Council Member Cunningham: The park, the Park Covenant with the neighborhood.

Mayor Romero: OK, you'll find that one, right? Item 8.

8. Mayor and Council Discussion of Future Agendas (City Wide) SS/JUN03-25-102

No items were identified for future agendas.

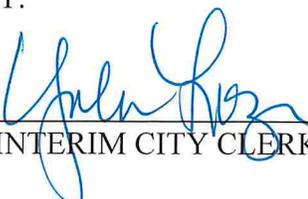
Mayor Romero: Does anyone have any items for future agendas? Alrighty, seeing none, Study session is adjourned, and regular session will begin at 5:30. And then the next study session is scheduled for Tuesday, June 17th, 2025. Thank you all so much. Really appreciate you.

ADJOURNMENT: 4:40 p.m.



MAYOR

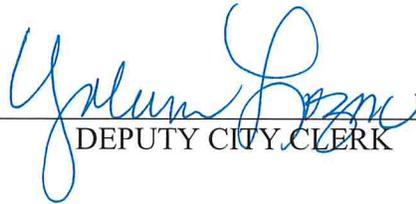
ATTEST:



INTERIM CITY CLERK

CERTIFICATE OF AUTHENTICITY

I, the undersigned, have read the foregoing transcript of the study session meeting of the Mayor and Council of the City of Tucson, Arizona, held on the 3rd day of June 2025, and do hereby certify that it is an accurate transcription.


DEPUTY CITY CLERK

SM:yl