

**OFFICIAL PROCEEDINGS OF THE APACHE COUNTY
BOARD OF SUPERVISORS MEETING
August 4, 2014
St. Johns, Arizona**

Present were: Chairman Tom M. White, Jr. and Vice Chairman Barry Weller. Also present, County Manager/Clerk of the Board, Delwin Wengert and County Attorney Michael Whiting. Supervisor Joe Shirley, Jr. and Attorney Joe Young participated via the telephone. Chairman White called to order the Board of Supervisors meeting at 8:33 a.m. in the Board of Supervisors chambers, County Annex Building, 75 West Cleveland Street, St. Johns, Arizona and welcomed all in attendance. Lorraine Vaught gave the Invocation.

Ferrin Crosby led the Pledge of Allegiance.

Chairman White called for the Library District items.

Judith Pepple, Library Director, requested approval of a lease agreement for FY 2014-2015 between the Apache County Library District and the Vernon Domestic Water Improvement District. Mr. Weller moved approval, seconded by Mr. White. Mr. Weller verified that the contract was not affiliated with the food bank. Ms. Pepple stated it was not. Vote was unanimous.

Judith Pepple, Library Director, requested approval for Fiscal Year 2014-2015 to dispose of materials that have been donated to or withdrawn from our library collections, by offering them for sale at each of the library facilities. Mr. Shirley moved approval, seconded by Mr. Weller. Mr. Weller asked what out of scope means. Ms. Pepple explained that each library has a collection policy based on the use patterns of their community, for example highly specialized engineering, medical or legal materials or text books would fall out of scope. Ms. Pepple stated that most materials are for general interest and entertainment value. Mr. Weller and Ms. Pepple held a discussion regarding how library book usage use is tracked. Vote was unanimous.

Judith Pepple, Library Director, requested approval for Fiscal Year 2014-2015 to dispose of books that have been donated to or withdrawn from our collections, but which have not sold in the course of three months, by delivering them to Better World Books for sale and all proceeds will benefit the children's summer reading programs. Mr. Weller moved approval, seconded by Mr. Shirley. Vote was unanimous.

Judith Pepple, Library Director, requested approval for Fiscal Year 2014-2015 to make available to other libraries, local schools, senior centers, Boys and Girls Clubs, and prisons, discarded library materials and gift materials which are out of the scope of the collections. Mr. Weller moved approval, seconded by Mr. Shirley. Mr. Weller asked if it was library personnel who picks up the materials and if the materials fall under the same guidelines as the other disposed of items. Ms. Pepple stated that all regulations for disposal are followed at all times and in terms of how the materials are picked up, the local schools, senior centers, Boys and Girls Club and the prison send their own people to pick up materials that are given to them. Ms. Pepple stated in regard to the other libraries, as staff travel around the area on their personal time, and after they fill out all correct paperwork and submit them to her office, they take the materials to other libraries so they can be utilized and are generally given to libraries that have no budget for materials. Vote was unanimous.

Ms. Pepple, Library Director, requested approval to authorize Judith Pepple or other library district employees blanket authority for Fiscal Year 2014-2015 to accept donations to our libraries in amounts up to \$1,000. Mr. Shirley moved approval, seconded by Mr. Weller. Mr. Weller stated he is

concerned this is a blanket gift certificate to any employee and wondered why the authority should go beyond Ms. Pepple, and no limitations are put on it so cash donations could be given to any employee, from any entity with this contract. Mr. Weller stated that this even bypasses any personnel policy in place for a gift receipt. Mr. Pepple stated that the library has people who, on a daily basis will make a cash donation of .25, .50, \$1.00, \$5.00, \$25.00 at the circulation desk of a library and this action today is to prevent coming before the Board each time that is done, however, each of those donations are recorded, entered into the New World System, and also entered on the financial logs and all staff understand they are obligated to record the donation the moment they receive them, which they do. Mr. Weller asked if receipts are given for each donation. Ms. Pepple responded yes, when people ask for one. Mr. Weller asked if there are guidelines for the employees; like if a nonfinancial item is donated such as 2 tickets to Las Vegas. Ms. Pepple stated she is happy to say that she has not been confronted with that situation but staff know, and is the library culture, as well as the culture of the County, that if people take gifts from the public that are not recorded; whether in-kind, equipment or money, they can be terminated immediately and staff understand that. Mr. Weller stated that he feels there needs to be some review of the procedures of the employees because Ms. Pepple isn't there, and it's an opening if we don't demand receipts are given and all contributions recorded in that manner, but he will approve the item because he knows her culture and knows (Ms. Pepple) thinks she is on top of this but it opens up things that he isn't sure the public would like to open up sometimes, depending on what's going on in some remote library. Mr. Weller stated he is concerned about this, so at some point he would like to review that policy for the library on receipting of the receiving of the gifts. Ms. Pepple responded if she is to understand correctly by Mr. Weller's questions, that he means to insult the people who work for the library district. Mr. Weller stated that he means to say that he lives in a world today where people are not always trustworthy; there are employees of very good managers that have taken advantage of systems and that is why (we) are here, to put out policies and procedures to protect the public's money and to protect the operation of the organization so he is not accusing anyone individual, he is here with a responsibility to make sure the procedures and policies are in place to protect the people's money and entities that exist here. Ms. Pepple responded that is her same responsibility for the library district and if there is not some level of trust, it is impossible for any of us to operate and she does touch base on this issue on a regular basis so staff understand and staff are dedicated and made every effort to be transparent and accountable in all that they do. Mr. Weller responded that what Ms. Pepple is saying is she is not willing to review the policy with him. Ms. Pepple stated that what she is saying is everything can be looked at, reviewed and improved but she thinks that the way Mr. Weller presented it, felt to her like a public insult to the staff who work at the library district, with particular inferences being made on those employees who work away from St. Johns. Mr. Weller stated it was not his intent to insult or accuse; his job is to look at the policy and procedures and his particular forte has always been to dig into the details as much as he chooses when he sees a potential problem with a policy or procedure. Mr. Weller stated that there have been problems in this county with different departments with abuses and lack of policies and procedures in areas so he intends to look very deeply at those issues and does not intend to insult anybody but does ask that when he requests to review a policy or procedure with a department head, they agree to do that and if Ms. Pepple isn't going to, just say so. Ms. Pepple stated that she has no argument with that. Mr. Shirley stated that Mr. Weller needs to go to the library staff and talk with them before board meetings because a lot of the questions Mr. Weller has, need to be addressed by library district staff or any other department's staff when he has questions, prior to Board meetings because the issues before the Board are very self-explanatory and only needs board action rather than taking up time. Mr. White stated he agreed, if there are questions, the Board members should meet with those departments. Mr. Weller stated he appreciates the opinion of the other two Supervisors but his opinion is we are here to oversee the policies of the departments and thinks it is appropriate to discuss them in public or to request meetings on issues that come before the Board and all he asked for was to review of the policy. George Walsh, Vernon, Arizona, stated Mr. Weller referred to Library District as a department and that is incorrect, it is a special taxing district. Vote was unanimous.

Judith Pepple, Library Director, requested approval to subscribe to OCLC World Cat Discovery Service, also known as FirstSearch for FY 2014-2015 in the amount of \$2173. Ms. Pepple stated that this electronic service will allow library staff to search for, locate and borrow materials for our patrons which the library district does not collect or own. Mr. Shirley moved approval, seconded by Mr. Weller. Vote was unanimous.

Mr. Wengert stated that the next two items will be handled with the regular budget process. Mr. Weller asked if these items were being moved to a different part of the agenda since they are being presented under the Library District. Mr. Wengert stated that according to the attorneys, all of the special districts can be handled in conjunction with Item #1 on the regular Board agenda. Mr. Whiting stated that it is appropriate, that was why it was worded like it was. Mr. Weller stated that he is concerned after reading several statutes and receiving letters about this issue and not being approached by the County Attorney's Office or any member of the staff, that there is an awful lot going on behind the scenes that he does not fully understand. Mr. Weller stated that as he reads the statutes, these items need to be taken care of in the taxing district meetings acting as the Board of Directors for those taxing district meetings so he needs some clarification, the item wasn't even approved by the attorney, it was just stuck into the agenda. Mr. Whiting stated that the special districts meeting will be closed and then reopened in conjunction with the regular agenda and the meeting can be closed or either dealt with individually in the special district meeting or moved and considered in conjunction with the regular Board meeting. Mr. White stated that he would like to discuss it all at once. Mr. Weller stated that he has many concerns because these are complex statutes and we are being held to follow those statutes. Mr. Weller voiced his concern with the Truth in Taxation issue related to the special districts and the August 18th tax rate date related to the budget and wanted a working session with the County Manager, Finance Department and the County Attorney's Office to sit down and discuss the statutes. Mr. Weller stated that the change in behavior on today's agenda suggests from prior years says there is some possible problems and he needs those clarified before the board moves forward. Mr. Weller stated that to talk about the Truth in Taxation after approval of the budget is against statutes as he understands it. George Walsh, a resident of Vernon, Arizona stated that the notice for the public hearing made no mention of the special districts to be adopted today and it is criminal to proceed and the previous year's budgets have been submitted falsely and those involved will be prosecuted, so the Board can approve it but it is not legal. Mr. Walsh stated he is a special district taxpayer and he wants his right to a public hearing in the taxing district as required by law. Mr. Shirley responded that the does not see anything criminal, the law allows for it and have been approving the budgets like this for a long time and when it is posted, any member of the public can go to the county manager, attorney or board member asking questions; this is all open to the public so he suggests the board address items #7: In conjunction with Item #1 of the Apache County Board of Supervisors Agenda of the same date, public hearing for Truth in Taxation notification of property tax levy as presented with tax rates to be set at the August 18, 2014 Board of Supervisors meeting and #8: In conjunction with Item #1 of the Apache County Board of Supervisors Agenda of the same date, public hearing for discussion and possible approval of the Fiscal Year 2014-2015 Final Budget of the library district with the regular Board agenda. Mr. White stated that the arguments are just going to continue and as the Chairman.. Mr. Weller interrupted Chairman White and stated that we are acting as the Board of Directors of the Library District right now and have not had an election of a chairman in the District Library and they are not acting as the Board of Supervisors so he would ask they continue the discussion until it is resolved and planned appropriately. Chairman White asked County Attorney Whiting if he was chairman of the library board if he could move the special district items to the regular board agenda and handle it together. Mr. Whiting stated that the Board can close the library meeting and open them all simultaneously or handle the items each, individually. Mr. Weller stated the County Attorney's wording was the Board can do it, not the chairman and he would like to come to agreement at a board, since there is not an elected chairman in the library district. Mr. Whiting stated that in regard to the board, it would be by majority or unanimous vote to proceed with a motion to conclude the library meeting and to open all the special taxing districts at the same time. Mr. Shirley

made the motion to move items 7& 8 under the Library District board to the Apache County Board of Supervisors Agenda and to adjourn the library district meeting, seconded by Mr. White. Motion passed 2-1 with Mr. Weller voting nay due to his belief this does not meet statutory requirements.

Chairman White called for the Jail District items.

Commander Mike Cirivello requested approval of the Intergovernmental Agreement between the Jail District and the Department of Public Safety regarding State Gang Task Force Detention Liaison Officer Program, and is an annual renewal of an ongoing contract since 2007. Mr. Shirley moved approval seconded by Mr. Weller. Mr. Weller stated that the contract states that the State has charge of a person full time and the County cannot give the person any other duties during the time they use them and only pay 75%. Mr. Weller and Commander Cirivello held a discussion regarding the terms of the agreement. Mr. Weller stated he would like to review the agreement with Commander Cirivello in the future because it could be abused and he does not like paying state employees to do state work. Vote was unanimous.

Mr. Wengert presented item #2: In conjunction with Item #1 of the Apache County Board of Supervisors Agenda of the same date, public hearing for Truth in Taxation notification of property tax levy as presented with tax rates to be set at the August 18, 2014 Board of Supervisors meeting and #3 In conjunction with Item #1 of the Apache County Board of Supervisors Agenda of the same date, public hearing for discussion and possible approval of the Fiscal Year 2014-2015 Final Budget. Mr. Wengert stated that these items can be moved to the regular Board of Supervisors' Agenda. Mr. Weller stated that these two items were not signed or approved by the County Attorney's office and he has previously stated that he wants to see written approval of an items wording by the County Attorney's Office before it is presented to the agenda. Mr. Weller stated there are no signatures on the form, or even who submitted the item and he thought the Board was going to move towards tying to be more thorough with the agenda submittal items and make sure all the dates, times and signatures were included so he wanted the minutes to note that we are not completely there yet with the operation of the agenda submittal items and asked for improvement on that. George Walsh, a resident of Vernon, Arizona, stated that the Board not only didn't elect a chairman, failed to at any special district meeting, approve or adopt the discloser statements required for the meetings so any action taken in the meeting is a violation of the open meeting law and any actions are null and void; until such time as the Board adopts disclosure locations with time and place of meetings, anything being done here is moot. Mr. Weller stated that Mr. Walsh's point may or may not be valid so that is why he is asking for a work session to address the specific issues before we move forward and do something that does not meet statutory requirements. Mr. Shirley made the motion to move both items to the Board of Supervisors agenda and adjourn the meeting. Mr. White seconded the motion to move items 2 and 3 to the regular agenda just as done for the Library District meetings, Motion passed 2-1 with Mr. Weller voting nay doe to his belief the Board is not flowing statutory requirements.

Chairman White called for the Public Health Services Districts item.

Mr. Wengert presented item #1: In conjunction with Item #1 of the Apache County Board of Supervisors Agenda of the same date, public hearing for Truth in Taxation notification of property tax levy as presented with tax rates to be set at the August 18, 2014 Board of Supervisors meeting and #2: In conjunction with Item #1 of the Apache County Board of Supervisors Agenda of the same date, public hearing for discussion and possible approval of the Fiscal Year 2014-2015 Final Budget. Mr. Wengert stated that these items can be moved to the regular Board of Supervisors' Agenda. Mr. Shirley made the motion to move Items #1 and #2 and adjourn the meetings, seconded by Mr. White. Motion passed 2-1 with Mr. Weller voting nay because his concern the Board is not following

statutory requirements association with the Truth in Taxation notifications and public hearing requirements.

George Walsh, a resident of Vernon, Arizona stated during the previous district item, the motion was actually to close the Public Health District meeting, so that motion would need to be redone since the person who made the motion isn't sure what meeting the Board is in. Mr. Whiting stated that the best course would be to open all the special districts at the same time during the Board of Supervisors' meeting. A discussion was held between Chairman White and County Attorney Whiting about the proper course of action to take in addressing all the special districts budget items. County Attorney Whiting stated that if the Board wanted, a motion could be made to open the Library Districts, Items #7 & #8, the Jail District Items #2 & #3, the Public Health District #1 & #2, the Flood Control District #1 & #2, the Juvenile Jail District #1 and #2, all stating (In conjunction with Item #1 of the Apache County Board of Supervisors Agenda of the same date, public hearing for Truth in Taxation notification of property tax levy as presented with tax rates to be set at the August 18, 2014 Board of Supervisors meeting and the item: In conjunction with Item #1 of the Apache County Board of Supervisors Agenda of the same date, public hearing for discussion and possible approval of the Fiscal Year 2014-2015 Final Budget) and the Apache County Board of Supervisors meeting, Item #1 simultaneously, and discuss those items with the Board and take action on each item as they see fit or make one motion to approve or disapprove all of them. Mr. Shirley made the motion as outlined and stated by Mr. Whiting, seconded by Mr. White. George Walsh, a resident of Vernon, Arizona stated that the notice of location for the Juvenile Jail District was not included in the recent update on the County website so nobody knows where the meetings are and in regard to Mr. Shirley's reference, that anybody can call, the law requires that the budget be posted with the notice of public hearing a certain number of days prior to the public hearing. Motion passed 2-1 with Mr. Weller voting nay due to his concern the Board isn't following statutory requirements and not being sure it is appropriate to open all meeting at once.

Chairman White presented the public hearing, discussion and possible approval of 2014-2015 Final Budget concurrently with the Special District meetings of Jail District, Juvenile Jail District, Public Health Services District, Flood Control District and Library District and notification of the Truth in Taxation increase. Mr. Wengert asked County Attorney Whiting if the meeting was opened properly in regard to the special districts. Mr. Whiting responded yes. Ryan Patterson, Finance Director, presented the Final Budget and Truth in Taxation Notice which was published and the meeting was set for 8:30 a.m. August 4, 2014 in compliance with Section 42-17107 of the ARS, notified Arizona property tax owners the intention to raise primary property tax rates over last year's level. Mr. Patterson stated that Apache County proposes an increase in primary property taxes of \$48,284 or 1.99%, for example, the proposed tax increase will cause Apache County primary property taxes on a \$100,000 home to increase from \$47.16 last year, to \$48.10, an increase of .94 cents for a \$100,000 home. Mr. Patterson stated that in regard to the budget of the different districts, along with the Apache County budget was discussed in the previous tentative budget meeting, and have not changed significantly and are before the Board for consideration. Mr. Patterson stated that there have been no changes in tax rates and did remove \$900,000 of the 2 million from miscellaneous grants as a placeholder for anticipated grants and now sits as 1.1 million due to the million dollar federal grant Mr. Weller is looking into and the other \$100,000 for any other unanticipated or anticipated grants that may come up. Mr. Patterson stated that also as part of the budget, he transferred \$500,000 from other districts to cover the shortfalls that might happen in the PILT, as was discussed during the tentative budget hearing. Mr. Patterson stated that if the PILT money does come in at the 1.6 million dollar level, the Board will have the ability to use the \$500,000 set aside for future shortfalls.

Chairman White opened the floor for public comment. George Walsh, a resident of Vernon, stated he has brought up this whole issue two years ago and the only difference now is, we have a

supervisor who cares. Mr. Walsh stated that there have been statutory violations on the special taxing districts for years and budgets have been adopted behind closed doors and the Truth and Taxation notice was not noticed for any special districts and stated the Board can move forward, but if they do, there will be an investigation. Mr. Weller asked Mr. Patterson to comment on the primary versus secondary tax notification. Mr. Patterson stated that the Truth in Taxation was on the primary tax as required by State statute 42, and as such the primary tax was and is the one noticed in the paper. Mr. Patterson stated that the County Attorney may want to address the issue but as he reads it, it is the primary property tax under Statute 42 that requires it be in the paper. Mr. Weller asked why somebody thought the language of Truth in Taxation needed to be put into every special district agenda; he is not accusing it of being wrong, but somebody put the language into each special district agenda and he wanted to know the reasoning behind modifying it since the Board is who will be held responsible. Attorney Joe Young stated that the statute requires the primary tax rate be dealt with in the Truth in Taxation and the notice was done accurately and appropriately and the decision was made to notice the budget in each special district to include the Truth in Taxation in the agenda item only, not in the Truth in Taxation notice, just as an abundance of caution, not because it's statutorily required, just as an extra step to give as much notice as possible to what was going to be discussed today. Mr. Young stated the County Attorney's Office believes it is proper and even more than was needed to be done. Mr. Weller and Mr. Young held a discussion on who submitted the agenda items and why the date of August 18th came from as listed on the agenda item. Mr. Patterson stated that the item discusses the tax rates; there is a difference between tax rates and the Truth in Taxation and the tax rates will be discussed on August 18, 2014, the notification for the Truth in Taxation that was noticed for August 4, 2014 as published in the paper, so there are two different areas to look at so just to clarify for Mr. Weller, the Truth in Taxation was published for August 4, 2014 and the tax rates are scheduled for approval on August 18, 2014.

Lorraine Vaught, a resident of Vernon, Arizona stated that she is a taxpayer stated she is confused and asked if each of the special districts have submitted a budget to the Board of Supervisors. Mr. Patterson responded that all special districts have submitted their budget and have held several meetings with the different taxing district and those budgets are presented in the packet before the board today and have been online for the past six weeks as well as published. Mr. Weller clarified that the Board has not held several meetings with the special districts since those would have required posting for the public. Mr. Patterson corrected his wording to say under the direction of the Board, back in early April, staff such as himself, Mr. Wengert and the Human Resources Director, met with the different districts on several occasions, using direction given by the Board to put together the budget that is currently before the Board today. Mr. Patterson stated that during the Board meeting where the tentative budget was discussed, and found legal, included all the special districts; and even held quite an extensive discussion specifically regarding the Library District. Mr. Patterson stated that Mr. Weller is correct, there were no hidden or unauthorized meetings, only under the direction of the Board, that staff has met with the individual districts. Mr. Weller stated that he thinks the Finance Department has done their best to meet statutory requirements, as to their understanding, but because this issue hit his desk; not by any notice by the County Manager or Finance Department, but from outside concerns, he started looking at the statutes and believes the form in which the special district budgets, as presented to the Board, has not been fully met and that is why he wants a working session, because he believes we have not met the letter of the law. Mr. Weller stated he does not believe jail time would result, he just want to get this right and move forward in a correct manner and other people may be concerned that maybe we haven't followed everything to the letter of the statutes; and whether that becomes a serious violation of any significance, he isn't going to make a judgment on that; he just wants it to be right from this point forward. Mr. Weller stated that the board needs to be aware that every special district is a taxation burden on the citizens and needs to be considered independently and followed by statute and he is not convinced that is being done so he will be abstaining from any of the votes on Truth in Taxation and the budget. Mr. Weller stated he would like to see a special meeting held to discuss all the issues and get them straight with the statutes in front of them and one by one following through and

make sure this is right. Mr. Weller asked how the tax rates can be approved after the budget is approved. Mr. Wengert stated that the guidelines say that is the process and both he and Mr. Patterson tried to meet with him a couple times over the last 10 days to try and answer his questions before today's meeting. Mr. Weller stated that he was in his office 5 days last week and not one call from Mr. Wengert or Mr. Patterson was made to follow up and asked why he received a communication from an outside source that was to go to Mr. Wengert and was supposed to be copied to all three supervisors and he received no copy about this issue. Mr. Weller stated there has been no mention from the County Manager to him, in any form; email or verbal, that there was any issue associated with concerns from outside citizens on a special taxing districts and he is very concerned that the communication is breaking down in that area. Mr. White stated that he met with both Mr. Wengert and Mr. Patterson and came to see him twice about the budget and he had asked Mr. Wengert if he met with Mr. Shirley and they said they had and asked if they had met with Mr. Weller and was told that they had been trying to meet with him but hadn't been able to get a scheduled meeting. Mr. Wengert stated that he sent an email to Mr. Weller on July 16 and again on July 23, requesting a meeting and received no response back. Mr. Shirley suggested the Board move on; that there are comments about criminal activity and not doing things right and it sounds to him like it's just rhetoric. Mr. Shirley stated we have our attorneys and professional people who look at state law and our policies and how other counties operate and as far as he knows we are doing it right. Mr. Shirley stated a lot of these questions and concerns can be addressed in talking to the different departments and the citizens have access to our government. Mr. Shirley stated as far as he knows, the Board is trying to do right for the citizens and he has been a supervisor for 20 years and if there was any wrong doing he hasn't heard about it; we are trying to do the best they can and follow statutes for the people and does not see anything wrong in how they are proceeding. Mr. Weller stated that he has made his point that is part of the record but the statement that other counties do it this way may only be true of the adopting of the tax rate after the adoption of the budget which seems upside down to him; the statutes reads on or before the 3rd Monday, suggesting that it should be done before the budget is locked in. Mr. Weller stated in regard to Mr. Shirley's comment about we do what other counties do, he disagrees with that; he has looked at other counties agendas and they do not do it like we do so that is why we were considering doing it different this time. Mr. Weller stated that from what he is hearing from outside the county, it suggests there may be a problem and he is not suggesting the county is trying to do anything wrong, he is just suggesting to take a closer look. George Walsh, a resident of Vernon, stated that he agrees wholeheartedly with Mr. Weller regarding this issue, he would hope the Board takes the time to table the matter and he has come before the board in the past and brought up issues that were changed shortly thereafter. Mr. Shirley stated that it has been done this way because it is always according to the law. Mr. White stated that as Mr. Shirley stated, he has been on the board for over 20 years and he has served for 17.5 years and this is the way the budget has always been presented. Mr. Shirley stated that District III is getting an increase of \$40,600 and asked why since the districts are hurting and if we are increasing one district the other districts should be increased. Mr. Weller stated the reason he requested the increase, which he is not sure he will utilize, but it will be used to improve his staff which is presently at zero and if there were comparisons between the districts, District III is significantly less than District I or II's budgets, especially in the area of staff and is asking that he has the possibility of hiring personnel since other supervisors have their own staff in their offices, paid for out of their budgets. Mr. Shirley moved to close the public hearing, seconded by Mr. Weller. Vote was unanimous. Mr. White stated that when the Board took office last year, Mr. Weller had the opportunity to hire staff and he said no, he would only use volunteers. Mr. Weller responded that he had been in office 3 or 4 months and his hope was to utilize volunteer work and has had one wonderful volunteer that has helped him greatly but that is on a part time basis and when stress gets tough she takes time off. Mr. Weller stated that he operates without direct staff and after being in office and seeing how things work, he is requesting an increase in the budget and the other board members do have the right to deny it; approve all the other budgets without question, and question only his. Mr. Shirley asked how Mr. Weller had staff he inherited when he became supervisor and now he doesn't. Mr. Weller stated that the staff that was there was being paid out of HURF money

and he refused to pay staff from HURF for county business other than for roads. Mr. White called for a motion to approve the 2014-2015 final budget. Mr. Shirley moved approval, seconded by Mr. White. Motion passed 2-0 with Mr. Weller stated he was abstaining due to concerns that the Board has not clearly delineated the problems with statutory requirements, and he has concerns with the budget level issue. Motion passed to approve the budget.

**APACHE COUNTY
RESOLUTION FOR THE ADOPTION OF THE BUDGET
FISCAL YEAR 2014-2015
RESOLUTION NO 2014-11**

WHEREAS, in accordance with the provisions of Title 42 Chapter 17, Articles 1-5, Arizona Revised Statutes (A.R.S.), the Board of Supervisors did, on July 7, 2014, make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property of Apache County, and

WHEREAS, in accordance with said sections of said title, and following due public notice, the Board met on August 4, 2014, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses or tax levies, and

WHEREAS, it appears that publication has been duly made as required by law, of said estimates together with a notice that the Board would meet on August 18, 2014, at the office of the Board for the purpose of hearing taxpayers and making tax levies as set forth in said estimates, and

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in A.R.S. §42-17051(A),

THEREFORE BE IT RESOLVED, that said estimates of revenues and expenditures/expenses shown on the accompanying schedules as now increased, reduced or changed by and the same are hereby adopted as the budget of Apache County for the fiscal year 2014-2015.

Passed and adopted by the Board of Supervisors of Apache County, this 4th day of August, 2014.

/s/ Tom, M. White, Jr.
Chairman, Board of Supervisors

ATTEST:
/s/ Delwin Wengert
Clerk, Board of Supervisors

Milton Ollerton, Community Development Director, requested approval of a Vicinity Plan and Preliminary Plat for CK Cabins Condominium Subdivision, located at 84 North Main Street in Greer, Arizona Parcel # 102-08-021A. Mr. Ollerton stated that the Planning and Zoning Commission heard the issue and unanimously approved. Mr. Shirley moved approval. Mr. Weller stated he had concerns with this issue and would not be seconding the motion. Mr. White seconded the motion. David Brown, attorney for the applicant, addressed the Board and stated that the County Attorney's office, the Health Department, the Engineering Department, the Community Development Director as well as the P & Z Commission in a 7-0 favorable vote, have no problem with this application. Mr. Brown stated that this follows all the statutory requirements; sewer, water and electricity are already on the property and all drainable issues have been addressed and follow the building ordinance. Mr. Weller stated that he appreciates Mr. Brown's presentation but is concerned with Article 6 of the Ordinance associated with Planning and Zoning and was given information that makes him believe that the decisions made are not following Article 6 properly so he will abstain as to not contribute to it any further. Motion passed 2-0 with Mr. Weller abstaining.

Mr. Wengert presented the **Consent items A-E**. Mr. Weller requested to pull Consent Items A, B, D & E which only leaves item C so he requested just taking each item one at a time.

Chairman White presented Consent Item A. approval of minutes dated July 7, 2014 and July 15, 2014. Mr. Weller moved approval, second by Mr. Shirley. Mr. Weller stated that he wanted the record to reflect that the minutes of July 15th correctly state that he reminded staff that he had not received the written opinion nor the data promised by the County Attorney related to the grant that was approved during the July 1st meeting. Mr. Weller stated that it is now August 4th and he has yet to receive that information. Mr. Weller asked staff to follow through with their promise to properly acquire or complete the items mentioned in the minutes. Vote was unanimous.

Chairman White presented **Consent Item B**. approval of demands dated July 15, 2014 to August 4, 2014. Mr. Shirley moved approval. Mr. Weller stated he will be abstaining. Mr. White seconded the motion. Mr. Weller stated that he is still attempting to get with the Finance Department on the logistics of the approval of the demands process so he will be abstaining. Lorraine Vaught, a resident of Vernon, Arizona stated that there is no back up materials attached to the approval of demands and she, as a citizen is entitled to know what demands are being voted on. George Walsh, a resident of Vernon, stated that he would once again remind the Board that the White Mountain Independent contract has not been renewed since 2006 as required by statute so any payments being made are illegal. Payee Amount US POSTMASTER5,000.00 Shirley, Joe Junior 1,988.96 Rogers, Kent 1,097.33 Stradling, Reed 1,405.27 Hurtado, Kimri 1,116.25 King, Walter Scott,152.09APACHE COUNTY HSA 2,824.59 APACHE COUNTY MEDICAL143,302.53 APACHE COUNTY TAX WITHHOLDING 135,095.46 AZ STATE RETIREMENT SYSTEM 85,707.33 COLONIAL LIFE AND ACCIDENT INS1,275.04 CORRECTIONS OFFICER RET PLAN 8,278.98 CORRECTIONS OFFICER RETIREMENT PLAN 520 4,545.91 NATIONWIDE 1,605.00 PUBLIC SAFETY PERSONNEL 401 13,825.82 PUBLIC SAFETY SHERIFF RET 39,096.30 SECURITY BENEFIT GROUP 1,321.00 SUPPORT PAYMENT CLEARINGHOUSE 2,589.68 DOYLE, WILLIAM E 9,900.00 EMPIRE MACHINERY 2,287.03 FOUR CORNERS WELDING & GAS SUPPLY 2,260.00 FRONTIER 1,024.30 HILLYARD INC 2,878.13 NAVAJO NATION WATER CODE ADMIN 3,150.00 OKLAHOMA STATE BANK 30,091.31 SECURUS TECHNOLOGIES INC 1,126.53 SHI INTERNATIONAL CORP 2,744.81 TJP COMMUNICATIONS 1,350.49 UNIVERSAL FLEET CARD 2,064.05 WELLS FARGO BANK 4,062.60BRADCO 26,836.87 COMMUNITY COUNSELING CENTERS INC 1,485.00 DIAMOND DRUGS INC 3,409.51 IT1 SOURCE LLC 8,601.71 NAVOPACHE ELECTRIC COOPERATIVE 5,651.31 NOBLE, JAMES M 24,040.00 QUILL CORP 1,105.84 RDO EQUIPMENT CO 12,407.68 REDW LLC 11,000.00 RICOH USA INC 11,463.54 SCHIFF, LAURENCE 1,200.00 ST JOHNS CITY 1,794.21 THE GUIDANCE CENTER 1,033.00 TYLER TECHNOLOGIES INC 1,435.00 YAVAPAI COUNTY GOVERNMENT 2,850.00 AZ COUNTIES WORKERS COMPENSATION PLAN 59,630.33 AZ DEPT OF REVENUE 6,976.43 SEVEN OAKS WOODWORKING 3,651.32 VERIZON WIRELESS 1,025.81 FRONTIER 4,668.64 Owens, Brian 1,457.44 AMAZON COM INC 1,271.88 CRISS CANDELARIA LAW OFFICE 1,908.50 FOUR CORNERS WELDING & GAS SUPPLY 2,260.09 GALL'S INC 1,203.41 HILLYARD INC 1,036.69 HUGHES SUPPLY INC (LAKESIDE) 1,147.38 KATHLEEN M MCGUIRE PSY D LLC 2,100.00 LITTLE COLORADO BEHAVIORAL HEALTH CENTERS INC 4,731.35 NAVAJO TRIBAL UTILITY AUTHORITY 1,047.33 NAVOPACHE ELECTRIC COOPERATIVE 14,785.94 ONE POINT PARTITION LLC 2,695.00 THOMSON REUTERS WEST 1,692.96 TOWN OF EAGAR 7,270.33 US GEOLOGICAL SURVEY 5,600.00 YAVAPAI COUNTY GOVERNMENT 13,500.00 ADHS AZ HEALTH CARE COST 22,400.00 AMIGOS LIBRARY SERVICES 1,500.00 AVAYA COMMUNICATIONS 1,381.19 BARNES, PATRICIA M 2,620.00 BRADCO 35,936.26 CREATIVE MULTIMEDIA INC (CMI) 16,098.75 DELL COMPUTER CORPORATION 8,874.57 DEMCO 2,066.79 EMPIRE MACHINERY 1,113.36 HEINFELD MEECH AND CO PC 15,353.86 MCCOOK BOILER AND PUMP COMPANY 2,894.00 PACIFIC PONDEROSA CO INC 1,785.60 PATTERSON, DANA BRYCE 8,500.00 PITNEY BOWES 4,936.78 QUALITY CARQUEST 1,138.03 SCRUBWORKS 2,846.00 SHELL OIL 4,548.47 SMITH, BETTY 1,321.00 ST JOHNS EMERGENCY SERVICES 1,104.14 SUN RIDGE SYSTEMS, INC 18,131.00 US POSTMASTER 2,296.78 WILLIAMS LAW

GROUP PLLC 8,500.00 TP PUMP AND PIPE CO INC 1,499.07 Shirley, Joe Junior 2,095.65 Anderson, Charli 1,488.50 Rogers, Kent 1,183.16 Stradling, Reed 1,433.53 Hurtado, Kimri 1,064.88 Chavez, Lillian C 1,017.28 King, Walter Scott 1,284.76 Bia, Johnnie Senior 1,004.55 APACHE COUNTY TAX WITHHOLDING 133,175.26 AZ STATE RETIREMENT SYSTEM 84,752.54 CORRECTIONS OFFICER RET PLAN 8,279.88 CORRECTIONS OFFICER RETIREMENT PLAN 520 4,522.85 PUBLIC SAFETY PERSONNEL 401 14,418.24 PUBLIC SAFETY SHERIFF RET 28,165.05 AMAZON COM INC 3,366.87 CMS COMMUNICATIONS INC 1,360.16 EPPS FORENSIC CONSULTING PLLC 8,345.44 TWIN CITY HARDWARE – TCH SOUTHWEST 2,319.79 YAVAPAI COUNTY GOVERNMENT 7,500.00 AZ DEPT OF ECONOMIC SECURITY 10,470.05 CDW GOVERNMENT LLC 1,808.56 CHEVRON USA INC 2,847.10 DELL COMPUTER CORPORATION 2,850.07 DEMCO 1,121.80 DESERT MOUNTAIN CORPORATION 15,457.07 GALL'S INC 1,797.27H-11DIGITAL FORENSICS COMPANY LLC 1,516.00 HATCH MOTOR COMPANY SNOWFLAKE 1,712.03 HENRY PRODUCTS INC 8,606.12 HILLYARD INC 2,235.93 INGRAM LIBRARY SERVICES 7,019.93 MERCK SHARP & DOHME CORP 1,357.55 NORTHERN SAFETY COMPANY INC 1,528.36 OFFICE DEPOT 1,374.69 POWERLINE TECHNOLOGIES INC 10,599.39 QUILL CORP 3,952.82 REPACORP 2,226.93 SHELL OIL 2,851.39 ST JOHNS CITY 5,047.20 THOMSON REUTERS WEST 1,241.20 TYLER TECHNOLOGIES INC 1,050.00 VERITAS RESEARCH CONSULTING 2,120.00 VERIZON WIRELESS 2,045.82 WELLS FARGO BANK 1,006.53 US POSTMASTER 4,735.82 Motion passed 2-0 with Mr. Weller with abstaining.

Mr. Wengert presented **Consent Item C.** for approval of a Liquor License Extension of Premises/Patio Permit application recommendation for Dick Bruneau, Snowy Mountain Inn, located at 38721 Route 373 in Greer for an event on September 20, 2014. Mr. Weller moved approval, second by Mr. Shirley. Mr. Weller and Mr. Bruneau held a brief discussion regarding the security provisions. Vote was unanimous.

Mr. Wengert presented **Consent Item D.**, District II's request for authorization to purchase furniture for the Sawmill Chapter House utilizing District II funds, at a not to exceed cost of \$2,000. Mr. Weller stated that he has several concerns with the item. Mr. White stated that he has done this in the past for the senior citizens and their furniture is pretty worn out. Mr. Shirley moved approval. Mr. Weller stated that there was no legal approval on the agenda request form as to whether this was an appropriate request. Mr. Weller stated that Mr. White is running for a position on the Navajo Nation and to move County funds into the area where people are running for office is potentially a violation of statutes on conflict of interest and he is not even sure Mr. White should be voting on this item or speaking to it whatsoever. Mr. Whiting stated that he reviewed the letter and from a legal standpoint it is legal to bring before the Board. Mr. White stated that they have been doing this in all three districts for years. Mr. Weller stated that being legal is a loose term and would like direct language that this is not a conflict of interest and stated that when he took office he was told only food related items should be used for aid to other entities. Mr. Weller stated that last year that did change and other things were purchased and he has been cautious in trying to make sure there is no gift clause violations associated with what we do and the fact that Mr. White is now running for an election in the area where there people are receiving financial benefit is very much a concern to him and appears to be a conflict of interests so he is not going to approve this item. Mr. White responded that whether he was running for an elected office or not, this item would still be brought before the board just as he has done numerous times in the past 17 ½ years. Mr. Young stated that he wanted to state that about a year ago the County Attorney's office drafted a legal opinion detailing specifically what can and can't be done in regard to the gift clause issue and in particular senior centers, and it stands as a legal opinion and is simply an analysis of whether it is a benefit for the public and specifically senior centers that are specifically allowed to receive gifts of this nature so there is no one legal answer to yes or no, but it is in line with previous gifts that have been deemed proper and it is up to the Board to make the determination by vote, if deemed appropriate. George Walsh stated that the agenda items does not say senior center, it says chapter house which is not part of Apache County in any way; it is part of the Navajo Nations' religious beliefs. Mr. Walsh stated that as he reads the statutes, only food related items may be donated to senior centers. Lorraine Vaught, resident of Vernon, suggested holding off on any action related to this item until after the

election and then there won't be any perception of a conflict of interest. County Recorder Lenora Fulton, stated that the Recorder's Office utilizes the facility at Sawmill Senior/Chapter Center and do a lot of early voting and voter outreach, education and public hearings related to the County election there and a lot of times the equipment is not sufficient and she does not have the funding in her office to haul things up there and it is most helpful to have good furniture there. Mr. White stated that Mr. Shirley made the motion, and he is seconding the motion. Mr. Weller stated that he believes this is a conflict of interest and in violation of statutes so he suggested the Board not follow through with the vote. Motion passed 2-0 with Mr. Weller abstaining.

Mr. Wengert presented **Item E**. for District II for possible approval to increase the salary of Paula Claw to \$64,722.00 retroactive to June 23, 2014 and comes with two masters degrees and supervisory experience. Mr. Wengert stated that this is the same starting salary as the District Manager's salary in District I and is appropriate that both District Managers earn the same salaries because they have similar experience and qualifications. Mr. Shirley moved approval. Mr. Weller stated he won't be seconding this item. Mr. White seconded the motion. Mr. Weller stated he thinks this is maneuvering money for special conditions and the Board has not been doing this type of thing recently and during an election cycle, it hinges on a potential conflict of interest. Mr. Weller asked if HURF or general fund money will be used. Mr. Wengert responded general funds. Mr. Weller stated that is a \$64,000 job for each of the other two Supervisors and he has zero people. Mr. Wengert stated that Mr. Weller has a budget of \$150,000 and has spent about \$96,000 so he left quite a bit on money on the table so there is money to hire someone if he wanted to and historically, District III has not had a district manager because there is staff here to assist the supervisor so the comment that he does not have money to hire anyone may be questionable. Mr. White stated that he wished he had staff such as Mr. Wengert, Ms. Houston and Mr. Crosby to help him with issues but because he is located up north it is inconvenient so both he and Mr. Shirley rely on people such as a district manager. Mr. Weller stated he understands there are inconveniences being located in those areas but he also knows that staff travel frequently to District I & II and are unavailable to him when they do so. Motion passed 2-0 with Mr. Weller abstaining.

Mr. Wengert presented notice that August as Child Support Awareness Month. No action as needed or taken.

Mr. Wengert presented notice that the Public Fiduciary Pat Hall recently retired and requested approval to appoint of Yvonne Stalling as the interim Public Fiduciary working under the direction of the County Attorney's Office. Mr. Wengert stated the Ms. Stallings is currently in the process of studying for the public fiduciary test that is required and once she passes the test she will move into that position permanently. Mr. Weller moved approval, seconded by Mr. Shirley. Vote was unanimous.

Ferrin Crosby, County Engineer, requested approval of a Memorandum of Understanding between Apache County and Tucson Electric Power to permit and participate in the reconstruction of County Road 4162. Mr. Crosby provided a brief background on the issue. Mr. Crosby stated that the scope of the project will benefit the County about two million dollars in pavement, guardrail and end treatments to the road which is about 30 years old and well beyond its pavement life and is the appropriate measure to restore the road. Mr. Weller moved approval, seconded by Mr. Shirley. Mr. Weller stated that this is a wonderful benefit to the County and asked if District III's capital improvement budget would be effected. Mr. Crosby stated it would impact the capital improvement program however, this is a needed project. Mr. Weller asked if the 2 million was for the entire road or just Apache County's portion. Mr. Crosby stated only Apache County's portion of 3.8 miles; the road is roughly 12 miles long and is a joint partnership project with Tucson Electric, SRP, and Unisource and all are committed to this project and wanted to recognize all parties. Vote was unanimous.

Chief Deputy Sheriff Brannon Eagar provided an update on the San Juan Fire and stated that fire is completely out now but facing post fire flooding and requested the state of emergency remain in

place that was put into effect June 27, 2014. Chief Eagar stated that the cost to the County has been minimal from the flooding but requested the state of emergency stay in effect and reviewed at the next scheduled Board meeting. No action as needed or taken.

Commander Lance Spivey, on behalf of the Sheriff's Office, requested approval of Agreement DC-15-001 between Arizona Criminal Justice Commission and the Apache County Sheriff's Office for the Drug, Gang and Violent Crime Control Grant Agreement in the amount of \$235,316.00 with a required a 25% match that will be paid utilizing RICO funds. Mr. Shirley moved approval, seconded by Mr. Weller. Mr. Weller stated this grant has about the same language as the grant that he had requested data and goals from the County Attorney's Office and asked to see the historic data and the progress made associated with this program as outlined in the grant within the next few weeks. Commander Spivey responded if Mr. Weller provided his request in writing, he would get him the information. Mr. Weller again asked for the data. Commander Spivey explained that he has policies within the Sheriff's Office and can't release information without a written request. Mr. Weller instructed the County Manager to request the information and he will do his best to follow up as well. Vote was unanimous.

County Attorney Michael Whiting requested approval of Arizona Criminal Justice Commission Victim Compensation Grant Agreement #VC-15-049 in the amount of \$65,778.00. Mr. Weller moved approval seconded by Mr. Shirley. Vote was unanimous.

County Attorney Michael Whiting requested approval of the letter drafted by the County Attorney and under direction of the Board of Supervisors requesting the State Liquor Board deny the transfer of liquor license #09010003 and #09010016. Mr. Weller moved approval, of the second draft, seconded by Mr. White. Motion passed.

Joe Young, with the County Attorney's Office, presented a discussion on Open Meeting Law updates and efforts to remain in compliance with such laws. Mr. Young stated that it was brought to his attention that some of the public disclosures may not be in full compliance with statutes and the County has many special districts within the County, most of which are governed by their own board but there are a few special districts such as Library and Health that the Board act as the sitting Board and on those districts, we did not have separate discloses about when the times of the meetings were so in working with the Attorney General's Office, those changes have been done or in the process of being completed on both the website and disclosure calendar where the special districts times and dates when the special districts would meet were added. Mr. Young stated the Attorney General also wanted the Board to hold a discussion about this disclose and the Open Meeting Law compliance issues and see if the Board had any questions and the Attorney General has sent a letter stated that the County is in compliance. Mr. Weller asked if the Attorney General, just out of the blue suggested that the County do this. Mr. Young stated it was from a complaint made to the Attorney General's Office – OMLET division so when a complaint is filed they contact the County and this is their recommendation for the changes. Mr. Weller stated Mr. Young has indicated we are now in compliance but he is concerned that infers the County was not in compliance previously on activities done regarding taxing and budget decisions and asked if there was any comment from the Attorney General related to history. Mr. Young stated that he did ask about previous meeting and any open meeting violations and the Attorney General stated that they did not believe any ratification was necessary or any previous action was improper, they just indicated it could be done better in the future so that was their recommendation. Mr. Weller asked for a written statement from the County Attorney to the action taken. Mr. Young stated the would forward the Board the letter form the Attorney General as well as his comments as to the issue.

Treasurer Marleita Begay requested approval of a new line of revolving credit for Northern Apache County Special Health Care District in the amount of \$210,000.00. Mr. Shirley moved approval, seconded by Mr. White. Mr. Weller stated that he is concerned that the Health District has a million dollar debt and asked if the County had co-signed. Mrs. Begay stated no. Mr. Weller stated that in the resolution there is no mention of complying with ARS 11-604.01 which clearly defines responsibility of the money used and asked if the resolution would be modified to clarify the control of the fund. Mrs. Begay stated yes, with assistance from the County Attorney. Mr. Weller stated that he felt this needed to be done, he just wanted to be careful we don't do it too loosely where funds could be misused in some way and to cover what it expected to cover and asked to amend the motion the County Attorney incorporate ARS 11-604.01 to ensure the handling of the money is done properly. Mr. Shirley amended his motion to reflect Mr. Weller's request seconded by Mr. White. Mr. Whiting stated that he reviewed this and is fine but Mr. Weller's suggestion is appropriate and see no problem to include in the agreement. Vote was unanimous.

Treasurer Marleita Begay, requested approval of abatement of Personal Property Taxes in the amount of \$1,134,961.38 for all past due amounts from 2010 through 1981. Mrs. Begay stated that pursuant to ARS§42-18351, the cost of pursuing the statutory lien sale and collection procedures or the sale of lands under Article 7 of this chapter or the cost of the seizure and sale of personal property pursuant to section 42-18401 would equal or exceed the revenue that could be derived. Mr. Weller stated that he is concerned procedures have not been incorporated properly to prevent this from happening again, which he had previously requested in private meetings with both the County Manager and the Treasurer and they have not had time for that due to the implementation of the new software and he needs a commitment and time constraint to make sure we have procedures in place to not continue this practice. Mr. Weller stated he also requested a letter be drafted and documents with the help of the County Attorney's Office to be mailed out as soon as the Board amends this abatement, to the 3000 people who received erroneous billings. Mr. Weller stated he is not in support of doing this until he personally sees those items completed. Mr. Shirley stated that this is a help to the taxpayers; Mr. Weller is always concerned with the taxpayer and does not understand why he is moving forward, and made the motion to approve, seconded by Mr. White. Mr. Weller stated that in an attempt to help Mr. Shirley understand his position, he absolutely tries to keep track of the taxpayers burden and he agrees this is benefit to those who may not have paid the tax if it was proper but he is also charged with helping the County improve the policies and procedures herein and that is what his concern with this issue is. Lorraine Vaught, a resident of Vernon stated that she does not understand how the situation has gone as long as it has; how can taxes be due from 1981 to 2010, not being collected and if not able to collect, why was the property not seized and there should be policy in place for time limitations of those in default and it's the Boards' responsibility to oversee what is happening. Mrs. Vaught wanted a list of the properties involved. Mrs. Begay stated that she did meet with Mr. Weller and does not want to prolong this issue any longer, but she inherited this issue and is not casting blame; as the treasurer, she has to take ownership. Mrs. Begay stated that they are currently transitioning to Tyler software system and she does not want to transfer any old "junk" data into the new system. Mrs. Begay stated that she was not aware of personal property delinquent taxes that were dated back to 1981, until she sent out the letter. Mrs. Begay stated it is her responsibility to try and collect; it doesn't matter the number of years so letters were sent out. Mrs. Begay stated that she does not have any supporting documentation so even if the sheriff goes out there to serve notice, there is nothing to verify with. Mrs. Begay has to take into consideration the costs involved. George Walsh, a resident of Vernon, stated that the names and parcel numbers to all the properties should be made public and the comparison of savings \$600 in postage to the over a million that is owed to the taxpayers doesn't make sense to him. Mr. Wengert stated that this is not land; this is personal property so it cannot be seized like real property. Steve Miller, a resident of Concho, thought trying to recoup some of the revenue owned is worth the cost of the mailing. Mr. Weller stated that he agrees that the entire amount needs to be abated, and agrees with the idea to not take the junk data into the new system and asked Ms. Begay for a timeline for when these procedures will be in place to assure this will not

happen again and asked for a time line commitment. Mr. Weller stated he is disappointed that we are not going to send out a letter, and we have a responsibility to communicate to those involved because that initial billing did not need to go out. Mrs. Begay stated that a timeline has been started, that this is a team effort with other departments. Mr. Weller asked for an update in October for the progress made. Mrs. Begay stated that she can commit to a follow up but can't guarantee that everything will be done; it all depends on status of the entire team. Lynda Tanner, a resident of Vernon, stated that if a letter isn't going out, could a statement be posted in the paper to disregard those 3000 letters since she knows of people that are worried about this issue. Mrs. Begay stated that she is going to have a notice placed in the paper and also on the website as well as staff talking to those who call into the office and the volume of calls have decreased. Mrs. Begay stated that another issue with the mailings is that a large majority are returned but will continue to do the best she can. Vote was unanimous

Malena Bazarro, Grant Manager, requested possible approval of a Crew Use Agreement between Apache County and Arizona State Forestry for work under the WBB1 10-601 project in Crosby Acres. Mr. Weller moved approval, seconded by Mr. Shirley. Mr. Weller asked how many acres have been done and how many will this grant cover. Ms. Bazarro stated this grant addresses bark beetle infestation and the Crew Use Agreement is a formality if we are to use inmate labor, a new agreement every time inmate labor is used such as this. Ms. Bazarro stated that last year 50 acres were treated and this year another 50 acres are estimated to complete Crosby Acres. Vote was unanimous.

Larry Lucero, Senior Director for Economic Development & Government Relations for Tucson Electric Power, provided an update of UNS Energy Corporation being acquired by Fortis and the transaction and benefit of the change. Mr. Lucero provided an overview of the transition to Fortis. No action was needed or taken.

Chairman White opened the floor for call to the public.

George Walsh, a resident of Vernon, stated that in regard to the open meeting issues, the Juvenile Jail District needed to be added since it was not posted as required on the website and suggested that if Mr. White and Mr. Shirley are so impressed with the quality of the staff here, if they are happy with the staff causing concerns among the taxpayers of District III, maybe they should start working to split this county and District I & II can keep the staff and District III will get new staff that is better qualified.

Steve Miller, a resident of Concho, asked that the call to the public is held at both the beginning and end of the agendas.

Mr. Wengert stated that he hears a lot of negative comments from George Walsh about the County and the employees, and just wanted to say that he thinks the employees are second to none; the good job that the law enforcement did during the fires, the road crews, health department and the others that work hard to provide services to the County. Mr. Wengert stated that Mr. Walsh has his opinion and as with most things, it is only his opinion, but the employees are doing the best they can with much reduced budgets and staff. Mr. Weller stated that he thinks Mr. Walsh's comment was a compliment to the employees and he didn't consider it a slam against the employees.

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

Approved this 18th day of August, 2014.

/s/ Tom M. White, Jr.
Chairman of the Board

/s/ Delwin Wengert
Clerk of the Board