

**BOARD OF SUPERVISORS  
NAVAJO COUNTY, ARIZONA**

**March 17, 2003**

Supervisors' Chambers, Holbrook, Arizona - Time: 9:00 a.m.

**PRESENT:** Pete Shumway, Chairman; J.R. DeSpain, Vice-Chairman; Percy Deal, Member; Jesse Thompson, Member; Jerry Brownlow, Member; Lance Payette, Deputy County Attorney; Eddie Koury, County Manager; and Judy Jones, Clerk of the Board. Mr. Brownlow led the Pledge of Allegiance and offered the Invocation.

**CALL TO THE PUBLIC:** There were no comments offered.

**CONSENT AGENDA:** **Mr. Thompson made a motion** to authorize the Chairman to sign the items in the Consent Folder; motion seconded by Mr. DeSpain; vote unanimously carried. The following items were included in the Consent Agenda: 1) Voucher List for Payment; 2) Public Works: Request to name existing road in the Pinetop-Lakeside area "Williams Drive"; Request to name existing road in the Linden area "Starfire Lane"

**TREASURER'S OFFICE:** Manny Hernandez, Treasurer: Approval of bid for Title Searches for 2003 Tax Foreclosures: (Mr. Hernandez was unavailable) Jackie Koon advised that two bids had been received. Transnation Title bid \$85 for a full search and \$50 for a limited search. First American Title bid only for the limited search-\$50. Ms. Koon recommended that the contract be awarded to Transnation. **Mr. DeSpain made a motion** to approve the bid for Title Searches for 2003 Tax Foreclosures; motion seconded by Mr. Brownlow; vote unanimous approving the motion.

**SUPERIOR COURT:** Honorable Dale P. Nielson, Presiding Judge: Approval of payroll action for Court Administrator appointment: County Manager Eddie Koury requested an **Executive Session for legal advice, pursuant to ARS §38-431.03(A)(3).** **Mr. Thompson made a motion** to enter into Executive Session at 9:25 a.m.; motion seconded by Mr. Brownlow; vote unanimous approving the motion. Present were: Chairman Pete Shumway; Vice-Chairman J.R. DeSpain; Members Jerry Brownlow, Percy Deal and Jesse Thompson; County Manager Eddie Koury; Human Resources Director Gilbert Gonzales; Personnel Supervisor Don Smith; Deputy County Attorney Lance Payette; Presiding Superior Court Judge Dale Nielson; and Clerk of the Board Judy Jones. **Mr. Thompson made a motion** to return to regular session; motion seconded by Mr. Deal; vote unanimous approving the motion. The Board reconvened in regular session at 9:40 a.m. Mr. Gonzales said the issue is the permanent appointment of the acting Court Administrator. Human Resources has reviewed the matter and taken the position that the current classification does not reflect the actual duties and responsibilities of the job. Mr. Brownlow asked why this position was not reclassified in the past when the responsibilities changed. Mr. Gonzales said that the reclassifications are normally done at budget time, but this one just wasn't addressed. Judge Nielson said this employee has been with the courts for about 15 years, and has supervised the collections department for the last 10 years. She is knowledgeable about the court budgets across the county, and he feels she does meet the minimum qualifications for the job and is not over-qualified. He noted that there have been two past court administrators who were paid this salary, and it should be the court's determination to appoint a permanent administrator at this time. Mr. Deal expressed his concern regarding the timing of this action in view of the possible layoffs ahead of us, and indicated he will oppose the motion. **Mr. DeSpain made a motion** to approve the payroll action for Court Administrator appointment; motion seconded by Mr. Brownlow; Mr. DeSpain, Mr. Brownlow, Mr. Thompson and Mr. Shumway voted aye; Mr. Deal voted no; motion carried.

9:25 **SHERIFF:** Gary Butler, Sheriff: Approval to enter into Cooperative Law Enforcement Agreement between the Navajo County Sheriff's Office and the U.S. Department of Agriculture, U.S. Forest Service and Apache-Sitgreaves National Forest, and approval of Financial & Operating Plan for reimbursement: Sheriff Butler explained we are in the second year of a five year agreement, and the financial part of the agreement must be renewed each year. This agreement allows for law enforcement patrols within the Apache-Sitgreaves National Forest. The reimbursement this year will be not to exceed \$5000. **Mr. DeSpain made a motion** for approval to enter into Cooperative Law Enforcement Agreement between the Navajo County Sheriff's Office and the U.S. Department of Agriculture, U.S. Forest Service and Apache-Sitgreaves National Forest, and approval of Financial & Operating Plan for reimbursement as presented; motion seconded by Mr. Thompson; vote unanimous approving the motion.

**PUBLIC WORKS:** Bill Cox, Director: 1) Renewal of Bid #B01-02241, Liquid Asphalt Products: Mr. Cox explained that this contract is for liquid asphalt products, such as CRS oils, which is primarily used in the chip-sealing program. The current contract allows for one-year extensions, and the contractor has requested an extension for an additional year with the current pricing. Mr. Cox noted that with the increase in oil and gas prices, it is unlikely we could get a better price by re-bidding the contract. He recommended that we renew the contract for one year. Jerald Hatch and Lynn Hatch addressed the Board regarding the extension of contracts. (Lynn Hatch indicated that he has this same concern as to the annual hot asphaltic pavement overlay contract also) They said it is unfair to other contractors to extend one contract for one contractor year after year. They believe that the contracts should be rebid each year to allow everyone a change to bid on the projects. They also addressed the "escalation clause" in the contract, and noted that costs can be increased or decreased, based on the price of the goods. Dusty Parsons, Deputy Director of Highways, explained that prices are locked in for a period of 120 days from the effective date of the contract. The increases are for the liquid asphalt only, and do not include fuel costs. He noted that they have never initiated the escalation clause, but if the contractor felt he could not perform under the contract, the matter would be brought back to the Board, who has sole discretion. If the prices skyrocket, the contract can be canceled altogether. **Mr. Thompson made a motion** to approve the renewal of Bid #B01-02241, Liquid Asphalt Products; motion seconded by Mr. Deal; vote unanimous approving the motion.

2) Renewal of Bid #B01-02151, Annual Hot asphalt Pavement Overlay: Mr. Cox explained that this contract is an annual contract to provide hot mix overlays in various areas throughout the county. This contract has allowed the department to schedule approved asphalt projects throughout the year and has saved many hour of administrative time by not having to repeat the bid process for every individual project. Mr. Cox noted that the cost of the projects is driven by oil prices and for the past two years, we have been able to maintain a consistent unit price for the asphalt, utilizing the renewal clause. The contractor has requested that we renew this contract for another year with the same pricing. With the cost of oil rising at a significant rate, Mr. Cox said he feels this is an exceptional opportunity. This contract has provided a cost-effective and efficient means to provide this service and therefore, it is his recommendation that the contract be renewed at this time. Lynn Hatch and Jerald Hatch renewed their objections to the contract extensions. Mr. Cox said that this contract was first awarded in 1997, and it was to the Hatch's company. They then renewed the contract twice, just as is being done now. Mr. Cox said he feels we would not get a better price by going out to bid, as the price of asphalt has increased by \$10/ton just in the last two months. Deputy County Attorney Lance Payette advised that the county's responsibility is to get the best price for the contract at the time it is entered into, and not consider what may happen in the future. He added that the county can renew the contract annually, if the original contract allows for it. Michael Larson said he holds the current contract (Surface Contracting). He

said that the Hatch company had the contract from 1997 to 1999, renewed each year per contract. Mr. Larson said that he had the opportunity to increase the oil price last year, but he chose not to. He noted that if the contract is renewed this year, the prices will hold for 120 days. He said the materials supplier has agreed to hold the prices for the next contract year. He noted if the current contract is not renewed, the new bids would have increased costs. Jerald Hatch said he believes it is not as costly as Mr. Cox said to bid every individual contract. He believes everyone should have the opportunity to bid on every project. Joy T. Pearce said he agrees that each project should be bid and that this contract should be rebid and not extended. He said the county should operate the same way ADOT does. Following further discussion, Mr. Parson said the bottom line is that the annual contracts have worked well for the county and he believes this contract will save the county hundreds of thousands of dollars. Splitting the contract out into individual projects will cost the county more and he recommends the renewal of this contract. In response to questions from the Board, Mr. Cox advised that this contract was originally for four (4) years (one year renewals). If the projects are individually bid, it will cost more per project. He believes it is beneficial to the county to have an annual contract, even if this particular contract is rebid. Mr. Payette addressed one of the contractors' complaints by saying that the bid documents should realistically list the amounts of materials which will be needed for the projects. **Mr. Brownlow made a motion** to authorize the Public Works Department to go out to bid on the Annual Hot Asphalt Pavement Overlay contract; motion seconded by Mr. Shumway; vote unanimous approving the motion.

**ELECTIONS DEPARTMENT:** Barbara Hunt, Chief Deputy Recorder: Canvass election held March 11, 2003 for District Board Member, Timberland Acres Special Road District #1: Ms. Hunt advised this was an all mail ballot. There were 49 ballots cast, with 5 rejected. There were 22 votes for write-in candidate Frank Wheeler, and 22 ballots were returned blank. **Mr. DeSpain made a motion** to approve the canvass of the election held March 11, 2003 for District Board Member, Timberland Acres Special Road District #1; motion seconded by Mr. Brownlow; vote unanimous approving the motion.

**NAVAJO COUNTY PUBLIC HEALTH SERVICES DISTRICT:** Stanley Warner, MD, District Director: Board of Directors Session 1) Approval to reorganize Bio-Terrorism Preparedness and Response Program and reclassify the Public Information /Training Officer position as a Bio-Terrorism Public Health Nurse Training/Information Officer position: **Mr. DeSpain made a motion** to enter into a Board of Directors Session; motion seconded by Mr. Brownlow; vote unanimous approving the motion. Dr. Warner explained that in order to properly train the health care personnel in Navajo County, he feels that a minimum requirement of the Public Information/Training Officer must include a nursing education. Therefore, he would like to include that requirement in the job description. He said it is a priority, when discussing the training of other health care professionals, that this representative instill confidence and credibility in the county's ability to respond to a public health crisis. Dr. Warner said he has discussed this with Human Resources and they feel this position should be a Range 20 and be called the Bio-Terrorism Public Health Nurse Training/Information Officer. Personnel Supervisor Don Smith advised that he reviewed this matter with Dr. Nejeles, but after looking at it, he determined that the position should be a range 21, not a 20. The Board was advised that this position is funded completely through the bio-terrorism grant. Mr. Deal invited Dr. Warner to attend a 911 Service Conference in Chinle from April 1-3, 2003. **Mr. DeSpain made a motion** to approve the reorganization of the Bio-Terrorism Preparedness and Response Program and the reclassification of the Public Information/Training Officer position as a Bio-Terrorism Public Health Nurse Training/Information Officer position as presented; motion seconded by Mr. Brownlow; vote unanimous approving the motion.

2) Update re: Progress of the Navajo County Public Health Services District: Dr. Warner advised that the Health District is doing well. The District has re-obtained the family planning grant and has become an outpatient treatment center. We have received approval from U of A to set up the Bioterrorism Fellowship program. There are four (4) grants coming down from the Governor's office this week, and it is almost a certainty that we will get the domestic violence grant back. He noted that the University of Arizona is helping us considerably, and there is a meeting scheduled this week where we will receive news regarding the Bioterrorism Fellowship. **No action taken; informational only.**

**CLERK OF THE BOARD/BOARD OF SUPERVISORS:** Judy Jones, Clerk and J.R. DeSpain, Supervisor (Cont from 2/18/03): Accept or reject proposal from Stephens Properties to purchase approximately 53 parcels in the Sun Valley area: Ms. Jones noted that this matter was initially scheduled on the Board agenda several weeks ago, and was continued to allow the Board to consider the possibility of selling the back tax parcels on Ebay. She said she is still reviewing the Ebay proposal, and could possibly list 10 parcels at a time. Mr. DeSpain said he spoke with Mr. Stephens last week, and he was advised that the parcels Mr. Stephens has on Ebay now are selling very slowly because there are many sellers doing the same thing. Mr. DeSpain noted that if we accept the proposal from Mr. Stephens, we would have approximately \$15,000-\$16,000 cash in hand. Ms. Jones said we have nothing to lose with Ebay, and there are hundreds of other parcels we could sell on Ebay when we are ready to pursue this avenue. She, along with Mr. DeSpain, recommended accepting Mr. Stephens' proposal at this time. **Mr. DeSpain made a motion** to accept the proposal from Stephens Properties to purchase approximately 53 parcels in the Sun Valley area, and to set up an Ebay sales approach as presented; motion seconded by Mr. Brownlow; vote unanimous approving the motion.

**NAVAJO NATION DEPARTMENT OF TRANSPORTATION:** Lee Bigwater, Director; Aquilla Martinez, Construction Supervisor: Request for funding assistance from District II Special Project Road Funds or TEA-21 Funds for completion of the Johnson-Baldwin Road Project: Mr. Bigwater advised that the material for the project has been received for the project, but there is a shortfall in the funding for the heavy equipment operator. Mr. Bigwater requested funding assistance to provide an additional 64 hours of work to complete the project. The total amount requested is \$864. **Mr. Thompson made a motion** to approve the request for funding in the amount NTE \$900, from District II Special Project Road Funds for completion of the Johnson-Baldwin Road project; motion seconded by Mr. Deal; vote unanimous approving the motion. (Mr. DeSpain absent for the vote)

**ADMINISTRATION:** Eddie Koury, County Manager; Gilbert Gonzales, Human Resources Director: 1) **Resolution** in support of the Arizona County Insurance Pool applying for projects in Arizona's 2003 Highway Safety Plan: Mr. Koury explained that the Governor's Office of Highway Safety is seeking proposals from state and local entities for projects relating to all aspects of highway safety. The Arizona County Insurance Pool (ACIP) will be submitting projects on behalf of Navajo County for this funding. **Mr. Shumway made a motion** to adopt **Resolution #14-03**, in support of the Arizona County Insurance Pool applying for projects in Arizona's 2003 Highway Safety Plan; motion seconded by Mr. Brownlow; vote unanimous approving the motion. (Mr. DeSpain and Mr. Thompson were absent for the vote)

2) **Budget discussions for FY 2003/2004:** Mr. Koury explained that the Joint Legislative Budget Committee (JLBC) reported figures which showed there would be no direct impact to the counties in the '03 budget. The estimate of the impact for '04 was \$77 million to the counties, with \$1.7 million to Navajo County. However,

the County Supervisors Association (CSA) conducted an analysis of those figures and determined that the JLBC did not take into account costs already shifted to the counties. This puts the figure for '04 back at approximately \$3 million.

3) Eight month financial review: Mr. Koury said that for the most part, revenues are on track and if expenditures remain as they are we may have some carry-over into the next fiscal year. Since carry-over was not built into the budget, this will really help. He added that the last month's figures on county sales tax and state shared sales tax (including the Christmas sales figures) are up from where we thought they'd be at this time. He noted that the JP revenues are down, which seems to be due to the fact that there are less tickets being written. Mr. Koury noted that there are a few departments whose expenditures are over what they should be. In the juvenile probation department, the cost overruns are due mainly to overtime. In the Public Defender's office, it is due primarily to the costs incurred because of a capital case they are handling. Most of these costs, however, should eventually be reimbursed by the Department of Corrections. The Jail, which is at 78% expenditure, is actually right on track if you consider the \$397,000 which should come from the BOP funds. **No action taken; informational only.**

4) Possible freeze on hiring and any unnecessary operation expenditures for the remainder of the 2003 budget: Mr. Brownlow advised that Coconino County announced that they are imposing a hiring freeze until the end of the budget year, which should save them over \$200,000. He said he wanted to discuss this and see if it was a viable way for us to save some money. Mr. Koury said that if the intent of this item is to allow no more purchases until the new fiscal year, then we will save money. It would work, but can the departments live with it? Comments from the department heads and elected officials in the audience indicated that they believe they are cutting as much as they can with the 15% as directed by the Board. Mr. Brownlow noted that he brought this item up only because he had been told there was no carry-over. However, Mr. Koury has indicated today that there may well be some carry-over. **No action taken.**

5) Reduction in Force (RIF) procedures: Mr. Gonzales explained he has presented this information to the department heads and elected officials, and he is presenting it today to the Board so they will be aware of the procedures the departments will be following. He said that a "reduction in force" is essentially the same as a layoff. A layoff can be done within a department because of lack of funds, etc. A reduction in force however, is generally an organizational-wide cutback in a large number of positions. This is not a negative reflection on the employee because it beyond his/her control. Mr. Gonzales continued by reviewing the Personnel Policies and Procedures Handbook, Article 26-Separation. (Copies of this material is available at the office of the Clerk of the Board) **No action taken; informational only.**

**PAYROLL ACTIONS:** Gilbert Gonzales, Human Resource Director, presented a list of payroll actions. **Mr. Thompson made a motion** to approve the payroll actions as submitted; motion seconded by Mr. Brownlow; Mr. Thompson, Mr. Brownlow, Mr. DeSpain and Mr. Shumway voted aye on all payroll changes; Mr. Deal vote no on item #2 and aye on the remaining changes; motion carried.

**BOARD BUSINESS:** Mr. Shumway advised that we have filed the Motion to Intervene in the Forest lawsuit,

but we have not yet been admitted as an intervenor for the Forest Service.

There being no further business to come before the Board of Supervisors, the meeting was adjourned until Monday, April 7, 2003, upon a motion made by Mr. Brownlow; motion seconded by Mr. Thompson; vote unanimously carried. The meeting adjourned at 1:00 p.m.

**APPROVED:**

**DATE:** \_\_\_\_\_

\_\_\_\_\_  
**Pete Shumway, Chairman**

**ATTEST:**

\_\_\_\_\_  
**Judy Jones, Clerk of the Board**

**The following Navajo County demands were audited, approved and ordered paid by the Board:** Com1st Bnk\$6219.40;AZEquip\$2378;AWHardy\$3500;AP\$2350.83;Avaya\$2185.76;ACIP\$6331.54;AZTreas\$25,898;CHolliday\$2700;Carquest\$1355.62;CellOne\$1196.37;ChkrAuto\$1359.33;Chevron\$1241.80;CWagner\$3695;CitzGas\$4102.85;ClrSuprCrt\$2566.82;CoconinoMedExam\$3531.25;ComCnslngCntr\$11,215.65;Compass\$37,843.68;CrtstyChev\$1110,363.50;DJones\$5270.25;DGoldberg\$1246.70;ErthMvrTire\$3388.94;Empire\$4118.04;FlstfMedCntr\$54,303.97;FrontierComm\$4863.58;HatchConstruct\$1210.55;HlbrkExtCare\$3690;HumSocWhtMtn\$3680;JMWhlsle\$18,531.94;JWhipple\$3800;KByrne\$1050;LawOfcGForsyth\$1965;MMProfCIng\$1248.74;MDewitt\$4720;MedExprs\$2301.52;NCRF\$1616.75;NCRFShrf\$1456.89;NCRF\$5728.54;OwensEnrgy\$3899.61;PtolmTrdrs\$15,351.58;PraxairDistrib\$1107.37;Qwest\$1108.74;RevegServ\$3390.85;SOrtego\$1500;SaulEngineer\$6950;TransftSolut\$2610;TransrceComputr\$6601.67;USPO\$12,000;WestGrp\$5498.65;Com1stBnk\$4850.63;AP\$2985.49;ADR\$84641.70;Bkr&TylrEntrtnmt\$1321.78;BearCatMfg\$4739.10;BseCscdOfcPrd\$2305.52;Brandco\$4744.29;CHolliday\$1770;ChefSplyCorp\$1397.34;ContechCnstrctPrd\$4187.41;DelphEng\$1086.30;DiamondPhrmcySrv\$5197.90;DrakeTrck&Trlr\$1279.20;Elocktronics\$1507.63;EmpireMachCo\$1946.98;FleetSol\$4190;FrontierCarrSrv\$2251.74;GEPresco\$5261.62;HughesSply\$1944.79;J&MWhls\$15905.51;JRoper\$1167.70;LarsonsRepair\$2134.15;LasonSystem\$3025.88;MatInd\$1286.39;MtnGlenWtr\$1350;MtnStatesCompuNet\$3181.83;NCRF\$1714.22;Norchem\$1655.83;OwensEnrg\$6846.32;PageSteel\$2923.63;PMcGillicuddy\$6068.86;PetroleumTrdrs\$69354.99;R&REnt\$9267;RevegetationSrv\$2209.90;RTurleyAssoc\$1750;Sprint\$4281.82;TwnP/L\$1985;89;Verizon\$1074.67;Versatech\$7332;Walmart\$1346.69;WasteMgmt\$7729;WhtMtnLglAid\$1610;WMH\$2088.68;WRSGroup\$1142.45;Xerox\$3520.62;AlleysLmbr\$1244.55;AP\$26537.10;ASAPSftwr\$1045;BorderPrd\$3223.93;Bradco\$8627;CampWilderness\$1736;CarQuest\$5352.07;CellOne\$4803.81;CtyWnslw\$15000;DellMrktng\$8988;E&EServc\$1698.96;GlaxoSmithKline\$1212.50;LindenPearceCnstrct\$1493.89;MicrotekSol\$1243;NewmanTrafficSigns\$11103.20;OfcDepot\$1116.67;PetroleumTrdrs\$8938.32;PortenierEnt\$1653.34;SHeckathorne\$2365;SpecialtyLdrs\$7575.88;StandardElectric\$4646.44;TCISftwr\$4689;WhtMtnCnslng\$4305;WhtMtnRegDev\$5000;WoodL

awOfc\$5392.25;Com1stBnk\$1128.50;ActnMedSrv\$1157.62;APS\$2649.03;Bkr&TylrEntrtnmnt\$1245.41; BBarkerCo\$1213.60;BoiseCascadeOfcProd\$1607.29;Bradco\$1835.52;CtyHolbrk\$4225;CtyHolbrk\$2378.50;CommSystem\$1746.29;CCC\$1932.30;CntrctrsBldgSupp\$2007.36;Demco\$1165.56;DMcCoy\$2680.37;E&ESrv\$1471;Kodak\$1205.19;FirstMesa\$5250;FleetSolutions\$7595;FrontierCom\$1391.76;GlaxoSmithKlineFncl\$2061.25;IkonItSource\$60215.38;JamarTech\$2133;JLymanDMD\$1798;JRGarsha\$3000;KnsStBnk\$1628.03;MaricopaIntgrtdHlth\$6483.06;NCRF\$1235.42;NCRF\$2497.57;NCSU\$4100;Norchem\$2815.48;OfcDepot\$1025.36;OwensEnrgy\$1958.51;PitneyBowes\$2385;RevegetationSrv\$6781.70;RHigginsLaw\$1435;Thacker&Thacker\$1310.50;PrintPlace\$2418.59;TranscorAmerica\$3084.44;TransourceComp\$9239.30;Versatech\$8736;VikingOfcProd\$1038.87;Wearguard\$1486.30;WhtMtnCnslng\$5041;WhtMtnPub\$1260.07;KachinaOfcBldg\$1785.47;ShowLowPontiac\$1602.29;AzPsychSrv\$18150