

**SPECIAL SESSION
February 18, 2004**

The Board of Supervisors of Maricopa County, Arizona, convened in Special Session at 3:45 p.m., February 18, 2004, in the Supervisors' Conference Room, 301 W. Jefferson, Phoenix, Arizona, with the following members present: Andy Kunasek, Chairman, District 3; Fulton Brock, District 1, Don Stapley, District 2, Max W. Wilson, District 4 and Mary Rose Wilcox, District 5. Also present: Fran McCarroll, Clerk of the Board; Shirley Million, Administrative Coordinator; David Smith, County Administrative Officer and Paul Golab, Deputy County Attorney

DISCUSSION BETWEEN SENATOR JOHN MCCAIN AND THE BOARD OF SUPERVISORS

Discussion with Senator John McCain, regarding federal and county issues, policy and budgetary impacts. (ADM1650)

Chairman Kunasek extended a warm welcome from himself and the Board members to U.S. Senator John McCain, and thanked him for taking the time from his busy schedule to come and exchange pertinent information on vital County and federal issues.

Senator McCain said he fully recognized the enormous challenges and difficulty of the job being done by the Board as Maricopa County continues to grow at such a fast pace. He mentioned the austerity of President Bush's fiscal budget saying it is being driven by the deficit. However, he said, "The Homeland Security aspect of the federal budget will continue to increase, I believe a 7% increase is anticipated." He indicated that port security is becoming a very big issue and that airport security remains a big issue. He explained that intelligence reports continue to emphasize that airplanes and airports will be employed by terrorist groups in their strikes. He said that port security needs to be increased since "there are hundreds of thousands of containers that come into our ports every day, and they're still not examined." He expressed disappointment that technology had still not been developed that would make it a less "nightmarish experience" for everyone every time they try to board an airplane.

Senator McCain said that First Responder funds will be forthcoming although he realizes that a big debate exists on who decides who will get what funds, state or county governments, and added that priorities need to be set soon. He referenced the impact that being a border state has on Arizona governments. "Our borders are not secure and there are people and drugs crossing illegally every minute of the day, so why wouldn't there also be a commensurate threat of terrorists coming across our border as well?" He said there has to be an assessment on where America's greatest vulnerabilities lie and after that it can be decided whether states, counties or cities allocate the funds. When it is received, he encouraged this money be used to fight anti-terrorism and said, "We've seen some indications that that isn't the case every place in America." He said that austere federal budgets will continue because of the "huge deficit and there seems to be no end in sight." He cautioned that many formerly funded areas would either receive no increase in funding or face cuts in their budgets. "With the growth that Maricopa County is experiencing, that may force you to make some very tough decisions." Senator McCain thanked the Board for having him.

Chairman Kunasek introduced five topics the Board has chosen to discuss with Senator McCain in order to update him and seek any comments he may have. Chairman Kunasek introduced each Supervisor's topic.

Supervisor Wilcox on the Human Services Campus
Supervisor Wilson on Luke Air Force Base
Supervisor Stapley on the Mentally Ill in Jails
Supervisor Brock on Homeland Security
Chairman Kunasek on a General County Overview

Supervisor Wilcox referenced the action taken more than twenty-five years ago to setup CASS (Central Arizona Shelter Services) saying it was done because there was no delivery system for homeless advocates or homeless care. She said federal funding had been distributed to non-profits and several agencies who dealt with homeless issues, but the community had not come together to work out a solution and establish a central intake center until a couple of years ago. When the movement started, Maricopa County took the lions share of responsibility by funding nearly \$7 million to get it started. Other cities and towns, the State and private donations have added to that original amount. A design for a uniservice campus has been created that will be located in Central Phoenix. It will be enclosed and resemble a college campus and will integrate the various entities already involved with the homeless. She said that the campus will be unique because the central intake facility will finally be doing case-management in a proper and coordinated manner. She indicated that approximately \$16 million has already been secured for the Campus, which is expected to cost a total of approximately \$23 million to construct. Ongoing costs will be provided by the various agencies using the same funding sources they now use. Supervisor Wilcox indicated that it would soon be possible to deal with homelessness from the time it begins with the goal of preventing homelessness and ultimately getting enough affordable housing into the community to provide for the homeless. The campus is also expected to eliminate many threats now experienced by the homeless from criminal elements and those peddling drugs. She explained that Maricopa County is committed to this project and through this commitment the communities have rallied – she promised Senator McCain that, “You will see a campus rise from the ground and put to good use.”

Senator McCain asked what the expected annual operating costs would be. Supervisor Wilcox said that the Campus will be operated under a L.L.C. and the operating costs will be supplied by each entity involved from sources used now. Senator McCain asked about contributions and if any federal money had been involved so far. Supervisor Wilcox explained that donations had come in from various cities and private sources and the state had donated what they could from their tight budget. Senator McCain suggested that federal CDBG monies and homeless funds be applied for because he feels certain there are existing funds available that should apply.

The Senator briefly touched on both recent (the hostage situation at the prison) and ongoing (the burden of escalating costs for healthcare, law enforcement, the courts, and a long list of others) situations that are impacting the County. He said, “The burden that is placed on Maricopa County by people who have come here illegally is of prime importance to you and I hope to work closely with you to address specific problems, healthcare being one of the major ones.”

Supervisor Stapley is serving as the Chairman of the Large Urban County (LUC) Caucus for NACo and he thanked Senator McCain, saying that in the past two years the LUC Caucus and the NACo Board have gone to his and Senator Kyl’s staffs to get help and have worked with them on healthcare issues that have escalated in recent years. He expressed gratitude that some federal assistance has finally been passed in the last few months with relief in the Medicaid, Disproportional Funding and Immigrant Health Care funding areas. He added that the prescription drug relief will, “mean a couple of million dollars to our County Hospital System, a very significant amount of money for that system.”

Supervisor Stapley said that the NACo Caucus has some big concerns with regards to diverting the mentally ill from jail and ending the cycle of recidivism that we are experiencing nationwide. It is estimated that 16% of the population who are incarcerated for non-violent crimes in county jails across the nation are seriously mentally ill people. He added that of the 8,700 jail inmates in Maricopa County, 19% are seriously mentally ill. These incorporate major mental illnesses such as schizophrenia and bi-polar disorder issues. In an attempt to explain how this has happened, he said that the State has now "gotten out of that business to the degree that it can – really shifted the mandates and unloaded them from prisons into the jails. Our jail was the largest recipient of seriously mentally ill folks in the State, by far the largest. Our budget dwarfs the budget for the State Mental Hospital." He stated that the recidivism rate is out of control and is growing. In FY 2003 psychotropic drug (wholesale) costs for Maricopa County totaled \$1.6 million and this amount has tripled in the last three years. He said, "It will continue to grow if we don't intervene and do some coordinating with State Government and the Federal Government." He attended a NACo Caucus meeting in Washington two weeks ago and his committee had met with 40 members of the House individually trying to get support and sponsorship from some House members on the Mentally Ill Offender Treatment and Crime Reduction Act, which the Senate passed in an unanimous voice vote last November. The \$100 million grant funds to Large Urban Counties and other regional programs in this Act would facilitate correlations between agencies and would require private and non-profit mental illness treatment facilities to work together with local governments.

Supervisor Stapley cited a program initiated in Los Angeles County, which has reduced the mentally ill jail population by 40-60% through very aggressive programs. They use triage programs where they have mental illness courts that use diversion programs like a drug court, and instead of putting them in jail they put them into necessary treatment. Treatment that costs a fraction of what jail costs would be. He added, "These people shouldn't be in jail because it exacerbates their illness." Supervisor Stapley said it was a great prototype of what could be done here in Maricopa County and around the country to ease the jail overpopulation crisis. He explained that when people go to jail they are dropped from the rolls of any government aid programs they were on and it can take months for their reinstatement to these programs after they are released. Obviously it can take months for them to receive the prescribed medications they need to maintain their stability. Many drop back into the homeless ranks. Senator McCain said he would be happy to help get this legislation passed through the House.

Supervisor Brock continued the earlier mention of Homeland Security and said that a high priority item with the Board is public safety and commented on the Arizona "roots" found in several of the people involved in terrorist plots nationally and internationally. He referenced the borders along the southern and northern portions of the United States and said he believed there needs to be a tracking system to help alleviate the problems experienced, and there are such systems now in use that might be used. He asked if a state-to-state tracking system, that could locate criminals or international aliens that may sneak into the country and be lost, could be expected anytime soon.

Senator McCain said he wasn't sure that the borders could ever be completely sealed off. "I think the failure of our war on drugs is an indication that that's the case. I've been told that the cost of an ounce of cocaine on the street in Phoenix is less than it was 10 years ago." He said the real indicator is how much it costs for consumers to buy and consume drugs and not the thousands of pounds and millions of dollars that are collected in drug raids. "This argues that you must go to the source of terrorism and not just to our borders to stop it. This means better information, better intelligence and more human intelligence. But having said that, it doesn't mean that we, therefore, accept a totally porous border. I think we have to have enforcement. I think we have to have exchange of information, and I think we have to have better capabilities in tracking people." Regarding information or tracking systems, he said they are very controversial and generate many privacy issues. "There's a balance that we have to maintain that is

**SPECIAL SESSION
February 18, 2004**

extremely difficult between protecting the rights of individuals and protecting the rights of the population at large." He explained that errors had been made in the past on privacy issues, citing the incarceration of Japanese Americans following Pearl Harbor, and stated that there are no easy answers to privacy questions. He was convinced that the borders are not the place to stop would-be terrorists in this country. He felt the only way to secure the border is to find a way to get rid of the illegal immigration problem and focus on terrorists and drug runners. He related the new ploy of drug runners to send groups of people who are simply seeking jobs across the border and when they are arrested and law enforcement officers leave border posts to take them away for incarceration, the drug runners have free access to that portion of the border to cross at will. He added that the Mexican government has "to do a whole lot more than they are doing today."

Supervisor Wilson spoke of encroachment problems that are a continuing threat to the protection of Luke Air Force Base, and he also mentioned the new issue of underground storage of natural gas in salt caves that are located close to the border of Luke. The salt caves are also near an elementary school and to residents living in that area. He said the gas is odorless, colorless and highly flammable. "We feel extremely uncomfortable to have that storage so close to the Base and those towns." He said that help is needed from Washington to bolster local and state opposition to this proposed installation so that safety is maintained.

Senator McCain expressed appreciation for the long-term commitment and vigilance Maricopa County has shown in protecting Luke in the past against what he called some very tough opponents. This is a crucial point because the Base-Closing Commission will begin meetings soon and will report out by the end of this year. He said he agreed with the Supervisors that Luke is vital to our national security and the Goldwater range now provides the only kind of bombing training available in America since the ranges in Puerto Rico have been closed. He said that General Breedlove, Luke's Commanding Officer, had exhibited courage in stepping forward recently and writing a letter of concern, which he admired since it is not usual for a military person to do such a thing. He said he would take the letter to the committee before they make their decision to make sure they are aware of the military's concern over Luke.

Supervisor Stapley asked about the reappropriation of transportation monies in "T-21" and said he understood there had been quite a division between the administration's proposal of \$250 billion and the Senate and House versions, which are substantially higher. He said that most of the earmarks in Congress come out of this bill and added that none would be happier than this Board if there were no earmarks, or if the earmarks came out of the formula for each State, so that everybody gets 100 cents on the dollar back. "We have been a donor state since I was born and my goal before I die is to see if we can't make that happen." He asked if there was any way the County could help bring about change on that issue.

Senator McCain said, "The President has guaranteed, as much as any action that I've ever seen this President take, that he's going to veto the Bill.

Supervisor Stapley said, "This is the Don Young Bill?" Senator McCain responded, "No, the one that passed the Senate. The House, I am told, would not take up the Don Young Bill because there's been a backlash about the deficit and the Omnibus Spending Bill and other spending that we've done. I'm also told that there are sufficient votes in the House to sustain a Presidential veto. As you know, this President has not vetoed a single bill, but he's made it clear that he would veto this one." He continued by saying that he hoped the amount of money would be a concern to the County as well as the formula and the earmarking. He indicated that the Senate Bill would give Arizona approximately 90 cents per dollar for four years and in the fifth year, "it would jump way up to 95 cents or more." He added, "If we weren't

**SPECIAL SESSION
February 18, 2004**

growing so fast, there might be some rationale for it but there is no rationale for it. It's simply a matter of appropriator's power." He said the Administration is opposed to the formula as it is, as well as to the amount of money. And cautioned that it must be remembered that the deficit is cause for worry because of the effect it will have on Medicare and Social Security and every other program in the future.

With regards to earmarking funds, he explained the concept and how he worked with it. ASU has just received a very large defense contract. Senator McCain indicated that he had not asked the Secretary of Defense to award that contract to ASU, but he had asked him to make sure it was a fair and open competition. He added that the U of A had received the largest single contract ever let by NASA, and he had handled it the same way, asking only for a fair and open competition. He asked the Supervisors to look closely at the four states that are represented by the four senior appropriators in the Senate, Robert Byrd, West Virginia; Ted Stevens, Alaska; Thad Cochran, Mississippi and Dan Inouye of Hawaii - those are the four men who give out most of the earmarked money. He explained that the majority of pork-barrel projects involve a contractor who comes into a state, gets the money, builds something and then leaves. That does not provide any infrastructural base for that state's future growth. It doesn't usually provide an academic environment, such as NASA found down at the U of A, where their excellence in optics have spawned cottage industries from many different private enterprises that are now locating around the U of A - because the University leads in optics and growth is flourishing from that base. He indicated that this is the kind of thing that everyone at every level of government should encourage as opposed to saying let's get this much pork barrel money for this specific project. He added that you must build an infrastructure for expansion because the amount a state gets from the pork barrel has nothing to do with whether a state has a strong economy or not. He also explained that over all, Arizona does get more money back in dollars than we send to the federal government - although some of it may appear to be hidden.

Chairman Kunasek told Senator McCain that the Board is sincerely appreciative of the time he spends and the sincere concern that he has for Arizona and Maricopa County. He added "It means a lot to us for you to come and hear our concerns." He stated that the Arizona delegation as a whole should be recognized and admired for the purity of their mission and the fact that they are back in Washington for the right reasons.

Senator McCain asked to address two last things. One was the problems that are being experienced with Spectrum, which their delegation will continue to try to resolve, especially with regards to a cell phone's performance in dialing 911. He also remarked on the other Arizona delegates and the excellent job each is doing in Congress for the State of Arizona. He said, "We all work together, in a bi-partisan way." He felt this has added greatly to their over-all effectiveness.

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

SPECIAL SESSION
February 18, 2004

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

ATTEST:

Andrew Kunasek, Chairman of the Board

Fran McCarroll, Clerk of the Board