



**Minutes  
of the  
Special Meeting of Board of Directors of  
The Industrial Development Authority of the County of Maricopa  
(the "Authority")**

Date: March 1, 2016, 12:00 p.m.

Place: Law Offices of Ryley Carlock & Applewhite  
One North Central Avenue, 12<sup>th</sup> Floor  
Phoenix, Arizona 85004

Presiding: Victor D. Vidales

Present: Victor D. Vidales, Charles P. Thompson, Ronald L. Westad,  
Jeremy Stawiecki, Maria Spelleri (telephonically), Steven  
Bales, Jr. (telephonically), and Lisa A. James (telephonically)

Absent: William McAllister

Executive Director: Shelby L. Scharbach

Administrators: Janis L. Larson and Kathleen Jakubowicz

Business Development  
Officer: Gregg J. Ghelfi

Attorney: William F. Wilder and John J. Fries of Ryley Carlock &  
Applewhite

Mr. Vidales called the Special Meeting of the Board of Directors of the Authority to order at 12:12 p.m., noting the presence of a quorum.

**1. DISCUSSION AND ACTION AS DETERMINED REGARDING THE  
RECONSIDERATION OF A \$25,000 GRANT REQUEST FROM SI SE  
PUEDE FOUNDATION FOR ITS SEAPERCH COMPETITION.**

Mr. Vidales introduced Supervisor Steve Gallardo and John Gomez, Supervisor Gallardo's Chief of Staff.

Mr. Vidales reminded the Board Members of the request received from Supervisor Gallardo and a number of State Senators and Representatives to reconsider the \$25,000 grant request from Si Se Puede Foundation for their SeaPerch Competition.

Mr. Vidales said he has had conversations with his appointing Supervisor, Denney Barney, who is in support of the reconsideration, and said he understood there have also been conversations with Supervisors Chucri and Hickman who are also in support of the request.

Supervisor Gallardo voiced his support for the Si Se Puede Foundation request and commented on the benefits of STEM programs and the need to bring new industries into the State, and, in order to do so, it is important to have an educated, qualified workforce.

Mr. Westad said although this is an outstanding program and he supports STEM projects, he did not think it was the Authority's mission to pay for t-shirts, awards and rental of the aquatic facility rather than to pay for resources for the students to conduct the robotics development and exploration program. Mr. Westad said he would prefer the request come back to the Authority restructured into an ongoing grant from the Authority to make possible the participation of students in the program.

Mr. Thompson said there are numerous potential educational foundation funders and corporations that fund similar programs, and he thought those funders should have been approached about participating in this program rather than the Authority.

Mr. Ghelfi reminded the Board that the Authority has agreed in the past to fund STEM programs, and STEM education was included in the Guidelines for the Authority's Community Investments.

*Ms. James joined at 12:35 p.m.*

Mr. Thompson said it was his understanding the Authority operated under Roberts Rules of Order, so this matter should have been brought back to the Board as a renewal of a motion, rather than a motion to reconsider, and one of the four who originally voted against the request would be the only persons who could bring the matter back for reconsideration.

Mr. Wilder explained that he is not aware of the Authority ever operating under Roberts Rules of Order, and as an Arizona corporation that is designated by law as a political subdivision of the State, Roberts Rules of Order cannot take precedence over State law, and would only govern in the event of a lack of clarity of Arizona law.

Mr. Wilder went on to say that the Authority's By-Laws state a special meeting of the Board can be called by the President or any two Board Members, and the protocol that has been followed over the years is that the Executive Director and the President set the agenda for Board meetings.

Mr. Stawiecki said his opinions are very similar to Mr. Westad's in that STEM programs are great programs and he would like to work with the foundation in the

future; however, the Community Investment Committee was not given a chance to vet the request and recommend any changes to the proposal. He said he cannot support the funding of t-shirts, awards and rent on the aquatic facility, and did not appreciate being forced to vote for the project by the Legislature.

Courtney LeVinus suggested the Authority tighten up its policies and procedures relating to grants to ensure a smoother process in the future.

After further discussion and upon motion made by Ms. Spelleri and seconded by Mr. Vidales, the following was adopted:

RESOLVED to approve a grant in the amount of \$25,000 to Si Se Puede Foundation for the SeaPerch Robotics Competition.

Ms. Spelleri and Messrs. Vidales, Bales and Westad voted aye. Messrs. Stawiecki and Thompson voted nay. Ms. James abstained from voting.

**The motion passed by a vote of (4-2).**

Mr. Vidales requested Si Se Puede Foundation provide a full report on how this event relates to the current program as well as all future STEM programs and their mission of moving forward. Mr. Vidales said he would also like to see a report regarding the actual event and how it moved forward the different schools that actually participated in the competition.

**2. STATUS REPORT AND UPDATE WITH REGARD TO PENDING LEGISLATIVE MATTERS.**

Ms. LeVinus reported on the progress of H.B. 2666, and said through some negotiations with the Governor's office and Kutak Rock, who assisted in writing the bill, an amendment is being made to the bill regarding the allocation process of private activity bonding authority. Ms. LeVinus said the consolidation of organizations through the proposed bill is a priority for Governor Ducey.

Ms. Scharbach noted the Maricopa County Board of Supervisors, at the House Appropriations Committee meeting, signed in with 14 other groups in support of H.B. 2666. Ms. Scharbach said in order to get this bill passed with amendments to protect the allocation process, it was clear the Authority's support was necessary, so as Executive Director, she signed a letter of support for H.B. 2666 with the amendments on behalf of the Authority.

Ms. LeVinus said the Authority's requested amendments would not have been included in the bill if the Authority did not show support for the bill.

Mr. Thompson said he did not have a problem with the Authority's support of the bill; however, did not like the process used working through this legislative matter.

He said he was not consulted and thought the entire Board should have voted on the matter.

Ms. Scharbach explained that the timing was such that she did not even receive the support letter request until late last night and was under pressure from the Governor's office to submit the letter right away. There would not have been time to call a meeting of the Authority's Board Members.

Mr. Thompson said in the future, Board Members should be consulted no matter what time of day or night it is, and said Ms. Scharbach's decision to submit the support letter was audacious to act on behalf of the Board when three Board Members were appointed by the Authority's President to assist with this legislative matter.

Mr. Westad said, given the circumstances, it was his opinion that Ms. Scharbach made the best decision possible.

Mr. Thompson suggested a standing Legislative Committee should be organized for future legislative issues.

#### **ADJOURNMENT**

With no further business to come before the Authority, upon motion made and duly seconded, the Special Meeting was adjourned at 1:32 p.m., without objection.

