

**BOARD OF SUPERVISORS**  
**GILA COUNTY, ARIZONA**

Date: November 22, 2005

**JOSÉ M. SANCHEZ**  
Chairman

**STEVEN L. BESICH**  
Clerk of the Board

**TOMMIE C. MARTIN**  
Vice-Chairman

By: Marilyn Brewer  
Deputy Clerk

**SHIRLEY L. DAWSON**  
Member

Gila County Courthouse  
Globe, Arizona

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PRESENT: Jose M. Sanchez, Chairman; Tommie C. Martin, Vice-Chairman; Shirley L. Dawson, Member; Steven L. Besich, County Manager/Clerk; Marian Sheppard, Chief Deputy Clerk; and, Bryan Chambers, 2<sup>nd</sup> Chief Deputy County Attorney.

The Gila County Board of Supervisors met in Regular Session at 10:00 a.m. this date. Jacque Griffin led the Pledge of Allegiance, and Dan Lowe of the Maranatha Baptist Church delivered the Invocation.

Chairman Sanchez stated that agenda item number 2 would be addressed first, followed by agenda item number 8, both of which are floodplain variance requests.

Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board convened as the Board of Directors of the Gila County Flood Control District. Steve Sanders, Public Works Division Deputy Director, requested consideration of a Floodplain Variance Request by Mr. Terry Trinosky for tax parcel number 302-57-010 (Lot 10 Neptune Subdivision, Diamond Star [also known as the Town of Star Valley]. (Note for the record: On November 29, 2005, Gila County was informed that the Town of Diamond Star, by its own resolution dated November 15, 2005, changed its official name back to Star Valley.) Supervisor Dawson stated that the Mayor of Diamond Star contacted

her and because there are some other matters to be considered, the Town Council would like some clarification as to whether the County is going to work with the Town or just handle issues without the Town being involved for the next six months. She stated that the Diamond Star Town Council would like very much to be involved. Vice-Chairman Martin requested that the Board table this item until the Town Council could be involved in the conversation. At that time she advised that the Town Council will be provided information as to the Town's responsibilities regarding floodplain management issues, decide whether to handle these two floodplain variance requests or have the County handle them, and decide whether the County will continue to assume responsibility for the Town's floodplain management issues or whether the Town will take over those responsibilities. Vice-Chairman Martin stated she would like County staff to meet with Diamond Star staff to provide an update on these issues, as she believes it would not be fair if Diamond Star is not held to the same standards as the County. She stated the County would require certain standards of the people requesting variances today, but in six months they could be held to Diamond Star's standards, "*which could be a new ball game.*" Steve Stratton, Public Works Division Director, stated that concerning floodplain issues there are two choices, as follows: 1) for the Town of Diamond Star to administer its own floodplain management issues; or, 2) for the County to continue to handle the Town's floodplain management issues for the next six months without charge to the Town of Diamond Star as outlined in the Arizona Revised Statutes. He stated that both of the applications on the agenda today were submitted to the County prior to the incorporation of the Town of Diamond Star. He advised that the County, to date, has not heard from the Town of Diamond Star as to its intentions, and that is a point the Board needs to consider. Vice-Chairman Martin stated that she requested these two items be placed on the agenda today to get this conversation started. Mr. Sanders advised that Mr. Trinosky and Ms. Stroup (agenda item 8) were both present at the meeting. In response to Mr. Stratton's comments that these two floodplain

variance requests have been under consideration for action prior to the Town of Diamond Star being created, Supervisor Dawson advised that the Town of Diamond Star is concerned about future requests that have recently been under consideration by the County's Planning & Zoning Department. Vice-Chairman Martin stated that she didn't see any distinction between the two. She stated that it's true these applications may have been started before Diamond Star was a town, but if Diamond Star does not intend to continue with these strict standards, then she's not sure it's fair to penalize these people with County standards, so the Board needs to get the Town of Diamond Star in the conversation. Mr. Stratton clarified the reason he made the statement that the two floodplain variance requests were started prior to Diamond Star's incorporation is because a conversation has not yet been held with the Town of Diamond Star, and it may not be fair to these two applicants if Diamond Star intends to administer it's own floodplain management issues. Mr. Stratton recommended that he and his staff be allowed to meet with the Mayor of Diamond Star in regard to Diamond Star's options. It was the consensus of the Board that Mr. Sanders and both parties requesting floodplain variances be allowed to speak to the issues. Mr. Sanders proceeded by stating that Mr. Trinosky's request was received by the Flood Control District on October 17, 2005. He showed the Board a photo of the home and presented the following information. Mr. Trinosky applied for a floodplain permit, and it was granted to him. Per County regulations, Mr. Trinosky was required to elevate the piers on the house because the house is located in a regulatory floodway and under the jurisdiction of the Federal Emergency Management Agency (FEMA), which the County interprets and implements based on FEMA's guidance. Mr. Trinosky built the house on the piers as required; however, he backfilled around the piers thereby effectively blocking any water from passing under the house. Mr. Trinosky was informed that he needed to remove the fill under the house and the skirting. The skirting was removed on two of the four sides of the house and some fill was later removed around the house perimeter;

however fill remains underneath the house. Mr. Trinosky also constructed a front deck which was built to a lower elevation than the house and was done without a floodplain permit. Mr. Trinosky also built a storage building without a permit and it also constitutes a flow obstruction. Part of Mr. Trinosky's request for a floodplain variance was based on the fact that his chain link fence on the property would prevent any material from escaping onto adjacent properties. Mr. Sanders stated that he assumes that anything captured by the chain link fence and with water backing up would create a bigger hazard once it broke through and would cause flooding. Mr. Trinosky has not provided any engineering documentation that shows this house would not be a hazard. On August 9, 2005, Darde de Roulhac, Chief Engineer of the Gila County Flood Control District, was in a meeting with Mr. Lindenburg, a FEMA Region 9 representative, who stated in a discussion about flood insurance that in the past FEMA has successfully sued national flood insurance program communities to recover monetary damages for flood insurance claims paid by FEMA. Those suits occurred when communities have ignored the best available information allowing development to occur in an area that results in increased flood damage. Mr. Sanders stated that he did not know if this would occur in this instance, but he did want to make the Board aware of the possibility that there is some liability for the County in the future if there was flood insurance on this property and it was used to pay for flooding damages. Mr. Sanders requested that the Board deny this floodplain variance. Supervisor Dawson inquired as to the holder of the flood insurance. Mr. Sanders stated that he was unsure if Mr. Trinosky has flood insurance coverage. Mr. de Roulhac stated that FEMA would go ahead and pay all claims, but if there was negligence on the County's part, in speculation, FEMA might 'come after' the County for reimbursement of damages. Chairman Sanchez inquired if there are parameters that qualify or enable an owner to apply for a variance. Mr. de Roulhac stated that there is a section in the County policy that details items needing to be addressed or in place before the

Board may grant a variance. Vice-Chairman Martin inquired if the type of engineering the County uses is by FEMA guidelines or County. Mr. de Roulhac stated that was a very complex issue to reply with a quick answer and proceeded to explain FEMA floodplain guidelines. Vice-Chairman Martin stated that she believes the Board needs to have a work session about why things are done the way there are, and she would like more guidance in this area. Chairman Sanchez suggested that perhaps a work session should be held before this item is brought back to the Board. Chairman Sanchez then called on Mr. Trinosky to address the Board. Terry Trinosky stated that he is the owner of said property and requested the floodplain variance because he had some problems with the County requirements. In reference to the piers, Mr. Trinosky stated, *“There is a large footing that goes 30 inches down into concrete. Block piers are placed on the footing, and there’s concrete fill through there with rebar running up through it. It has a 4 foot by foot footing, 30 inches down in the ground, so it is not going anywhere.”* Mr. Trinosky stated that he bought this property 1-1/2 years ago, and it included the permit, which was verified by Mr. de Roulhac, who also advised that there was no expiration on the permit and that Mr. Trinosky could build a house just like his neighbor’s house, from whom he had purchased the lot, and there would be no problem. Mr. Trinosky stated that once he transferred the property into his name, then the problems began. He stated that 90% of the homes in this subdivision are not up to elevation; some are on the ground and others range from 8 inches to 10 inches off the ground. Mr. Trinosky stated that he has tried to comply with all of the County requirements. The flood use permit was granted to Mr. Trinosky, and he turned it over to a licensed surveyor who stated in the Elevation Certificate that Mr. Trinosky met the criteria of the permit with his floor at 3.8 feet above grade. Mr. Trinosky stated that when he built the floor, he was told to call the surveyor who would come and check it. The surveyor did stake out where the floor should be so Mr. Trinosky built the floor to that elevation. Upon completing the floor, the surveyor stated it was fine. Mr. Trinosky then

continued the building of his home. He stated that he followed up by having inspections completed for his framing, electrical, roofing, etc. When his home was completed, at the final inspection, the County would not approve it because the surveyor had not turned in the Elevation Certificate. While Mr. Trinosky was waiting for the final permit to be approved, he built an 8' deck on the front of the home which he dropped 6 inches. He stated the floor is 3 feet above ground, but the beams that hold the floor are 16 inches thick, so the bottom of the beam is 16 inches below the floor. He built the deck 6 inches down, so the decking and framing do not go below the beam that goes around the entire house. After building the deck and submitting the plans to the County, the County could not proceed until the Elevation Certificate was received. Mr. Trinosky stated that he is not impeding any type of flow under the house, and the reason he put some fill around the house is so any water will flow away from the house, as he does not want water under the house. He stated, *"If a flood were to occur, 8 to 10 inches of grade would not impede any flow of water because there is a 2 to 3 foot space under my house where water could flow through."* He stated that in reviewing the pictures, it shows there is nothing to cause the flow to go toward his neighbors' homes or impede the flow of water in any manner. Mr. Trinosky stated that the shed he constructed is just an 8 X 12 foot storage shed placed on pads and a permit is not required because it is less than 120 square feet. He stated that the Statement of Elevation was finally turned in by the surveyor and it is certified and stamped that his house is at the correct elevation. Mr. Trinosky advised that his lot is 70 feet wide and 100 feet deep and the rate of flow is along the 70 feet from north to south and is at the same elevation as the neighbor's lot. From the high point to the low point on the south is a 1 foot difference because it goes along with the road. He has some fill around the house, but it is granite and is just up to the perimeter for draining. Chairman Sanchez stated that the County Engineering Department is stating that the natural drainage has been altered. Mr. Trinosky stated that he is asking for a variance so he can get

moved into his house because since the final inspection in June he's been dealing with this issue. He took away the fill and he had photos showing same, but the County is still stating there is some fill under the house at the north. He stated there is probably 8 inches of fill there, but he has no way of getting under there to dig it out, and if there is a flood that 8 inches of fill will not stop the flow of water. Chairman Sanchez questioned why Mr. Trinosky is unable to move into his home until this fill is removed. Mr. Trinosky responded that he cannot get his Occupation Certificate from the County in order to move into his home. Vice-Chairman Martin stated that she would like to make a motion to table this item until the Town of Diamond Star is involved in the conversation in order to know the Town's intent with the management of this situation. Bryan Chambers of the County Attorney's Office offered to read a couple of statutes regarding variances. He stated that the County's Floodplain Ordinance was passed pursuant to State statute, so any decisions the Board makes must coincide with State statute or it will be invalid. He then read Arizona Revised Statute §48-3609, which states the following: "Variance procedures to permit variances from the regulations that do not result in danger or damage to persons or property in floodplains in the area of jurisdiction..." He explained that there has to be a way in an Ordinance, and he believes the County's ordinance allows for variances that do not result in danger or damage to persons or property in floodplains. Mr. Chambers then continued reading the statute, which states: "Variances may be granted only if special circumstances, such as size, shape, topography, location or surroundings of the property, would cause the strict application of the regulations to deprive the property of privileges enjoyed by similar property in the floodplain." He explained that variances may be granted if it prevents the property from being used in a way that is similar to other properties in the floodplain, and another thing to keep in mind is that any properties that came into existence before the floodplain may have been grandfathered in so it can't necessarily be said that if all the other houses in the neighborhood in the

floodplain violate the regulations as well, thereby requiring this owner to request a variance, the Board has to look at whether it was before the floodplain, etc. Mr. Chambers continued reading the statute which states: “A variance is subject to conditions to ensure that the variance does not constitute a grant of special privileges inconsistent with the limitations on similar property in the floodplain.” He stated, *“If the Board grants a variance, it still has to be consistent with the purposes of the floodplain ordinance, and for that the best advice I could offer is to take information from the floodplain administrators as far as the technical details and is it consistent with the overall purpose or not, and to be willing to hear any other information that may be out there, if it’s technical in nature, that you can rely upon. It will be up to you to decide what you can rely upon, and what you can’t. But, basically you’re going to have to look at how does this compare to other properties in the floodplain. And it’s not a matter that other people have violated it so I can too. You’re going to have to compare it with other property that has been built since the initiation of the Floodplain Ordinance.”* Supervisor Dawson stated that the County needs to be able to tell these people how to achieve what it is the County wants. If the County is asking Mr. Trinosky to remove the 8 inches of backfill from under his house, then he needs to be informed of the necessary corrections. She then asked Mr. Trinosky if he knows the corrections that are needed by the County. He stated, *“I’ve done several things to try to correct the problem and I’ve gone back several times and every time I went back they told me to do something else. I’d like to get this thing finalized, and if there’s a problem put a stipulation on it that if Diamond Star has a problem with it, you can reconsider it later at that point. But I’ve been put off for three months already.”* Vice-Chairman Martin stated that in a work session, she would like someone to explain if there is possibly a third way to resolve this matter where the homeowner could accept the consequences and have a statement recorded on the deed that the home is not built to the County’s specifications and not in compliance, that the owner understands and accepts the consequences in the event of flooding and would

be responsible for payment of all damages caused to neighboring properties as well as his/her own property, and future owners of the property would have disclosure of same. She stated that there has to be another way of dealing with these issues in the future. Supervisor Dawson stated that a regular Board meeting is not scheduled for next Tuesday and asked if a work session could be set up with the Town of Diamond Star for that day with the meeting being held in Diamond Star. She requested that this item be tabled until after that meeting. Upon motion by Vice-Chairman Martin, seconded by Supervisor Dawson, the Board unanimously voted to table this item to the December 6, 2005, or the December 13, 2005, regular meeting, and contingent upon a work session being held on November 29, 2005, in Star Valley [Diamond Star] regarding Gila County floodplain issues, procedures and policies.

In reference to agenda item number 8, Mr. Sanders requested consideration of a Floodplain Variance Request by Nathalie Stroup for tax parcel number 302-56-014M (185 North Cornerstone Way, Diamond Star). He gave the following information regarding this request. This floodplain variance request is different because the home is just sitting on the lot. On September 14, 2005, Ms. Stroup was issued a floodplain permit to place the lowest structural member of the home at a certain elevation. On October 26, 2005, the County received a letter from Ms. Stroup stating that this requirement created an extreme hardship due the stairs being required for Mr. Stroup to climb. Apparently Mr. Stroup has some back problems, and the Stroups had to sell a two-story house because Mr. Stroup could not climb the stairs. On November 4, 2005, a Surveyor's Certificate was received stating the elevation would have to be set to 4 feet above the natural grade. Because the home has a sunken living room, the doorway would be closer to 6 feet above grade, increasing the hardship; therefore, a letter was submitted by Ms. Stroup requesting a floodplain variance. This is in a detailed study area regulated by FEMA. Mr. Sanders reminded the Board that FEMA stated communities have incurred liability when ignoring the best available information. The property is

located in Diamond Star. At this time Chairman Sanchez called on Ms. Stroup to speak. Ms. Stroup of Diamond Star stated that she has been working to obtain the permit since June 2005. The manufactured home has not been assembled so it is in two pieces and there is a time frame to get this house put together because of the pending weather. The home and property have been fully paid. Ms. Stroup stated that she wishes there was a third way out where she could say, *"I understand where I'm putting the home, I understand I don't want to follow your ordinances, and I'll take full responsibility."* Technically, without having a mortgage, Ms. Stroup stated they are not required to carry homeowner's insurance, but even though the home is sitting in two pieces, it does have homeowner's insurance with a flood policy. She stated, *"All of the other manufactured homes in the old Pile Ranch area are at 2 feet or lower, with the last house being put in just before the ordinance changed."* Ms. Stroup stated that she has read the ordinance and part of her reasoning is that in order for County administration to grant the floodplain usage permit, the County must state that technically the property is reasonably safe from flooding. If she placed her house at 2 feet versus 4 feet, she believes it would still be reasonably safe from flooding. She stated that *"reasonably"* is the key word and it is listed that way in the ordinance under the section for justifying and granting a floodplain usage permit which is noted in Section 4.3, Duties and Responsibilities of the Floodplain Administrator, which states the following: "The duties shall include but are not limited to review all flood plain usage applications and determine that 1) the permit requirements of this ordinance have been satisfied, which Ms. Stroup stated they have been, and 2) the site is reasonably safe from flooding." Ms. Stroup stated that based on this ordinance, *"reasonable"* must be determined." She stated that having her floor 2 feet off the ground would make her front door 4 feet off the ground. If she puts the lowest portion of the floor up to the 4 feet as stipulated by the County, her front door will then be 6 feet off the ground. She asked the Board, *"Is that reasonable?"* Ms. Stroup advised that she and her husband have invested

\$12,000 worth of upgrades into this 28 foot by 72 foot home with five cement runners that run 72 feet. She stated, *“When the house is placed with 5 tie downs on each side and 5 down the middle, as required by the ordinance, along with the floodgates around the skirting, this home is not going anywhere because the \$5,000 worth of cement will hold it in place. I believe that is reasonable”*. She then requested that the Board grant this variance. Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously voted to table this item to the December 6, 2005, or the December 13, 2005, regular meeting, and contingent upon a work session being conducted on November 29, 2005, in Star Valley [Diamond Star]to discuss Gila County floodplain issues, procedures and policies.

Upon motion by Vice-Chairman Martin, seconded by Supervisor Dawson, the Board reconvened as the Board of Supervisors.

Linda O’Dell, Superintendent of Schools, requested the Board’s canvass of the Whiteriver Unified School District No. 20 Special Impact Aid Bond Election, specifically the Gila County voting precincts of Canyon Day and Carrizo and declare the election results official. Ms. O’Dell provided the Board with a handout of local election results. The results showed that there were 22 votes cast in Canyon Day, 10 votes cast in Carrizo, and 1 provisional ballot which was rejected because the voter was not registered in Gila County. The bond election was passed by a 94% margin. Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously approved the results of the canvass and declared the returns official. **(A copy of the election results is permanently on file in the Board of Supervisors’ Office.)**

Linda Haught-Ortega, Recorder, requested the approval of certain fees charged by the Recorder’s Office related to voter registration and elections. She stated that upon meeting with the other County Recorders, she determined that Gila County’s fees for labor are quite low and quoted those of other counties. Ms. Ortega stated that, in keeping with the Board’s wishes, the changes on the voter registration-election charges have been changed to reflect

an increase in the roster paper from \$.19 per page to \$.20 per page; labor will remain at \$10.00 per hour, with an additional labor charge of \$15.00 per hour for overtime after 5:00 p.m. An addition was made for special reports, special requests, and computer programming to be charged at actual cost. Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously approved the Recorder's Revised Fee Schedule.

Mr. Stratton requested the cancellation of Call for Bids No. 032505-1, sealed bid sale for equipment with the operations of solid waste transfer stations located at Roosevelt, Tonto Basin and Gisela, and Call for Bids No. 032505-2, sealed bid sale for equipment with the operations of the solid waste transfer station located at Young, Arizona. He advised that the revised call for bids advertisements will be brought to the Board for approval in the near future. Mr. Stratton also requested approval of fee increases at the Solid Waste Transfer Stations beginning December 2005. He stated that the Board recently approved advertising the sale of the transfer stations but costs have greatly increased mostly due to fuel prices. In the advertised call for bids, it states that anyone who purchases the transfer station equipment or runs the transfer stations will not be allowed to increase prices for one year. Mr. Stratton stated, *"In looking at the costs, we would be setting someone up to fail, and we don't want to do that."* At current costs, the County is projected to lose \$95,000 for the year on the 4 transfer stations. By reducing operating hours, the County's loss could be reduced to \$74,000, and by raising the fees it would further reduce the loss to \$55,000 for the year. After the hours are cut and fees are raised the transfer stations will again be re-advertised for sale, which will be more conducive for a private business to make a profit. Mr. Stratton's recommended reduction in hours for each transfer station is as follows: 1) Gisela is currently open Wednesday 8 hours, Saturday 8 hours and Sunday 4 hours, and it is proposed to cut the Wednesday 8 hours; 2) Tonto Basin is currently open Saturday 8 hours and Sunday 8 hours, and it is proposed to cut Sunday to 4 hours; 3) Roosevelt is currently open Monday 3 hours, Friday

8 hours, Saturday 8 hours, and it is proposed to cut Friday 8 hours; and, 4) Young is currently open Friday 8 hours and Saturday 8 hours, and it is proposed to cut Friday 8 hours. Current fees and proposed increases are as follows: up to 3 bags is \$5.00 with a proposed increase to \$8.00; for trucks of different types the current fees range from \$8.00 to \$12.00 with a proposed increase to \$13.00 regardless of the type of truck; and, a trailer load, which was previously \$7.00 per cubic yard, will increase to \$9.00 per cubic yard. Mr. Stratton requested that, if approved, the proposed fee increase would go into effect immediately and the proposed new hours would begin in January 2006. Mr. Stratton said that if the Board cancelled the current call for bids, he would bring new call for bids packets back to the Board on December 6, 2005. He stated that only two bids packets were taken out, but not were received back. Upon motion by Vice-Chairman Martin, seconded by Supervisor Dawson, the Board unanimously approved the cancellation of Call for Bids numbers 032505-1 and 032505-2, as well as the approval of fee increases at the above noted Solid Waste Transfer Stations effective immediately and the proposed new hours to be effective January 2006.

Mr. Stratton requested the award of Call for Bids No. 072505-02, the purchase of chips and asphalt, to Rinker Materials, and the rejection of the bid for the purchase of ABC for the Copper Region, also from Rinker Materials. He stated that the current bid received reflects an increase in asphalt from \$32.00 to \$40.00 per ton, as well as a small increase in the chips, which were both reasonable; however, the bid for ABC at an increase of \$5.00 per ton was not acceptable. Rinker's justification for the ABC increase was because of the increase in diesel fuel and labor. Mr. Stratton stated that he's been in contact with one of the vice-presidents of Rinker and they will change the specifications and allow the County to work jobs specific so the purchase of ABC will not exceed \$35,000 per year. Chairman Sanchez inquired from the County Attorney if the Board could award a partial bid. Bryan Chambers, 2<sup>nd</sup> Chief Deputy County Attorney, stated that the Board has the authority to accept or

reject any or all bids, and if the bidder was willing to accept a partial bid, he saw no problem. Mr. Stratton also advised that a letter stating the rejection of a portion of the bid (purchase of the ABC) would be submitted for the Chairman's signature so that the contract and letter would be recorded together. Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously approved the award of Call for Bids No. 072505-02 for the purchase of chips and asphalt only to Rinker Materials; however, the bid for the purchase of ABC was rejected.

Mr. Stratton updated the Board on the courthouse window project. He presented the Board with a drawing of the proposed project that showed the south side of the courthouse. He stated that on the surface it doesn't look like there is much change, but there is a problem with the windows. Due to the contraction and expansion of the courthouse over the years and the anchoring that the windows have, there is a concern that some of the large windows could fall out. He spoke on the changes that will be made, which include changing some of the glass to 1 inch insulated, reflective glass. Some of the metal panels which are causing distress on the glass windows will be replaced by plywood, wafer board, foam and then plastered. He then called on Bob Hickman, Facilities Manager, who answered questions from the Board, as Mr. Hickman has been working with the specialty architect. Mr. Hickman stated that \$250,000 has been allocated for the project on the south side only, but if the current work can be completed for less than that amount, work may be continued on the other sides of the courthouse next year. Mr. Stratton stated that if the Board approves the project, the bid documents will be ready within a couple of weeks. He will also pre-qualify the contractors as this is a specialty project. Chairman Sanchez stated that no Board action was required, but it was the consensus of the Board to proceed with the project as presented.

Chairman Sanchez addressed agenda item number 9, the Consent Agenda items. He requested that item G be moved to the regular agenda for consideration. Upon motion by Vice-Chairman Martin, seconded by Chairman

Sanchez, the Board voted 2-1 to place Consent Agenda item G on the regular agenda. Supervisor Dawson voted “nay.” Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously voted to also move Consent Agenda item H to the regular agenda. Upon motion by Vice-Chairman Martin, seconded by Supervisor Dawson, the Board unanimously approved the remaining Consent Agenda items A-F (with the exception of items G and H), as follows:

- A. Approved the Public Works Division Policy No. DPW05-08 Fleet Policy.
- B. Approved the Chairman’s signature on a Floodplain Notice that has to be published in the Arizona Silver Belt. This notice is a required form for the Community Development Block Grant application for the Payson County Complex Elevator.
- C. Approved Amendment No. 3 to Contract No. E5205008 between the Gila County Health and Community Services Division and the Arizona Department of Economic Security whereby the REPAC Department will rent office space in Safford, Winslow and Show Low, Arizona, to provide dislocated worker services. This Amendment represents the addition of a space in Show Low.
- D. Approval of Amendment No. 2 to Contract no. E6306015 between the Gila County Health Department and Community Services Division and the Arizona Department of Economic Security, increasing the contract by \$14,400.00 for contract period July 1, 2005, through June 30, 2006.
- E. Approved the October 2005 monthly departmental activity reports submitted by the Clerk of the Superior Court.
- F. Approved the personnel reports/actions for the week of November 21, 2005, as follows:

Departure from County Service:

- 1. REPAC Training Specialist V – Community Service – 12-01-05 – Grant Fund - Freddie Denogean – Hire 06-07-04 – Retirement

2. Road Maintenance Worker III – Consolidated Roads – 11-07-05 – Road Fund - William Janisch – Hire 07-25-94 – Retirement

Hire to County Service:

3. Animal Control Officer II – Rabies Control – 11-28-05 – Rabies Control Fund - Kenneth Urban
4. Road Maintenance Worker I – Consolidated Roads – 11-14-05 – Road Fund - Arthur Alvarado
5. Building Maintenance Technician – Facilities Management – 11-28-05 – Sheriff’s Facilities Management Fund – John Perez

End Probationary Period:

6. Administrative Assistant – Community Services – 11-28-05 – Grant Fund - Charlene Becker

Position Review:

7. Anniversary Date Increase – 11-14-05 – Stephanie Levario, Edna Benefield, Mary Allen, Regina Casillas, Caryn Paige, Genevieve Martinez, Robert Campbell
8. Anniversary Date Increase – 11-28-05 – Connie Alvino, Marilyn Cruz, Rick Croy, David Caddell, Angela Ramirez

**SHERIFF’S PERSONNEL ACTION ITEMS**

Departure from County Service:

9. Dispatcher II – Payson S.O. – 11-14-05 – General Fund  
Barbara Bryant – Hire 09-05-05 – Failure to complete probationary period

Hire to County Service:

10. Office Assistant – Payson S.O. – 11-28-05 – General Fund  
Michelle Keegan – replaces Christine Lubbers

- G. Consideration of a 2.5% end of probation increase plus a 7.5% merit increase for the District III District Services Coordinator. The Board may vote to go into executive session pursuant to A.R.S. §38-431.03(A)(1) for the

purpose of discussion or consultation for legal advice with the attorney.

**(Removed from the Consent Agenda and placed on the regular agenda.)**

H. Approved the finance reports/demands/transfers for the week of November 21, 2005 (separate handout), as follows: \$344,223.93 was disbursed for County expenses by voucher numbers X148165 through X148285, X375420 through X375520, and X375522 through X375671. There were no hand-issued warrants. **(An itemized list of vouchers is permanently on file in the Board of Supervisors.) (Removed from the Consent Agenda and placed on the regular agenda.)**

In reference to Consent Agenda item G, consideration of a 2.5% end of probation increase plus a 7.5% merit increase for the District III Services Coordinator, Chairman Sanchez stated that he had a problem with the 7.5% merit increase when this was placed on last week's agenda so he wanted to voice his concerns today. He stated that all County employees are the most important resource, and he values what they do for the County. However, considering the fact that the County is currently conducting a compensation and classification study, he does not feel it is appropriate to make salary changes other than what was adopted by this Board during the budget process. Supervisor Dawson made the motion that agenda item G be approved. The motion died for lack of a second. Vice-Chairman Martin stated that she agreed with Chairman Sanchez. She stated that part of the reason that the County is conducting this pay study is because the County is constantly criticized for the Board's group of employees receiving increases over others, and that the Board doesn't play fair. That is the reason Vice-Chairman Martin wanted this salary study to be conducted months ago. She would like the "*personalities*" to be taken out and each job "*valued by the merits of a system that may not be fair, but should be.*" She inquired if currently all employees are receiving a 2.5% COLA (Cost of Living Allowance) and 2.5% annual increase. Mr. Besich stated that the 2.5% COLA increases were already approved by the Board and implemented for all employees in order to cover the increase in retirement

costs, and a 2.5% increase is given on an employee's anniversary date. Vice-Chairman Martin stated that until the study is completed, she's not sure this proposed action would be fair to all other employees and would open the door to any number of requests. Supervisor Dawson stated that she assumes this "new standard" will be applied to all positions from now until the conclusion of the salary study. Chairman Sanchez and Vice-Chairman Martin both agreed. Supervisor Dawson stated, "You [Chairman Sanchez] made an adjustment this past month, you know, but that's okay. I understand." Chairman Sanchez stated, "I would like to bring this issue back to the Board and indeed adopt a policy, a statement or whatever to that effect, that from this point forward this Board will only consider those, if you call them run of the mill, budgeted salary increases that have to do with an anniversary or end of probationary period." Chairman Sanchez made the motion that the 2.5% end of probation increase be approved and disallow the 7.5% increase. Vice-Chairman Martin seconded the motion which passed by a 2-1 vote. Supervisor Dawson voted "nay." Supervisor Dawson inquired, "Why was this employee asked to give the Personnel Office a letter requesting this [hearing] either in public or executive session and the request was delivered in a timely manner to the Personnel Office that it be discussed in executive session?" Chairman Sanchez stated that the key here was "may" and he didn't hear a vote by any member of the Board to go into executive session.

At 11:42 a.m. Chairman Sanchez called for a brief recess.

At 11:54 a.m. Chairman Sanchez reconvened the meeting.

In reference to Consent Agenda item G, approval of the finance reports-demands-transfers for the week of November 21, 2005, Supervisor Dawson stated that the reason she requested that this item be moved to the regular agenda was because Chairman Sanchez had given the Board a letter from the Industrial Development Authority (IDA) dated November 8, 2005, in which they asked the Board to approve a financial report for the IDA as the IDA did not want to waste funds having an audit done because it was too costly. She

stated that this report is not an audit, and starting with June 30, 2005, IDA's accounting records do not agree with the records of the Treasurer's Office regarding total revenues. She stated that some time during the fiscal year 2005, the County, under Mr. Nelson's direction, transferred \$90,000 to the IDA and that money was for the 2003 and 2004 budgeted years at \$45,000 per year. In the meantime it was discovered, after much prodding, that \$45,000 (the amounts being coincidental) which the IDA was to receive annually from ASARCO had not been received. Supervisor Dawson stated, "*On the IDA's new financial statement, they have shown that money as a receivable, and now ASARCO is in bankruptcy. In this week's vouchers, there are two \$8,000 payments to the Gutierrez and Hardt firm. When Mr. Gutierrez and Ms. Hardt made their presentation to the Board, this Board did not approve their project but suggested they come back with more information. Instead Mr. Gutierrez and Ms. Hardt went to the IDA and were approved. When the IDA ended its financial year without the transfer of the \$90,000, they had \$2,096.07 in their account. Then the County put the \$90,000 into IDA's account. Now the IDA is out of the \$90,000 from paying bills.*" Supervisor Dawson stated that this Board agreed that the IDA would become a stand-alone group. She stated that attached to the letter the Board received from the IDA is a request for an additional \$45,000 which is budgeted in this 2005-2006 budget year and was contingent upon the IDA providing this Board with an accounting of its funds. Supervisor Dawson stated that she would not be approving those two vouchers today because the total of \$16,000 is for a project this Board did not agree to, yet the funds are coming from the County. She stated, "*The IDA was spending money that was supposedly coming from ASARCO, which in actuality they didn't have the money from ASARCO.*" She stated that another concern is that because she owns Fly-A-Way Travel and she was notified by her company that two tickets had been purchased by employees of Gila County, she would not vote to approve those payments; however, she was unsure if the vouchers for those payments are in this week's or next week's financial reports. Supervisor Dawson stated that

because of the two reasons given, she would not be voting on Consent Agenda item H. Mr. Besich stated that one of the problems is that when employees use credit cards, the credit card statement is not reconciled until the end of the month. In reference to the IDA, Chairman Sanchez questioned whether Supervisor Dawson was stating that the monies not being advanced or deposited to the IDA was contingent upon some action this Board had taken. Supervisor Dawson stated, *"We said when we were doing the budget and we were moving them [IDA] out...Mr. Besich said if there was a question about the funds of IDA, that we didn't have to give them any money until we approved of [unfinished]. And you know that they're going to be asking for money for economic development also."* Chairman Sanchez stated that his recollection on when the Board voted to approve the budget was that there was a question about approving the budget contingent upon an audit being presented by the IDA, and that motion was not approved by this Board. Chairman Sanchez stated that his opinion, at that time, was that if this Board was going to require that of one entity that the County was depositing funds into, then the Board should require all entities to report to this Board and have a financial statement from all of them. Mr. Besich stated that demand has not come to the Board yet and is not on the agenda and the discussion is getting "way off" into a specific subject that the Board will have to vote on in a week or two. Supervisor Dawson again stated that the reason she is not voting to approve item H is because of the two \$8,000 demands for the IDA and on the possibility there is an invoice that she did not see for Fly-A-Way Travel. Upon motion by Vice-Chairman Martin, seconded by Chairman Sanchez, the Board approved item H by a 2-0 vote. Supervisor Dawson abstained from voting.

At this time each Board member and the Chief Administrator were presented the opportunity to give a brief summary of current events as allowed by A.R.S. §38-431.02(K).

There being no further business to come before the Board, Chairman Sanchez adjourned the meeting at 12:35 a.m.

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Jose M. Sanchez, Chairman

ATTEST:

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Steven L. Besich, County Manager/Clerk