

**BOARD OF SUPERVISORS
NAVAJO COUNTY, ARIZONA**

September 2, 2003

Supervisors' Chambers, Holbrook, Arizona - Time: 9:10 a.m.

PRESENT: Pete Shumway, Chairman; J.R. DeSpain, Vice-Chairman; Percy Deal, Member; Jesse Thompson, Member; Jerry Brownlow, Member; Mel Bowers, Jr., County Attorney; 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) Assessment and Tax Roll Corrections; 3) Board of Supervisors Minutes: August 11, 18 & 26, 2003; 4) Public Works: name existing road in the Pinetop/Lakeside area "Oxen Lane", "Koston Trail" & "Chancey Lane"; Heber/Overgaard area "Ten Hawk Trail", "Palomino Trail" & "Tail Tree Lane"; 5) Juvenile Justice Report: (July); 6) Clerk of the Court Report: (July); 7) Constable Report: (July): Holbrook, Snowflake & Show Low; 8) Justice Court Report: (July) Holbrook, Snowflake, Winslow & Kayenta; 9) Recorder: Expenditure from Document Storage & Retrieval Fund to purchase copier for copying maps; 10) Superintendent of Schools: Federal funds to purchase six PC's and four printers; 11) Back Tax Land Deed: 105-32-186, 187, 105-33-180, 206, 250, 251, 253, 105-34-007, 063, 083, 088, 093, 117, 118, 119, 120, 126, 167, 175, 180, 226, 227, 228, 272, 273, 343 (Sun Valley). (Mr. Deal absent for the vote)

BOARD OF SUPERVISORS: Pete Shumway, Chairman: 1) Appointment of Jimmy Jayne as Navajo County Manager: Mr. Shumway introduced Mr. Jayne to the audience. Mr. Brownlow made a motion to appoint Jimmy Jayne as Navajo County Manager; motion seconded by Mr. DeSpain; vote unanimously carried. (Mr. Deal absent for the vote).

2) Elected Officials and Department Head Meeting re: Welcoming Reception for new County Manager, Jimmy Jayne:

PUBLIC WORKS: Bill Cox, Director: 1) Approval to purchase two caterpillar 140 H motor graders through IGA with Maricopa County - cooperative purchasing: Mr. Cox advised that the motor graders will be purchased through the cooperative purchasing agreement the county has with Maricopa County. The bid package prepared by Maricopa County in 2002 had contract specifications allowing for purchases through November 31, 2004. These two motor graders will replace a 1997 Caterpillar 140H, with guaranteed buy-back, and a 1977 Caterpillar 140. The total price for the equipment, less the trade-in, is \$267,173.47. These purchases were budgeted in the 2003/2004 budget. Mr. DeSpain made a motion to approve the purchase of two caterpillar 140H motor graders through the Cooperative Purchase IGA with Maricopa County, as presented; motion seconded by Mr. Thompson; vote unanimously carried.

2) Request modification of 5 yr Capitol Improvement Project Schedule: Mr. Cox explained that there were several small projects to be completed in the Clay Springs area this fiscal year, including upgrading five major wash crossings prior to the capital overlay project. However, due to several delays caused by monsoon storms and other construction projects, Mr. Cox said he would like to postpone the Clay Springs

projects until the 2004 budget year. Instead, a 1.5 mile section of Paper Mill Road would be added in its place this year. This roadway has a much higher volume of traffic and there is a section that needs to be overlaid. Mr. Shumway made a motion to approve the modification of the 5 year Capitol Improvement Project Schedule as requested; motion seconded by Mr. DeSpain; vote unanimously carried.

SHERIFF'S OFFICE: Gary Butler, Sheriff: Approval to purchase 2003 Dodge Van out of Jail Enhancement Funds 7067: Sheriff Butler requested approval to purchase a new transport van for the jail, utilizing Jail Enhancement Funds. The purchase is on the State Contract, for the total price (including tax) of \$23,942. Mr. DeSpain made a motion to approve the purchase of a 2003 Dodge Van out of Jail Enhancement Funds 7067, as presented; motion seconded by Mr. Thompson; vote unanimously carried. (Following the completion of this item, a brief discussion ensued regarding the cross-deputization, mutual aid agreement between Navajo County and the Navajo Nation. Although this agreement was to have included Navajo, Apache and Coconino Counties, it appears that Apache County went out on its own and entered into an agreement with the Navajo Nation)

RECORDER: Lori Justman, Recorder: Permission to hire a High School student at 20 hours a week money to come from Document, Storage & Retrieval fund: Ms. Justman noted that a student is available to work 20 hours a week in the office, and funding will come from the Document, Storage & Retrieval Fund. Mr. DeSpain made a motion to authorize the hiring of a high school student at 20 hours a week, with funding to come from the Document, Storage & Retrieval Fund; motion seconded by Mr. Thompson; vote unanimously carried.

COUNTY ATTORNEY: Mel Bowers, County Attorney: Approval of Child Support Contract with Arizona Department of Economic Security (ADES), October 1, 2003 thru September 30, 2004: Mr. Bowers advised that this is the annual contract his office enters into for child support services with the ADES. Although this contract is usually renewed at the end of each calendar year, the Governor is pushing to have these contracts completed as soon as possible. Mr. Bowers noted that every audit criteria has been accomplished. This contract will run from October 1, 2003 through September 30, 2004. Mr. Shumway made a motion to approve Child Support Contract with Arizona Department of Economic Security as presented; motion seconded by Mr. DeSpain; vote unanimously carried.

ARIZONA PUBLIC SERVICE/BOARD OF SUPERVISOR: J.R. DeSpain, District III: Letter of Understanding with Arizona Public Service (APS) for Cholla Reservoir Recreational Area Operation: Mr. DeSpain explained that, due to some water quality concerns, there has been some re-negotiation with APS regarding the Joint Use Agreement. As a result of those discussions, a Letter of Understanding has been drafted. Terms and conditions of that letter include: the Cholla Reservoir Recreational Area will be closed to the public from October 1, 2003 through March 31, 2004. The area will be open to the public from April 1 through September 30 of each year thereafter. Signs will be placed along I-40 to advise of the seasonal closures. Navajo County will be responsible for constructing a paved vehicle turnaround east of the power plant entrance, and to construct a fence and closure gate to prevent unauthorized access to the area during the closure periods. APS will increase its subsidy funding from \$700 to \$1000 per month, beginning July 1, 2003, to Navajo County to assist in maintaining the seasonal operation of the park. Mr. DeSpain advised that the costs for Navajo County to build the vehicle turnaround will come from District III Special Project Road Funds. Parks Director Paul Jaster said this is a win-win proposition for Navajo County and APS, and he is in full support of the proposal. Mr. DeSpain made a motion to approve the

Letter of Understanding with Arizona Public Service Company (APSC) for Cholla Reservoir Recreational Area as presented; and that the cost-approximately \$5000 per Dusty Parsons, Highway Superintendent-for the vehicle turnaround, fence and gate shall come from District III Special Project Road Funds; motion seconded by Mr. Thompson; vote unanimously carried.

NORTHERN ARIZONA COUNCIL OF GOVERNMENTS (NACOG): J.R. DeSpain, Navajo County NACOG Representative: Resolution of support for NACOG's opposition to recent legislation effecting the Head Start Program: Mr. DeSpain advised that at the last meeting on NACOG, information was presented regarding the Head Start Program legislation. As it is currently written, House Bill 2210 would give the individual state governments discretionary use of the federal funds and basically sets the stage for state control of the Head Start program. The Bill also does not allow for adequate financial support to expand services or to support the teacher accreditation requirements set forth in the Bill. NACOG does not support this Bill, and is requesting resolutions from the counties supporting the continued maintenance of Head Start within DHHS, continued federal to state Head Start funding, and increases to the funding level that will support enhanced teacher accreditation strategies. Mr. DeSpain made a motion to adopt Resolution #59-03, supporting NACOG's opposition to HB 2210 regarding the Head Start Program; motion seconded by Mr. Shumway; vote unanimously carried. (Clerks Note: the Resolution was in Support of NACOG's Reauthorization of the Head Start Program)

BOARD OF SUPERVISORS: 1) Executive Session: Pursuant to ARS §38-431.03 (A)(1) for Personnel Matters Re: Second Interview of two applicants for the Human Resource Director: Mr. Thompson made a motion to enter into an Executive Session; motion seconded by Mr. Brownlow; vote unanimous approving the motion. Present in the session were: Chairman Pete Shumway; Vice-Chairman J.R. DeSpain; Members Jesse Thompson, Percy Deal, Jerry Brownlow; County Attorney Mel Bowers; County Manager Jimmy Jayne; Clerk Judy Jones; applicant Gail Sandoval. Mr. Thompson made a motion to return to regular session; motion seconded by Mr. DeSpain; vote unanimous approving the motion.

2) Discussion and possible board action re: Human Resource Director position: The Board introduced Gail Sandoval as the new Human Resources Director, commencing September 22, 2003. Several Elected Officials and Department Heads introduced themselves to Ms. Sandoval. Mr. Deal made a motion to confirm the appointment of Gail Sandoval as the new Human Resources Director effective September 22,2003; motion seconded by Mr. DeSpain; vote unanimously carried.

APACHE-SITGREAVES NATIONAL FOREST: Elaine J. Zieroth, Forest Supervisor Region 3: Update on Navajo County Wildland/Urban Interface Plan; Stewardship Contract; Forest Plan Revision: Ms. Zieroth began by stating that a year has gone by since the Rodeo-Chediski Fire and not much has been done with the urban interface efforts. The White Mountain Apache Tribe has done a lot to thin around many of their communities, but very little has been done around the other communities. A strategy must be implemented for a Navajo County Wildland/Urban Interface plan involving all land ownership, private and public. The purpose of the plan is to prioritize fuels treatment areas and help everyone find ways to accomplish the high priority work near the private land boundaries. Before the fires last summer, no one wanted any trees cut on their property. Now they are lining up to have the thinning done. The Stewardship Contract ties in directly with the Urban Interface Plan. There are to be 150,000 acres thinned through this contract in the next ten years. The thinning contracts will be going out to bid, and the awards will not be based solely on price. They will also be considering who will best support our own industries; people who

will actually use the wood products, not just burn it. This is a big job; if no one can take the entire contract, it will be split into smaller pieces. This contract is the first in the nation under the Stewardship Contract; we will be the "poster child", so to speak. There will be a multi-party monitoring board, who will look at the effects of the thinning, how well the goals/needs have been met, and monitor the economic impacts and benefits. Ms. Zieroth explained the Forest Plan Revision process. This is an opportunity to incorporate newer thinking, and it will begin in about a year (10/05). The counties will have a critical role in the revision process as a cooperating agency. The only other governmental entity to be enlisted as a cooperating agency is the State Office of Planning & Budget. We want to see smaller geographic areas as planning units, with different environments, different economies, etc. It is very important for all of us to work closely together. No action taken; informational only.

BOARD OF SUPERVISORS: Percy Deal, District I: Funding assistance from District I Special Road Funds to purchase additional culverts that are needed to repair BIA/Navajo Route N61 at Burnt Corn Wash crossing: Mr. Deal explained that this item was presented last week with a preliminary material estimate provided by the BIA. After further investigation, the BIA has provided a more accurate estimate of the materials necessary: Nine (9) 90" x 20", 12 gauge pipes; six (6) 90" x 24" Huffer Bands; all appropriate hardware. The total cost for these items is \$16,696, including tax and freight charges. Mr. Deal made a motion to correct the amount (from meeting on August 26, 2003) to \$16,696, with funding to come from District I Special Road Funds, as presented; and to request Public Works to proceed with ordering the materials; motion seconded by Mr. DeSpain; vote unanimously carried. (Clerk's Note: Total for culverts requested on 8/26/03 as well.)

PUBLIC HEALTH SERVICES DISTRICT: Dr. Stanley Warner, Director: Board of Directors Session: 1) Progress of Audit recommendations re: Food Handling and Licensing Program; and 2) Update on Permit Fee Collection: Mr. Shumway made a motion to enter into a Board of Directors Session; motion seconded by Mr. DeSpain; vote unanimous approving the motion. At the request of Dr. Warner, Roxanne Najar presented figures regarding the collections for permits. The total collected so far is \$12,941. This does not include any fees paid prior to when the ordinance was passed and the billings going out. In the database right now, there are 134 closed facilities that have responded to the notices. In addition, there are responses from 57 tax exempt facilities and 165 facilities that have already paid. Ms. Najar estimated that 100 more payments have come in but have not been input into the system yet. Finally, there are 305 facilities that have not paid. She noted that the database was established in 1998, so the audit counted every establishment, even though some may have been temporary, closed, etc. The new software system will create a history for each establishment, even if they are no longer active. MIS Director Bob Heming explained the new system, which he went to see in Kingman last week. He noted that this software goes in the same direction we want to go in, and is much better than we have. This will be a temporary package for Navajo County, as we want to get to the point where all departments can share information. He added that the software will be available at no cost to the county. It will give a history about a particular parcel; what establishment is there and if it is temporary or permanent; and tracks the food handlers. The software goes beyond what we actually need. As to security, the information is protected and cannot be deleted. Use can be assigned to personnel based on responsibilities. Dr. Warner advised that, per the audit recommendations, triplicate, numbered, receipt forms have been implemented, as well as a log so that the cash can be reconciled with the receipts. At this point, Mr. Brownlow made a motion to enter into an Executive Session for legal advice, pursuant to ARS § 38-431.03(A)(#3); motion seconded by Mr. DeSpain; vote unanimous approving the motion. Present in the session were Chairman Pete Shumway;

Vice-Chairman J.R. DeSpain; Members Percy Deal, Jesse Thompson, Jerry Brownlow; County Attorney Mel Bowers; Deputy County Attorney Lance Palette; Dr. Stanley Warner; County Manager Jimmy Jayne; Clerk Judy Jones. Mr. Shumway made a motion to return to Board of Directors session; motion seconded by Mr. Brownlow; vote unanimous approving the motion. Mr. Brownlow requested a written copy of the list of facilities paid, not paid, temporary, etc. Mr. Shumway requested that the Board be provided with an overall report periodically. Mr. Brownlow asked Dr. Warner to provide any back-up for his agenda items prior to the morning of the meeting. Dr. Warner said he is looking at the new software system and will bring a report and recommendation back to the Board. In response to a question from Mr. Jayne, Ms. Najar explained that Mohave County and Navajo County will be working together to work any "bugs" out of the system. She added that any information already in the system will transfer to the new system. Mr. DeSpain made a motion to return to regular session; motion seconded by Mr. Brownlow; vote unanimous approving the motion. No action taken at this time.

COUNTY ATTORNEY'S OFFICE: J. Murray Zeigler, Deputy County Attorney: Authorization to allow Sanders & Parks law firm to file a Motion for Reconsideration with the Arizona Court of Appeals and/or a Petition for Review with the Arizona Supreme Court re *Citizens Telecommunications v. Arizona Department of Revenue*: Mr. Zeigler provided a brief history, explaining that it is a complicated tax matter involving several communications companies and property tax issues from 1997 to 1999. The Arizona Tax Court held in favor of Qwest, but against six other companies in the lawsuit. The Arizona Court of Appeals upheld the ruling in favor of Qwest, but also found in favor of the other six companies. Therefore, the Department of Revenue and the counties want to file a Motion for Reconsideration with the Court of Appeals. Depending on the outcome of that motion, we may want to file a Petition for Review with the Arizona Supreme Court. Mr. Zeigler said he is requesting authorization to allow an outside law firm, Sanders & Parks, to litigate these issues on our behalf. The Department of Revenue pays the costs for the outside counsel, therefore the only cost to the county would be a loss of revenue if we lose. Mr. Zeigler noted that the amount at issue is being held in abeyance, so even if we lose, the funds are there already. Mr. DeSpain made a motion to allow Sander & Parks Law Firm to file a Motion for Reconsideration with the Arizona Court of Appeals and/or a Petition for Review with the Arizona Supreme Court re *Citizens Telecommunications v. Arizona Department of Revenue*, as presented; motion seconded by Mr. Brownlow; vote unanimously carried.

LITTLE COLORADO RIVER (LCR-MOM)/BOARD OF SUPERVISORS: JR. DeSpain, Supervisor District III: Request for funding for use in supporting watershed projects for the LCR-MOM: At the request of Mr. DeSpain, this item is continued until further notice.

PAYROLL ACTIONS: Karen Bray, Payroll Supervisor, presented a list of payroll actions. Mr. Thompson made a motion to approve the payroll actions as submitted; motion seconded by Mr. Brownlow; vote unanimous approving the motion. (Mr. DeSpain declared a conflict regarding item #20, as that employee is his step-son. Mr. DeSpain did not vote on that item)

BOARD BUSINESS: Mr. DeSpain provided information regarding wind and solar power.

There being no further business to come before the Board of Supervisors, the meeting was adjourned until Monday, September 8, 2003, upon a motion made by Mr. DeSpain; motion seconded by Mr. Shumway; vote unanimously carried. The meeting adjourned at 3:15 p.m.

APPROVED:

Pete Shumway, Chairman

DATE:

ATTEST:

Judy Jones, Clerk of the Board

The following Navajo County demands were audited, approved and ordered paid by the Board:
Comm1stBnk\$2161.81;BrimhallSnd&Rck\$7196.57;Carquest\$1186.70;CWagner\$1492.50;ClySprngsD
WID\$4253.72;CocoCntyMedExmnr\$4313.50;CCC\$1892.50;GallsInc\$2225.28;HatchCnstrctn\$21118.83
;HlbrkCathChar\$6176.82;MohaveEducSrvcs\$25216.99;NCRF\$4952.86;PJulien\$3059013;PrintPlace\$10
84.91;WnslwHumSoc\$3880;AWHrdy\$3500;AvayaInc\$5742.24;APS\$4232.38;AzStTreas\$25898;Barrow
&Barrow\$1745;BoiseCascade\$1306.82;BrimhallSnd&Rck\$2179.19;Cholliday\$2863;CellOne\$2510.14;
Checker\$2752.75;Chevron\$7067.09;ChollaRdyMx\$20899.76;Compucom\$2533.62;CourtesyChevrlt\$15
33.99;DJones\$1590;DMiller\$4146.68;DMcCoy\$3002.60;DFrame\$1382.50;DurhamComm\$1220;E&ES
rvcs\$1069.25;ErgonAsphltPrd\$20665.58;JASexauer\$1434.14;KnsStBnk\$1628.03;LRInvstgtns\$1028.46
;LakesideFD\$1000;LathamCollision\$2179.73;LibertyFence\$4197;M&MProfCIng\$1248.74;MGolightly&
Assoc\$1129.78;NCRF\$1355.03;NCSRF\$3409.27;NCSU\$6000;NORchem\$1154.36;NWPump&Eqpt\$2
865.97;PtrlmTrdrs\$1331.16;PinetopCstmPntng\$4600;R&REnt\$7318;RHiggins\$1845;SHeckathorne\$15
30;SWPrdCorp\$2319.99;SpillmanTech\$17057;AzDeptAdmin\$9450;VerMac\$1035;Versatech\$6084;W
oodLwOfc\$6634.25;AOC\$5622.89;ADOR\$1090.79;NCMedPln\$1500;ABLMngmt\$32197;APS\$3414.6
6;BIA\$13769.17;BBarkerCo\$4773.68;BKiser\$1750;Bradco\$13962.14;ChiefSuppCo\$2002.79;CCC\$2
019;DGOldberg\$1235.17;DMartin\$8750.01;DerbyInd\$1620.80;DiamondPharm\$6435.98;E&ESrvcs\$118
3.36;ErthMvrTireSlcs\$4001.86;ErgonAsphalt\$8612.52;Fester&Chapman\$10577.59;FrnrtrCarr\$2838.09;F
rntrComm\$2238.83;GLEach\$1752.79;GAtewayCo\$5249.16;GeoSupp\$30646.35;HatchCnstrctn\$51594
18;HlbrkEMS\$1042.98;HlbrkPubLib\$3000;JSanchez\$2000;JurySystems\$3278;NCRF\$2647.71;Owens
Mort\$1401.08;PerkinsCndrs\$6986.25;PortenierEnt\$1846.53;RomicEnvrnm\$8880;SpecLdrs\$3804.32;T
ranscor\$1378.60;Walmart\$2595.36;WhtMtnLk\$1687.56;KachinaOfcBldg\$1785.47