SUPREME COURT OF ARIZONA

BARRY GOLDWATER INSTITUTE FOR PUBLIC POLICY RESEARCH, Plaintiff/Petitioner, v. CITY OF PHOENIX; JEFF BARTON; DENISE ARCHIBALD, and SHEREE RUCKER, Defendants/Respondents.	Arizona Supreme Court No. CV-25-0033-PR Arizona Court of Appeals, Division One No. 1 CA-CV 24-0176 Maricopa County Superior Court No. CV2023-003250

DEFENDANTS'/RESPONDENTS' SUPPLEMENTAL BRIEF

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I. <u>INTRODUCTION</u>

Petitioner Barry Goldwater Institute for Public Policy Research ("Goldwater Institute" or "Petitioner") raises no issue in its Petition for Review that alters the outcome of this case. Under any applicable standard of review, the Defendants/Respondents (collectively referred to herein as the "City") have met their burden to demonstrate a sufficient probability that disclosure of draft bargaining proposals would cause specific and material harm, thereby justifying nondisclosure, under the *Carlson* balancing test, of the proposals exchanged between the City and the Phoenix Law Enforcement Association ("PLEA") during negotiations. *See* *Carlson v. Pima County,* 141 Ariz. 487 (1984).

The harms articulated by the City are well recognized and outweigh any disclosure obligations as discussed in the City's previous briefings and reflected in out-of-state case law, analogous statutory provisions, and even the testimony of the Goldwater Institute's own witness. Moreover, the City need not show that the probable harm would affect the entire State in order for the exception to apply. Under any formulation of the balancing test (including the standard from *Abraham v. Arizona Board of Regents,* which is concurrently under review by the Court), the City's actions were in compliance with Arizona's public records law.

II. SUPPLEMENTAL ARGUMENT

A. The City Articulated Sufficient and Specific Harm to Justify Non-Disclosure.

Throughout these proceedings, the City has consistently established the probability of specific, material harm through testimony from individuals on both sides of the negotiating table, who detailed the precise ways in which disclosure would harm the City and its taxpayers—by inviting collusive activity, politicizing the bargaining process, and suppressing the free exchange of ideas.[1] *See, e.g.*, Def./Appellees' Answering Br. at 14–46 (Aug. 22, 2024); APP.279–94.[2] These harms are not speculative or generalized—they are particularized and well-supported by the evidence at every level of review.

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[1] At every stage of appellate review, the Goldwater Institute has argued that the Superior Court's use of the word "potential" instead of "probable" is somehow outcome determinative. It is not. The Superior Court cited the precise standard the Goldwater Institute argues should apply, stating that the probability of "specific, material harm" must be shown. *Barry Goldwater Inst. for Pub. Pol'y Rsch. Ctr. v. Phoenix,* CV2023-003250, No. 926 at 9 (Superior Court of Arizona, Maricopa Ct. Jan, 22, 2024) (citing *Hodai v. Tucson*, 239 Ariz. 34, 38 ¶ 7 (Ct. App. 2016). Furthermore, the Court of Appeals found no error in its *de novo* review of the Superior Court's decision, stating: "[I]n addressing material harm, the superior court referenced both a 'probability,' which Goldwater argues was required, and 'potential,' which Goldwater argues was error. Even though using both words to describe the standard, the record supports the presumption that the superior court knew the applicable law and applied it here." *Barry Goldwater Inst. for Pub. Pol'y Rsch. Ctr. v. Phoenix*, 259 Ariz. 182, ¶ 22, *review granted* (Sept. 9, 2025) (Ct. App. 2025).

[2] All "APP." citations reference the Appendix to Defendant/Appellee's Answering Brief filed in the Court of Appeals.

Because, as the Court of Appeals noted, the "best interest of the state" exception is the least litigated and least developed of the three common law exceptions to the requirement that public records be disclosed, this Court may look to decisions from other jurisdictions, which consistently recognize that public disclosure of sensitive information during negotiations causes harm and undermines the best interests of governmental entities and the public they serve.[3] As shown below, there is an abundance of legal authority contradicting the Goldwater Institute's unsupported claim that other jurisdictions have "not experienced the harms the City alleges." Pls.'/Appellant's Pet. for Rev. at 5 n.7 (filed May 2, 2025).

The Goldwater Institute cites the State of Washington as an example of a jurisdiction that has adopted a transparent labor negotiation scheme without issue. *Id.* Ironically, the Washington Supreme Court recently issued a decision supporting the City's position that the disclosure of public records exchanged during collective bargaining is harmful to the collective bargaining process.

In *Citizen Action Def. Fund v. Wash. State Off. of Fin. Mgmt. in the Off. of the Governor*, the Washington Supreme Court considered *when* disclosure of initial offers for public collective bargaining negotiations must be made under

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[3] Arizona Courts may look to cases from other jurisdictions as persuasive authority when the law is under-developed in this State. *See Hodai*, 239 Ariz. at 42 ¶ 25.

Washington's "deliberative process exemption statute" 570 P.3d 694, 694 ¶ 1 (Wash. 2025). The deliberative process exemption protects preliminary drafts, notes, recommendations, and intra-agency memoranda prior to implementation, reflecting the policy goal of allowing "frank and uninhibited discussion during the decision-making process." *Id.* at 698 ¶ 9.

Notably, both parties in *Citizen Action Defense Fund* agreed that initial bargaining proposals fell within the deliberative process exemption while negotiations were ongoing. *Id.* at 698 ¶ 9. In other words, bargaining proposals were uncontroversially recognized as material not subject to disclosure during the pendency of the bargaining, despite Washington's adoption of a statute designed to "promote full access to public records." *See* Wash. Rev. Code § 42.17A.001.

Instead, the parties to the lawsuit disagreed on whether the proposals should be released upon being tentatively approved by both sets of negotiators, or if the proposals should remain confidential until the collective bargaining agreement was approved by the Governor and funded by the legislature. *Citizens Action Def. Fund*, 570 P.3d at 697 ¶ 6. Tellingly, neither party disputed that proposals should be treated as confidential during ongoing negotiations to avoid the risk of undermining the ability of the negotiating parties to engage in "frank and uninhibited discussion." *Id.* at 698 ¶ 6, 9.

The Washington Supreme Court found that the deliberative process exemption justified the continued non-disclosure of the proposals until final approval by the Governor and legislature, because in the absence of such approval, it may be necessary to re-open negotiations. *Id.* at 701 ¶ 16–17.

The Washington Supreme Court's reasoning aligns with that of the City, the Superior Court, and the Court of Appeals: initial proposals in public collective bargaining negotiations (and, indeed, all proposals made during an ongoing bargaining process) are not subject to disclosure until, at a minimum, the agreement is finalized. *See* APP.003–016; Appellees' Answering Br. at 14–46; *Barry Goldwater Inst. for Pub. Pol'y Rsch. Ctr.*, 259 Ariz. 182 (Ct. App. 2025), review granted (Sept. 9, 2025).

The Washington Supreme Court's determination turned on when the harms to the negotiation process would dissipate. *Citizens Action Def. Fund*, 570 P.3d at 701 ¶ 15. In concluding that the proposals were not required to be disclosed until they are "final" (*i.e.*, after they are approved by the Governor and funded by the Legislature), the court stated:

> [L]ogically, the risk of harm that public disclosure poses … ceases to exist when the relevant policy or recommendation has been implemented. In the context of public sector collective bargaining, at "implementation" the exemption is no longer needed to protect the collective bargaining process from public scrutiny and ***politicization that might interfere with the decision-making process*** [].

Id. (emphasis added).

Citizen Action Defense Fund makes two things clear: disclosure of non-final bargaining proposals has the real, non-speculative potential to harm the negotiation process, and these harms outweigh any interest in public disclosure until after finalization. This is consistent with the City's position in this case and demonstrates that other jurisdictions similarly view premature disclosure of draft bargaining proposals as injurious to the government's best interests. *See also* *Harvey's Wagon Wheel, Inc. v. N.L.R.B.*, 550 F.2d 1139, 1143 (9th Cir. 1976) ("Statements of union representatives and agents of the employee, for example, should normally be protected from disclosure as a matter of law. Otherwise, the danger of their withholding relevant information for fear of exposing crucial material regarding pending union negotiations would be manifest."); *Cal. ex rel. Lockyer v. Safeway, Inc.*, 355 F.Supp. 2d 1111, 1122 (C.D. Cal. 2005) ("If collective bargaining is to work, the parties must be able to formulate their positions and devise their strategies without fear of exposure. This necessity is so self-evident as apparently never to have been questioned.").

Additionally, the claim that the public's right to records outweighs the harm of disclosure is undermined by the Goldwater Institute's own witness. During the evidentiary hearing at the Superior Court, Isabel Garcia, a community safety strategist for Poder in Action ("Poder"), expressed a general desire to access draft proposals to advance Poder's advocacy goals. *See, e.g.*, APP.039 at 23:12–15.

However, she acknowledged that disclosure of draft proposals would provide little practical value or benefit to her organization or the public. *See, e.g.*, APP.045 at 29:5–21. Ms. Garcia testified that Poder has successfully influenced the terms of the Memoranda of Understanding between the City and PLEA despite not receiving draft documents exchanged between the parties. *Id.* at 29:11–16. This testimony undercuts her rationale for public disclosure of draft bargaining proposal documents. For example:

> **Mr. Coleman**: Now, in the past process that you've been involved in in, say, like, 2018 and 2020, aside from the draft initial MOU, you haven't been given copies of the proposals sent back and forth between the parties, correct?
>
> **Ms. Garcia**: That's correct. Yeah, no, we've - we've never had that.
>
> **Mr. Coleman**: But nevertheless, you've had some success in getting some of the terms of the MOU changed, correct?
>
> **Ms. Garcia**: That's correct. And [it] requires [a lot] of work on our behalf to do that within the very small window that we have in December to do that. But that - that is correct.

Id. at 29:5–16 (cleaned up).

This exchange makes clear that Ms. Garcia's advocacy efforts have not been hindered by the lack of access to draft bargaining proposals, and that the public's ability to engage meaningfully in the process already exists without intruding upon the confidentiality necessary for frank and uninhibited discussions. On the other hand, the City presented concrete evidence that it *would* be harmed from premature disclosure of these documents, outweighing the public's right to access proposals during ongoing negotiations. *See* APP.279–94; Appellees' Answering Br. at 14–46.

B. Requiring the Disclosure of Public Records During The Negotiating Process Would Set a Dangerous and Harmful Precedent, Worsening the State's Bargaining Position in Various Contexts.

It is widely accepted—taken for granted, even—that government negotiations of all kinds must happen in private. The harms articulated by the City are not speculative. Rather, they are logically present in all types of negotiations, which is why courts regularly and consistently hold that records are exempt from disclosure while negotiations are ongoing.

In *Michaelis, Montanari & Johnson v. Superior Ct.*, the California Supreme Court considered whether the public interest in non-disclosure clearly outweighed the public interest in the disclosure of competitive proposals submitted to a public agency. 136 P.3d 194, 195 (Cal. 2006). The court held, "[a]s will appear, consistent with analogous federal law and the majority of statutes and decisions in other states, we conclude that public disclosure of such proposals properly may await conclusion of the agency's negotiation process, occurring before the agency's recommendation is finally approved by the awarding authority." *Id.*

In coming to this conclusion, the court considered the effects of disclosure on the government's bargaining position and concluded that the public interest in government accountability "would still be served by disclosing the proposals ***after*** the Board actually takes action and negotiates a [contract]." *Id.* at 198 (emphasis added). Further, the court acknowledged that "the public may have a legitimate and substantial interest in scrutinizing the process leading to the selection of the winning proposal," but that the plaintiff failed to offer a "compelling reason why public scrutiny of the process cannot effectively take place after" negotiations are complete. *Id.*; *see also* *Friends of Frame Park v. City of Waukesha*, 976 N.W.2d 263, 274 ¶ 34, 37 (Wis. 2022) (upholding the City of Waukesha's decision to temporarily withhold a draft contract while negotiations were ongoing) ("In a competitive bilateral negotiation, confidentiality is often critical to advancing a negotiation strategy."). The same can be said here. The Goldwater Institute has never given a compelling reason why public scrutiny of the process cannot effectively take place after negotiations are complete, and prior to the City Council's public hearings and vote.[4]

FOIA offers further guidance. When the Court finds no case under a state public records statute that addresses the issue at hand, it turns "for guidance to

[4] It is worth noting that once the parties reach an agreement on a proposed Memorandum of Understanding ("MOU"), the MOU becomes publicly available and the City Council holds a meeting for public comment prior to any vote on approval. *See* Phoenix City Code § 2-218(G).

federal cases that have considered the analogous issue under the FOIA." *Salt River Pima-Maricopa Indian Cmty. v. Rogers,* 168 Ariz. 531, 540–41 (1991) (citing *Church of Scientology v. Phoenix Police Dept*., 122 Ariz. 338, 340 (1979) (FOIA offers some guidance to Arizona courts in construing Arizona public records statute.)).

FOIA is rife with exemptions to disclosure in other contexts requiring negotiation. *See* 41 U.S.C. § 3704 (limiting the material disclosed to unsuccessful bidders); 41 U.S.C. § 4702(b) ("A proposal in the possession or control of an executive agency may not be made available to any person under [FOIA]"); 41 U.S.C. § 2102 (prohibiting the release of bid or proposal information before award); 48 C.F.R. 24.202 (regulation exempting competitive proposals from FOIA); *Shermco Indus. v. Sec'y of Air Force,* 613 F.2d 1314, 1317–18 (5th Cir. 1980) (disclosure of bid competitor's cost proposals exempt under FOIA until final award of contract); *Morrison–Knudsen Co. v. Dept. of the Army of U.S.*, 595 F.Supp. 352, 355–56 (D.D.C.1984), *aff'd.*, 762 F.2d 138 (D.C. Cir. 1985) (agency could delay release to prospective bidder of documents under FOIA exemption). These paradigms are instructive and persuasive.

In *Pipefitters, Local Union No. 208 v. Mech. Contractors Ass'n of Colorado*, the federal district court for Colorado discussed FOIA's application to labor contract negotiations. No. 79-C-1382, 1980 WL 2169, at *1 (D. Colo. June 26, 1980). In its order quashing the subpoena directing a federal mediator to appear for a deposition, the court reasoned:

> The importance of confidentiality in labor negotiations even has been recognized by Congress in enacting the Freedom of Information Act (FOIA). In creating exceptions to FOIA, Congress intended to exempt "information obtained by the government through material submitted and disclosure made in procedures such as the mediation of labor-management controversies."

Id.

The court's rationale in *Pipefitters* emphasizes the important interests demonstrated by the City here—that "labor and management negotiators [must] feel free to advance tentative proposals and pursue possible solutions that later may prove unsatisfactory to [the other] side," and "such uninhibited interaction may be impaired absent the assurance that . . . proceedings will remain confidential." *Id.*

The approach proposed by the City in this matter is far from novel. To avoid repetition, the City will not regurgitate the extensive list of consequences that will flow naturally from real-time disclosure of bargaining proposals, since this subject is covered extensively in prior briefing. But suffice to say that the harms articulated by the City meet the standard proffered by the Goldwater Institute: they are non-speculative, specific, and supported by very similar principles in other jurisdictions.

C. Other Statutory Provisions Demonstrate That Disclosure of Draft Bargaining Materials During Negotiations are Likely to Result in a Material Harm to the City.

The City's position on non-disclosure of draft bargaining proposals also finds support from other statutory provisions. Open meeting laws operate with similar goals to public records law. Just as the public has a qualified right to certain public records, the public also has the right to be present during meetings of public bodies. A.R.S. § 38-431.01(A); *Tanque Verde Unified Sch. Dist. No. 13 of Pima Cnty. v. Bernini*, 206 Ariz. 200, 205 ¶ 13 (Ct. App. 2003), as corrected (Nov. 6, 2003). And similar to public records law, open meeting law is a governmental accountability and transparency measure meant to inform the public of matters to be discussed or decided. A.R.S. § 38-431.09.

Nevertheless, the legislature has permitted certain matters to be discussed in confidential executive sessions. *See* A.R.S. § 38-431.03. As an exception to open meetings, executive sessions balance "the public's desire for access and the government agency's need to act [on certain matters] in private. *See, e.g.*, *Hokanson v. High Sch. Dist. No. Eight (8) of Pima Cnty.*, 121 Ariz. 264, 267–68 (Ct. App. 1978).

The 'best interests of the state exception' and executive sessions serve parallel purposes: both qualify the public's right of access in recognition that full disclosure may, at times, be detrimental to the public interest in the long run. The

Legislature permits a public body to enter into executive session for certain situations that may be harmful to the public body if deliberated in public—much like the best interest of the state exception allows certain documents to be withheld to avoid the likely harmful consequences of disclosure. *See* A.R.S. § 38-431.03.

Within the executive session framework, the Legislature has shown a particular sensitivity to protecting the confidentiality of ongoing negotiations between a public body and a third party. To that end, A.R.S. § 38-431.03 authorizes executive sessions to discuss a public body's position in contract negotiations, settlement negotiations in litigation, negotiations related to real property transactions, and intergovernmental negotiations. Most pertinent here, subsection (A)(5) allows executive sessions for:

> Discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives ***regarding negotiations with employee organizations*** regarding the salaries, salary schedules or compensation paid in the form of fringe benefits of employees of the public body.

Thus, the Legislature expressly permits public bodies to discuss negotiations with employee organizations *in private.* By adopting this provision, the Legislature recognized the inherently tentative and strategic nature of labor negotiations, which necessarily involve calculated assessments and targeted negotiating strategies that will be undermined (if not rendered completely ineffectual) in the absence of confidentiality. Public disclosure of these discussions would threaten to expose a public body's strengths, weaknesses, and negotiating posture, allowing counterparties to exploit that information to the potential detriment of the greater public interest.

Because the Legislature recognizes the probable harm stemming from disclosure of midstream negotiations as warranting an exception to open meeting law, it follows naturally that this Court should acknowledge the same interest in maintaining confidentiality in the public records context. Both the executive session privileges and the "best interests of the state" exception serve the same underlying purpose: recognizing that unfettered public access can sometimes undermine the City's and the public's best interests. As such, the need for confidentiality in the public records context stands on equal footing with the legislative carve-out for confidential discussions regarding labor negotiations.

D. The City Prevails Under the Standard Articulated in *Abraham v. Board of Regents*.

The City is also justified in withholding draft bargaining proposals under the test articulated in *Abraham v. Ariz. Bd. of Regents*.[5] 259 Ariz. 158 (Ct. App. 2025) *rev. granted*, CV-25-0020-PR (Sep. 9, 2025). There, the Court of Appeals articulated a uniform standard governing when public records may be withheld

[5] The City acknowledges that this Court granted review on *Abraham*. The City provides this argument should the Court adopt the test set forth in *Abraham.*

under the “best interests of the state” exception. *Id*. at ¶ 2. Specifically, the court articulated a two-part test. The first prong requires the public body articulate a “…sufficient, specific harm arising from disclosure.” *Id*. at ¶ 39. This harm must be grounded in “…confidentiality, privacy, or the best interests of the state.” *Id*. at ¶ 39. Should this be satisfied, the trial court is then instructed to determine whether the public body abused its discretion in withholding specific documents. *Id*. at ¶ 42.

In *Abraham*, a public records requester sought, among other things, survey data concerning job candidates and other documents from the University of Arizona’s (the “University”) search for interim and permanent directors of certain programs. *Id*. at ¶ 47. The University argued that nondisclosure of the survey data was necessary to preserve the anonymity of commenters, reasoning that confidentiality encouraged candid and forthright feedback that would be jeopardized if the material was released to the public. *Id*. at ¶ 49. The court found that the University’s justification was “sufficient and specific,” explaining:

> We agree with ABOR … that the university’s explanation was sufficient. Its explanation was not in the nature of “global generalities” rejected by *Collins*. Nor was it unreasonably broad, like in *Church of Scientology*. . . . Rather, the university’s explanation was specific, narrow, and focused on the concrete understanding that anonymous feedback about job applicants is generally more honest. If survey respondents knew that their responses could be traced back to them, they would likely be less forthright and thorough. This possibility is

> especially likely when respondents are analyzing candidates to be their supervisor or to otherwise exercise authority within the respondents' departments.

Id. at ¶ 50–51.

The *Abraham* analysis demonstrates that a public body may justify nondisclosure based on specific and articulated prospective harms, and that an injury need not have occurred for the justification to be valid. It also demonstrates that the asserted harm need not implicate constitutional rights or legal violations; rather, the potential for impaired governmental function, such as reduced candor in evaluations, will suffice. The University's simple assertion that disclosure will harm our ability to obtain "honest feedback" met the required showing. *Id*. at ¶ 49–50.

Abraham further addressed whether the University could withhold records concerning its director and interim director search process. *Id*. at ¶ 47. To demonstrate the harm in disclosing these records, the University's chief human resource officer testified that the University relied on an internal guide containing "best practices" emphasizing the importance of candidate confidentiality. *Id*. at ¶ 59. The witness also testified that this process helped attract candidates who require anonymity and would not otherwise apply if the process were not kept confidential. *Id*. The human resources officer further testified that if these practices were not followed, it may create "conflict and discord among the search committee." *Id*. The Arizona Court of Appeals agreed that such concerns, albeit predicated on a prediction, were 'sufficient' and 'specific' enough to justify non-disclosure under the first prong of the test set forth in *Abraham*. *Id*. at ¶ 60.

The *Abraham* decision can be viewed as an extension of *Arizona Board of Regents v. Phoenix Newspapers, Inc.*, where the Court found that preserving candidate confidentiality was a legitimate ground for withholding records. 167 Ariz. 254, 258 (1991). *Abraham* added to this, finding that projected but reasonable harms—such as potential discord within a search committee or disruption of established best practices—can also satisfy the standard. As such, operational and administrative harms, even if prospective, constitute "sufficient and specific" harms under the first prong of the test.

If *Abraham* is applied, the City should prevail based on having identified a harm from disclosure that is at least as specific and substantial as the harm recognized there. The evidence in this case unequivocally demonstrates that disclosure would invite collusive conduct among bargaining units, placing the City at a disadvantage in simultaneous negotiations; would politicize the bargaining process by encouraging public posturing and entrenching hardline positions; and would limit frank and uninhibited discussions and chill the free exchange of ideas essential to productive negotiations. APP.279–94. Requiring disclosure of draft bargaining proposals during negotiations would certainly lead to operational and administrative harms to the City that are on equal or greater footing to those articulated in *Abraham* and would therefore undermine the best interests of the City and the residents it serves. *Id.*

A review of the record demonstrates that the harms articulated are not "global generalities," but specific, concrete examples of how disclosure would undermine the City's interests and the integrity of the bargaining process itself. *Id.* In *Abraham*, the court found that a reasonable prediction that disclosure might reduce honest feedback was a sufficient harm to justify nondisclosure. 259 Ariz. at ¶ 50. Likewise, the mere possibility of "conflict and discord" among a search committee was deemed a sufficient basis for nondisclosure. *Id.* at ¶ 60. Here, given the abundance of evidence presented by participants on both sides of the bargaining table, there can be little debate City meets the first prong of the *Abraham* test. *See* APP.279–94.

Under *Abraham*, if the first prong is met, the reviewing court must give considerable deference to the decision of the public body as to which records it chooses to withhold, applying an "abuse of discretion" standard. 259 Ariz. at ¶ 40. This standard is met here, as nondisclosure of the records at issue prevents the identified harms; whereas, the real-time disclosure of bargaining proposals would directly frustrate the purposes of the meet and confer process, chill candid negotiations, and jeopardize the City's ability to reach labor agreements that benefit the public interest.

E. <u>The City Need Not Consider the Entire State's Interest When Invoking the Best Interest of the State Exception</u>.

Any suggestion that the City must demonstrate harm to the State as a whole to invoke the "best interests of the state" exception must be rejected. Such a requirement is contrary to both established case law and sound public policy. No court, to the City's knowledge, has imposed such a rigid standard. In fact, *Phoenix Newspapers, Inc. v. Keegan* expressly confirms that local governmental interests are properly considered under this exception:

> This "best interests of the state" standard is not confined to the narrow interest of either the official who holds the records or the agency he or she serves. It ***includes*** the overall interests of the government and the people. ***Of course, the government's administrative interests are not excluded from the weighing process: The public interest includes consideration of how disclosure would adversely affect the agency's mission***. But it also ***may*** include other ways in which the public would be affected by disclosure or non-disclosure.

201 Ariz. 344, 348–49 ¶ 18 (emphasis added).

While broader governmental interests may be considered, the exception does not require a showing that disclosure would harm the State in its entirety. Consideration of such broader interests is a permissible factor—not a mandatory element.

Adopting such a broad interpretation—requiring harm to the State as a whole—would yield absurd results. Under this reasoning, a "pest control district" organized under A.R.S. § 48-401 *et seq*. or a "community park maintenance district" organized under A.R.S. § 48-1201 *et seq.*—each of which may maintain public records—would have to show that disclosure harms the state as a whole before invoking the exception. Requiring such rigid and far-reaching evidence of harm would create a statewide veto that would almost universally trump local interests. Such a ruling would not only impair the City but also defeat the ability of smaller communities to prevent the disclosure of material that threatens their specific and unique "best interests." The exception should not be interpreted in a manner that would undermine local interests by setting a largely insuperable bar to its application.

CONCLUSION

For the reasons set forth above and in the City's briefing at the Arizona Court of Appeals, the best interest of the state exception supports the non-disclosure of the requested bargaining proposals.

RESPECTFULLY SUBMITTED this 14th day of October, 2025.

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