

**OFFICIAL PROCEEDINGS OF THE APACHE COUNTY  
BOARD OF SUPERVISORS MEETING  
November 1, 2016  
St. Johns, Arizona**

Present were: Chairman Joe Shirley, Jr., Vice Chairman Tom M. White, Jr. and Supervisor Barry Weller. Also present, County Manager/Clerk of the Board, Delwin Wengert and Deputy County Attorney Joe Young.

Chairman Shirley called to order the Board of Supervisors meeting at 8:31 a.m. in the Board of Supervisors chambers, County Annex Building, 75 West Cleveland Street, St. Johns, Arizona, and welcomed all in attendance.

Devon Brown gave the invocation.

Steve Jenson led the Pledge of Allegiance.

Chairman Shirley called for the Library District items.

SueAnn Collins, Library Director, requested approval to accept State Grant-In-Aid in the amount of twenty-five thousand dollars (\$25,000). Mrs. Collins stated this is an ongoing grant from the Arizona State Library. Mr. White moved approval, seconded by Mr. Weller. Vote was unanimous.

SueAnn Collins, Library Director, requested approval to close District libraries on Friday, November 25th and Saturday, November 26th due to low demand for library services on this holiday weekend. Mr. Weller moved approval, seconded by Mr. White. Vote was unanimous.

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

Chairman Shirley called for the Public Health Services District items.

Chris Sexton, Health Director, requested approval of the Memorandum of Agreement with Empowerment Systems Arizona Living Well Institute that will replace the previous agreement with Stanford University to present the same curriculum at a reduced rate. Mr. Weller moved to approve, seconded by Mr. White. Vote was unanimous.

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

Chairman Shirley called for the regular agenda items.

Devon Brown, Community Development Director, presented the item following a public hearing, discussion and possible approval of a Reversion to Acreage application allowing Margaret Pogue to revert part of Concho Valley Unit 1, lots 1 & 2 back to acreage for future sale. Property is located near Concho Valley, parcel 201-27-188 & 201-27-189. Mr. Brown stated this application was unanimously approved by the Planning and Zoning Commission on October 6, 2016 with no conditions. Mr. Brown stated two letters were received regarding the issue; one in support and one

letter stating they did not see any reason for the Reversion of Acreage. Chairman opened the floor for public comment. No one was present to address the Board. Mr. Weller moved to close the public hearing, seconded by Mr. White. Vote was unanimous. Mr. Weller moved to approve the Reversion of Acreage, seconded by Mr. White. Vote was unanimous.

Devon Brown, Community Development Director, presented the item, following a public hearing, discussion and possible approval of a Reversion to Acreage application allowing Lamont McMahill to revert part of Show Low Highlands, lots 146 & 147 back to acreage due to the terrain of the lots and future development. Property is located near Vernon, parcel 106-37-146 and 106-37-147. Mr. Brown stated the application was unanimously approved by the Planning and Zoning Commission with no conditions. Chairman Shirley opened the floor for public comment. Hearing none, Mr. Weller moved to close the public hearing portion of the item, seconded by Mr. White. Vote was unanimous. Mr. Weller moved approval, seconded by Mr. White. Vote was unanimous.

Mr. Wengert presented the **Consent Items A & B** and recommended approval. Mr. White moved approval, seconded by Mr. Shirley. Mr. Weller stated he has no problem with the minutes but he cannot approve the demands for the same reasons stated in the past. Mr. Weller stated he would approve any demands associated with the essential services in the County Attorney's Office but not all of them. **County Manager/Clerk of the Board: A.** Request approval of demands as distributed to the Apache County Board of Supervisors between October 18, 2016 and November 1, 2016. Payee Amount AZ COUNTIES WORKERS COMPENSATION PLAN 46,614.64 BAUMAN HOME AND AUTO INC 1,116.92 BRADCO 12,813.72 BURNHAM MORTUARY 1,661.00 CRISIS PREPARATION & RECOVERY 6,250.00 DIAMOND DRUGS INC 4,931.98 EARTH MOVER TIRE SALES INC 3,006.22 ELECTIONS SYSTEMS AND SOFTWARE 5,299.04 FRONTIER 4,411.35 HUMAN SERVICES CONSULTANTS 5,331.60 JCG TECHNOLOGIES INC 2,671.77 KATHLEEN M MCGUIRE PSY D LLC 2,095.00 LAW OFFICE OF DIRK LEGATE PLLC 8,555.00 MAVRIDES, ODESSA RENELL 1,082.08 NATIONAL BUSINESS FURNITURE 10,546.05 NAVOPACHE ELECTRIC COOPERATIVE 1,520.85 ONEIL PRINTING INC 1,077.32 OVERDRIVE INC 6,972.86 PATTERSON, DANA BRYCE 8,500.00 PERFECT PRINTZ LLC 1,560.49 PLATT DDS, RANDOLPH 1,510.00 R AND B TREE REMOVAL 2,850.00 SCHIFF, LAURENCE 1,400.00 ST JOHNS EMERGENCY SERVICES 1,003.75 US POSTMASTER 3,756.00 VECTOR RESOURCES INC 1,291.25 VERITAS RESEARCH CONSULTING 1,560.00 VERIZON WIRELESS 1,147.95 WILSON AMPLIFIERS 1,399.00 Shirley, Joe Junior 2,086.34 Rogers, Kent 1,133.29 Stradling, Reed 1,436.99 5Williams, Steve 2,675.48 Irigoyen, Joshua 1,021.25 Chavez, Lillian C 1,065.56 King, Walter Scott 1,187.88 Begay, Timothy 1,024.15 Burbank, Lorenzo 1,077.54 APACHE COUNTY HSA 1,887.91 APACHE COUNTY MEDICAL 147,576.54 APACHE COUNTY TAX WITHHOLDING 133,644.01 ASRS LEGACY EORP 1,010.45 AZ STATE RETIREMENT SYSTEM 88,570.75 COLONIAL LIFE AND ACCIDENT INS 1,413.08 CORRECTIONS OFFICER RET PLAN 4,976.37 CORRECTIONS OFFICER RETIREMENT PLAN 520 4,642.03 PUBLIC SAFETY PERSONNEL 401 11,393.58 PUBLIC SAFETY SHERIFF RET 44,332.22 SUPPORT PAYMENT CLEARINGHOUSE 2,212.13 AZ DEPT OF REVENUE 1,443.31 4IMPRINT 1,725.95 ADG COMMUNICATIONS INC 1,442.50 ADHS AZ HEALTH CARE COST 22,400.00 AHART, E'ELAH 1,125.00 AMAZON COM INC 5,168.54 ARVISO, OLIVER 1,240.00 AVAYA COMMUNICATIONS 1,506.87 AZ SUPREME COURT 19,500.00 AZ SUPREME COURT 4,500.00 AZ SUPREME COURT 1,517.50 BRADCO 36,822.94 BREWER LAW OFFICE PLLC 8,500.00 CDW GOVERNMENT LLC 1,493.38 CRESCENT ELECTRIC SUPPLY CO 1,947.96 ELECTIONS SYSTEMS AND SOFTWARE 2,352.20 EMPIRE MACHINERY 4,053.28 FLEET PRIDE 2,036.74 HAMBLIN LAW OFFICE PLC 8,500.00 HATCH MOTOR COMPANY SNOWFLAKE 3,432.00 HORNE AUTO CENTER INC 1,615.82 INGRAM LIBRARY SERVICES 3,376.26 JENNINGS HAUG & CUNNINGHAM LLP 3,759.50 JENNISON, DWIGHT R 3,001.50 MAVRIDES, ODESSA RENELL 1,009.42 NACO 1,430.00 NAVAJO COUNTY 7,500.00 NAVOPACHE ELECTRIC COOPERATIVE 12,587.42 NEVES UNIFORMS & EQUIPMENT 1,045.77 OFFICE DEPOT 1,271.30 OGDEN, JOHN MARK

17,253.00 PACIFIC PONDEROSA CO INC 1,483.92 PFIZER INC 3,191.50 PIMA COUNTY MEDICAL 2,300.00 PIMENTEL CONTRACT CLEANING 4,990.00 QUILL CORP 2,357.21 SANOFI PASTEUR INC 1,547.06 SHELL OIL 1,544.12 SOURCEHOV 2,117.27 STAUFFER , BARBARA E 1,437.75 TATES AUTO CENTER 1,063.71 THE UNIVERSITY OF ARIZONA 6,250.00 VERIZON WIRELESS 1,639.20 Padilla, Trenton 1,067.97 PITNEY BOWES RESERVE ACCOUNT 7,000.00 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. Request approval of minutes dated October 12, 2016 and October 18, 2016. Motion passed 2-1 with Mr. Weller voting nay.

Shirley Pulsipher, on behalf of the Apache County School Business Consortium, requested approval to create and fill a Network Administrator II (range 55) position. Funding will come from the Consortium budget provided by the schools and other sources (not the General Fund). Mr. Weller moved approval, seconded by Mr. White. Vote was unanimous.

Shirley Pulsipher, on behalf of the Apache County School Business Consortium, requested approval to enter into an agreement with Transworld Network Corporation to allow them to use a portion of the tower we have on Cemetery Hill in Springerville to provide internet services to the communities. Mr. Weller moved approval, seconded by Mr. White. Mr. Weller and Mr. Pulsipher held a discussion on possible impact to the present internet services. Mr. Pulsipher stated this will not interrupt any internet services for the schools; it is basically a backup tower. Vote was unanimous.

The Treasurer's Office agenda item was moved to the end of the meeting.

Chief Deputy Sheriff Brannan Eagar requested approval to enter into the Governor's Office of Highway Safety Grant 2017-PT-001 in the amount of \$14,900.00 for Selective Traffic Enforcement Overtime and required no matching funds. Chief Eagar stated this will help with traffic control and seat belt safety. Mr. White moved approval, seconded by Mr. Weller. Vote was unanimous.

Patrick Sandoval on behalf of District I, requested approval to donate an older District I modular building to Chinle Alcoholic Anonymous Group. Mr. Weller moved approval, seconded by Mr. White. A discussion was held regarding the cost to move the modular and liability issues. Mr. Sandoval stated it is a cost savings to donate instead of demolishing the building and an agreement would be signed between the Group and Apache County regarding liability. Vote was unanimous.

Mr. Wengert presented the item for possible action regarding the resignation of St. Johns Precinct Constable Breanna Lee. A discussion was held regarding utilizing a deputy to continue the duties until the next election for the position in two years. Mr. Weller stated he would like to only act on the resignation portion and made the motion to accept the resignation of Ms. Lee. Breanna Lee addressed the Board and stated she has been considering resigning for about a year since her father's health issues so she is resigning for personal and financial reasons. Mr. Weller stated he has concerns with the pay scale relative to the work load and would like to understand it more fully before making a replacement appointment. Ms. Lee stated she would be happy to assist with the replacement process. Mr. White seconded the motion. Vote was unanimous.

Mr. Wengert presented the item for possible action regarding recommendations to prevent future clerical errors such as the recent clerical error related to the Northeast Arizona Technical Institute of Vocational Technology (NATIVE) and the Northern Arizona Vocational Institute of Technology (NAVIT) tax district. Mr. Wengert provided an overview of the clerical error that occurred and the four items of the Board approved plan:

**COMMITTEE RECOMMENDATIONS TO PREVENT  
A SIMILAR PROBLEM IN THE FUTURE:**

1. Change how we set up the resolution on the tax rates so that we have two columns showing the last year versus the current year and any percentage increase or decrease in taxes (see the attached revised resolution).
2. Develop a custom tax rate variance report in the Tyler/Eagle Assessor program.
3. Create a working group that will begin meeting during the first week in June to discuss the tax season calendar, sequential events and tax rates (Assessor, Treasurer, Finance, GIS and the School Superintendent).
4. By resolution or policy change require any changes to Board approved documents must be reviewed and ratified by the Board.

Mr. Wengert apologized to the Board and the public for any inconvenience with the tax error and stated it is inexcusable and with the new plan of action, it will keep any future clerical errors from happening. Mr. Wengert stated in all of his time with the County this is the first time an error like this made it through all the checks and balances and with these new steps in place, the likelihood of it happening again is very slim. Mr. Wengert stated the taxpayers, most who overpaid their taxes is between \$5.00 and \$25.00 overpayment and believes most homeowners will apply the credit to their next tax bill. Mr. Weller stated he appreciated Mr. Wengert's comments and is very much in support of all four recommendations and it will go a long way to eliminate the occurrence again. Mr. Weller stated he appreciates the apology from those who feel responsible and commends those who stand up and take ownership and appreciated the apology. Mr. Weller moved to approve the recommendations to prevent future similar problems in the future. Mr. White seconded by the Motion. Vote was unanimous.

Supervisor Barry Weller stated in regard to the discussion and comments in the previous agenda item, he sees no need to continue with the item for possible action to direct that a thorough evaluation be completed to determine accountability for the added costs associated with the recent error related to the Northeast Arizona Technical Institute of Vocational Education (NATIVE) and the Northern Arizona Vocational Institute of Technology (NAVIT) tax districts. No action was needed or taken.

Treasurer Marleita Begay requested approval to sell Lehman Brothers security that is currently in Bankruptcy in the estimated Bond amount at sale is \$150,000 but the amount changes on a daily basis and an actual number will be provided to the County right before the sale. Ms. Begay stated the recovery the Auditor General expected from Lehman Brothers was \$821,250.00 but as of today the recovery totaled 1.2 million. Ms. Begay stated she believes it is time to let it go and sell it and transfer it over to investments either long or short term as determined by the investment team. Mr. Weller stated it is nice to have recovered more than expected and asked how much was the initial loss. Ms. Begay stated the total loss was 3.1 million and recovered 38%, or just under two million. Mr. Weller moved to direct the treasurer to sell the Lehman Brothers securities, seconded by Mr. White. Vote was unanimous.

Chairman Shirley opened the floor for call to the public.

Brad Jarvis, a resident of St. Johns, stated he came to the meeting with questions related to the tax error oversight and most questions have been answered today and wanted assurances it would not happen again. Mr. Jarvis stated he also came to make sure any one person, group or entity was not singled out for the blame because it was not any one person who missed catching the error and the Board of Supervisors approved it as well as going through multiple groups reviewing it.

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

Approved this 15th day of November, 2016.

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

/s/ Delwin Wengert  
Clerk of the Board