

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

Date: November 26, 2013

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 ITV); John D. Marcanti, Supervisor; Don E. McDaniel Jr., County Manager; Bryan B. Chambers, Deputy Attorney Principal; Jacque Griffin, Assistant County Manager/Librarian; Marian E. Sheppard, Clerk of the Board; and Laurie J. Kline, Deputy Clerk.

Item 1 – CALL TO ORDER – PLEDGE OF ALLEGIANCE

The Gila County Board of Supervisors met in a work session at 10:00 a.m. this date in the Board of Supervisors hearing room. Bryan Chambers led the Pledge of Allegiance.

Item 2 – REGULAR AGENDA ITEMS:

A. Information/Discussion/Action to approve Gila County becoming a cooperator on the June 30, 2010, Memorandum of Understanding (MOU) between various County, Federal, State, and Tribal agencies that: (a) have regulatory jurisdiction and management authority over Mexican wolves (*Canis lupus baileyi*) or the lands that Mexican wolves occupy in Arizona and New Mexico; or (b) are responsible for representing constituency interests while striving to make reintroduction compatible with current and planned human activities, such as livestock grazing and hunting, and authorize the Chairman's signature on the MOU, the Rules and Responsibilities, and the Addendum.

Jacqueline Griffin, Assistant County Manager/Librarian, provided background information regarding the MOU addendum and environmental impact statement previously presented to the Board, and explained that at that time Gila County was not invited to participate. She added that the MOU presented to the Board today will enable Gila County to participate and be an integral part in the decision making and middle management of the Mexican Wolf

Reintroduction Project. Chairman Pastor stated that this action will give Gila County a "seat at the table." Ms. Griffin affirmed that was accurate, and added that this addendum is identical to the previously discussed addendum, and that this action is agreeing to and becoming a part of the MOU that was previously signed. The Board discussed citizen reports of possible wolf sightings and Supervisor Marcanti stated that there were no Sheriff's Office reports of those sightings, just private citizen reports. The Board thanked Ms. Griffin for the information, hard work and for keeping the County apprised of upcoming meetings and decisions to be made regarding this topic. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously approved Gila County becoming a cooperator on the June 30, 2010, Memorandum of Understanding (MOU) between various County, Federal, State, and Tribal agencies that: (a) have regulatory jurisdiction and management authority over Mexican wolves (*Canis lupus baileyi*) or the lands that Mexican wolves occupy in Arizona and New Mexico; or (b) are responsible for representing constituency interests while striving to make reintroduction compatible with current and planned human activities, such as livestock grazing and hunting, and authorize the Chairman's signature on the MOU, the Rules and Responsibilities, and the Addendum.

B. Information/Discussion to consider individuals for appointment to a Gila County Citizens' Committee to explore all options regarding the extension of transportation excise tax for an additional 20 years.

Don McDaniel, County Manager, suggested that the Board may choose to address the next action item on the regular agenda and then return to this item, to which Chairman Pastor agreed and moved to Item 2-C.

C. Information/Discussion/Action to adopt Resolution No. 13-11-07 accepting the resignations of five (5) governing board members of the Pine Strawberry Water Improvement District (PSWID); revoking the authority of the PSWID; naming the Gila County Board of Supervisors as the Board of Directors for the PSWID; and reserving the authority to call for new elections for the PSWID.

Eric Mariscal, Elections Director, provided background information regarding this item. On October 29, 2013, paperwork was filed to begin a recall election for four (4) of the Pine Strawberry Water Improvement District (PSWID) governing board members. On November 15, 2013, five (5) resignation letters were received by the Controller/Accounting Manager for the PSWID, who then forwarded the letters to Mr. Mariscal. Mr. Mariscal contacted Brad Cole, District Manager for the PSWID, and then contacted Don McDaniel, Gila County Manager, and Bryan Chambers, Gila County Deputy Attorney Principal, for further discussion and direction. Mr. Mariscal advised that this governing board is comprised of seven (7) members, and due to the fact that five (5) members have resigned, there is not a quorum; therefore, the PSWID

governing board cannot conduct business or appoint board members to replace the five (5) board members that have resigned. As a result of these resignations, it is necessary for the Board of Supervisors to adopt the resolution as presented with this agenda item for the Board of Supervisors to assume authority as the Pine-Strawberry Water Improvement District governing board. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously adopted Resolution No. 13-11-07 accepting the resignations of five (5) governing board members of the Pine Strawberry Water Improvement District (PSWID); revoking the authority of the PSWID; naming the Gila County Board of Supervisors as the Board of Directors for the PSWID; and reserving the authority to call for new elections for the PSWID. **(A copy of the Resolution is permanently on file in the Board of Supervisors' Office.)**

Vice-Chairman Martin suggested that the Board address Item 3 - Call to the Public before returning to Item 2-B as there were people in attendance in Payson that wished to speak to the Board. Chairman Pastor agreed and continued to Item 3 - Call to the Public.

Item 3 - 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.

The following individuals provided comments concerning the Pine Strawberry Water Improvement District (PSWID) Board of Directors.

1. Richard James of Strawberry, Arizona, was concerned about the selection of candidates for future elections and stated that the two remaining PSWID Board members, Tom Weeks and Sam Schwalm, should be allowed to remain on the Board because they were elected and not affected by the recall election. He questioned whether or not the publicized accusations of "wrong-doings" were being investigated by the authorities, or if they are simply being considered "law bending" actions. He asked about the date an election would be held to fill the vacant positions in order for the PSWID to govern itself. He requested that this election be held by the December 2013 meeting to be held in Pine, Arizona.
2. Ric Hawthorne of Pine, Arizona, stated that as Chairman of the Recall Committee, he noted that the Gila County Board of Supervisors assumed

authority as the PSWID Board of Directors in the past, and had been requested to do so a second time by Ray Pugel to which the Board declined to get involved. This will be the third time it is requested that the Board of Supervisors oversee the management of the PSWID. He expressed a concern regarding Ray Pugel's conditions of resignation from the PSWID Board, which is that John Nelson be appointed as a "caretaker" for the PSWID in his place, and the postponement of any elections until November 2014. Mr. Hawthorne stated that the community is and has been involved with the recall election efforts, with a turnout of 400 people in a community of 1,200 registered voters. He stated that by putting off the election "it is not doing justice to the people."

3. Pamela Mason of Pine, Arizona, advised that when the Board of Supervisors became the Board of Directors for the PSWID, it was at that time that Ron Christensen, District 1 Supervisor, advised that the PSWID Board could either call for a special election, which would be very costly, or wait until the next General Election. She stated, "In light of that, and supposedly we were going to keep the cost down by not having a special election, between the time period of July 1, 2003, and June 30, 2004, \$227,414,16 was spent out of PSWID funds. It happened to be that the (PSWID) Administrator again was Mr. Nelson. We just can't afford to have someone running the district for an extended period of time." She requested that the Board call a special election as soon as possible.

The Board thanked the citizens for their comments. Chairman Pastor then returned to Item 2-B.

B. Information/Discussion to consider individuals for appointment to a Gila County Citizens' Committee to explore all options regarding the extension of transportation excise tax for an additional 20 years.

Don McDaniel, County Manager, stated that if an election were to be held on the extension of a transportation excise tax for an additional 20 years, it would most likely be held on November 4, 2014. If the measure passes, the tax would be levied effective January 1, 2015, and it would extend through December 31, 2035.

He then provided an overview of a discussion that was held on this issue during the Board of Supervisors' October 29, 2013, Work Session. Subsequent to that meeting, Mr. Daniel informed the Board that he established the Gila County Staff Transportation Tax Extension Committee (Committee), which is comprised of members of the County Manager's Administrative Team and some other key people. The members are as follows: Jacque Griffin, County Librarian/Assistant County Manager; Jeff Hessenius, Finance Director; Linda Eastlick, Human Resources Director; Steve Sanders, Public Works Division

Deputy Director;, Janice Cook, Administrative Manager; and Eric Mariscal, Elections Director.

He advised that the Committee has met telephonically with Mark Reader, Managing Director of Public Finance for Stifel, Nicolaus & Company, Inc., of which this firm has experience managing bond programs and public finance issues. The Committee has also spoken with Mr. Reader's legal counsel to discuss the best way to proceed with this issue.

Mr. McDaniel has had preliminary conversations with city and town managers, who in turn have spoken with their mayors or city/town councils. At this point, all cities and towns within Gila County have expressed an interest in participating with the County on this issue. If the cities and towns join in this endeavor, it would be necessary to share revenue that is generated from the transportation excise tax; however, the formula for that distribution has not yet been determined. Most likely the formula will be based on population and roadway miles to help counterbalance the 50/50 split with the cities and towns, which will reduce the County's current annual revenue by 50 percent or approximately \$1.5 million dollars.

He advised that a major step in this process is to appoint members to the Gila County Citizens' Committee and that its members should represent all areas of the County. The members should: 1) have an interest in the County; and 2) have an interest in transportation, although it is not mandatory. Mr. McDaniel emphasized that, ultimately, the members should have the respect of the County and of the community. This Committee will be appointed by the Board of Supervisors (Board) and the purpose of the Committee will be to determine the need for continuing the transportation excise tax and whether or not an election should be held. The Committee members will serve no more than three or four months. Mr. McDaniel further explained that Board members have been requested to supply staff with a list of potential Committee members to be added to a master list. The Board will then select those 12 to 15 names that appear most often on the master list of which those individuals will be appointed by the Board to the Citizens' Committee. After the three or four months of meetings, the Citizens' Committee will be disbanded by the Board. At that time, Mr. McDaniel advised that citizens could form a pro ½-cent transportation excise tax committee to be appropriately named at that time, which would be a political action committee.

Vice-Chairman Martin stated that at the time the Citizens' Committee is created by the Board, she inquired as to the date that the Committee would begin meeting. Mr. McDaniel replied that he expects to receive the Committee member lists from each Board member within the next week, at which time those names will be compiled into a master list, and he anticipates that the Board would appoint the members during its January 7, 2014, meeting at the time the Committee is officially established. He then added that after the

Committee member appointments have been made by the Board, he anticipates their first meeting to be within a week or 10 days thereafter. Mr. McDaniel further advised that the Committee would be given 2-3 months to provide the Board with a recommendation because the final date to call an election is early July, so he stated that the Board would want to receive the recommendation by April at the latest. Vice-Chairman Martin replied that the Board should expect the recommendation to be presented during April or early May to which Mr. McDaniel agreed. Vice-Chairman Martin then inquired if the Citizens' Committee members would then become the political action committee thereafter. Mr. McDaniel replied that the Board would disband the Citizens' Committee at the time the Board presumably would accept the Committee's recommendation for an election. Many of those Board members may choose to proceed to serve on a political action committee; however, that committee would be formed on its own.

Supervisor Marcanti expressed a concern that action needs to be taken regarding the Highway User Revenue Fund (HURF) dollars being reduced each year by the State Legislature and stated that he is in favor of this course of action. Chairman Pastor asked for clarification as to Mark Reader's involvement, whether or not he would be a facilitator. Mr. McDaniel explained that Mr. Reader's firm is preparing a proposal that the County should receive in the very near future, which would define the fees and scope of work. He added that the payment for the consultant would come from the County's General Fund, but the pro ½-cent transportation excise tax committee would be self-funded and the firm would take the committee through the election. Mr. McDaniel affirmed that this is based on the Board accepting or rejecting the recommendations made by the Committee. Bryan Chambers, Deputy Attorney Principal, advised that he was hearing some details for the first time and would like to discuss this further with the Board and County Manager in the near future.

Chairman Pastor inquired as to whether or not the County should advertise for Citizens' Committee members, to which Mr. McDaniel stated that the County wouldn't want to necessarily advertise considering that currently the master list is upwards of 25 names. He added that names can be added to the master list at a later time if the Board so chooses.

At the conclusion of the discussion of this agenda item, Vice-Chairman Martin added that the December 11, 2013, meeting in Pine, Arizona for the Pine-Strawberry Water Improvement District has been cancelled and the next regularly scheduled Board meeting would be the third Thursday in January.

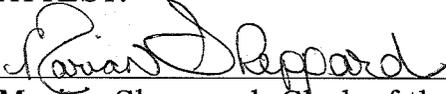
There being no further business to come before the Board of Supervisors, Chairman Pastor adjourned the meeting at 10:55 a.m.

APPROVED:



Michael A. Pastor, Chairman

ATTEST:



Marian Sheppard, Clerk of the Board