

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

Date: June 24, 2014

MICHAEL A. PASTOR
Chairman

MARIAN E. SHEPPARD
Clerk of the Board

TOMMIE C. MARTIN
Vice-Chairman

By: Laurie J. Kline
Deputy Clerk

JOHN D. MARCANTI
Member

Gila County Courthouse
Globe, Arizona

PRESENT: Michael A. Pastor, Chairman; Tommie C. Martin, Vice-Chairman (via telephone); John D. Marcanti, Supervisor; Don E. McDaniel, Jr., County Manager; Jacque Griffin, Assistant County Manager/Librarian; Bryan B. Chambers, Deputy Attorney Principal; Marian E. Sheppard, Clerk of the Board; and Laurie J. Kline, Deputy Clerk.

Item 1 – CALL TO ORDER - PLEDGE OF ALLEGIANCE - INVOCATION

The Gila County Board of Supervisors met in a regular session at 10:00 a.m. this date in the Board of Supervisors' hearing room. Michael O'Driscoll led the Pledge of Allegiance and Don McDaniel delivered the invocation.

Item 2 – PRESENTATIONS:

A. Information/Discussion: Update of legislative activity in Washington, D.C. by Patricia Power of Bose Public Affairs Group.

Chairman Pastor advised that there was poor telephone connectivity with Patricia Power; therefore, her update would be included during her next regularly scheduled presentation to the Board.

B. Presentation of information from the Southern Gila County Economic Development Corporation regarding a 2014-2016 work plan and accomplishments to date.

Neal Jensen, a member of the Southern Gila County Economic Development Corporation (SGCEDC), provided a slide presentation and stated that the mission of the SGCEDC is to enhance and diversify the economy of southern Gila County while also implementing quality of life initiatives. SGCEDC also serves as a clearinghouse for organizations with complementary missions serving the area. The motto of the SGCEDC is, "plan your work; work your

plan.” He then asked for \$50,000 from the County to support economic development in Gila County with the understanding of commitment and results from the SGCEDC and based on achieving goals.

Supervisor Marcanti inquired as to the availability of private property in the County to accommodate new industry in the direction of U.S. Highway 60, to which Mr. Jensen replied that it is possible to ascertain ownership of each parcel of land; however, it is labor intensive. He added that some of this information has already been compiled, but much of it has not been determined.

Karalea Cox, contractor for SGCEDC, stated that she has been working for the SGCEDC since January 2014. Chairman Pastor inquired if a follow-up meeting to the March 25, 2014, Board of Supervisors’ meeting had been held with the Payson Chamber of Commerce. Ms. Cox replied that a follow-up meeting has not yet taken place. She added that another meeting was held between the Industrial Development Authority of Gila County, the Northern Gila County Economic Development Corporation, and both Globe and Payson Chambers of Commerce organizations. County Manager Don McDaniel was present at that meeting and he talked about the opportunities these organizations have to expand the economy throughout all of Gila County. She added that assistance was offered to those organizations in northern Gila County if needed.

Chairman Pastor thanked Mr. Jensen for the presentation.

Item 3 – PUBLIC HEARINGS:

A. Information/Discussion/Action to adopt Resolution 14-06-05 to name a previously unnamed section of road in Tonto Basin as E. Hunter Lane.

Steve Stratton, Public Works Division Director, stated that protocol was followed in accordance with regulations outlined in Gila County Street Naming and Property Numbering Ordinance No. 11-03. A public notice was mailed to property owners. Included in the public notice was the proposed name of E. Hunter Lane, a map of the area, the deadline for filing objections, and the date scheduled for the Board of Supervisors’ public hearing. There weren’t any written objections submitted to the County for this road name.

Chairman Pastor opened the public hearing at this time. No public comments were given; therefore, he closed the public hearing and asked the Board members to make a motion on this agenda item. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously adopted Resolution 14-06-05 to name a previously unnamed section of road in Tonto Basin as E. Hunter Lane. **(A copy of the Resolution is permanently on file in the Board of Supervisors’ Office.)**

B. Information/Discussion/Action to approve Order No. LL-14-03, an application submitted by Randy D. Nations for a person to person transfer of a Series 6 bar license with an interim permit to operate for Sidewinders Saloon located in Pine.

Marian Sheppard, Clerk of the Board, explained the internal review process conducted by the Health Department and the Planning and Zoning Department in accordance with processing an application for a liquor license. She added that per statutory requirements, a notice of hearing by the Board was posted at the establishment for a period of 20 days, specifically to inform any person residing, owning, or leasing property within a one-mile radius of the establishment regarding this application. To date, the Clerk of the Board Department has not received any written objections to this application. Ms. Sheppard added that all Gila County requirements have been met with regard to this application; therefore, a public hearing should now be held by the Board to entertain any comments from the public.

Chairman Pastor opened the public hearing at this time. No public comments were given; therefore, he closed the public hearing and asked the Board members to make a motion on this agenda item. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously approved Order No. LL-14-03, an application submitted by Randy D. Nations for a person to person transfer of a Series 6 bar license with an interim permit to operate for Sidewinders Saloon located in Pine.

4. REGULAR AGENDA ITEMS:

Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously adjourned as the Gila County Board of Supervisors and convened as the Gila County Library District Board of Directors.

A. Information/Discussion/Action to adopt the Fiscal Year 2014-2015 Annual Tentative Budget for the Gila County Library District.

Jacque Griffin, Assistant County Manager/Librarian, stated that the Library District budget is a part of the entire Gila County budget and information regarding the Library District is detailed on page 71 of the Gila County Fiscal Year 2014-2015 Budget. This year there is a 5% decrease in funding that will amount to a 5% decrease in library assistance provided to each of the libraries in Gila County. She added that there is no plan to decrease the services and programs provided to each of the libraries. The funding formula is based on service measures that were established in 2012 and implemented in 2013, and since there is no increase in funding this year, the decrease in funding is based on the 2012 numbers amounting to a 5% decrease across the board regardless of usage of services. Upon motion by Vice-Chairman Martin, seconded by

Supervisor Marcanti, the Board unanimously adopted the Fiscal Year 2014-2015 Annual Tentative Budget for the Gila County Library District.

Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously adjourned as the Gila County Library District Board of Directors and reconvened as the Gila County Board of Supervisors.

B. Information/Discussion/Action to adopt the Fiscal Year 2014-2015 Annual Tentative Budget in the amount of \$94,444,905, authorize the publication of the summary budget, and set the public hearing for July 15, 2014, to adopt the Final Fiscal Year 2014-2015 Gila County Budget.

Don McDaniel, County Manager, stated that this agenda item sets the upper limit of the County's budget. Upon Board approval, he advised that a public hearing notice will be published in the official County newspaper advising the public of the date and time for the July 15th public hearing to adopt the final budget. Mr. McDaniel stated that adjustments can be made within the budget between the time the tentative budget is adopted and the final budget is adopted, but once the tentative budget is adopted, the total dollar amount cannot be changed.

Jeff Hessenius, Finance Division Director, outlined some of the guidelines that were taken into consideration in preparing this year's budget, such as not increasing property tax rates; accounting for the reduction in property tax revenue; providing funding for salary adjustments which resulted from the recommendations of the Classification and Compensation Study; and continuing to provide the same level of service to the citizens of Gila County. He stated that in order to compensate for these aforementioned changes which equate to an overall 1.2% reduction in the budget, department heads have been directed to reduce their departmental budgets and explore ways to complete jobs with less manpower by strategic planning and improved operating processes. Mr. Hessenius provided a slide presentation of the tentative budget and reviewed the highlights with the Board. He stated that there will be a link to the tentative budget attachment on the Gila County website.

Chairman Pastor inquired if a consultant may be brought on board to help with streamlining the implementation of the Classification and Compensation Study; to which Mr. Hessenius agreed that hiring a consultant is a good idea to provide assistance with improving processes moving forward.

It was noted that there were typographical errors in the *tentative* budget that would be corrected before the *final* budget is presented to the Board on July 15th. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously adopted the Fiscal Year 2014-2015 Annual Tentative Budget in the amount of \$94,444,905, authorized the publication of

the summary budget, and set the public hearing for July 15, 2014, to adopt the Final Fiscal Year 2014-2015 Gila County Budget.

C. Information/Discussion/Action to provide an update on the activities of the Town of Miami's Cobre Valley Community Transit System; approve an Intergovernmental Agreement (Economic Development Grant) between Gila County and the Town of Miami in the amount of \$31,500 to be paid from the County's 2014-2015 fiscal year budget in order to assist the Town of Miami with its Cobre Valley Community Transit System, specifically, the Dial-A-Ride Program; and further, the Board determines this is for the benefit of the public and will improve or enhance the economic welfare of the inhabitants of Gila County.

Jerry Barnes, Miami Town Manager/Director of the Cobre Valley Transit System (CVTS), stated that it has been a good year for the CVTS and recently the CVTS was presented with an award for the fixed route that is currently in operation. Ridership is up approximately 300%; there is now a Globe route which utilizes the Miami swimming pool which will operate during the summer months. He stated that the CVTS could not be possible without the support of Gila County and he requested funding support in the amount of \$31,500 as a local match from Globe and Miami.

Chairman Pastor inquired if the Dial-A-Ride Program is currently operating, and if there is transit to and from the Wheatfields area and the Gila Pueblo Community College Campus. Mr. Barnes replied that the Dial-A-Ride Program is, in fact, available and it is in operation 12 hours a day, 5 days a week. The route could include the Wheatfields area and the current route includes transportation to/from the Gila Pueblo Community College Campus. Each Board member complimented this program. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously approved an Intergovernmental Agreement (Economic Development Grant) between Gila County and the Town of Miami in the amount of \$31,500 to be paid from the County's 2014-2015 fiscal year budget in order to assist the Town of Miami with its Cobre Valley Community Transit System, specifically, the Dial-A-Ride Program; and further, the Board determined this is for the benefit of the public and will improve or enhance the economic welfare of the inhabitants of Gila County.

D. Information/Discussion/Action to approve the Professional Services Contracts for the various attorneys which the Superior Court in Gila County utilizes on an annual basis.

Jonathan Bearup, Deputy Court Administrator, stated that the attorney contracts being presented provide indigent legal representation to the citizens of the County. He stated that the Gila County Court Administration has determined these contracts to be a necessary business practice for the County

and that there is a statistical measuring system built in to the contracts to track monies being spent for reporting purposes. Additionally, as a safeguard to the County, there is now an insurance requirement in the attorney contracts. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously approved the Professional Services Contracts for the various attorneys which the Superior Court in Gila County utilizes on an annual basis.

E. Information/Discussion/Action to adopt Resolution No. 14-06-06 whereby the Gila County Board of Supervisors hereby declares its continued support for Gila County to remain in the Cenpatico Behavioral Health of Arizona (Southern Region) geographical service area for the upcoming HF332025 - Greater Arizona Behavioral Health Services Request for Proposal.

John Marcanti, District 3 Supervisor, stated that Cenpatico Behavioral Health of Arizona services the following southern counties in addition to Gila; Pinal, Yuma, Santa Cruz, La Paz, Cochise, Greenlee, and Graham by offering several programs such as Horizon Human Services, Southeastern Arizona Behavioral Health Services, and Community Bridges, Inc. Vice-Chairman Martin made a motion to adopt Resolution No. 14-06-06 whereby the Gila County Board of Supervisors hereby declares its continued support for Gila County to remain in the Cenpatico Behavioral Health of Arizona (Southern Region) geographical service area for the upcoming HF332025 - Greater Arizona Behavioral Health Services Request for Proposal. Prior to making a second to the motion, Supervisor Marcanti added that he supports adopting this resolution so as not to negatively impact the citizens within his Supervisorial District. He explained that if there were a split to the Southern Region geographical service area, he feels that it would adversely affect those Gila County citizens who utilize these services; for example, the citizens residing on the San Carlos Apache Tribe Reservation would be split between Gila and Graham counties, and the citizens residing in Hayden and Winkelman would be split between Gila and Pinal counties. Supervisor Marcanti seconded the motion, which was unanimously approved by the Board. **(A copy of the Resolution is permanently on file in the Board of Supervisors' Office.)**

F. Information/Discussion/Action to adopt Resolution No. 14-06-07 whereby the Gila County Board of Supervisors hereby declares its continued support for Cenpatico of Arizona to remain as the Regional Behavioral Health Authority for Gila County and be awarded the upcoming HF332025 - Greater Arizona Behavioral Health Services Contract.

Chairman Pastor requested that the Board make a motion to table this agenda item so that he would have time to meet with Bryan Chambers, Deputy Attorney Principal, to discuss some legal concerns. He advised that this issue may or may not appear on a future agenda, depending on the conversation

with Mr. Chambers. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously tabled this agenda item.

G. Information/Discussion/Action to ratify the submission of a grant application by the Community Services Division, Housing Services to Freeport-McMoRan Copper & Gold (Freeport), which was submitted on February 28, 2014; and to accept a grant award from Freeport in the amount of \$10,000 which will be used during the period of July 1, 2014, through June 30, 2015, to provide minor home repairs to eligible citizens residing in Globe, Miami, and Claypool.

Malissa Buzan, Community Services Division Director, stated that this request is to seek permission from the Board of Supervisors to ratify the Community Services Division's previous submission of a grant application, and for the Board to accept a grant award in the amount of \$10,000 from Freeport-McMoRan Copper & Gold. She stated that although the funds are slotted for Globe, Miami, and Claypool, it allows for leveraging of funds in order to assist in northern Gila County as well by using multiple funding sources. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously ratified the submission of a grant application by the Community Services Division, Housing Services to Freeport-McMoRan Copper & Gold (Freeport), which was submitted on February 28, 2014; and accepted a grant award from Freeport in the amount of \$10,000 which will be used during the period of July 1, 2014, through June 30, 2015, to provide minor home repairs to eligible citizens residing in Globe, Miami, and Claypool.

H. Information/Discussion/Action to adopt Resolution No. 14-06-08 which authorizes the execution of Amendment No. Two to an Intergovernmental Agreement (ADOT File No. IGA/JPA 10-230I) between Gila County and the State of Arizona, Department of Transportation for the construction of pedestrian sidewalks along the westerly side of Six Shooter Canyon Road.

Steve Sanders, Public Works Division Deputy Director, provided background information regarding the status of this Intergovernmental Agreement (IGA) with the State of Arizona Department of Transportation (ADOT) and he explained that if this amendment is not approved by the Board, ADOT may opt *not* to complete the project; and if that were to occur, the County would lose approximately \$27,000 it has invested thus far in this project. Mr. Sanders further stated that ADOT has changed its project management and design review fees to a range of \$30,000 to \$50,000; consequently, the amendment to the IGA herein includes an additional 5.7% or \$1,539 for ADOT's fee increases for a total project cost to the County of \$52,542.

Steve Stratton, Public Works Division Director, stated that he has been in communications with ADOT leadership regarding this fee increase and he

stated that although changes will not occur with the cost of this project, ADOT is in the process of standardizing the project management and design review fees which will help small towns to budget accordingly for joint projects with ADOT. The Board had a brief discussion regarding the increased cost of the project; however, it was agreed that the project needed to be completed in order to provide a safer route for pedestrian traffic in this area. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously adopted Resolution No. 14-06-08 which authorizes the execution of Amendment No. Two to an Intergovernmental Agreement (ADOT File No. IGA/JPA 10-230I) between Gila County and the State of Arizona, Department of Transportation for the construction of pedestrian sidewalks along the westerly side of Six Shooter Canyon Road. **(A copy of the Resolution is permanently on file in the Board of Supervisors' Office.)**

I. Information/Discussion/Action to authorize the advertisement of Invitation for Bid No. 060314-1 for the milling of asphalt for the Gisela Road Project.

Jeff Hessenius, Finance Division Director, stated that Board approval of this item will allow for advertising of the Invitation for Bid for the milling of the asphalt for the Gisela Road Project with a bid award date of August 5, 2014. Chairman Pastor inquired of Mr. Stratton as to the timeline for completion of this project. Mr. Stratton replied that the plan is to complete the project by the end of the summer or by early fall. He added that some culvert preparation work has been started for this project in order to expedite the process.

Mr. Hessenius added that funding for this project will come from the County's ½ cent transportation excise tax. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously authorized the advertisement of Invitation for Bid No. 060314-1 for the milling of asphalt for the Gisela Road Project.

J. Information/Discussion/Action to authorize the advertisement of Invitation for Bid No. 060214 for truck hauls of asphalt millings to Forest Service Road 417-Gisela Road.

Mr. Hessenius stated that authorization for the advertisement of this Invitation for Bid is for the hauling of the asphalt milling from the Payson Event Center to Gisela to complete the double chip seal of a portion of Forest Service Road 417. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously authorized the advertisement of Invitation for Bid No. 060214 for truck hauls of asphalt millings to Forest Service Road 417-Gisela Road.

K. Information/Discussion/Action to authorize the advertisement of Invitation for Bid No. 060314 for MC-800TR chip seal oil for Gila County repair and maintenance.

Mr. Hessenius stated that the current contract for the purchase of MC-800TR chip seal oil expired on April 5, 2014. Since the time the contract expired, the County didn't have a need for this material until the present. He advised that a new contract has been developed, so the next step in the process is to obtain the Board's approval to advertise the Invitation for Bid. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously authorized the advertisement of Invitation for Bid No. 060314 for MC-800TR chip seal oil for Gila County repair and maintenance.

L. Information/Discussion/Action to authorize the advertisement of Request for Proposals No. 042314 for janitorial services for northern Gila County, which includes but is not limited to: the Payson Administration Building; the Gila County Court Complex in Payson; the Health/Rabies/Environmental office; the Community Action and Co-op Extension offices; the Assessor's and Recorder's Offices; and the Payson Sheriff's Office/Jail Administration Building and Justice of the Peace Court.

Mr. Hessenius stated that the current janitorial contract expired on May 3, 2014. Approval of this item will allow for the advertisement of the Request for Proposals (RFP) to provide janitorial services to be performed at night in northern Gila County. The contract is not all inclusive; Star Valley wasn't included in this RFP; however, it is serviced internally. He also mentioned that the new contract allows for expansion to include other County facilities to be serviced at an additional cost. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously authorized the advertisement of Request for Proposals No. 042314 for janitorial services for northern Gila County, which includes but is not limited to: the Payson Administration Building; the Gila County Court Complex in Payson; the Health/Rabies/Environmental office; the Community Action and Co-op Extension offices; the Assessor's and Recorder's Offices; and the Payson Sheriff's Office/Jail Administration Building and Justice of the Peace Court.

M. Information/Discussion/Action to continue this proposal to purchase the NAPA Auto Parts property at 110 W. Main Street in Payson, Arizona, in an amount not to exceed \$450,500, until after the July 29, 2014, Board of Supervisors' Work Session at which time additional information regarding the Countywide square footage needs will be presented and discussed.

Don McDaniel, County Manager, stated that the proposed purchase of this property was listed as an action item on the Board's May 6th meeting agenda.

At that time the Board continued this item to this meeting and also directed staff to gather additional information on office space needs throughout the County including the Four Amigos property to the east, the shop property to the south and the Los Lomas School. As a result of the Board's directive, Lonnie Brevick, the County's consultant, prepared an amended Gila County Long Range Facilities Management Plan. Mr. McDaniel recommended that the Board continue this item to the Board's July 29th work session at which time the amended Gila County Long Range Facilities Management Plan would be presented to the Board.

Vice-Chairman Martin opened discussion as to the availability of funds for this project, and she inquired if this proposed property purchase was included in the County's 2014-2015 fiscal year budget. Mr. McDaniel replied that currently there is bond money to proceed with this proposed purchase or "whatever the Board chooses to do."

Vice-Chairman Martin asked Steve Stratton, Public Works Division Director, if the information contained in the consultant's amended report to be presented to the Board in July would likely change the Board's prioritization of any projects that have been discussed thus far with the Board. Mr. Stratton replied that in preparing the budget for Capital Improvement Projects, he felt it was prudent to list all of the needed projects for the Board's consideration, fully realizing there would not be enough money to complete all of the projects. He further stated that as direction is given by the Board to commence with any of the proposed projects, those specific projects would then be entered as a line item in the budget.

Supervisor Marcanti inquired if a portion of the bond money was slated to complete the 2nd floor renovation of the Globe Courthouse. Mr. Stratton replied that he did not think there was enough bond money to complete the 2nd floor renovation and the purchase of the NAPA Auto Parts property. He believes there will have to be other funds to complete either or both of those projects.

Vice-Chairman Martin advised that the owner of the building in which NAPA Auto Parts uses has found only one other suitable property to relocate that business. The owner had an option on that building of which the option was extended at least two times to her knowledge; the last request to extend the option was denied, so the property has since been placed back on the market. She stated that if no new alternatives are going to be presented for office needs in northern Gila County, only southern Gila County, and given the fact that the option to purchase is no longer available to the property owner, Vice-Chairman Martin believes it is critical to not delay purchasing this property.

Chairman Pastor added that the reason this agenda item was continued from the May 6th meeting was because it was not included the current 2013-2014 budget, and it needs to be included in the 2014-2015 budget.

Mr. McDaniel added that in continuing this item from the May 6th meeting, the intention was to ensure that the Board is fully aware that there are limited bond funds available. He added that for the past 1½ years, the Board and staff have been planning to utilize the remaining bond funds for the 2nd floor Courthouse renovation project. With the advent of the NAPA Auto Parts property, the approach was then changed to utilize the remaining bond funds for the NAPA Auto Parts property purchase. He advised that ultimately a decision would need to be rendered by the Board on which project would be chosen. He further advised that staff would not be opposed to utilizing funds to purchase the NAPA Auto Parts property as long as the Board agrees that the funding source for the 2nd floor renovation would yet need to be decided. He stated that there is sufficient funding in the Capital Improvement Projects fund for this purchase, and there is additional contingency funds or reserve funds that could be utilized, but staff's concern is that all of the options are presented to the Board of Supervisors as that Board is dealing with limited resources, so it is the Board's ultimate decision.

Bryan Chambers, Deputy Attorney Principal, referred to the language for this agenda item and he stated that it may be a safer course of action for the Board not to make a decision at this time and to continue the item as stated in the agenda item; however, the Board may decide to call a special meeting in order to expedite the action.

Supervisor Marcanti stated that he had done some research with respect to purchasing the NAPA Auto Parts property and he believes that it is reasonably priced; however, he agreed with Mr. Chambers to wait to take action until such time as all of the figures involved with the purchase can be presented to the Board for further consideration.

Chairman Pastor recessed the meeting at 12:00 p.m. and reconvened the meeting at 12:06 p.m.

Mr. McDaniel stated that per the Board's direction it would be appropriate to continue this item to the July 1st meeting to allow staff to re-word the agenda item with additional direction to purchase or not to purchase the NAPA Auto Parts property in Payson.

Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously continued this item to the July 1, 2014, Board of Supervisors' meeting with additional direction given to staff to provide the Board with a recommendation to purchase or not to purchase the NAPA Auto Parts property located at 110 W. Main Street in Payson, Arizona.

N. Information/Discussion/Action to adopt Resolution No. 14-06-09, a resolution providing funding to be used for highway and street purposes including costs of right of way acquisitions and expenses related thereto

and construction, reconstruction, maintenance, repair and roadside development of county, city and town roads, streets and bridges and payment of principal and interest on highway and street bonds, and for regional transportation projects that are included in the regional transportation plan of the County prepared by the County, any city, town or regional planning agency; and levying a transportation excise tax to provide moneys for said purposes.

Mr. McDaniel explained that this resolution is a necessary step to proceed with the continuation of the County's ½ cent transportation excise tax, and the information contained therein outlines the need for the tax to be collected and the levying of the tax; it allows for the citizens to provide comments; and it also outlines the percentages of revenue to be paid to the cities and towns. At present, Gila County receives all of the revenue generated from this tax. He added that the next step in this process will be a request from the Elections Department to the Board of Supervisors for the Board to adopt a resolution at its July 1, 2014, meeting. The purpose of the resolution is to call for an election on November 4, 2014, for the voters to decide whether or not to continue the Gila County ½ cent transportation excise tax and to share the revenue with the city and towns in the County. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously adopted Resolution No. 14-06-09, a resolution providing funding to be used for highway and street purposes including costs of right of way acquisitions and expenses related thereto and construction, reconstruction, maintenance, repair and roadside development of county, city and town roads, streets and bridges and payment of principal and interest on highway and street bonds, and for regional transportation projects that are included in the regional transportation plan of the County prepared by the County, any city, town or regional planning agency; and levying a transportation excise tax to provide moneys for said purposes. **(A copy of the Resolution is permanently on file in the Board of Supervisors' Office.)**

Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously adjourned as the Gila County Board of Supervisors and convened as the Gila County Library District Board of Directors.

O. Information/Discussion/Action to approve and accept Grant Renewal Amendment GRA-RC029-13-0533-01-Y3 San Carlos Apache Tribe Parent Outreach and Awareness which is a "Community-Based Literacy Grant" in the amount of \$70,000 for the period of July 1, 2014, through June 30, 2015.

Jacque Griffin, Assistant County Manager/Librarian, stated that on April 1, 2014, the Gila County Library District Board of Directors authorized the submission of the grant renewal application. Since that time, the Library District has been notified of said grant award. This request is for the Board of

Directors to officially approve and accept the Community-Based Literacy Grant in order to allow the Library District the opportunity and ability to provide early literacy training and materials to parents and children from ages birth through 5 and provide additional resource materials to children ages 5 to 6 living in the San Carlos Apache Tribe Region. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously approved and accepted Grant Renewal Amendment GRA-RC029-13-0533-01-Y3 San Carlos Apache Tribe Parent Outreach and Awareness which is a "Community-Based Literacy Grant" in the amount of \$70,000 for the period of July 1, 2014, through June 30, 2015.

P. Information/Discussion/Action to approve and accept Grant Renewal Amendment GRA-RC004-14-0616-01-Y2 Gila Parent Outreach and Awareness which is a "Community-Based Literacy Grant" in the amount of \$85,000 for the period July 1, 2014, through June 30, 2015.

Ms. Griffin stated that this agenda item mirrors the previous agenda item and the grant applies to the Gila Region service area. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously approved and accepted Grant Renewal Amendment GRA-RC004-14-0616-01-Y2 Gila Parent Outreach and Awareness which is a Community-Based Literacy Grant in the amount of \$85,000 for the period July 1, 2014, through June 30, 2015.

Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously adjourned as the Gila County Library District Board of Directors and reconvened as the Gila County Board of Supervisors.

Q. Information/Discussion/Action to review all bids submitted for Invitation for Bids No. 041414 for the purchase and delivery of bulk fuel and lubricants; award to the lowest, most responsive, responsible and qualified bidder; and to authorize the Chairman's signature on the award contract for the winning bidder.

Jeff Hassenius, Finance Division Director, stated that the existing contract for bulk fuel and lubricants expires on June 25, 2014. The purpose of Invitation for Bids No. 041414 is to contract with a supplier for bulk fuel and lubricants. This Invitation for Bids was advertised in the Arizona Silver Belt on May 28, 2014, and June 4, 2014. The County has acquired lubricants in anticipation of the existing contract expiring; therefore, the County does not have a need to purchase lubricants at this time and can continue to evaluate bids that have been submitted for the lubricants portion of the Invitation for Bid. Staff recommends award of the Invitation for Bids to Canyon State Oil for the fuel portion of the contract for a period of 12 months beginning June 26, 2014, to June 25, 2015, with 2 one-year options to extend the contract.

Chairman Pastor inquired if the low bidder submitted a valid bid to which Mr. Hessenius replied that a letter had been sent to Canyon State Oil to verify that the bid submitted was all inclusive and they confirmed that it was in fact all inclusive.

Supervisor Marcanti asked for clarification regarding the amount of money that would be added to the Oil Price Information Service (OPIS) pricing. Mr. Hessenius explained that the calculation is that Canyon State Oil will use the OPIS pricing, which changes on Mondays; add the incremental pricing that is agreed to in the contract; and this pricing will be locked in for the entire week, but will change again the following Monday.

Chairman Pastor verified that the estimated fuel usage was accurate to which Mr. Hessenius replied that the fuel estimate was provided by the Public Works Auto Equipment and Maintenance Department. Steve Stratton, Public Works Division Director, added that the fuel estimate was reflective of less driving and more efficient use of County equipment and resources.

Vice-Chairman Martin inquired if the County had any recourse should Canyon State Oil not perform per the contract. Mr. Hessenius replied that there are remedies for non-performance contained in the contract; specifically, that the contract can be cancelled if the supplier isn't performing. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously awarded a contract to Canyon State Oil for the purchase and delivery of bulk fuel as outlined in Invitation for Bid No. 041414, and authorized the Chairman's signature on the award contract.

R. Information/Discussion/Action to approve Stipulated Judgments in Rim Country Express LLC. v. Gila County, TX 2011-000854, TX 2012-000780, and TX 2013-000666. Pursuant to A.R.S. § 38-431.03(A)(3) the Board may vote to go into executive session to receive legal advice from its attorney. Pursuant to A.R.S. § 38-431.03(A)(4) the Board may vote to go into executive session in order to consider its position and instruct its attorneys regarding the Board's position in a settlement discussion to resolve the lawsuit.

Bryan Chambers, Deputy Attorney Principal, advised that upon approval by the Board, an agreement would be made to settle a tax dispute with Rim Country Express LLC, and that the dispute has been ongoing for the last three years. He also stated that the proposed settlement amount was negotiated with the Plaintiff, Rim Country Express LLC, and should the Board have any questions or in order to receive legal advice regarding this dispute, the Board may vote to go into executive session. Mr. Chambers then added that the Assessor's Office and the County Attorney's Office both recommend that the Board approve this agreement. The Board decided that an executive session would not be necessary; therefore, Chairman Pastor asked for a motion on this issue. Upon

motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously approved Stipulated Judgments in Rim Country Express LLC. v. Gila County, TX 2011-000854, TX 2012-000780, and TX 2013-000666.

Item 5 – CONSENT AGENDA ACTION ITEMS: (Any matter on the Consent Agenda will be removed from the Consent Agenda and discussed and voted upon as a regular agenda item upon the request of any member of the Board of Supervisors.)

A. Approval of an Intergovernmental Agreement for Election Services between the Gila County Recorder's Office and the Town of Payson to provide "Vote by Mail" election services on August 26, 2014, and, if needed, run-off election services on November 4, 2014.

B. Approval of Amendment No. 1 to Professional Services Contract No. 062813-Medical Examiner Services between Gila County and Mark A. Fischione, M.D., PLC, to increase the contract amount from \$30,000 to \$70,000 to cover the remainder of the original contract term which expires on January 6, 2015.

C. Approval of an Intergovernmental Agreement (IGA) between Yavapai County and Gila County for Restoration to Competency Services for one year from July 1, 2014, to June 30, 2015, with the option for three (3) one (1) year renewals upon mutual agreement of the Parties.

D. Approval of the amended amount to the Emergency Management Performance Grant Fund Application in the amount of \$110,000 for FFY2014 for re-submission to Arizona Division of Emergency Management, and approval of the Chairman's signature on the Application.

E. Approval of the revised Gila/Pinal Workforce Investment Area Business Plan for the period of July 1, 2014, to June 30, 2017, of which said revisions were requested by the Arizona Department of Economic Security.

F. Approval of revisions to the Bylaws of the Gila/Pinal Workforce Investment Board.

G. Approval of Amendment No. 4 to Contract No. Gila 10101 between Gila County and Central Arizona College for Program Year 2014, to add carryover funds in the amount of \$590,000 bringing the total contract amount to \$1,432,587, and to extend the contract period to July 1, 2014, through June 30, 2015.

H. Approval of Amendment No. 4 to Contract No. Gila 10102 between Gila County and Central Arizona Governments for Program Year 2014 to add

carryover funds to provide Workforce Investment Act Adult Services in the amount of \$400,000 bringing the total contract amount to \$1,273,579, and to extend the contract period to July 1, 2014, through June 30, 2015.

I. Approval of Amendment No. 4 to a Weatherization Low-Income Assistance Agreement (Contract No. LW-ESA-2182-02Y4) between the State of Arizona, Governor's Office of Energy Policy and Gila County amending the contract to provide up to \$99,692 to be used to provide weatherization services to eligible citizens residing in Gila County for the period of July 1, 2014, to June 30, 2015.

J. Approval of Amendment No. 10 to an Intergovernmental Agreement (Contract No. DE111073001) between the Arizona Department of Economic Security and the Gila County Division of Community Services, Community Action/Housing Services, to provide funding in the amount of \$319,381 for the service of Case Management and \$150,000 for the service of Community Services, to be used to provide assistance to eligible citizens residing in Gila County for the period beginning July 1, 2014, through June 30, 2015.

K. Acknowledgment of the May 2014 monthly activity report submitted by the Globe Regional Justice of the Peace's Office.

L. Acknowledgment of the May 2014 monthly activity report submitted by the Payson Regional Constable's Office.

M. Acknowledgment of the March 2014 monthly activity report submitted by the Recorder's Office.

N. Approval of the May 6, 2014, and May 13, 2014, Board of Supervisors' meeting minutes.

O. Acknowledgment of contracts under \$50,000 which have been approved by the County Manager for the weeks of May 19, 2014 to May 23, 2014; May 26, 2014 to May 30, 2014; and June 2, 2014 to June 6, 2014.

P. Approval of finance reports/demands/transfers for the weeks of June 10, 2014, June 17, 2014, and June 24, 2014.

June 10, 2014

\$1,610,202.71 was disbursed for County expenses by check numbers 262232 through 262405.

June 17, 2014

\$907,685.32 was disbursed for County expenses by check numbers 262406 through 262551.

June 24, 2014

\$2,797,602.24 was disbursed for County expenses by check numbers 262552 through 262748. **(An itemized list of disbursements is permanently on file in the Board of Supervisors' Office.)**

Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board approved Consent Agenda action items 5-A through 5-P.

Item 6 – CALL TO THE PUBLIC: Call to the Public is held for public benefit to allow individuals to address the Board of Supervisors on any issue within the jurisdiction of the Board of Supervisors. Board members may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to Arizona Revised Statute §38-431.01(H), at the conclusion of an open call to the public, individual members of the Board of Supervisors may respond to criticism made by those who have addressed the Board, may ask staff to review a matter or may ask that a matter be put on a future agenda for further discussion and decision at a future date.

There were no comments from the public.

Item 7 – At any time during this meeting pursuant to A.R.S. §38-431.02(K), members of the Board of Supervisors and the Chief Administrator may present a brief summary of current events. No action may be taken on issues presented.

Each Board member and the County Manager presented information on current events.

There being no further business to come before the Board of Supervisors, Chairman Pastor adjourned the meeting at 12:45 p.m.

APPROVED:



Michael A. Pastor, Chairman

ATTEST:



Marian Sheppard, Clerk of the Board