

BOARD OF SUPERVISORS

GILA COUNTY, ARIZONA

Date: November 14, 2006

JOSÉ M. SANCHEZ

Chairman

TOMMIE C. MARTIN

Vice-Chairman

SHIRLEY L. DAWSON

Member

STEVEN L. BESICH

Clerk of the Board

By: Marilyn Brewer
Deputy Clerk

Gila County Courthouse
Globe, Arizona

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

The Gila County Board of Supervisors met in Regular Session at 10:00 a.m. this date. Steve Besich led the Pledge of Allegiance, and Reverend Dan Morton of the First Christian Church delivered the Invocation.

Steve Besich, County Manager/Clerk, presented an update on facilities planning for Gila County, which involves providing additional facilities for County departments in Payson and expanding the existing jail and detention facilities in Globe. He stated that the Board and others had been presented with the facilities planning book that County staff has been working on for the past 5-6 weeks, which contains a suggested methodology for approaching potential facilities development on a County-wide basis. He briefly reviewed the report sections with the Board, which included the table of contents; a plan overview; services provided by the various departments and areas of the County; footage and photos of the County buildings and lands; financial options; workplace standards; and, a long range facilities management plan that was conducted 2 years ago. Mr. Besich stated that a couple of weeks have been allowed on the proposed project schedule for the Board to review the material and have questions answered. He proposed that discussions be held

at the November 28, 2006, Board meeting to determine how the Board wishes to proceed. He then introduced Mark Reader and Robert Casillas of Stone & Youngberg LLC, who were present to advise the Board on debt financing options available for the proposed projects. Mr. Reader stated that his firm had been requested to educate the Board as it moves forward in pondering the capital improvement needs of the County, to determine the best way to finance those capital needs in the most equitable way and to proceed according to Arizona Revised Statutes, which are very specific as to the types of financing available to counties. He stated that all options available by statute would be provided; however, some of those options would not be relevant. Mr. Reader then presented the following information via a PowerPoint presentation, a copy of which was provided to the Board. In discussions about borrowing money or issuing bonds, Mr. Reader stated there are 2 major questions, as follows: 1) What is the source of repayment (as there must be a revenue stream to repay the debt?) 2) What is the security or the collateral behinds the bonds? He then gave the following 3 financing options: 1) General obligation bonds, which can be used to finance publicly owned facilities and improvements and are repaid from the establishment of a secondary property tax. 2) Revenue bonds, which are bonds issued and repaid by a revenue stream. Typical revenue bonds include highway user revenue bonds, municipal property corporation, lease from trustee secured by excise taxes and an ADOT (Arizona Department of Transportation) Acceleration Program. 3) Special districts, which include improvement districts, domestic water and wastewater improvement districts, sanitary districts, county jail districts, community facilities districts and library districts. In reviewing the above 3 funding options, Mr. Reader stated that the County Board of Supervisors has the statutory ability to go out for a general obligation bond election, which must be approved by a vote of the qualified electors of the County. If an election is passed, the bonds are then issued and repaid through a secondary property tax levy. Also, a law was recently changed to state that any bond elections that would require payment from secondary property taxes must be held in

November. If the Board chooses this option, the earliest the election could be held would be November 2007 and the Board would need to formally call for the bond election and bond amount 90 days prior to the election. He briefed the Board on the time line, which is critical in terms of finalizing details. Mr. Reader then pointed out the advantages and disadvantages of the general obligation bond financing, as follows: Advantages: 1) lowest interest rates due to property tax security, which on the current market are 4.5%-4.75%; 2) large number of protective investors; 3) broad-based tax support for traditional public improvements; 4) no additional assets need to be pledged as security; and, 5) additional source of revenue from secondary taxes so the funding would not come out of the County's general fund. Disadvantages: 1) uncertain outcome of elections; 2) time and expenses associated with holding an election; 3) reduces bonding capacity for future projects; 4) bonding limited by assessed valuation; and, 5) secondary property tax increase. Mr. Reader reviewed Gila County's 10-year history of secondary assessed values, which showed that the County has had an average growth of 4.9% over the past 5 years and 4.68% over the past 10 years. A chart was provided on the County's tax base components for fiscal year 2006/2007, which contained the details on how every dollar of property taxes that the County levies is broken down into 7 property legal classifications, property descriptions, assessment ratio percentage, parcel count, the gross Assessor's full cash value and the net secondary assessed value. He stated that the according to the Arizona Department of Revenue there are approximately 22,182 residential owner occupied homes in Gila County. Mr. Reader explained that to arrive at the average full cash value of homes in Gila County, he took the number of parcels divided by the assessed value resulting in the average full cash value (not market value) of \$107,110 at the current time; however, that is reevaluated each year. Chairman Sanchez inquired if federal government land, although not taxable, is included in part of the equation. Mr. Reader replied that it is not and cannot be included. Mr. Reader inquired of Mr. Besich if the County has SRP in-lieu valuation. Mr. Besich said that it is about 1%. Mr. Reader

stated that figure was not included but will be in future reports; however, it did not sound like it would be significant. Next, he reviewed the County's general obligation bonding capacity, which is limited to 15% of the secondary assessed value of the County. He explained that the 2006/2007 secondary assessed value for Gila County of \$322,267,703 at the 15% limitation would be \$63,340,155 minus the direct general obligation bonded debt to be outstanding in the amount of \$10,000, which would leave the unused borrowing capacity at \$53,340,155. He reviewed the County's 5-year tax rate history, which shows that the primary property tax rate has been very stable at \$4.41 per \$100 of assessed valuation, but noted that it had been reduced to \$4.3488 for the current year. Mr. Reader presented a chart showing the estimated debt service requirement and projected impact on the secondary tax rate using the example of a \$10 million bond. Assuming it's a 20-year bond, which by statute can be up to 25 years, and making the assumption that the facilities being financed would have a useful life of at least 25 years and that the assessed value for the County would grow 4.6% for 5 years and 1% thereafter, the combined valuation, which does include SRP in-lieu valuation, is \$426,900,596 for the current year and projected to be \$444,233,840 for the following year. If the County were to generate a \$10 million bond with interest at 5.5%, which is conservative in today's market, the annual debt service would be \$835,000 per year. It would take a secondary tax rate of \$.19 per \$100 of assessed valuation to levy the \$835,000 per year, and with level debt service and a growing assessed valuation, the rate would drop to \$.14 per \$100 of assessed valuation over the period of 20 years with an average of \$.16 per \$100 of assessed valuation. Still assuming it would be a \$10 million bond and using the average of \$.16 per \$100 of assessed valuation, the next chart reflected the average annual tax rate per year per \$100 of assessed valuation for Gila County's 3 highest classifications. Based on the average full cash value of a home in Gila County at \$107,110, the cost to the taxpayer would be \$16.94 per year (or \$1.41 per month) for all owner occupied residential property, which is assessed at 10%. For the average full cash value of commercial and industrial property

assessed at 24.5%, the taxes would be \$79.12 per year (or \$6.59 per month). Based on the average full cash value of agriculture and vacant property assessed at 16%, the annual cost would be \$7.46 per year (or \$.62 per month). He stated that property taxes are based on the tax rate and the taxable value of the property, so the higher the valuation of a home, the higher the taxes. Mr. Reader advised that the Arizona Revised Statutes require that informational pamphlets be provided to the voters. The pamphlets should be very simple and educational and they should provide information to show people how to calculate their own taxes. This will enable tax payers to understand all of the issues and costs and the pamphlet must also include a new requirement of listing the average cost over the entire life of the bond issue. The new law also requires listing the costs in the pamphlet for a \$250,000 home. Mr. Reader stated that amount is not accurate for homes in Gila County as the average value of a residential home within Gila County is \$107,110; therefore, he recommended that estimated taxes be listed for both amounts. He also suggested that if the County is also going to request County jail district bonding, that the information for both items could be provided in one pamphlet to save money, although it would be two separate questions on the ballot for approval by the voters. A sample informational pamphlet was provided by Mr. Reader for a special election that was held in Apache County in November 2006. Mr. Reader then shifted the conversation to address County jail district bonds. He explained that following a hearing and approval of the voters, the County jail district would be a political subdivision that is formed by the Board of Supervisors and also governed by the Board of Supervisors as the Board of Directors of the jail district. The Board of Directors has the authority to acquire or build and maintain jail facilities, correctional facilities or juvenile detention facilities; levy a property tax following an election for maintenance and operations expenses; if under 1.5 million population, impose an excise tax (sales tax) following an election, which is limited to 10% of the applicable state sales tax if the population is under 500,000 and limited to 5% of the applicable state sales tax if the population is between 500,000 and 1.5 million; enter into

lease-purchase agreements secured by the excise taxes and county maintenance of effort payments; issue obligations representing participating interests in the lease-purchase agreement; and, it is entitled to continued support from the county not less than the year prior to formation and adjusted for inflation. Mr. Reader explained that this is a revenue stream, if approved by the voters, which would allow the County to build infrastructure and have money available for the maintenance and operations of the facilities. As stated above, with Gila County's population under 500,000, the Board could ask the voters to approve this additional sales tax of up to 10% of the State sales tax rate, which is currently 5.6%. Ten percent of 5.6% is just greater than 0.5% sales tax, which in Gila County would generate approximately \$3 million per year. One and one-half million would be used for maintenance and operations, which would leave \$1.5 million for debt service payment. The other option allowed by statute would be to levy a property tax; however, the property tax is limited to \$.20 per \$100 of assessed valuation so that option would raise less than \$1 million, which is not enough to fund the project. Focusing on the sales tax option and the formation of a special jail district within the County, Mr. Reader pointed out the advantages and disadvantages, as follows:

Advantages: A new source of revenue is provided and there is no impact on debt limit. Disadvantages: This process would require an election, sales tax would be raised and it would be limited by the sales tax. He stated that the next question would be how many bonds could be issued with \$1.5 million debt service. He believes this could generate a little over \$17 million with the interest rate estimated at 5.75% over for a 20-year period; however, the question remains whether \$17 million would cover the costs for the facilities, which County staff is still researching. Mr. Reader also presented the County's historical excise taxes, as follows: 1) County sales tax; 2) State-shared sales tax; 3) State revenue-sharing; 4) franchise fees; 5) licenses and permits; and, 6) fines and forfeitures, which are budgeted for 2006/2007 in the amount of \$13,232,690. He also provided a pamphlet from Santa Cruz County as an example for a special election held there in November 2005. An appendix was

included, which contains the statutes pertaining to jail districts. Mr. Reader concluded his presentation by stating that if the Board approves calling for an election, it is vitally important that the voters be provided with good information through all areas of the media so that they can fully understand the costs. The Board and Mr. Besich thanked Mr. Reader for his presentation. Mr. Besich advised that the question will be posed to the Board as to the reason the Board is “all of a sudden” wanting to develop new facilities. He stated that until 1998 and then again last year the County was being “eaten alive” by the soaring costs of long-term and acute health care, so the County was unable to pledge bond debt service when it had no control over State-run indigent health care programs. He stated that because of the efforts of the Board, other supervisors and some members of the Legislature, relief in that area was finally provided to Gila County. Mr. Besich stated that at the November 28th Board meeting he would be requesting that the Board decide how it wishes to proceed on the proposed facilities planning projects. He then reviewed a proposed facilities planning overview and calendar for use by the Gila County Citizens’ Facilities Planning Committee. Mr. Besich reiterated the importance of involving the entire community, should the Board decide to pursue these options. He recommended that the Committee be comprised of 9 members appointed by the Board (each Supervisor would appoint 3 members), 1 member from each city and town within the County, 1 member from the San Carlos Apache Reservation and 1 member from the Tonto Apache Reservation. He also recommended that the members of the Committee consist of non-elected and non-governmental employees in order to create a committee that doesn’t have people with a personal interest if the Board truly intends to involve its citizens. He stated that the choice would be up to the Board; however, the staff believes that a Committee with this type of representation would offer the Board the best opportunity. Mr. Besich stated that at the November 28th Board meeting he would also be recommending approval for a financial advisor and a facilitator to work with the Committee. The facilitator would guide the committee, prepare meeting agendas, make arrangements for

meetings, etc. He stated that the facilitator would be a person who is not driven by the Board, the Courts, the Sheriff's Office or County staff. He recommended that the Board look for someone with that type of expertise to shepherd the committee up to the point that the Board calls for an election. He stated that after a couple of months of discussions, the Board may also wish to have a facilities design consultant meet with the Committee; someone who has expertise in the current costs of construction. Mr. Besich stated that after the Committee has met and reviewed all of the information and made its recommendations and if the Board decides to proceed with this in November 2007, it can call for resolutions to establish a jail district and general bond election. He stated that this is a very short time frame in order to call for the elections in November 2007; however, if the Board chooses 2008, that will be a very busy year for most elected officials in Gila County or the Board could push for 2009, which would allow more time. He stated that these recommendations needed to be placed before the Board for its consideration and direction.

Chairman Sanchez asked for some clarification on a couple of items and then stated that he likes the layout for the planning and recommendations as proposed by Mr. Besich and staff. Vice-Chairman Martin stated she does not personally wish to drag this out for the next several years as she believes this is an issue that needs to be taken to the citizens for review as quickly as possible. She stated that in speaking for the northern part of the County, there is a need for more room, an improved jail and courtroom facilities. She also believes that safety and security are big concerns with the current setup of the courtrooms and jail. She stated, "From an administrative standpoint, we are stacked on top of each other. We've got lots of people and a little bit of space." Vice-Chairman Martin stated that she likes the idea of a citizen's committee that consists of "ordinary taxpayers", although it will be a big time commitment on the part of the Committee members in order to bring answers to the Board in time to get this on the November 2007 ballot. Vice-Chairman Martin stated that she's glad the Board is looking at this and that she appreciates the information that was provided by Mr. Besich and staff. She encouraged the

Board to proceed with the recommendation in order to determine whether the citizens are looking for these types of facilities and if they are willing to pay for them. Supervisor Dawson thanked Mr. Besich and staff for the information. She stated that in reference to the Citizens' Committee, her concern is that the White Mountain Apache Tribe also represents a part of Gila County and she believes that someone from that Tribe should also be appointed. Supervisor Dawson stated that as far as drawing this out or doing it right, she doesn't know how much input the judges and Sheriff's Office have had on the jail facility recommendations. She understands they need more space and she has met with some of the members of the Sheriff's Office and has discussed the fact that she doesn't understand why the need for large amounts to be paid to architects for the jail facilities in particular. She stated, "I get real concerned about the fact that we spend so much money on how it looks, when in actuality the federal government comes in and says 'here's how it's functional and it better meet these standards.' So, I don't understand why functionality has to be redesigned with every jail so an architect can get a fee." Supervisor Dawson stated that when the Christiansen building was purchased in Payson, she knows the judicial branch of County government was not consulted, so it wasn't adequate from the day it was purchased. She stated, "As we rush to get the approval of the people, I think the people would approve better us doing it right as we go through this process and make certain that when we end up asking and spending millions of their tax dollars that we've done it very carefully in providing facilities that are adequate." She also spoke on the leaking roof and lack of any type of security at the Globe Courthouse from the day it was first built. Supervisor Dawson stated that her primary concern is going to be "doing it right" and she stated that if the issue doesn't appear on the November 2007 election, it may be wiser to schedule it for the November 2008 election. Mr. Besich stated that Supervisor Dawson's comment was a very good one and he also believes that is everyone's concern. Mr. Besich stated, "If you're not happy with the work the Committee does and the preliminary bond plan and the design consultant and working through the

facilitation with the citizens, I would be the first one to say 'let's don't do it.' We've had these discussions before. Is it better to be faster or better to be correct? And I share some of those concerns and it may come up in some of the Committee hearings." Vice-Chairman Martin stated that she doesn't want to stall the process and she believes government is a "master at stalling." She stated, "We can use doing it correct to let it take forever and we will still be sitting there in 2 years without solving some of these problems." Mr. Besich believes that a process driven by staff and the Board is probably doomed to failure so that's the whole idea of having the Citizens' Committee. He then continued briefing the Board on the various sections in the facilities planning book, one of which was a compilation of departmental services that are provided to the taxpayers at various locations throughout the County. The next section was the footage and photos for the purpose of providing the Citizens' Committee with an inventory of the property that the County already owns and its condition, which is what is provided to Arizona Counties Insurance Pool. The next section addressed workplace standards. Gila County previously adopted Maricopa County's workplace standards. Mr. Besich concluded with the section on the long-range facilities management plan, which was commissioned by the Board a couple of years ago and prepared by Gila Management. The long-range facilities management plan contains general background information and a current and future needs assessment. Supervisor Dawson inquired about providing information to the Committee on the costs of the facilities that the County is leasing such as the old hospital located in Globe and the old armory building located in Claypool. Mr. Besich stated that the staff tried to delineate the County space from leased space and he provided the page number in the report with that information. Mr. Besich stated that he would like to meet individually with each Board member to provide answers to any questions. The Board continued to discuss the involvement of the judges and the Sheriff's Office in the facilities planning process. Mr. Besich also recommended having someone like Mr. Reader explain the finance portion to the Citizens' Committee and he recommended

that the Committee start off by adopting some framework on the total amount of money they will be recommending to spend. The Board then discussed the Citizens Committee and Vice-Chairman Martin believes the Committee will be meeting weekly for 2-3 months. Mr. Besich stated that the Committee very well could be meeting that frequently and he feels that any member appointed to the Committee should be fully aware of this time commitment. He emphasized the importance of not involving the Board of Supervisors with the Committee until such time as the Committee makes its recommendations to the Board. Chairman Sanchez thanked Mr. Besich and staff for the report and Mr. Reader for his presentation.

In addressing agenda item number 3, Mr. Besich introduced Joel Wright of Wright Consulting Services, who presented the Gila County Public Policy Issues Survey final report and a PowerPoint presentation. **(A copy of the PowerPoint presentation is permanently on file in the Board of Supervisors' Office.)** Mr. Wright stated that the research was based on a telephone poll of a random sample of 400 registered voters in Gila County during the period of June 19-26, 2006. The interview was designed by Mr. Wright's company with input from County staff. Specific public policy content in the poll included the public policy environment, economic development, water supply and delivery, forest health and wildfire, and views of post high-school education. All of the analyses are based on a 95% level of confidence with a margin of error of +/- 5.0 percentage points. Those individuals polled included voters from northern and southern Gila County, voters representing the Democratic, Republican, Independent and other political parties, and by age of under 35, 35-55, 56-65 and those over 65. Some of the data was compared to a poll taken in 2002. In reference to the public policy environment, overall the environment is unsettled but the foundations of it are strong as shown in the examples: 1) Strong majorities of voters are happy and feel safe and secure; however, voters expect to feel less safe and secure in the future. 2) Voters are split on the direction of the County, but the percentages of those saying it is headed in the right direction have increased significantly

since 2002. 3) About 42% of those polled are neutral in rating their confidence in Gila County government; a fifth are positive and a third are negative. 4) By ratios of two-to-one and more, voters rate most agencies, departments and supervisors of Gila County government positively; a fifth or more voters are unsure how to rate same. 5) The most frequent top-of-mind issues mentioned are as follows: A) not enough water, B) forest fires, and C) not enough jobs. 6) Over 80% rate the following as major issues: drought, wildfires, and health insurance/drug costs. 7) Over 60% rate these as major issues: improving post-high school education, retirement resources, environment, and the economy. 8) High levels of concern about drought remain from the 2002 research with no change in concern. 9) High levels of concern about improving post-high school education and about the economy have abated significantly since 2002. In summary, these findings point to a strong need for consistent and clear communications between government and citizens to build the consensus to move forward on policy issues with which voters are highly concerned. Mr. Wright presented the following information regarding the most important local issues: 33% were concerned about not enough water; 6% about forest fires/danger; 16% not enough jobs, business; 12% street/highway improvements; and, 12% about drugs. In providing detail about the water supply and delivery issues, he gave the following statistics: 1) Half of the voters expressed concern over long-term water supply and delivery; less than a third are not concerned. 2) Voters say governments, local and state, are best suited to address long-term water issues. Few believe individuals are best suited for this. 3) Voters also believe in an integrated approach including multiple communities working together to address long-term water issues. 4) Over two-thirds support Gila County government taking a leading role on water supply and delivery issues. 5) Almost three-quarters support the creation of regional water authorities tasked with developing long-term water supply and delivery systems. 6) When specifically informed of a \$25 per year increase in property tax for owners of \$150,000 properties, support remains very high at 59% and support remains above half for most voter groups. In summary, voter concern

about water supply and delivery is at the forefront. Citizens look to government to solve such problems and they are very supportive of creating regional water authorities, even given a property tax increase to fund them. Mr. Wright gave the following information in regard to forest health and wildfire issues: 1) Half of the voters say the health of the forests in Gila County is poor; only a fifth say the forests are healthy. 2) Voters acknowledge shared responsibility on forest health issues, citing the Forest Service, communities and government most often. 3) A clear majority believe improving the health of the forests is an achievable goal. 4) Three-quarters say their local area is vulnerable to wildfires. 5) They are skeptical whether actions addressing wildfire will occur in the next few years. 6) Fully 80% support Gila County government taking a leading role on forest health and wildfire issues. 7) Almost 60% believe local efforts addressing wildfire issues will likely result in additional funding from state and federal government once local commitment is demonstrated. 8) Almost two-thirds support paying \$25 per year in additional property taxes to fund forest health and remediation efforts by Gila County government. In summary, to find almost two-thirds supportive after the dollar cost to them is provided shows, in Mr. Wright's opinion, a real and profound desire by voters for action on forest health and wildfire issues. In providing detail about economy issues, he gave the following statistics: 1) Almost half of the voters expressed little or no confidence in Gila County's current economic structure to service residents' long-term interests—an economy based on housing/construction, retail sales, health care and government. 2) A strong majority believes the economy structure should be broadened and are supportive of encouraging new businesses based on local natural renewable resources such as the forests and lakes. 3) Over two-thirds say it is appropriate for Gila County government to take a leading role and help broaden the economy and also use taxpayers' dollars for same. 4) Over half of the voters specifically support paying \$25 per year in additional property tax to fund Gila County government in order to broaden the economy. 5) Compared to water and forest health issues, the voters are less supportive of paying --

additional property tax for economic development although a majority do support it and it is common to see this type of support drop off significantly. In summary, the policy makers may want to assess this issue by focusing on a clear plan with voter accountability. In regard to Gila County Community College issues, Mr. Wright presented the following information: 1) Post-high school education is a key issue for voters and they are generally supportive of the college and its curriculum, but believe there is room for improvement. 2) A plurality gave the college positive marks for the education students receive. 3) A third are unsure how to rate the college, which indicates a need for the college to communicate and embed itself more in the community. 4) There is a significant decline (-8 points) in positive ratings for the college on this issue since 2002. 5) The college's job performance on serving the needs of the local residents was positive, although not strong with 41% positive and 13% negative. 6) Voters support the general areas of the college's curriculum including: advanced technology training, skills to win local jobs, training in specialized trades, preparing students for further education at 4-year institutions, retraining workers in declining industries, offering free classes to residents aged 55 and older and teaching recreational and leisure subjects. 7) Emphasis on academic vs. occupational curriculum resulted in support for both. 8) Emphasis on academic vs. recreational curriculum resulted in a clear endorsement for academics. Mr. Wright advised that the next question posed to the voters was, "Who benefits from County Government?" He stated that a plurality of voters believe their local area receives less services and benefits than others; however, almost as many say their area receives the same and 5% said their area benefits more than others. Mr. Wright stated that at the end of the survey, the voters were specifically asked if they would support a \$75.00 a year increase in the average property taxes to address 3 specific issues and it was strongly supported. In concluding his report, Mr. Wright stated that taking everything together, it was absolutely clear that voters want policy makers to begin thinking anew on how to address these fundamental and crucial issues. They also want the policymakers, government and the college to

communicate more with them and keep them updated. If the policy makers make the process public and then design it for clear proposals for voters to address the issues, it appears that voters are ready to act so that changes can be implemented. Supervisor Dawson stated that this report is Volume 1 and inquired about Volume 2, as referred to by Mr. Wright, and she also asked about the cross tables. Mr. Wright stated that he hasn't prepared the remaining part of the report as it is over 1,300 pages. Supervisor Dawson inquired if the Board would be receiving those 1,300 summarized pages and Mr. Wright replied in the affirmative. Supervisor Dawson stated that she initially voted against conducting this study and when she sent Mr. Wright some of her comments, she never received a report. She only received calls from some of the voters who had been interviewed for the report stating that the questions were exactly as originally outlined. She also inquired of Mr. Wright when he was hired to do the report. Mr. Wright replied that he was hired in March 2006. Supervisor Dawson stated that at the time of his hire, she understood this was to be a 6-week project; however, it has taken this long to get the report. She stated, "I believe when you set off on a mission with statistics, you can often get the readings that you want. I felt as did those I consulted with that there was bias in the study and so we got the results we wanted." She also questioned the -8 point decrease in the satisfaction of the college and would like to see the information on that particular issue. The Board and Mr. Besich briefly discussed the results of the report. Chairman Sanchez thanked Mr. Wright for his report.

At 12:06 p.m. Chairman Sanchez called for a brief recess.

At 12:18 p.m. Chairman Sanchez reconvened the meeting and stated that the Board of Equalization meeting scheduled for 1:30 p.m. had been changed to 2:30 p.m. as the Board would first address those folks who would be appearing in person and then the Board would address the remaining items on the record.

Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board convened as the Gila County Library District Board of

Directors to approve Library Service Agreements between the Gila County Library District and County Libraries to cooperate in the provision of library services to the citizens for the District for the period July 1, 2006, through June 30, 2007. Jacque Griffin, County Librarian/Assistant County Manager, stated that the Library Service Agreements contain the same language as in past years; only the dollar amounts have changed by a 5% increase over last year's budget. She stated that the Library Service Agreements are documents that allow cooperating services between the Gila County Library District and the following individual community libraries that are located in unincorporated areas where the County provides the bulk of the funding: 1) Globe Public Library in a matching amount up to \$102,047; 2) Hayden Public Library in a matching amount up to \$45,524; 3) Isabelle Hunt Memorial Library payment of \$89,775; 4) Miami Memorial Library in a matching amount up to \$38,128; 5) Payson Public Library in a matching amount up to \$200,280; 6) San Carlos Public Library in a matching amount up to \$28,703; 7) Tonto Basin Public Library payment of \$51,903; and, 8) Young Public Library payment of \$49,418. She advised that 5 of the 8 Agreements had been returned to her office and she requested that the Board approve and authorize the Chairman's signature on all 8 Agreements, so that when those from the Globe, Payson and San Carlos Libraries are received, they can be signed by the Chairman and the money can be distributed. Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously approved the 8 Library Service Agreements as listed above.

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

Steve Stratton, Public Works Division Director, updated the Board on Racetrack Statement of Qualifications (SOQ) No. 072406-1. He stated that this agenda item was brought to the Board a few weeks back to advise that no SOQs had been submitted and at that time he requested permission to look into the matter to try to ascertain the reason there were no submittals. In speaking with those individuals lined up as a team to assist in this

development, the team was unable to find a money man to put up the money to support this venture. Mr. Stratton stated that he's been told by members of the Gila County Fair and Racing Commission (GCFRC) that they believe things are going to change in the near future as far as dirt track racing is concerned and they have asked that the Board leave this item open to allow them to pursue other interests in the future as things develop. It was suggested that it may have been the wrong time of year to go out for SOQs because of the current racing circuits. He also noted that the racing facility in Show Low is closing down. The owner of that racing facility advised Mr. Stratton that the reason wasn't because the business wasn't profitable, but rather he accepted a purchase offer because the land the track is located on is so valuable that he couldn't turn down the offer to purchase. Mr. Stratton advised that the closing of that facility could have an affect on Gila County in the future. Mr. Stratton and Steve Arthur, a member of the GCFRC, requested that this item remain open to see if any further interest can be developed. No action was taken by the Board.

Mr. Stratton requested the adoption of Resolution No. 06-11-01, which supports an Agreement for Technical Assistance between Gila County and the Water Infrastructure Finance Authority of Arizona (WIFA) and authorizes the Chairman to sign said Agreement (WIFA Project No. TA-DW-001-2007) and a Delegation of Authority Agreement between the same entities. All documents authorize WIFA to act on Gila County's behalf in soliciting a Request for Qualifications (RFQ) in order to conduct a feasibility study for use of the Blue Ridge Reservoir surface water supply in northern Gila County communities. Mr. Stratton stated that the Public Works Department was asked to assist with this effort because the Department has a full-time grant writer on staff, Diana Jones. He stated that the \$8,750 County grant match requirement is part of the match that the County has committed to for the Bureau of Reclamation (BOR) study. He then passed out and read a 1-page feasibility study prepared by Ms. Jones, which explained the grant, as follows: The purpose of this feasibility study is to determine whether communities adjacent to or near the

proposed Blue Ridge Reservoir generating station at Washington Park to Payson pipeline (including communities like Star Valley, Oxbow, Round Valley, and possibly the Tonto Apache Tribe) need and can effectively utilize a potential new source of water from the existing Blue Ridge Reservoir located approximately 20 miles northeast of Payson. Surface water from the Blue Ridge Reservoir, owned and operated by the Salt River Project (SRP), is currently pumped from the reservoir through a pipeline into the headwaters of the East Verde River in northern Gila County. The electrical generating station located at the end of this pipeline is owned and operated by SRP and it provides electrical power for the water transfer process. The Blue Ridge surface water being offered by SRP would be used to supplement and recharge the limited and drought-sensitive groundwater of various communities in the area of the pipeline and adjacent to the Town of Payson. The location of the generating facility, 15 miles north of Payson, allows for a connection by the Town of Payson to the surface water transfer pipeline from the reservoir for movement of reservoir water directly to Payson and communities adjacent to or near the proposed Payson-owned pipeline. For a to-be-negotiated fee, the Town of Payson has tentatively proposed to “wheel” Gila County owned and controlled water to various communities along the planned route and to communities adjacent to the Town of Payson. It is the purpose of this study to determine if rural communities near the proposed Payson pipeline can demonstrate a need for additional water supply from the pipeline, whether water service from the pipeline is appropriate for those communities and if the communities can reasonably assume the capital costs and annual operation and maintenance costs associated with use of a surface water supply from Blue Ridge Reservoir. All communities that have experienced chronic water supply problems will be included in this feasibility study. Supervisor Dawson inquired how the County came to this point on this grant. Mr. Stratton stated that John Nelson, Deputy County Manager, requested that Mr. Stratton’s staff assist in writing this grant. Supervisor Dawson inquired if either the Town of Payson or Star Valley has been involved at this point. Ms. Jones replied that the Town of

Payson has been involved as they helped write the scope of work for the grant. Chairman Sanchez inquired if the “other communities” like Pine and Strawberry were being acknowledged. Mr. Besich stated that he believes this grant was submitted or in the process of being written a long time ago and Mr. Stratton agreed that it has been in the process for quite some time. Mr. Stratton stated that the County cash match requirement of \$8,750 for this grant would go toward the match that the County had committed for the BOR study, which he believes is in the total amount of \$150,000 and approved by Board action. Supervisor Dawson inquired as to the reason that Star Valley wasn’t a participant in the application along with the Town of Payson. She advised that the County already has one consultant who represents the Board and it is the consultant’s opinion that he has the authority to represent Gila County in water issues. She questioned whether the Board is in the process of delegating authority to yet another consultant, “who will stand up at these types of meetings and say he too represents Gila County.” Mr. Stratton replied that the County is delegating its authority to WIFA to select a consultant, who will provide the technical assistance for this pipeline. He stated that the County could actually retain that authority, go through the SOQ process and then select the consultant. Chairman Sanchez questioned whether the County would have to absorb the entire cost if it retained the authority as stated by Mr. Stratton. Mr. Stratton advised that the County would still have the match requirement, but it’s been the consensus and the norm to allow WIFA to select the consultant. Ms. Jones agreed with Mr. Stratton. Chairman Sanchez and Mr. Stratton addressed Supervisor Dawson’s comment. Mr. Stratton believes it would be much “cleaner” for the Board to allow someone else to select the consultant and, therefore, it couldn’t be construed that Gila County had input into the outcome. Vice-Chairman Martin stated that the County has stated that it would participate and on page 29 it shows that the task one study kick-off meeting with Gila County, the Town of Payson, Star Valley and interested parties is scheduled to meet in Payson, which might answer Supervisor Dawson’s concern about Star Valley. Supervisor Dawson stated that her point

is that the Town of Payson has been involved up to this point in the process and the Town of Star Valley has not been involved. She feels that the Town of Star Valley should be included in any conversations regarding this issue. Mr. Besich inquired of Ms. Jones if she had the initial application to determine the date in which the Board approved applying for this money. Chairman Sanchez inquired of Mr. Besich if he was saying if this was over a year ago Star Valley would not have been a town at that time. Mr. Besich reported that the paperwork shows the County's first contact was December 2005. Mr. Stratton stated that is when his department first became involved, but he knows that it was ongoing prior to that date. Chairman Sanchez noted that the application has a check mark on page 23 indicating that the County does wish to participate in the consultant selection process. Mr. Stratton stated that he thought the County would wish to participate in the process because it has a monetary involvement. He stated that after the consultant is hired the County would obviously have input and in addressing Supervisor Dawson's concern, the County can assure that Star Valley is included in this discussion as well as the other parties. Chairman Sanchez stated that as Vice-Chairman Martin pointed out about the initial kick-off meeting in Payson with Gila County, the Town of Payson, Star Valley and other interested parties, he believes that should address any concerns down the road. Supervisor Dawson requested clarification on the County's in-kind match requirement. Mr. Stratton explained that the County's portion is cash and in-kind services totaling \$150,000. He added that the County has also been conducting wellhead surveys, which he reported for elevations and such for the wellheads for the BOR. Some of the surveys have been done in Star Valley and the Payson area by the County Engineering Department and those services are charged as in-kind services and the County retains time sheets for same, which includes the hours, the rate of pay and the travel. Supervisor Dawson inquired how much of the \$150,000 the County has matched to this point. Mr. Stratton stated that he did not have a current figure. Supervisor Dawson inquired if Mr. Stratton could provide her with that figure. Mr. Besich stated that the figure

would be provided to the entire Board. Vice-Chairman Martin stated that she thinks the County needs to determine the issues as previously laid out and move on with this issue. Upon motion by Vice-Chairman Martin, seconded by Chairman Sanchez, the Board unanimously adopted Resolution No. 06-11-01 by a 2-1 vote. Supervisor Dawson voted “nay.” **(A copy of the Resolution is permanently on file in the Board of Supervisors’ Office.)**

Mr. Stratton requested the award of Call for Bids No. 040306-1 for the Six Shooter Canyon Road Improvement Project and to authorize the Chairman’s signature on the contract award document. Mr. Stratton stated that when this item was first brought to the Board, one bid had been received from DBA Construction, Inc. (DBA) in the amount of \$1,873,194.20, which was well in excess of the County Engineer’s estimate of \$1.1-\$1.3 million. At that time Mr. Stratton requested that the Board table this item to allow him to work with the County Attorney and the contractor to value engineer this project to bring the amount into the County’s budgeted range of \$1.1 million up to possibly \$1.5 million. Mr. Stratton stated that after value engineering this project with the contractor, the bid from DBA is now \$1,494,270.27. He stated that a portion of the high costs were because of the risk involved with oil as it is a very volatile market and the contractor had calculated his bid based on a worst case scenario. Mr. Stratton stated that he was able to reach an agreement with Rinker Materials to provide the materials to DBA at the County’s negotiated price. If those prices go up or down, the contract will also change and Mr. Stratton stated that the Board will be taking that risk if this bid is approved. He stated that the price for aggregate base course was also reduced by having Rinker Materials agree to sell same to DBA at the County’s price and by helping DBA with some trucking numbers through auto trucking, which reduced the cost by approximately \$7.00 per ton. He recommended that the Board award the Contract to DBA and stated that in regard to the funding of this project, the County has HELP (Highway Expansion & Extension Loan Program) funding in the amount of \$600,000; a HURF (Highway User Revenue Funds) exchange grant from CAAG (Central Arizona Association of

Governments) in the amount of \$200,000; and, the remaining amount will be paid by the half-cent sales tax dedicated to transportation and HURF funds. Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously awarded Call for Bids No. 040306-1 to DBA Construction, Inc. in the amount of \$1,494,270.27 and authorized the Chairman's signature on the Contract. Mr. Stratton stated that because of the County's risk involvement with this project, he was requesting that the Board allow him to have change orders in an amount up to \$150,000 total and anything over that amount would be brought back to the Board for approval to help expedite the project. He stated that he is not anticipating any changes; however, in the event that oil prices change or there is a need for changes such as for utility relocation, etc., he would have that authority to issue change orders. Supervisor Dawson amended her motion to include authorization for Mr. Stratton to issue change orders in a total amount up to \$150,000. Vice-Chairman Martin amended her second to the motion, which the Board unanimously approved.

Mr. Besich requested authorization to advertise Call for Bids No. 110106-1, an annual contract for all advertising, publications and printing required to be done or made by all departments within Gila County government for the period January 1, 2007, through December 31, 2007. He advised that the Arizona Revised Statutes states that each year the Board of Supervisors shall contract annually for the services as specified above. This agenda item provides written notice of the Call for Bids, which includes the bid specifications, and the date, time and location for the opening of the bids. Mr. Besich recommended the Board's approval of this agenda item. Upon motion by Vice-Chairman Martin, seconded by Supervisor Dawson, the Board unanimously authorized the advertisement of Call for Bids No. 110106-1.

In addressing the Consent Agenda items, Supervisor Dawson made the motion that item 9E be removed from the Consent Agenda and placed on the regular agenda for discussion. Vice-Chairman Martin seconded the motion, which was unanimously approved by the Board. Consent Agenda item number

9E addressed the approval to ratify the Chairman's signature on a Contract with Ritchie Brothers Auctioneers Inc. to conduct an auction for the sale of a Rosco Spread Pro-Chip Spreader that is owned by Gila County. Supervisor Dawson questioned the reason the Rosco Spread Pro-Chip Spreader wasn't being sold in the manner that other County equipment is sold. Mr. Stratton advised that efforts to sell this equipment didn't work out and he felt that the Ritchie Brothers option would be the optimum avenue to dispose of this piece of equipment. Supervisor Dawson inquired as to the amount being charged to the County by Ritchie Brothers for the sale. Mr. Stratton advised that he believes it is 7% of the selling price, but he was not positive. Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously approved the ratification of the Chairman's signature on the Contract with Ritchie Brothers Auctioneers, Inc. to sell Gila County's Rosco Spread Pro-Chip Spreader.

Chairman Sanchez addressed the Consent Agenda item numbers 9A-9L with the exception of item 9E as noted above. Supervisor Dawson stated that she had not reviewed the bills so she would abstain from voting. Upon motion by Vice-Chairman Martin, seconded by Chairman Sanchez, the Board approved Consent Agenda item numbers 9A-9L, with the exception of 9E, by a 2-0 vote. Supervisor Dawson abstained from voting. The Consent Agenda items are as follows:

- A. Authorization of the Chairman's signature on an Arizona Department of Environmental Quality (ADEQ) Grant Application in the amount of \$20,000.00 plus \$14,000.00 matching funds for a total project cost of \$34,273.20 for the Household Hazardous Waste and Electronic Collection Project to be held in April 2007.
- B. Authorization of Chairman's signature on an ADEQ Grant Application in the amount of \$23,200.00 plus \$15,473.00 matching funds for a total project cost of \$38,673.00 for the Household Hazardous Waste and Electronic Collection Project in Payson to be held in April 2007.

- C. Adoption of Resolution No. 06-11-02 naming a road in Young to be called Elk Song Trail. (No objections have been received.) **(A copy of the Resolution is permanently on file in the Board of Supervisors' Office.)**
- D. Approval to ratify the Chairman's signature on an application submitted by TAP Enterprises to rent the Gila County Fairgrounds Exhibit Hall for a tool sale that was held on November 5-6, 2006.
- E. Approval to ratify the Chairman's signature on a Contract with Ritchie Brothers Auctioneers Inc. to conduct an auction to sell a Rosco Spread Pro-Chip Spreader that is owned by Gila County.
- F. Approval of Amendment No. 3 to an Intergovernmental Agreement (Contract No. E5205006) between the Gila County Division of Health and Community Services and the Arizona Department of Economic Security (ADES) decreasing the 5-year Contract from \$422,154.95 to \$296,200.75 for the Contract period July 1, 2004, to June 30, 2009.
- G. Approval of Amendment No. 11 to an Intergovernmental Agreement (Contract No. E5706004) between the Gila County Division of Health and Community Services and ADES to increase the Contract amount from \$4,295,580.00 to \$4,484,928.00, an increase of \$205,551.00 of Adult & Youth funds and \$122.00 in Dislocated Worker funds, and a decrease of \$15,162.00 TANF/WIA funds and \$1,163.00 in Administrative funds.
- H. Approval to authorize the advertisement of the revised Request for Sealed Proposals No. 080106-1 for the purchase of MC-800TR Tire Rubber Chip Seal oil as needed by Gila County Public Works Consolidated Roads Department. (Steve Stratton)
- I. Approval of the October 17, 2006, and October 24, 2006, BOS meeting minutes.
- J. Approval of the September 2006 monthly departmental activity report submitted by the Payson Regional Justice of the Peace, and the October 2006 monthly departmental activity reports submitted by the Globe Regional Justice of the Peace and Payson Regional Constable.

K. Approval of personnel reports/actions for the weeks of October 30, 2006, November 6, 2006, and November 13, 2006, as follows:

October 30, 2006:

Departure from County Service:

1. Animal Regulations Enforcement Officer – Rabies Control – 10-20-06 – Health Services Fund – Ryan Golden – Hire 06-28-04 – Resigned without notice
2. Community Health Assistant – Health – 10-19-06 – Health Services Fund – Katie Davis – hire 10-17-05 – Terminated for cause
3. Solid Waste Operations Worker – Solid Waste Management – 10-23-06 – Enterprise Fund – Michael Ochoa – Hire 04-28-03 – Resigned for other employment
4. Mapping Technician – Assessor – 11-11-06 – General Fund - Jeremy Burk – Hire 05-16-05 – Resigned for other employment
5. Recorder’s Clerk – Recorder – 10-13-06 – General Fund - Audra Sullivan – Hire 10-05-06 – Abandoned position

Departmental Transfer:

6. Justice Court Clerk Associate – Globe Justice Court to Legal Secretary – County Attorney – 11-06-06 – General Fund to Deferred Prosecution Fund – Gaylynn Quintana – Replaces Pam Newell

End Probationary Period:

7. Office Manager – County Attorney – 10-16-06 – General Fund - Linda Soderman
8. Executive Secretary – County Attorney – 10-16-06 – General Fund - Misty Price

Position Review:

9. Reclassification – Deputy Probation Officer 1 to 2 – Probation – 10-02-06 – State Aid Enhancement Fund – Jeremy Soden – Meets time in grade requirement for reclassification

Request Permission to Post:

10. Animal Regulations Enforcement Officer – Rabies Control – position

vacated by Ryan Golden

11. Community Health Assistant – Health Services – position vacated by Katie Davis

SHERIFF'S PERSONNEL ACTION ITEMS:

Departmental Transfer:

12. Deputy Sheriff Detective to Deputy Sheriff Sergeant – Payson S.O. – 10-30-06 – General Fund – Brian Havey – replaces Keith Thompson

November 6, 2006:

Departure from County Service:

1. Probation Aide – Probation – 10-26-06 – General Fund - David Krejci – Temporary position
2. Clerk – Recorder – 10-27-06 – General Fund - Roxanne Becker – Temporary position

Hire to County Service:

3. Court Clerk – Clerk of Superior Court – 10-30-06 – General Fund - Karla Cassa – Replaces Samantha Philpot
4. Courtroom Clerk – Clerk of Superior Court – 10-30-06 – General Fund - Kimberly Galindo – Replaces Esther Rios
5. Law Clerk – Child Support – 11-13-06 – General Fund - Kevin Earp – Will transfer to Attorney status upon receipt of license
6. Road Maintenance/Equipment Operator – Consolidated Roads – 11-06-06 – Road Fund – Mark Hicks – Replaces Lenny Aceves
7. Community Health Assistant Senior – Health – 11-13-06 – Health Services Fund - Nancy Mach – Replaces Victoria Juvera
8. Community Health Assistant – Health – 10-30-06 – Health Services Fund Sheila Hibdon – Replaces Denise Lopez

Temporary Hire to County Service:

9. Business Service Representative – Community Services – 10-26-06 – Grant Fund - Gloria Moreno
10. Custodian – Facilities Management – 10-23-06 – Internal Services Fund - Rhonda Wood

11. Laborer – Constituent Services II – 10-30-06 – Constituent Services II Fund - Art Sancedo

Departmental Transfer:

12. Administrative Clerk – Administrative Services to Administrative Clerk – Child Support – 10-30-06 – General Fund – Julie Kidd – Replaces Angie Poeling

End Probationary Period:

13. Community Services Worker – Community Services – 10-30-06 – Grant Fund - Phillis Weaver
14. Court Operations Supervisor – Clerk of Superior Court – 10-16-06 – General Fund – Raquel Dunman

Position Review:

15. Extend probationary period – Court Clerk – Clerk of Superior Court – 10-30-06 – General Fund – Karen Rubalcava
16. Correct salary and hire date – Juvenile Detention Officer – 10-18-06 – General Fund – Robert Dobbs – Temporary position

Request Permission to Post:

17. Custodian Lead – Facilities Management – position vacated by Rita Dibble
18. Environmental Health Specialist Senior – Payson Health – position vacated by Gary Barnes

SHERIFF'S PERSONNEL ACTION ITEMS:

Hire to County Service:

19. Detention Officer – Globe S.O. – 11-13-06 – General Fund - Kevin Fane – new approved position

November 13, 2006:

Departure from County Service:

1. Environmental Health Specialist Senior – Health Services – 11-10-06 – Health Services Fund – Gary Barnes – Hire 09-06-04 – Resigned – reason unknown

2. Facilitator-Pandemic Influenza Preparedness – Health Services – 10-16-06 – Health Services Fund – Regina Curtis – temporary position – grant ended
3. Laborer – Constituent Services II – 11-06-06 – Constituent Services II Fund - Jon Stapleton – temporary position

Hire to County Service:

4. Juvenile Detention Officer – Probation – 11-15-06 – General Fund - Jessy Carter – replaces Ema Peru
5. Public Health Nurse – Health – 11-13-06 – Health Services Fund - Lucinda Campbell – replaces Sabine Sorgalla
6. Recorder’s Clerk – Recorder – 11-07-06 – General Fund - Karla Sipes – replaces Audra Sullivan

Departmental Transfer:

7. Roads Supervisor – Consolidated Roads to Acting Roads/Shops Manager – Engineering – 10-30-06 – Roads to Engineering Fund – Alfred Brent Cline – replaces Kenneth Hicks
8. Road Maintenance/Equipment Operator Senior to Acting Public works Roads Supervisor – Consolidated Roads – 11-06-06 – Road Fund – Melvin Warbington – replaces Alfred Brent Cline

End Probationary Period:

9. Legal Secretary – County Attorney – 11-13-06 – General Fund
Debra Holmes
10. Legal Secretary – County Attorney – 11-13-06 – General/Crime Victim Assistance Funds – Jill Anthony

Position Review:

11. Change Fund Codes – Manager – Public Health Services – Health – 11-02-06 – Health Services Funds – Carolyn Haro

SHERIFF’S PERSONNEL ACTION ITEMS:

Departure from County Service:

12. Deputy Sheriff – Payson S.O. – 11-03-06 – General Fund - Jeffrey Slider – Hire 09-02-96 – Separated without prejudice

13. Detention Officer – Globe S.O. – 11-09-06 – General Fund - Teddy Weaver – Hire 08-16-04 – Resigned – reason unknown
14. Clerk – Globe S.O. – 11-02-06 – General Fund - Lisa Bahlen – temporary position

Hire to County Service:

15. Detention Officer – Globe S.O. – 11-27-06 – General Fund - Joy Curtice – replaces Joseph Meza
 16. Detention Officer – Globe S.O. – 11-27-06 – General Fund - Shanon Lopez – replaces Adam Padilla
 17. Detention Officer – Globe S.O. – 11-27-06 – General Fund - Christina Lopez – replaces Teddy Weaver
 18. Deputy Sheriff Cadet – Globe S.O. – 11-27-06 – General Fund – Christopher Bender – replaces James Eskew
- L. Approval of finance reports/demands/transfers for the weeks of October 30, 2006, November 6, 2006, and November 13, 2006. (separate handout).

October 30, 2006:

\$638,910.98 was disbursed for County expenses by voucher numbers X153544 through X153546, X153549 through X153655, X153657 through X153700, X394314 through X394391, X394393 through X394471, X394473 through X394515, and X394517 through X394654. There were no hand-issued warrants. **(An itemized list of vouchers is permanently on file with the Board of Supervisors.)**

November 6, 2006:

\$738,751.07 was disbursed for County expenses by voucher numbers X153701 through X153807, X394670 through X394824, and X394826 through X394908. The hand-issued warrants listing is as follows: voucher number X394655 in the amount of \$4,405.62; voucher number X394656 in the amount of \$3,930.95; voucher number X394657 in the amount of \$150.33; voucher number X394658 in the amount of \$696.85; voucher number X394659 in the amount of \$5,800.44; voucher number X394660 in the amount of \$733.60; voucher number X394661 and X394666 in the

amount of \$1,854.11; voucher number X394667 in the amount of \$179.91; voucher number X394668 in the amount of \$7,411.17; and voucher number X394669 in the amount of \$556.00. **(An itemized list of vouchers is permanently on file with the Board of Supervisors.)**

November 13, 2006:

\$440,673.48 was disbursed for County expenses by voucher numbers X153808 through X153879, X394910 through X395155. The hand-issued warrants listing is as follows: voucher number X394909 in the amount of \$200.00. **(An itemized list of vouchers is permanently on file with the Board of Supervisors.)**

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). No action was taken by the Board.

In addressing agenda item number 11, Mr. Chambers requested consideration of a letter from Ray Pugel regarding the Pine-Strawberry Water Improvement District. At 1:00 p.m., upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board convened into Executive Session pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with its attorney. Upon motion by Vice-Chairman Martin, seconded by Supervisor Dawson, the Board reconvened into Regular Session at 1:23 p.m. Chairman Sanchez stated that the record should show that the Board has considered the letter from Ray Pugel and convened into Executive Session for consideration and legal advice from the County Attorney.

There being no further business to come before the Board, Chairman Sanchez adjourned the meeting at 1:25 p.m.

Jose M. Sanchez, Chairman

ATTEST:

Steven L. Besich, County Manager/Clerk