

**BOARD OF SUPERVISORS
NAVAJO COUNTY, ARIZONA**

SEPTEMBER 15, 2003

Supervisors' Chambers, Holbrook, Arizona - Time: 9:00 am

PRESENT: Pete Shumway, Chairman; J.R. DeSpain, Vice-Chairman; Jesse Thompson, Member; Jerry Brownlow, Member; Mel Bowers, Jr., County Attorney; Jimmy Jayne, County Manager; and Judy Jones, Clerk of the Board. (Percy Deal attending funeral of family friend).

Chairman Shumway led the Pledge of Allegiance and offered the Invocation.

CALL TO THE PUBLIC:Paul Jaster, Emergency Services Director briefed the board on the recent storms and 4 tornados touching down on the Navajo Reservation north of White Cone. One building was destroyed and one damaged with a significant amount of rain - three to four inches in places in a very short time, washing out roads. A Declaration of Emergency was issued by the Navajo Nation and as a result there will be help with funding for damages. Mr. Thompson thanked Mr. Jaster and staff for a quick response. He added there were some roads affected, but things were quickly taken care of. Mr. DeSpain reported the Navajo County Fair and Rodeo was very successful, attendance at the rodeo was up. He encouraged more involvement from throughout the county.

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) Letters of Appreciation to Caleb A. Davis, Eric Baldonado, Rickie R. Timmerman and Timothy Toney, Navajo County Employees serving in the United States Military in Iraq; 3) Assessment and Tax Roll Corrections; 4) Bingo License Application for Cedar Hills Volunteer Fire Department; 5) Board of Supervisors Minutes: September 2 and 9, 2003; 6) Letter of Support for the Rim County Library and the Woodruff Library to submit applications for a State Construction Grant; 7) Back Tax Land Deeds: 105-12-027; 105-12-028; 105-32-014;8) Letter of Appreciation to Harry Hancock for serving as a member of the Navajo County Board of Adjustment from April 2001 - September 2003 for District III; 9)Appointment to Arnold Scott to fill the vacancy on the Navajo County Board of Adjustment for Supervisorial District III effective October 1, 2003.

PUBLIC HEALTH SERVICES DISTRICT: Mary Tyler, Nutrition Director: Approval of Arizona Nutrition Network, Local Incentive Award with Arizona Department of Health Services for FY 2004 (10/01/03 to 09/30/04):Chairman Shumway made a motion to enter into a Public Health Services District Board of Directors session; motion seconded by Mr. DeSpain; vote carried unanimously. Mary Tyler presented a request to approve the Arizona Nutrition Network, Local Incentive Award with Arizona Department of Health Services for FY 2004. The total amount is for \$124, 980. Mr. DeSpain made a motion to approve the Arizona Nutrition Network, Local Incentive Award with ADHS for FY 2004; motion seconded by Mr. Brownlow; vote unanimously carried. Chairman Shumway made a motion to return to regular session; motion seconded by Mr. Thompson; vote unanimously carried.

ERIN P. COLLINS & ASSOCIATES (ECA): Erin Collins, ARM: Presentation regarding the Arizona Local Government Benefit Trust (AZLGEBT) and the Rural Arizona Group Health Trust (RAGHT): Mr. Collins stated his company (ECA) was founded in Kingman in 1992 and they represent 9 rural Arizona's counties. The company is broken down into two categories (AZLGEBT) and (RAGHT). AZLGEBT is an

employee benefits pool originally formed by Graham, Greenlee and Santa Cruz Counties back in 1994. Since then, Apache, Gila, and La Paz Counties have joined. The pool offers medical, prescription, dental, vision, life, and disability benefits. Financially, as of June 30th the unaudited (the audit is still in progress) cash position for AZLGEBT is 6.3 million with 5.1 million of that as statutory surplus. The second program, RAGHT, was started last year with several local communities including Holbrook and Winslow as charter members. The only difference in the plans is that RAGHT does not offer short term disability. After it's first year, RAGHT has \$762,000 in cash with a statutory surplus of \$640,000. Navajo County is currently in the ACIP (Arizona Counties Insurance Pool). Mr. Collins explained the statutes and the similarities and differences in the plans. He explained that AZLGEBT does a wellness program by doing surveys which helps detect early problems. Membership is for a 3 year term. Since Navajo County is a self-funded program, there would be benefits regarding worker's comp claims, a much more disciplined approach to funding and, with greater numbers in the pool there is a greater purchasing power. Noreen Kurtze (RAGHT manager) handed out a comparison sheet regarding statistics of the pool vs. Navajo County's self funded rates on office visit deductibles, prescription costs, etc. and comparisons regarding dental and vision benefits. Navajo County was right in the middle in regards to costs with some common vendors. If Navajo County chose to join the pool, the employees would not see an interruption in benefits and the ability to get their prescriptions. If Navajo County were to move forward the \$2500 underwriting fee would cover the costs of preparing a comparative report as to both pools and the current Navajo County program. AZLGEBT takes membership on July 1st of every year and RAGHT takes members throughout the year. The reports should be back in 4 to 6 weeks following the date all the information is received from Navajo County. Chairman Shumway stated the new County Manager and Human Resources Director would need some time to analyze the information. Mr. Jayne asked about their retiree program. Noreen Kurtze explained Navajo County's retirees would be grandfathered into the program. NO ACTION TAKEN.

CLERK OF THE BOARD: Judy Jones, Clerk: Funding assistance from each Supervisorial District to cover cost for Hosting the Small Counties Forum Meeting on September 17, 2003: Ms. Jones requested \$750 from the Board of Supervisors for Navajo County to host the Small Counties Forum Meeting. Chairman Shumway made a motion to approve funding in the amount of \$750 for the Small county meeting, with funding to come from each of the five districts; motion seconded by Mr. DeSpain; vote unanimously carried.

WHITE MOUNTAIN RECREATION DISTRICT: John Hager, Advisory Committee Member: Approval of Dock Contract with Silver Creek Property Investments and Acquisitions, LLC: Chairman Shumway made a motion to enter into a Board of Directors Session; motion seconded by Mr. DeSpain; vote unanimously carried. Mr. Hager requested the Board sign the Dock Contract that has been prepared and approved by the Advisory Board. The county risk manager and insurance pool are looking into the liability for the district. Mr. Lem Cook addressed the board regarding insurance he would be required to carry. Mr. Cook indicated that he has agreed to abide by the risk manager's findings. Mr. Hager further addressed the board regarding the dock policy and indicated the policy should be ready in the next few months. Deputy County Attorney, Lance Payette explained this is a standard agreement and would be signed when the risk manager and the insurance pool come up with an appropriate amount and types of insurance needed. One of the changes in the dock policy is that all of the responsibility shifts to the applicant, where before the district was responsible. Chairman Shumway reported there were some concerns from the community regarding the

dock policy. He reported that between the advisory board and the attorney, most of the concerns had been addressed. The two main concerns involved insurance and the winter maintenance. Phase I would be done the first year, phase II to be done the second year and phase III would be completed the third year. Some of the concerns regard phase III, suggesting the dock would extend too far into the lake and as the lake diminishes the dock would extend farther out into the lake, than the other community dock. Mr. Cook reported the community has had a lot of input into the contract and it was recommended that this contract be brought to the district board of directors, subject to review by the County Attorney. It was recommended that Mr. Hager, the County Attorney and Mr. Cook work together and make the final changes. Discussion was held on the extension of the dock. The length of the dock and definition of the shoreline were discussed. (Shoreline was defined as being where the water meets the dirt). Mr. Cook said the length of the dock would not change, just the position from the shoreline. John Merkley stated he would like to verify that their dock could extend out farther into the lake, the difference is in the length of the dock. Mr. Hager reported there is a regulation for there to be 2 feet of draft under the dock. **Chairman Shumway made a motion** to approve the contract as submitted; motion was seconded by Mr. DeSpain; vote unanimously approved. **Mr. DeSpain made a motion to return to regular session**; motion was seconded by Chairman Shumway; vote unanimously carried.

KAYENTA UNIFIED SCHOOL DISTRICT: Julius Young, Operations Director:Extension of the Intergovernmental Agreement (IGA) with Kayenta Unified School District and the Bureau of Indian Affairs for the salary of a heavy equipment operator for maintenance of school bus routes: Mr. Young addressed the board regarding the salary of a heavy equipment operator and indicated there was an additional item regarding equipment material and maintenance. He stated both items were on the proposal. Mr. Young reported that the district, with an enrollment of over 2600 students has transported 2100 students over 350,000 miles to and from school. In addition, 28 of the 42 bus routes are off-road. TEA-21 funds, along with financial assistance from the county, are used to maintain school bus routes. Mr. Young stated his desire for the current IGA with the County to continue and informed the board that he is preparing a report documenting the expenditures for the last several years. He explained that the funding has been expended, but all of the bills have not yet been submitted to the County. **Chairman Shumway made a motion** to extend the IGA as discussed and as presented; motion was seconded; vote unanimously carried. **Chairman Shumway made a motion** to approve \$52,700 as requested by Mr. Deal to satisfy the equipment operator and the maintenance, those funds coming from TEA-21 and HURF funds. Mr. Thompson added that \$15,000 would come from District I Special Project funds and \$37,700 from TEA-21 and seconded the motion; vote unanimously carried.

PUBLIC WORKS: Bill Cox, Director: 1) Approval to purchase private property for right-of-way purposes for the realignment of a portion of Concho Road: Mr. Cox requested permission to purchase two parcels to use for the realignment of part of Concho Highway. The realignment would lessen the severity of two curves near milepost 10 and 11. There have been a number of fatalities on those curves and the county feels the road needs to be moved. Mr. Cox indicated the work would begin as soon as the purchases have been made. The first parcel price is \$828 and the second parcel is \$3104. Mr. Cox indicated some

of the money will come from HURF and some from NACOG. Mr. DeSpain made a motion to approve the purchase of private property for right-of-way purposes for the realignment of a portion of Concho Road; motion seconded by Mr. Thompson; vote unanimously carried. 2) Approval of Intergovernmental Agreement (IGA) with the State for improvements to Woodland Road in the Pinetop-Lakeside area: Mr. Cox explained that since 1997, both the city and the county have been putting away funds to improve the road. There is currently about \$250,000 in the county funds and the same amount in the city funds for the project and there is an equal amount in federal money to help improve the road. Mr. Cox indicated there was a law passed several years ago where ADOT does a HURF swap, where they will give the county HURF money and keep the federal money. It is done on a 90% basis where ADOT gives the county \$.90 on the dollar and this will still save the county money. Since there is federal money involved, the county has to enter into a contract with ADOT and there is a 15% management fee right off the top. By ADOT charging the 10% fee, it actually saves the county 5%. One third of the money will come at the beginning of the project and as it is finished, more of the funds will be paid and after completion, the final amount will be paid. **Mr. Brownlow made a motion** to approve **Resolution 62-03** to approve entering into the IGA for improvements on Woodland Lake Road; motion seconded by Mr. DeSpain; vote unanimously carried.

SOUTHWESTERN NAVAJO NATION FAIR BOARD: Jesse Thompson, District II: Request financial contribution for maintenance and repairs to the Dilkon Fairground Facility: Mr. Jerry Freddie addressed the board regarding funding for maintenance and repairs to the Dilkon Fairground Facility. Mr. Thompson added the facility is used by numerous communities and youth groups throughout the year. Mr. Thompson indicated the theme for this year's fair is "Appreciating Growth". Mr. Thompson made a motion to approve funding for maintenance and repairs to the Dilkon Fairgrounds in the amount of \$500 to come from District II Special Funds and requested a manual warrant, motion seconded by Mr. Brownlow; vote unanimously carried.

SUPERIOR COURT: Marla Myers, Court Administrator: Authorization for a new Court Field Trainer position (funded by State Grant Funds and local revenue funds): Marla Myers addressed the board regarding a request to hire a new Court Field Trainer position. Discussion was held regarding the importance of utilizing available grant funds. **Mr. DeSpain made a motion** to approve Court Field Trainer position (funded by State Grant Funds and local revenue funds); motion seconded by Mr. Thompson; vote unanimously carried.

TREASURER: Manny Hernandez, Treasurer: Approval of request for temporary tax processing employees to assist from October 1, 2003 until November 14, 2003: Mr. Hernandez reported the need for a temporary employee to aid with processing of the tax funds. He reported that due to RIFs, the treasurer's office will not be able to process the funds as quickly as years past and will be falling behind in processing the tax bills. Mr. Hernandez asked for permission to hire two temporary full time positions and one part time position.

Discussion was held on using contingency funds to fund the positions. **Mr. Despain made a motion** to approve two full time temporary positions and one part-time position to come from contingency funds (10/01/03 - 11/14/03); motion seconded by Mr. Brownlow; vote unanimously carried.

PAYROLL ACTIONS: Karen Bray, Payroll Supervisor, presented a list of payroll actions. **Mr. DeSpain made a motion** to approve the payroll actions as submitted; motion seconded by Mr. Brownlow; vote unanimously approved the motion.

BOARD BUSINESS: Ms. Jones reminded everyone to attend the Small Counties meeting on Wednesday. County Manager, James Jayne reported: he had attended his first County Manager's meeting and one of the items of discussion was State Trust Land reform; legislative proposals needed to be received by CSA as soon as possible; an employee injured on the job last week, is doing well; ADOT is working on turning back some roads to the county. If that happens, the county would have 5 years to take them over. Mr. Thompson thanked Mr. Shumway for taking information to Washington D.C. regarding Dilkon school and TEA-21 funds. Mr. Thompson reported the school was heavily damaged. Mr. Brownlow reported on attending Trees for the Rim and that an announcement was made regarding another chipper program. Mr. DeSpain reported on the North Star demonstration in Gallup regarding spraying and removal of salt cedars. The demonstration showed that in areas where the removal has been done, there has been a 40% return of water and some of the endangered species have benefited. Chairman Shumway reported on his recent trip to Washington stating that met with numerous members of Congress regarding Forest Health and TEA-21 issues. Mr. DeSpain reported on attending a luncheon with Speaker Flake and Dr. Crow from ASU.

There being no further business to come before the Board of Supervisors, the meeting was adjourned until Monday, October 6, 2003, upon a **motion made by Mr. Thompson**; motion seconded by Mr. DeSpain; vote unanimously carried. The meeting adjourned at 11:30 a.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:
Emorse\$2767;EmpireMach\$1952.84;ErgonAsphalt\$1352.54;FleetSltns\$1656.99;FrontierComm\$5879.81;G
rainger\$1043.56;HlbrkExtCare\$3813;HughesCalihan\$5470.57;HughesLakeside\$1088.23;HumSocWhtMtn
\$4252;LarsonsRepair\$1611.64;LindenPearce\$10040.94;M&MProfClhrs\$4390.37;APSS\$34212.50;AzSupCrt
\$18779.75;Bradco\$10847.54;CellOne\$1056.67;ChckrAuto\$1710.84;ChollaRdyMx\$4210.31;CWagner\$360
2.50;CtyHlbrk\$1165.79;ClrkSupCrt\$2932.71;DMiller\$4113.20;DFrame\$2197.50;E&ESrvc\$1227.29;NCRF
\$1010.39;Norchem\$1374.33;OwensEnrgy\$1651.24;SHeckathorne\$2360;TwnSnwflk\$6169.79;Transource\$
5998.36;UnisourceEnrgySrv\$VikingOfcPrd\$1321.37;Comm1stBnk\$3190.54;USPS\$20589.92;ASAPSftwr
\$1872.43;ACJC\$1455;APSS\$2520.62;AzTreas\$25898;AzSupCrt\$8250.32;BoiseCascadeOfcPrd\$3377.75;Br

adco\$6734.22;Carquest\$4024.85;CellOne\$3222.58;Chevron\$1337.77;CtyWnslw\$1270.60;ClrkSupCrt\$3426.57;DellMrktng\$6783.17;DMcCoy\$2150.83;EmpireMach\$1379.FrontierComm\$1971.23;GatewayCo\$5319.90;HatchCnstrctn\$694604.74;JurySystem\$4504.68;LRInvstgn\$1065.54;LarsonMemLib\$1933.75;GForsyth\$1070;MRatner\$1140;LongBeachGenetics\$1845;M&MProfClrs\$1248.74;MGolightly\$2209.78;NAPA\$1406.25;NCRF\$5569.84;NCRF\$2524.58;OfcDepot\$1034.64;PavemenMrkng\$75086.39;PtrlmTrdrs\$19652.11;PomeroyAuto\$1294.93;PortenierEnt\$1462.53;PTOSales\$1023.52;Qwest\$1069.21;RushTrckCntr\$4448.52;SpecLdrs\$7507.50;Transcor\$2451.79;Verizon\$1051.86;WhtMtnCnslng\$4055;WoodLawOfc\$9800;WhtMtnDntlSchl\$2500;AzDeptRevenue13926.65