

**OFFICIAL PROCEEDINGS OF THE APACHE COUNTY  
BOARD OF SUPERVISORS MEETING  
April 7, 2015  
Ganado, Arizona**

Present were: Chairman Joe Shirley, Jr. and Vice Chairman Tom M. White, Jr. Also present, County Manager/Clerk of the Board, Delwin Wengert and County Attorney Michael Whiting. Supervisor Barry Weller participated via the telephone from St. Johns.

Chairman Shirley called to order the Board of Supervisors meeting at 8:34 a.m. in the Ganado Road Yard Conference Room, Highway 264 mile marker 446.8, Ganado, Arizona and welcomed all in attendance.

Malena Bazarro led the Pledge of Allegiance.

Lavena George gave the invocation.

Chairman Shirley called for the Health Services District item.

Chris Sexton, Health Director requested approval of the Memorandum of Understanding between the Health District and Western Drug and St. Johns Drug stores to dispense prescription birth control and tuberculosis medications. Mr. Sexton stated this Memorandum of Understanding is required due to new regulations to stay in compliance with State law. Mr. Weller moved approval, seconded by Mr. White. Vote was unanimous.

Mr. White moved to adjourn the Public Health Services District meeting, seconded by Mr. Weller. Vote was unanimous.

Chairman Shirley called for the regular agenda items.

Benson Ndolo, Executive Director of Native American New Life Ministries provided a presentation regarding High School dropout prevention and re-engagement programs within northern Apache County. Chairman Shirley stated that Mr. Ndolo may want to draft a resolution for the Board to support the organization's program for consideration at a future meeting. No action was taken.

Mr. Wengert presented the **Consent items A-G** and recommended approval. Mr. Weller moved approval, seconded by Mr. White. **County Manager/Clerk of the Board: A.** Request approval of demands as distributed to the Apache County Board of Supervisors between March 17, 2015 to April 7, 2015. Payee Amount AGUERO, ROBIN R 3,000.00 AMIGO CHEVROLET 1,110.93 ATLANTA MARRIOTT MARQUIS 2,505.60 BANK OF THE WEST – 64321,765.71 BLUE HILLS ENVIRONMENTAL 1,489.41 BRADCO 19,495.16 CELLULAR ONE NE AZ 2,025.72 CRESCENT ELECTRIC SUPPLY CO 1,468.26 DELL COMPUTER CORPORATION 2,682.03 DIAMOND DRUGS INC 3,848.12 FERRELLGAS 3,903.62 FROG WINDOW CLEANERS 1,440.00 FRONTIER 4,716.64 FRONTIER 1,034.69 GALL'S INC 3,181.27 GALLUP INDEPENDENT 3,139.11 GIS INFORMATION SYSTEMS INC 7,053.76 GREER, YVETTE L 3,140.45 HILLYARD INC 1,435.90 INGRAM LIBRARY SERVICES 2,418.81 JOHN V SCIALLI MD 3,240.00 KATHLEEN M MCGUIRE PSY D LLC 2,183.75 MOVIE LICENSING USA 1,728.14 NATIONAL ASSOC COUNTY AND CITY HEALTH OFF 2,500.00 NAVAJO TIMES PUBLISHING COMPANY INC 1,498.44 NAVAJO TRIBAL UTILITY AUTHORITY 2,172.47 NAVOPACHE ELECTRIC COOPERATIVE 15,349.08 NORCHEM DRUG TESTING LABORATORY 1,634.23 PATTERSON, DANA BRYCE 8,500.00 PITNEY BOWES

RESERVE ACCOUNT 6,000.00 QUILL CORP 2,679.24 RALLY POINT ALPHA LLC 1,725.00  
 REIDHEAD, BRANDY 2,410.00 RIM COUNTRY MECHANICAL 1,350.00 SCRUBWORKS 2,846.00  
 SECURUS TECHNOLOGIES INC 1,758.66 SIERRA PROPANE 1,721.74 VALLEY AUTO PARTS  
 1,795.78 VERIZON WIRELESS 2,792.77 WHITE MOUNTAIN PUBLISHING CO 10,546.53  
 WOODLAND BUILDING CENTER 1,768.53 ADHS AZ HEALTH CARE COST 22,400.00 AMAZON  
 COM INC 2,410.30 AVAYA COMMUNICATIONS 1,381.19 AZ SUPREME COURT 2,131.25 AZ  
 SUPREME COURT 4,164.00 BRADCO 20,727.59 CHEVRON USA INC 1,015.38 CROSBY,  
 FERRIN 1,914.60 DLT SOLUTIONS 2,465.48 FROG WINDOW CLEANERS 1,220.00 FX  
 TACTICAL LLC 1,707.98 GRAVES PROPANE CO INC 2,118.71 HILLYARD INC 2,100.42 INGRAM  
 LIBRARY SERVICES 2,909.99 MARICOPA COUNTY 1,084.80 NAVAJO TRIBAL UTILITY  
 AUTHORITY 1,851.55 NAVAPACHE CHEM DRY 3,485.22 NAVOPACHE ELECTRIC  
 COOPERATIVE 3,681.90 OVERDRIVE INC 1,448.04 PACIFIC PONDEROSA CO INC 8,098.60  
 PIMA COUNTY MEDICAL 2,200.00 PITNEY BOWES 4,159.79 QUILL CORP 5,856.62 RDO  
 EQUIPMENT CO 2,574.64 SERENITY CEMETERIES VI LLC 2,522.19 SHELL OIL 1,919.68  
 SIERRA PROPANE 1,013.20 SPRINGVILLE-EAGAR CHAMBER OF COMMERCE 8,250.00  
 THOMSON REUTERS WEST 1,025.52 TJP COMMUNICATIONS 4,583.46 VALLEY AUTO PARTS  
 2,246.32 VERITAS RESEARCH CONSULTING 5,160.00 VERIZON WIRELESS 1,316.69 WELLS  
 FARGO BANK 0609 1,817.00 APACHE COUNTY HSA 2,812.92 APACHE COUNTY MEDICAL  
 139,297.80 APACHE COUNTY TAX WITHHOLDING 129,095.62 AZ STATE RETIREMENT  
 SYSTEM 89,369.95 COLONIAL LIFE AND ACCIDENT INS 1,296.86 CORRECTIONS OFFICER  
 RET PLAN 8,724.90 CORRECTIONS OFFICER RETIREMENT PLAN 520 4,787.27 NATIONWIDE  
 1,605.00 PUBLIC SAFETY PERSONNEL 401 10,971.63 PUBLIC SAFETY SHERIFF RET  
 32,141.93 SECURITY BENEFIT GROUP 1,151.00 SUPPORT PAYMENT CLEARINGHOUSE  
 2,270.62 LARRY H MILLER TOYOTA PEORIA 35,786.10 A & E REPROGRAPHICS 1,998.00  
 BRADCO 1,993.97 CIRIVELLO, MICHAEL V 1,085.60 CZARNYSZKA, SUEANNE K  
 1,397.40 DELL COMPUTER CORPORATION 2,903.15 EMPIRE MACHINERY 4,030.22  
 FERRELLGAS 1,013.15 GALL'S INC 3,104.79 GOLIGHTLY TIRE 3,808.21 KELLER, CLETA  
 1,466.18 LOWES COMPANIES INC 1,811.83 MESA ENTERPRISES INC 3,298.32 MICROSOFT  
 CORPORATION 2,260.43 MISBACH, CHRISTOPHER BRIAN 2,100.00 OFFICE DEPOT 1,533.34  
 QUILL CORP 1,872.16 SECURUS TECHNOLOGIES INC 1,481.06 SHOW LOW FORD INC  
 1,939.34 SPEEDY SALES AND SERVICE 9,397.50 STAPLES CREDIT PLAN 1,776.47 SUMMIT  
 HEALTHCARE ASSOCIATION INC 21,936.22 TJP COMMUNICATIONS 8,602.61 TRINITY  
 SERVICES GROUP INC 13,558.27 VERIZON WIRELESS 2,959.88 WHITING, GARRET LEE  
 2,100.00 WHITING, MICHAEL B 2,234.93 WOODLAND BUILDING CENTER 1,153.92 YOUNG,  
 JOSEPH 6,910.00 MICROSOFT CORPORATION 13,935.19 Demands are payments made or to be  
 made, by the County. Specific details of the demands may be requested through the County public  
 record request process. **B.** Approval of minutes dated March 17, 2015. **C.** Request approval of a  
 Special Event Liquor License for the Alpine Business Association for a country/blues festival on June  
 26 & 27, 2015 located at 42665 Highway 180, in Alpine, Arizona. **D.** Request approval of a Special  
 Event Liquor License for the Corporal Joe McCarthy American Legion for a Memorial Day event on  
 May 25, 2015 at the Concho Lions Club Park, Commercial Drive & Bonita Lane, Concho,  
 Arizona. **E.** Request approval of a permanent Liquor License Extension of Patio/Premises for Lisa  
 Malcolm, Foxfire at Alpine, 42661 Highway 180, Alpine, Arizona **F.** Request approval to pay the  
 2014-2015 annual dues for the Arizona Association of Counties in the amount of  
 \$11,941.50. **G.** Engineering Department: Request authorization to purchase a motor grader for  
 District II Roads utilizing National Intergovernmental Purchasing Agency's City of Tucson Contract in  
 the amount of \$289,490.00. Vote was unanimous.

Malena Bazaruto, Grants Manager, requested approval of adoption of the Fair Housing Proclamation  
 and Resolution recognizing April as Fair Housing Month. Mr. White moved to approve, seconded by  
 Mr. Weller. Vote was unanimous.

**FAIR HOUSING PROCLAMATION**

**WHEREAS**, The National Fair Housing Law of 1986, as amended by the Fair Housing Amendments Act of 1988 prohibits discrimination in housing and declares it a national policy to provide within constitutional limits, for fair housing in the United States; and

**WHEREAS**, the principle of Fair Housing is not only national law and national policy but a fundamental human concept and entitlement for all Americans; and

**WHEREAS**, April has traditionally been designated as Fair Housing Month in the United States;

**NOW, THEREFORE**, We, the Apache County Board of Supervisors, do proclaim April as Fair Housing Month in Apache County and do hereby urge all citizens of this community to comply with the letter and spirit of the Fair Housing Law.

/s/ Joe Shirley, Jr, Chairman

Signed this 7th day of April, 2015

**2015-05**

**FAIR HOUSING RESOLUTION**

**A RESOLUTION OF THE APACHE COUNTY BOARD OF SUPERVISORS ADOPTING A FAIR HOUSING POLICY, MAKING KNOWN ITS COMMITMENT TO THE PRINCIPLE OF FAIR HOUSING, AND DESCRIBING ACTIONS IT SHALL UNDERTAKE TO AFFIRMATIVELY FURTHER FAIR HOUSING.**

**WHEREAS**, the Housing and Community Development Act of 1974 as amended requires that all applicants for Community Development Block Grant funds certify that they shall affirmatively further fair housing; and

**WHEREAS**, the Civil Rights Act of 1968 (commonly known as the Federal Fair Housing Act) and the Fair Housing Amendments Act of 1988 declare a national policy to prohibit discrimination in the sale, rental, leasing and financing of housing or land to be used for the construction of housing or in the provision of brokerage services, on the basis of race, color, religion, sex, disability, familial status or national origin; and

**WHEREAS**, fairness is the foundation of the American system and reflects traditional American values; and

**WHEREAS**, discriminatory housing practices undermine the strength and vitality of America and its people;

**NOW, THEREFORE, BE IT RESOLVED THAT** the Apache County Board of Supervisors hereby wish all persons living, working, doing business in or traveling through this County to know that: discrimination in the sale, rental, leasing and financing of housing or land to be used for construction of housing, or in the provision of brokerage services on the basis of race, color, religion, sex, handicap, familial status or national origin is prohibited by Title VIII of the Fair Housing Act Amendments of 1988; and that it is the policy of the Apache County to implement programs, within the constraints of its resources, to ensure equal opportunity in housing for all persons regardless of race, color, religion, sex, handicap, familial status or national origin; and within available resources Apache County will assist all persons who feel they have been discriminated against in housing issues on the basis of race, color, religion, sex, handicap familial status or national origin to seek equity under existing federal and state laws to file a complaint with the Arizona Attorney General's Office or the U.S. Department of Housing and Urban Development; and

that Apache County shall publicize this Resolution and thereby encourage owners of rental properties, developers, builders and others involved with housing to become aware of their respective responsibilities and rights under the Fair Housing Amendments Act of 1988 and any applicable state or local laws or ordinances; and that the County shall undertake the following actions to additionally "affirmatively further fair housing:"

Distribute Fair Housing information in County buildings and partner with surrounding communities in their efforts to “affirmatively further fair housing.”

PASSED AND ADOPTED BY THE APACHE COUNTY BOARD OF SUPERVISORS ON THIS 7th DAY OF APRIL, 2015

/s/ Joe Shirley, Jr.

Chairman, Apache County Board of Supervisors

ATTEST: APPROVED AS TO FORM:

/s/ Delwin Wengert

Clerk, Apache County Board of Supervisors

/s/ Michael Whiting

Apache County Attorney

Suanne Czarnyszka, on behalf of Superior Court, presented notification of limited indigent defense Letter of Understanding between the Superior Court and Bryce Hamblin for public defender services through June 30, 2015. Ms. Czarnyszka stated this will help with their case-flow management and calendaring. No action was needed or taken.

Mr. Wengert presented notification of a proclamation by Governor Ducey proclaiming April as County Government Month. Mr. White provided an overview of the activities relate to celebrating County Government Month. No action was needed or taken.

Sheriff Dedman requested approval of a Lease Agreement with Ally Bank for new sheriff's office patrol units. Sheriff Dedman stated the Board of Supervisors approved the lease on March 13, 2014 but the signed agreement was not returned to the dealership in time to order 2014 model vehicles and the subsequent delay was due to production times from manufacturer and the price change reflects the cost increase for 2015 year models. Sheriff Dedman stated the approved amount was \$336,026.56, and the new model year increase is \$347,464.00, a difference of approximately 3.3%. Sheriff Dedman stated his officers patrol 11,000 square miles within Apache County and has agreements with the Navajo Nation police as well as covering the southern area and puts a lot of miles on the vehicles. Sheriff Dedman stated of the 41 total vehicles in their fleet, 15 were obtained with RICO funds, 10 were funded with grant money and the remaining 15 were purchased by Apache County. Sheriff Dedman urged the Board to approve the additional amount so the vehicles could be obtained. Mr. Weller asked for clarification where the funding will come from for the new vehicles. Mr. Wengert stated the amount would come from the general fund; a certain amount of money each year is put in the budget for vehicles. Mr. White stated a few years ago there were vehicles purchased and asked how many were purchased. Chief Deputy Brannan Eagar stated in 2011 the sheriff's office leased 12 vehicles utilizing RICO funds. Mr. White moved to approve, seconded by Mr. Shirley. Motion passed 2-1 with Mr. Weller voting nay.

Ryan Patterson, Finance Director, provided an update on the budget impacts by the State in the amount of \$692,460 as well as additional budget impacts of about 1.2 million. Mr. Patterson stated over the next three months the County will be working through the budget process but there is some good news; the PILT was originally budgeted at 1.1 million and legislature passed the PILT to the full 1.6 million so that is an increase of \$500,000 that will help with some of the increases. Mr. Patterson stated right now they are looking at a \$200,000 decline in the opening balance but that is just an estimate, he will continue to work through the numbers and bring solutions back to the Board. Mr. Wengert stated some of the State's costs are permanent and the County will have to find a way to fund those increases. Mr. White stated he was concerned with costs associated with the sheriff's office; the County cannot continue to be giving so much to the sheriff's office every year because next year he doesn't know if money can be given to the sheriff. Mr. Patterson stated if the federal

prisoners or prisoners from other agencies are brought back to be housed in our jail that will help alleviate much of the costs associated with the sheriff's office. Sheriff Dedman stated he has been meeting with the federal government's representatives to see if some of the inmate money can be brought back to the County. Mr. Wengert stated the County has been dealing with these issues for years but the new governor came in and this year resulting in significantly higher costs to the county than in years past and there are concerns with all the other counties, cities and schools about the additional significant impacts coming from the new governor and his budget and the new impact is a whole lot more than anyone thought we would be hit with. Mr. Weller stated he has been following the state budget process all year and was familiar with the new impacts and it is sad that the only bright spot is coming from federal funding that is not secure and wanted to suggest the Board start to consider that we need to take responsibility for these issues ourselves and run this county without outside assistance. Mr. Weller stated he hoped we do not impact the citizens with the results from these cost increases. No action was needed or taken.

Travis Merrill, Regional President for National Bank of Arizona, provided a report on recent meetings with school districts and other local entities regarding banking services. Mr. Merrill stated he has met with school districts and identified several issues and concerns and has narrowed it down to a couple items; cost and convenience. Mr. Merrill provided an overview of the results of an analysis of the costs associated with Wells Fargo Bank and National Bank and stated he is convinced National Bank will provide the lowest costs to the County. Allison Townsend with National Bank stated her team handles the depository relationship for the County and explained how National Bank will provide services and solutions on and off the Navajo Nation and provided an overview of how the payroll process for the school districts will be handled to ensure the employees will be taken care of and at the same time, providing a cost savings for the districts as well. Ms. Townsend stated National Bank has provided a very good cost savings proposal and is looking forward to training and working through the transition with the County and appreciates the relationship he has built to this point and looks forward to providing the products and the team for the County. Mr. Shirley asked if the National Bank will provide similar costs like Wells Fargo. Mr. Merrill stated based on the information provided to him, his analysis is National Bank will be a cost savings for the County. Mr. White stated one of the biggest concerns the employees had was their payroll cashing ability and Mr. White and Ms. Townsend held a discussion related to the payroll process for the school district employees. Mr. White asked Mr. Merrill if he had received all of the documents from the treasurer that he had asked for. Mr. Merrill stated he still did not have the line of credit information. Mr. White asked Treasurer Marleita Begay if she is willing to work with National Bank to negotiate for lower costs. Treasurer Begay stated yes, she is supportive of the best decision for the sake of Apache County. Treasurer Begay stated to clarify for Mr. Merrill regarding the line of credit; that comes from the school districts since they are the ones who request the line of credit through their school board so all the information is sent to the County Manager and the Attorney and then it comes to her and then to the Board of Supervisors so the information that was requested by Mr. Merrill, she had to go through the school district's Board. Treasurer Begay stated she was directed by the Board to just get information, not negotiate with National Bank and as treasurer, she isn't to overstep the Board's boundaries. Treasurer Begay stated that the RFP was vague and all the information wasn't really there so from the beginning, as treasurer, she was not at the table, it was only the attorney's office, the County Manager and the Finance Director and this process was started all the way back to October so from that time frame, the information should have been requested and it would have been ready. Treasurer Begay stated she did her part and had to follow the record request process and she didn't get the record request until March 24th and she was on travel at that time. Mr. White stated whatever bank is selected will have to work with the county employees, the treasurer and finance department, and asked the County Attorney if the County can still negotiate the costs. County Attorney Michael Whiting responded that was correct, whatever bank is selected, they can continue to negotiate once the RFP is awarded. Treasurer Begay and Allison Townsend held a discussion regarding the payroll process and the payroll cards that will be instituted for the school

district employees. Chairman Shirley stated there were people that wanted to address the Board regarding the banking issue.

Mr. Weller stated there were at least ten people in St. Johns that have also requested to speak on the banking issue and he wanted to make it very clear the staff at National bank needs to be commended and he appreciates their diligence and consideration to every detail and question as well as their politeness and professionalism and he can't speak highly enough of their representation. Mr. Weller stated his issues are not with the National Bank whatsoever; his concerns are with the Request for Proposal (RFP) process which was vague at the very least as well as his other issue of negotiating after we decided on the bank. Mr. Weller stated his understanding with many multi-million dollar RFP's that he has been involved with, the negotiations take place during the RFP process so that everyone understands the information clearly upfront and they know what they are dealing with and the leverage for any negotiation after the fact is gone; the purpose of a RFP is to make sure everybody who is desirous to bid is treated fairly and equitably in manner that they have an understanding of the full values. Mr. Weller stated that we are not to be negotiating at this point; if we haven't completely decided on the bank, he understands there has been a vote but there's also been a motion and direction to consider recension of that vote and thinks negotiations have been inappropriate before full consideration is made of National Bank. Mr. Weller stated National Bank has done a wonderful job of responding and has been forthright in everything they have done but he does not think the other banks have had the same consideration given to them and he is very concerned about the RFP process.

Recorder Lenora Fulton stated at the last meeting the treasurer stated she did a cost analysis based on the RFP and shared some numbers that showed going with National Bank would be more and the current bank works well with her office and she does not see any need to change and she a visual person and would like to see the comparisons in writing. Mr. Merrill stated as far as comparing RFP's, he is not privy to Wells Fargo's information so he had no way to compare them so when the vote was made to proceed with National bank, the next round of questions were how does this compare to what the county currently has and the only way he had to compare that was to go back and look at prior bank statements which they did. Ms. Townsend stated all of their findings will be provided in writing for the County via email and followed up with a final summary that can be distributed with all of the visual information for everyone. Chairman Shirley stated he received a letter from Treasurer Begay of outlined comparisons of the two banks and asked if he could provide that to Mr. Merrill. Treasurer Begay said she was fine with Chairman Shirley giving her letter to Mr. Merrill. Mr. Merrill, Ms. Townsend, Treasurer Begay and Chief Deputy Treasurer David Romero held a discussion regarding the data that was included in Treasurer Begay's letter. Treasurer Begay stated the letter was created with the data that was provided by National Bank. Mr. Merrill stated the letter provided by Treasurer Begay grossly misrepresents the costs.

Pristine Jones, with Chinle Unified School District stated they currently work with Wells Fargo and know the service they receive and met with Ms. Townsend with National Bank yesterday and some of their services are comparably better but will be an inconvenience to their employees and was concerned with the but the specifications that went out in the RFP and if it was up to her District, they would redo the whole RFP process with clearer specifications.

Judy James, with Ganado School District stated her District met with National Bank to address their issues and expressed her concern that Ganado School District was not included in the RFP process as well as her concern with the bank cards that will be used for payroll for the district's employees because many of their employees are not familiar with technology. Ms. James stated she is concerned with the process for lines of credit for the school.

Quincy Natay with the Chinle Unified School expressed his concern with RFP process and thanked Mr. Weller for recognizing how the RFP process was flawed. Mr. Natay stated the negotiations should have been done prior to the award and Chinle school makes up 30% of the investment portfolio and 79% of the portfolio are all northern districts so they are paying 79% of the costs. Mr. Natay stated if the County elects to rescind he asked that the Chinle School be at the table looking to evaluate the proposals because that is only fair.

Ms. Townsend stated she has been doing RFP's for 15 years and it is very common to have discussions after the RFP is awarded and it is not common to include school districts and National Bank wants to do what is best for everyone in the County and support everyone and represent National Bank as a community bank to help rural Arizona.

Barry Williams, School Superintendent wanted to go on record that the first notice he had of the bank RFP was when he saw it posted on the March 3, 2015 meeting agenda and was awarded to National Bank where at that meeting, he went on record that the process omitted many of the stakeholders in the negotiation process and that raised a huge concern for him that the process was flawed and he has expressed that to the County Manager and County Attorney.

Mr. Wengert stated he appreciates the concerns brought by the school districts, elected officials and members of the public and realizes the process can always improve but there are nine school districts and numerous fire districts and lots of department and he felt that no matter what they did with the RFP, they probably wouldn't please everyone. Mr. Wengert stated they used the same process the County has used for many years for banking services and worked closely with the County Attorney's office and received a legal opinion that after the Board unanimously awarded the bid to National Bank, at that point they could try and get the best price that would save the most money for the school districts and the County. Mr. Wengert stated he received detailed instructions from Joe Young, the civil county deputy that it is legal to enter into negotiations after the vote, not before the vote was taken, to try and come up with the actual costs that everyone would see and National Bank showed they could realize significant savings for the county and schools. Mr. Wengert stated the RFP process followed the law and negotiations took place after the bid award.

Treasurer Begay stated her position as County Treasurer is to make the best decision for the citizens; not just for the Navajo Nation and when she ran for treasurer her theme was to invest and protect our financial future and for that reason she takes the banking services seriously. Mrs. Begay stated this is actually the 6th year of being with Wells Fargo so the County has already lapsed the statutory requirement and that is with the advice from Michael Whiting's Office; they said we could go another year so if that wasn't an issue last year maybe we can go another year and start all over again. Mrs. Begay stated as an elected official she has to make the best decision and the statute says the treasurer has to sign off on the bid and she hasn't done that yet and the last time the Board met, she was directed to compile information and the attorney said we had until the 4th Monday to make a decision and that the bid could be finalized up to that date and that is misleading; the attorney should have said no, this is the deadline and she wouldn't have wasted her time. Treasurer Begay stated next time she is going to have it in writing what is required to be done and hoped the board would reconsider the motion of the banking bid or move forward and redo the RFP again.

Mr. Shirley stated this will conclude the discussion regarding the presentation by National bank and thanked Mr. Merrill and Ms. Townsend for attending the meeting.

Mr. Weller stated there were people in St. Johns that wanted to speak on the issue of the banking bid and asked at what point would they be allowed to speak. Mr. Shirley stated after item #9.

Mr. Wengert presented the item on behalf of District III, following a possible executive session pursuant to A.R.S. 38-431.03, discussion and possible action to rescind the March 3, 2015 vote by the Apache County Board of Supervisors to award Bid#2015105 to National Bank of Arizona as the County's servicing bank. Mr. Wengert stated this item was tabled from the March 17, 2015 meeting. Mr. White moved to go into executive session, seconded by Mr. Weller. Vote was unanimous.

Executive session as held.

Chairman Shirley called the regular meeting back to order. Mr. White made the motion to come out of executive session, seconded by Mr. Weller. Vote was unanimous.

Mr. Weller stated that there are a few very upset citizens in St. Johns that felt the Chairman allowed the call to the public to take place on item #9 in Ganado but didn't allow people to speak from the St. Johns area and they are very upset at him for not fighting for them and he wanted that on the record; that they wanted their voice heard before the executive session took place because the citizens in Ganado were heard. Chairman Shirley responded he had no intention of not allowing everyone to address the Board on the banking item. Chairman Shirley stated he received call to the public comment forms as well as comment forms for item #9 and decided to wait until that item to hear from the public; the public would be afforded the opportunity to speak. Mr. Weller stated he will take the full brunt of the crowd's displeasure; it was his understanding that he was listening to the issues on item #9 and he informed the Chairman he had several call to the public comment forms association with item #9 and there must have been confusion and miscommunication and he takes full responsibility for that.

Chairman Shirley again presented Item #9 regarding the banking bid. Mr. Weller made the motion to rescind the decision on the bank made on March 3, 2015. Chairman Shirley called for a second to Mr. Weller's motion. Hearing no second, Item #9 died for lack of a second.

Chairman Shirley called for those wanting to address the Board in call to the public.

Paul Ramsey, City Manager for the City of St. Johns, thanked the Board for their work on bringing a bank to St. Johns. Mr. Ramsey stated it is critical for the community as well as the county seat to have a bank in place. Mr. Ramsey stated this will help the merchants and the economic development in the southern part of the county and appreciates all the time and effort the Board took in considering these types of decisions.

Kay Hauser, a resident of St. Johns and stated she serves on the County Planning and Zoning Commission, as well as a St. Johns, City Council member. Mrs. Hauser thanked the Board for their decision in retaining the bank. Mrs. Hauser stated she worked for the school district and they were just audited and there were audit exceptions because the school does not make their bank deposits enough to meet the guidelines and rule requirements so having a bank in St. Johns will help the St. Johns School District.

Judy James, with Ganado Unified School District thanked the Board for listening to their concerns and congratulated National bank for getting the contract for the banking services. Ms. James asked in the future, to include everyone in the bid process since it affects the school districts.



Chairman Shirley called for those individuals in St. Johns who wanted to address the aboard in call to the public.

Mr. Weller stated he had several but a few members of the audience had already left the meeting.

George Perkins, Pastor for First Baptist Church in St. Johns, thanked the Board for the time and energy put into the banking bid decision and stated it has been difficult for citizens in his congregation to deal with not having a local bank and wanted to make their concerns clear to the Board.

Cherie Wiltbank, resident and owner of Diamond C Feed Store in St. Johns thanked the Board for the action today; that it is a huge relief that will help the economy of the county seat and she is grateful that the right decision was made today that will result in a savings to the county.

Spence Udall, a resident and Vice Mayor of St. Johns thanked the Board for their service and time.

Diana Young, representing New Hope Ranch, echoed the comments made by Kay Hauser that they also get nicked for not making timely deposits because there is not a bank in St. Johns. Ms. Young stated that they have to pay mileage to employees to drive to the bank 30 miles away, and that money takes away from their ability to serve the victims of domestic violence and homeless people because their grants can be better spent than on paying for mileage to drive to a bank.

There were no other individuals wanting to address the Board in call to the public.

Mr. White moved to adjourn the Board meeting, seconded by Mr. Weller. Vote was unanimous.

Approved this 21st day of April 2015.

/s/ Joe Shirley, Jr.  
Chairman of the Board

/s/ Delwin Wengert  
Clerk of the Board