

**OFFICIAL PROCEEDINGS OF THE APACHE COUNTY
BOARD OF SUPERVISORS MEETING
June 3, 2014
St. Johns, Arizona**

Present were, Chairman of the Board Tom M. White, Jr., and Vice Chairman Barry Weller. Also present, County Manager/Clerk of the Board, Delwin Wengert and Attorney Joe Young. Supervisor Joe Shirley participated via the telephone. Chairman White called to order the Board of Supervisors meeting at 8:30 a.m. in the Board of Supervisors chambers, County Annex Building, 75 West Cleveland Street, St. Johns, Arizona and welcomed all in attendance. Chris Sexton gave the Invocation.

Delwin Wengert led the Pledge of Allegiance.

Chairman White called for the Library District item.

Judith Pepple, Library Director, requested approval of the updated lease agreement between the Greer Community Facilities Association and the Apache County Library District for the Greer Memorial Library for FY 2014-2015 at the rate of \$784.21 per month. Mr. Weller moved approval, seconded by Mr. Shirley. Vote was unanimous.

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

Chairman White called for the regular agenda items.

Chief Deputy Sheriff Brannon Eagar provided notification and an update on the implementation of Stage II fire restrictions that went into effect 8:00 am. Friday, May 23, 2014, due to extreme fire danger. Lorraine Vaught, a resident of Vernon, Arizona asked that the restrictions for Stage be better clarified for the public. Chief Eagar stated that he will review the document and see if it could be modified to be clearer without making so lengthy that the public won't read it. No action was needed or taken.

Mr. Wengert presented the **Consent items, A-E**. Mr. Weller requested **B** and **E** be removed for discussion. Mr. Weller moved to approve A, C & D, seconded by Mr. Shirley. **County Manager/Clerk of the Board: A.** Request approval of minutes dated May 19, 2014. **C.** Request approval of an Application for Premises/Patio Extension Liquor License Permit for John May, Ye Olde Tavern, 42640 Highway 180 in Alpine, Arizona for the 16th Annual Worm Races on July 5, 2014. **D.** Request approval of a Fireworks Permit for Alpine Fire District to hold a fireworks display on July 5, 2014, contingent on the condition of no fire restrictions. Vote was unanimous. Mr. Weller stated that regarding Item B., approval of demands dated May 19, 2014 to June 3, 2014, he hadn't had time to review some of the expenses with the Finance Department so he would be abstaining from the vote. Payee Amount EASTERN ARIZONA COUNTIES ORGANIZATION EAC 35,000.00 APACHE COUNTY MEDICAL 148,062.00 APACHE COUNTY TAX WITHHOLDING 128,969.65 AZ STATE RETIREMENT SYSTEM 85,304.04 COLONIAL LIFE AND ACCIDENT INS 1,300.15 CORRECTIONS OFFICER RET PLAN 9,158.09 CORRECTIONS OFFICER RETIREMENT PLAN 520 4,205.93 MUTUAL OF OMAHA 1,265.52 NATIONWIDE 1,605.00 PUBLIC SAFETY PERSONNEL 401 13,825.82 PUBLIC SAFETY SHERIFF RET 29,246.77 SECURITY BENEFIT GROUP 1,321.00 SUPPORT PAYMENT CLEARINGHOUSE 2,502.08 ADHS AZ HEALTH CARE COST 22,400.00 AMK SOLUTIONS 1,793.19 ARIZONA STATE FORESTRY DIVISION 7,475.10 ASHTONS REPAIR INC 1,040.29 AZ BRAKE & CLUTCH SUPPLY 2,092.36 BARNES, PATRICIA M 4,145.00 BLUE HILLS ENVIRONMENTAL 28,456.27 CAWOOD, CARL G 1,080.00

COUNTRY MOUNTAIN AIRWAVES LLC 4,112.64 DELL COMPUTER CORPORATION 2,372.14 EMERY K LA BARGE ATTORNEY AT LAW 1,160.50 FRONTIER 1,759.86 GALLUP INDEPENDENT 3,087.12 GRADY, DONALD R 8,370.00 HAMBLIN, BRYCE MARK 1,353.00 INGRAM LIBRARY SERVICES 3,142.93 KWKM POWER 95.7 1,256.64 NAVAJO TIMES PUBLISHING COMPANY INC 2,085.30 NAVAJO TRIBAL UTILITY AUTHORITY 1,562.40 NAVOPACHE ELECTRIC COOPERATIVE 3,762.77 NOODLE SOUP 2,207.25 NORCHEM DRUG TESTING LABORATORY 1,517.49 O A THORP FAMILY TRUST 7,020.00 OFFICE DEPOT 1,106.33 ORACLE ENGINEERING GROUP INC 3,600.00 PATTERSON, DANA BRYCE 8,500.00 PIMA COUNTY MEDICAL 2,200.00 QUILL CORP 5,214.13 RDO EQUIPMENT CO 1,759.08 RIGGS, JACQUELINE 1,440.00 SPRINGVILLE AUTOMOTIVE SERVICE 1,613.74 TABLE TOP TELEPHONE COMPANY INC 1,014.86 JP COMMUNICATIONS 5,206.28 VERITAS RESEARCH CONSULTING 1,600.00 VERIZON WIRELESS 2,484.64 WESTERN TECHNOLOGIES INC 2,800.00 WHOLESALE FLOORS LLC 6,160.77 WOODLAND BUILDING CENTER 1,380.70 APACHE COUNTY TAX WITHHOLDING 3,928.43 AZ BRAKE & CLUTCH SUPPLY 1,254.70 BRADCO 25,978.97 CREATIVE MULTIMEDIA INC (CMI) 21,815.00 DELL COMPUTER CORPORATION 5,500.83 DUGDALE, BEN 1,244.37 FOUR CORNERS WELDING & GAS SUPPLY 2,317.65 FRONTIER 1,706.32 FRONTIER 4,460.51 GMCO CORPORATION 74,801.08 HALL, CAROLYN S 1,212.38 INGRAM LIBRARY SERVICES 7,397.56 LAWSON PRODUCTS INC 1,116.23 LESUEUR ADVANCE AUTOMOTIVE LLC 2,882.20 NACOG 10,525.00 NAVAJO TRIBAL UTILITY AUTHORITY 3,023.36 NAVOPACHE ELECTRIC COOPERATIVE 1,005.05 NEW WORLD SYSTEMS CORPORATION 10,860.00 OVERDRIVE INC 2,469.62 PACIFIC PONDEROSA CO INC 3,450.24 PERFECT PRINTZ LLC 2,340.47 POWERLINE TECHNOLOGIES INC 1,502.63 QUILL CORP 3,062.29 RESERVE ACCOUNT 5,000.00 RUSH TRUCK CENTER 1,386.72 STEVEN D WASHBURN PC 1,449.00 SUPER SEER CORPORATION 1,411.80 THOMSON REUTERS WEST 1,563.60 TYLER TECHNOLOGIES INC 46,975.23 UNIVERSAL FLEET CARD 1,342.18 VALLEY AUTO PARTS 1,199.22 VERITAS RESEARCH CONSULTING 1,960.00 VERIZON WIRELESS 1,547.03 US POSTMASTER 6,107.28 Mr. Shirley moved approval, seconded by Mr. White. Motion passed 2-0 with Mr. Weller abstaining from the vote.

Mr. Weller stated that he pulled Consent Item E. for clarification regarding Probation's request for appointment of Ryan Patterson, Director of Finance as the Chief Fiscal Officer for both the Adult and Juvenile Divisions in accordance with A.R.S. 12-268A and the Arizona Code of Judicial Administration, Part 6 Sections 6-206 & 6-301. Mr. Weller asked if this was reviewed by the County Attorney's Office. Mr. Young stated that it was reviewed and is legal. Mr. Weller stated that there are a lot of responsibilities that go with this appointment and outlined his concerns related to the fiscal policies and the responsibilities associated with this item. A discussion was held regarding the issue and Finance Director, Ryan Patterson stated that the Auditor General sets the standards of compliance and procedures to comply. Mr. Weller requested Mr. Patterson provide the procedures to him in the near future as well as a copy of the report that was sent to the supreme court last year delineating all of the accounts. Mr. Weller moved to approve the appointment with the understanding that the reports will be forthcoming, seconded by Mr. Shirley. Vote was unanimous.

Chuck Moter, Probation Director, requested Apache County provide \$3,121.00 in matching funds for an ongoing Family Counseling Grant and the State of Arizona will disburse \$12,482.00 for a total of 15,603.00. Mr. Weller moved approval, seconded by Mr. Shirley. Vote was unanimous.

Karen Houston, Human Resources Director, requested approval of the Intergovernmental Agreement between Apache County and Navajo County for the Workforce Investment Act (WIA) program. Ms. Houston stated that James Menlove with Navajo County and Susan Tegmeyer with the WIA program were present to answer any questions. Ms. Tegmeyer provided an overview of the 5 year plan and stated that Jennifer Smale is the new case manager for Apache County. Mr. Weller moved approval, seconded by Mr. Shirley. Vote was unanimous.

Mr. Wengert stated that Hunter Moore, Executive Director of Real Arizona was not able to attend to today to update the Board on activities of Real Arizona and requested the item be removed from the agenda. Chairman White removed the item.

Joe Young, on behalf of the County Attorney's Office, presented the item following a possible executive session for legal advice pursuant to A.R.S. 38-431.03(A)(4), discussion and possible approval of a settlement agreement with Transwestern Pipeline in litigation related to valuation of property performed by Arizona Department of Revenue. The settlement would result in a tax refund paid by numerous counties within Arizona, including a total refund by Apache County, with interest, of up to \$643,224. Mr. Young provided a brief overview of the issue and requested an executive session to discuss the impact to the County from the possible approval of the settlement agreement. Mr. Weller stated that he does not understand why the State is not taking responsibility for this valuation. Mr. Young responded that from a fairness standpoint it does not feel appropriate but from the legal perspective Apache County is as liable as any other county because the County received the taxes so the liability is not for negligence or inaction; it is for a refund of taxes paid that should not have been paid and is simply returning money that never should have been received. Mr. Young stated that there are seven total counties involved in this settlement with by far the largest participant being Maricopa County with Apache County receiving the least amount so therefore paying back the least amount.

Mr. Wengert asked Mr. Young if this impacted the school districts. Mr. Young stated yes, including Window Rock School District and Northern Apache County Health Care District are the largest and most affected entities. Mr. White asked if there was a motion to go into executive session. Mr. Shirley stated that if it could not be handled in open session he asked if Mr. White and Mr. Weller could take care of it and asked to be excused from the remainder of the meeting. Mr. Weller stated that he had some concerns and asked for executive session. Mr. White agreed that there should be an executive session and moved to go into executive session, seconded by Mr. Weller. Vote was unanimous. Mr. White excused Mr. Shirley from the remainder of the meeting.

Executive session was held.

Mr. Weller moved to adjourn executive session, seconded by Mr. White. Motion passed.

Mr. Weller moved to table the item regarding the decision of the settlement agreement with Transwestern Pipeline until a special meeting is held on June 5, 2014 at 8:30 a.m. so all members of the Board could be part of the decision, seconded by Mr. White. Motion passed.

Chairman White opened the floor for call to the public and asked that those addressing the Board be respectful and will have 3 minutes to speak.

Bradley Grower, a resident of Apache County read a statement which addressed First Amendment rights and asked that the Board to establish a resolution to permanently ensure call to the public be held at every Board meeting.

Lauren Bernally, a resident of Window Rock, Arizona and spoke of the situation in Sanders, Arizona with the liquor License at the Red Barn which was recently sold and she and many Others in that community oppose the transfer of the license to the new owner and asked that when it comes before the Board to vote to disapprove the transfer.

Steve Miller, a resident of Concho, Arizona thanked the Board for reinstalling the Call to the Public, and stated that it is important for the public to be able to address the Board and thanked Mr. Weller for his continued attempt to get this issue resolved. Mr. Miller asked that the call to the public be available at both the beginning as well as at the end of the meeting.

There was no one else wanting to address the Board in call to the public.

Mr. Weller moved to adjourn the meeting, seconded by Mr. White. Motion passed.

Approved this 17th day of June, 2014.

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

/s/ Delwin Wengert
Clerk of the Board