

**OFFICIAL PROCEEDINGS OF THE APACHE COUNTY
BOARD OF SUPERVISORS MEETING
September 2, 2014
St. Johns, Arizona**

Present were: Vice Chairman Barry Weller, County Manager/Clerk of the Board, Delwin Wengert and County Attorney Michael Whiting. Chairman Tom M. White Jr. and Attorney Joseph Young participated via the telephone. Supervisor Joe Shirley was not available for the meeting. Chairman White called to order the Board of Supervisors, Library District and Health District meetings 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. Chuck Moter gave the Invocation. Judith Pepple led the Pledge of Allegiance.

Chairman White called for the Library District items.

Judith Pepple, Library Director, requested approval of lease agreement between the Sanders Unified School District #18 and the Apache County Library District effective July 1, 2014 through June 30, 2015 in the amount of \$300 per month. Mr. Weller moved approval, seconded by Mr. White. Mr. Weller stated that he has still not received the Attorney General's decision and opinion associated with special district taxation and the budget process as committed to by our County Attorney's Office, and without that, he is not convinced (the County) is operating under an approved legal budget so all his decisions today will be contingent on that fact and he looks forward to seeing that opinion. Motion passed.

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

Chairman White called for the Public Health Services District meeting.

Chris Sexton, Health Director, requested approval of Intergovernmental Contract #ADHS12-007883 Emergency Preparedness Program Amendment #6. Mr. Weller stated he received communication from the Health District associated with this particular grant stating that it would be amended. Mr. Sexton stated that there was a concern the confidentiality of information and he brought that issue up with the state health department and they reviewed those provisions in the grant and will be sending an amendment out with that part being re-written defining some of the terms that were in question about the confidentiality part. Mr. Weller moved approval as amended to include the minutes reflect the amendment document, seconded by Mr. White. Mr. Weller asked all department heads and grant writers associated with dealing with contracts be aware that the County Attorney's Office does not review these items for content; they review for legal capability and it is up to the county staff to review them in detail for a clear understanding of all that is said within the agreements and contracts and it is up to him to oversee that. Mr. Weller stated there are problems with some of the agreements that can be found and government entities like state and federal government will re-write them if pointed out. Motion passed.

Chris Sexton, Health Director requested approval of an Intergovernmental Agreement ADHS11-006947 Health Start Program Amendment #3 which extends the contract through September 2015 and adds the provision to Suspension or Debarment Status and Data Universal Numbering System (DUNS) requirement. Mr. Weller moved approval, seconded by Mr. White. Motion passed.

Chris Sexton, Health Director, requested approval of the revised Public Health Emergency Preparedness Manager job description and new salary range. Salary range in being reduced from Range 53 (\$46,944-\$70,417) to Range 44 (37,590-\$56,385) this is a grant funded position. Chris

Sexton stated this will bring the pay scale in line with that of the Public Health Education and promotion Division Manager pay. Mr. Sexton stated the job description has been re-written to reflect no master's degree requirement and adding five years' experience. Mr. Weller moved approval, seconded by Mr. White. Motion passed.

Mr. Weller moved to adjourn the Public Health Services District meeting, seconded by Mr. White. Motion passed.

Chairman White called for the regular agenda items.

Wesley McBride, on behalf of the Round Valley Rodeo Committee, provided an update on the outcome of the 4th of July rodeo and present reimbursement funds to the Board of Supervisors. Mr. McBride stated that the rodeo went very well and thanked all the municipalities and the groups as well as Apache County's maintenance crew and other personnel. Mr. McBride provided a check to the County that included the \$10,000 seed money as well as an additional check for \$3,000 for all the maintenance as a thank you and stated he hopes to continue to work together for future rodeos. Mr. Wengert stated that the committee met all last year to prepare for the 4th of July Rodeo and it consisted of Town of Springerville, the rodeo club, the County and other local community members. Mr. Wengert stated that everything turned out really well and appreciate everyone on the committee and done with all volunteer labor. Mr. Weller stated he was surprised to see additional funds coming to the County for maintenance costs and appreciated all that was done to bring this event to the community and glad it was a success. No action was needed or taken.

Mr. Wengert presented the **Consent Items A & B**. Mr. Weller asked each item be taken separately. Mr. Wengert presented **Consent Item A**. Request approval of minutes dated July 22, 2014 and August 18, 2014. Mr. Weller moved approval, seconded by Mr. White. Mr. Weller stated that the August 18th minutes reflect the August 4th meeting relative to the County Attorney assuring the Board they would bring forth the written Attorney General's opinion on the special taxing district issues relative to our approval of the budget and that has not been forthcoming. Mr. Weller stated he wants to make sure the minutes continue reflect it until he receives the information, so he knows we are operating under a proper budget. Motion passed.

Mr. Wengert presented **Consent Item B**. Request approval of demands dated August 18, 2014-September 2, 2014. (August 18, 19, 20, 21, 26, 27, & 28, 2014). Specific details of the demands may be requested through the County public record request process. Payee Amount AZ DEPT OF REVENUE 1,893.71 ADHS AZ HEALTH CARE COST 22,400.00 APACHE COUNTY 12,484.16 APACHE COUNTY FAIR 15,000.00 AZ SUPREME COURT 2,894.33 AZ SUPREME COURT 4,180.00 AZLGEBT 290,563.94 BLUE HILLS ENVIRONMENTAL 1,032.28 BRADCO 24,691.21 CLYDE, VICTOR J 1,171.28 COURTESY CHEVROLET 26,981.89 DELL COMPUTER CORPORATION 4,089.43 DESERT MOUNTAIN CORPORATION 9,802.17 EMPIRE MACHINERY 1,241.39 ESRI INC 5,151.70 EXHIB-IT! TRADESHOW MARKETING EXPERTS 1,175.96 FRONTIER 4,514.85 HILLYARD INC 1,562.24 HUBBELL, ROCHELLE 1,000.00 INGRAM LIBRARY SERVICES 2,513.63 KATHLEEN M MCGUIRE PSY D LLC 1,775.00 LITTLE COLORADO BEHAVIORAL HEALTH CENTERS INC 1,744.50 MINKUS 2,660.60 NAVAJO TRIBAL UTILITY AUTHORITY 1,065.45 NAVAJO TRIBAL UTILITY AUTHORITY 1,926.81 NAVOPACHE ELECTRIC COOPERATIVE 17,273.76 NIELSEN WELL DRILLING 1,040.81 PATTERSON, DANA BRYCE 8,500.00 PUBLIC AGENCY TRAINING COUNCIL INC 2,165.00 QUILL CORP 1,454.52 SHELL OIL 4,109.83 ST JOHNS CITY 2,178.27 ST JOHNS EMERGENCY SERVICES 1,106.34 THOMSON REUTERS WEST 1,025.52 TOWN OF EAGAR 7,821.99 VERITAS RESEARCH CONSULTING 1,440.00 VERIZON WIRELESS 1,302.38 WHITE MOUNTAIN PUBLISHING CO 2,410.60 WOODLAND BUILDING CENTER 1,047.90 YAVAPAI COUNTY GOVERNMENT 7,750.00 APACHE COUNTY HSA 2,774.59 APACHE COUNTY MEDICAL 140,557.53 APACHE COUNTY

TAX WITHHOLDING 128,214.11 AZ STATE RETIREMENT SYSTEM 85,139.79 COLONIAL LIFE AND ACCIDENT INS 1,445.06 CORRECTIONS OFFICER RET PLAN 8,593.35 CORRECTIONS OFFICER RETIREMENT PLAN 520 4,313.49 NATIONWIDE 1,605.00 PUBLIC SAFETY PERSONNEL 401 14,122.03 PUBLIC SAFETY SHERIFF RET 30,252.93 SECURITY BENEFIT GROUP 1,321.00 SUPPORT PAYMENT CLEARINGHOUSE 2,589.68 AGUERO, ROBIN R 1,099.00 AMAZON COM INC 3,471.31 AMIGO CHEVROLET 1,035.40 AZLGEBT 299,554.92 BARNES, PATRICIA M 2,620.00 EAGAR, BRANNON 1,056.08 EVENFLO COMPANY INC 4,969.46 GOLIGHTLY TIRE 1,350.13 HILLYARD INC 2,060.86 INGRAM LIBRARY SERVICES 3,155.29 MERCK SHARP & DOHME CORP 1,703.26 MERRILL, KYLER GRANT 2,130.00 PRO PETROLEUM 24,554.27 QUILL CORP 2,166.83 SCRUBWORKS 2,846.00 SECURUS TECHNOLOGIES INC 1,058.38 SHELL OIL 2,255.63 SOUTHWEST AUTO AND TRUCK REPAIR 1,079.51 TJP COMMUNICATIONS 1,115.00 TYLER TECHNOLOGIES INC 8,922.89 UNIVERSAL FLEET CARD 1,028.36 VERITAS RESEARCH CONSULTING 4,880.00 WELLS FARGO BANK 2,066.40 WOODLAND BUILDING CENTER 3,854.09 YOUNGS FUTURE TIRE 6,421.00 EMTAP ENTERPRISES 13,047.00 KONICA MINOLTA 8,008.05

Mr. Weller stated he would like to adjust the language of Item B so he can vote to approve this item and requested striking out the dates in parenthesis (August 18, 19, 20, 21, 26, 27, & 28, 2014) and adding "as previously emailed and documented to supervisors for approval". Mr. Weller stated the dates do not match what was emailed to him for approval so he can not approve something that makes no sense to him. Mr. Weller moved to approve demands dated August 18, 2014 through September 2, 2014 as previously emailed and documented to the supervisors for approval. Mr. White seconded the motion. Motion passed.

Ferrin Crosby, County Engineer, requested approval to enter into Task Agreement #2 with the BIA-Division of Transportation, Chinle Agency, and Apache County for the purpose of road maintenance on BIA routes. Mr. Crosby stated that earlier this year the Board approved Task Agreement #1 and this task agreement would supersede and replace that task agreement due to some minor changes that were implemented into this task agreement as well as some additional language which will allow for some spot gravel on certain areas. Mr. Weller moved approval, seconded by Mr. White. Mr. Weller stated that the purpose is clear but in the scope of maintenance they add the wording "to BIA standards" as our responsibility and asked Mr. Crosby if that was an issue. Mr. Crosby stated no, not at all. Mr. Weller stated he is trying to understand all the levels of complexity related to working with the Navajo Nation and statutory requirements and will be formulating a letter to the Attorney General to obtain an opinion about the appropriateness to ensure we are meeting all of the stator requirement and also any documentation from our County Attorney that shows we are absolutely in statutory agreement. Motion passed.

Ferrin Crosby, County Engineer, requested approval to award Bid #201502 for the Chinle Fuel System to D& H Petroleum. Mr. Crosby stated there were two bids received:

D& H Petroleum \$138,500.52

Tank Solutions \$149,655.00

Mr. Weller moved approval to award the Bid to D& H Petroleum, seconded by Mr. White. Mr. Weller asked if the cost was within the budget expectations. Mr. Crosby stated that this is being paid for out of contingency since this was not an expected project because it was due to a fuel spill and currently still in the process of cleaning up the fuel spill and he had projected this would cost around \$150,000 so it was less than expected. Motion passed.

Ferrin Crosby, County Engineer requested approval of Resource Advisory Committee (RAC) grants from United States Department of Agriculture (USDA) for road material to be applied to County Road 3140 (in Vernon) in the amount of \$71,250 and County Road 4140 (in Eagar) in the amount of \$14,345. Mr. Weller moved approval, seconded by Mr. White. Motion passed.

Angela Romero, Election Director, requested approval of the Primary Election Canvass that was held on August 26, 2014. Mr. Weller moved approval, seconded by Mr. White. Mr. Wengert thanked everyone who worked on the election and many who worked through the holiday weekend to get all the early ballots done and as usual, the election department has performed flawlessly and there were no major issues with the election process and he appreciates all those that put in all the effort to make sure the Canvass could be approved today. Motion passed.

Joe Young, on behalf of the County Attorney's Office, requested action related to a settlement payment method for Transwestern Pipeline related to valuation of property performed by Arizona Department of Revenue. Mr. Young stated this is just a matter of finalizing and approving the payments to Transwestern settlement that have been previously discussed in other Board meetings, and essentially the Board would be approving the payment as a lump sum rather than as a tax credit. Mr. Young stated everything has been settled; it's just a matter of how to pay the money out, either as a tax credit for future years which would include interest and would be more costly than the lump sum one-time payment. Mr. Young stated that based on discussions with both Finance and the Treasurer's Office, the one-time payment would be better to avoid interest so he is asking the Board to approve a lump sum rather than the tax credit. Mr. Weller asked if this included the school's portion as well. Mr. Young stated yes, all portions. Mr. Weller asked about those schools that applied for debt financing to pay this off. Mr. Young stated some schools obtained lines of credit for other reasons besides the repayment, and he knows of one special district that is considering a line of credit specifically to deal with this repayment debt. Mr. Weller moved to approve all payments are to made as a lump sum, rather than financed through Transwestern, seconded by Mr. White. Motion passed.

Mr. Wengert requested the item for a possible executive session for legal advice pursuant to A.R.S. 38-431.03 (A) (4), discussion and possible action related to the proposed 10(j) rule modification by the United States Fish & Wildlife Services (USFWS) be tabled until all three Board members could be present. Chairman White stated he also would like to wait until all three Board members were available. Mr. Weller stated he had no objection waiting. Chairman White tabled the item.

Chairman White opened the floor for the call to the public.

Lorraine Vaught, a resident of Vernon, stated that at the August 4, 2014 meeting the Board abated over a million dollars for personal property tax and Treasurer Begay stated that there would be notices sent out, or at least a notice in the newspaper. Mrs. Vaught stated she has been checking the paper and has not seen any notice. Mrs. Vaught stated that she stopped in the Treasurer's Office before the board meeting today and asked to speak to Mrs. Begay and she was not in, but asked whether any notices had been sent out to the 3000 taxpayers and was told by her staff they did not believe so. Mrs. Vaught requested Mrs. Begay follow through on her statement and send out the notices.

Mr. Wengert stated that this is the Apache County Fair week and the County crew has been working at the fairgrounds for the past 6 months with funding from a Community Development Block Grant and wanted to compliment the Building and Maintenance staff, Engineering crew and all those who helped with the project. The area looks really good and was asphalted and had new retaining walls build and encouraged everyone to go to the fair and see the work was done. Chairman White thanked the employees for doing such a great job on the facility.

Mr. Weller moved to adjourn the meeting, seconded by Mr. White. Motion passed.
Approved this 16th day of September, 2014.

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

/s/ Delwin Wengert
Clerk of the Board