

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

Date: September 15, 2009

SHIRLEY L. DAWSON

Chairman

STEVEN L. BESICH

Clerk of the Board

TOMMIE C. MARTIN

Vice-Chairman

By: Marilyn Brewer
Deputy Clerk

MICHAEL A. PASTOR

Member

Gila County Courthouse
Globe, Arizona

PRESENT: Shirley L. Dawson, Chairman; Tommie C. Martin, Vice-Chairman (via video conferencing); Michael A. Pastor, Supervisor; Jacque Griffin, Assistant County Manager/Librarian; Marian Sheppard, Chief Deputy Clerk; and June Ava Florescue, Deputy County Attorney.

Item 1 – Call to Order – Pledge of Allegiance – Invocation

The Gila County Board of Supervisors met in Regular Session at 10:00 a.m. this date in the Board of Supervisors hearing room. Supervisor Pastor led the Pledge of Allegiance and Father Matthew Williams of the Holy Angels Catholic Church in Globe delivered the invocation.

Item 2 - Information/Discussion/Action – Consideration and possible adoption of Resolution No. 09-09-02 stating Gila County’s intention to incur a long term obligation; approving the form and authorizing the execution and delivery of necessary documents; approving the sale and execution and delivery of pledged revenue obligations, Series 2009, evidencing a proportionate interest of the owners thereof in the Purchase Agreement; delegating authority to the County Manager or Finance Director of the County to determine certain matters and terms with respect to the foregoing and authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this resolution.

Steve Stratton, Public Works Division Director, speaking on behalf of John Nelson, Deputy County Manager, who was unable to attend the meeting, stated that this item is the consideration of a resolution for a long-term debt by Gila County. He noted that there was a period of time allowed for comments from the public and one comment was received, which questioned the reason the County was incurring this debt when times are tough. His response was that the County is currently paying out a lot of money to rent/lease building space. These payments will no longer be required if the Board adopts this resolution

for the bond and the new structures are built. Because interest rates and construction costs are at an all-time low, now is the time to build. He gave the example of the current construction of the County's WIC building, which came in at a cost considerably lower than the engineer's estimate. Also on the walk-through for the proposed women's 40-bed jail facility, there were 21 general contractors interested in this project that is estimated to cost \$769,000. Mr. Stratton advised that his explanation addressed all of the concerns from the person who submitted a comment on this issue. Upon inquiry from Dan Adams, a resident of Payson, Mr. Stratton explained the various projects for which the bond money will be used namely: to construct a new 40-bed women's jail facility dorm; to construct a new Public Works complex to consolidate all departments into one area; to eliminate leases/rentals by the purchase of property; and to refinance some long-term debt at a lower interest rate. This will actually create a positive cash flow compared with what the County is currently paying. Chairman Dawson noted that moving the Public Works offices from the County complex area will open that land for future development. Mr. Stratton stated that in regard to the women's jail facility, in the past 28 days, the Sheriff's Office has been forced to release 300 prisoners and a lot of that is due to the high occupancy rate of females without any room to house them. The women's facility will be built in such a way that it could also house male inmates if there is a need. Chairman Dawson inquired if there were any other comments from the public; none were received. Supervisor Pastor stated that he received some public comments and one of the main concerns was if the bond is for \$8 million and the interest is approximately \$7 million, who will pay the interest? Supervisor Pastor stated that his response has been that through the bonding process, the interest is paid the same as any bank loan and the monies being paid back will come from the ½ cent sales tax, which would cover the interest as well as the principle during the life of the bond. Mr. Stratton stated that Supervisor Pastor was partially correct; however, he clarified that the ½ cent sales tax is the General Fund sales tax that will be used for part of the payment, but the Public Works portion for the roads department office, shop and administration buildings would be paid out of Highway User Revenue Funds (HURF). Those funds will be proportioned according to the percentage of space occupied versus the amount of money spent. He also pointed out that typically when a County goes out for a bond, the issuance costs and all of the other associated costs are paid in addition to the bond amount. In this instance, those costs are included as part of the \$8 million because of the way the market is right now with the construction and the management, and the County will have self-performing on these projects. The bond will be over a 20-year period. Supervisor Pastor inquired if the 5.5% proposed interest rate is still a viable rate at this time. Mr. Stratton deferred to Mark Reader, Managing Director of Stone and Youngberg, to speak to that issue. Mr. Reader stated that the final interest rate will depend on where the County's ultimate credit rating will come out. He believes the County will either receive either an A+ or AA credit rating. An AA rating would on average be less than a 4.5% interest rate; an A+ rating could be about 5% over the 20 year period. Jacque Griffin, Assistant County Manager/Librarian, inquired of

Mr. Reader if the State of Arizona's credit rating goes down as was noted in the news today, would that affect the County's rating? Mr. Reader stated that all of the rating agencies are aware of that fact and he did not feel it would affect the County's rating even though the County does receive funding from the State. He stated that the County has 3 very positive things going for it, which include the following: Gila County has no other debt other than this bond issue, with the exception of the small prior debt obligation that will be paid by the bond issue; Gila County historically has had a very solid fund balance and has been protective of that fund balance, which will play well as talks are begun with the rating agencies because they are looking at fund balances more closely than they have in the past as it provides for flexibility going forward; and also the sorcery payment in that part of the bond will be paid from the General Fund and part from the HURF monies. From a legal standpoint, the County will pledge its excise taxes—its net-shared revenues, plus local excise taxes and that coverage is basically 8 to 1 meaning for every \$1 of debt, there is \$8 of revenue which is considered very strong in the market place. A combination of those 3 factors he trusts will get Gila County an AA or A+ credit rating, which will be discussed in the next few weeks. Supervisor Pastor inquired of Mr. Reader if he believes the economic forecast will improve in the near future. Mr. Reader replied that his company is not involved in economics; however, it is his personal opinion that the economy is still somewhat fragile and the job situation has to be corrected and back on line before the economy turns around. Dan Adams reminded the Board, those present and the media to contact their congressmen in Washington, D.C. to approve Resolution Copper Company's federal land exchange proposal so the copper mine can go on line to begin generating revenue and creating jobs. Supervisor Pastor also mentioned that some employees contacted him and are upset about the \$8 million bond and relate it to the salary increases they have not received for several years. Supervisor Pastor told them he would discuss that issue with the Board and he wanted it on the record that their concerns have been expressed. Chairman Dawson also noted that to date no County employee positions have been cut or furloughed nor have employee work hours been reduced. Vice-Chairman Martin believes there isn't a better time to be bonding not only because of reduced costs, but also to create jobs for the area during the downturn in the economy. Upon motion by Vice-Chairman Martin, seconded by Supervisor Pastor, the Board unanimously adopted Resolution No. 09-09-02 stating Gila County's intention to incur a long-term obligation; approving the form and authorizing the execution and delivery of necessary documents; approving the sale and execution and delivery of pledged revenue obligations, Series 2009, evidencing a proportionate interest of the owners thereof in the Purchase Agreement; delegating authority to the County Manager or Finance Director of the County to determine certain matters and terms with respect to the foregoing and authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this resolution. Vice-Chairman Martin also noted that constructing the 40-bed female jail facility is relieving Gila County of a huge potential liability to the County and its citizens. Chairman Dawson stated that she sent an e-mail to the person who

commented on the bond and she stated that with one lawsuit, Gila County could be obligated to more than what we are going to be able to do with this bond in a positive manner. **(A copy of the Resolution is permanently on file in the Board of Supervisors' Office.)**

Item 3 - Public Sale of a portion of Nellie Drive adjacent to Lot 78 and a portion of Lot 155, East Verde, Map No. 144, Gila County Records, located in Indian Allotment Survey No. 656, and to consider accepting a bid submitted by Mr. and Mrs. Gerald Koessler, abutting property owners, as follows: \$10 for Assessor's tax parcel no. 302-31-079 and \$10 for Assessor's tax parcel no. 302-31-124.

Steve Sanders, Public Works Division Deputy Director, stated that Nellie Drive is located in the East Verde Estates Subdivision north of Payson. It's the end of a road that adjoins the national forest land at the side of a hill and it was never developed as a road. A request was received from the adjoining land owners to vacate the road. The process began to dispose of these parcels began a few months ago. If the bids are approved today, the final step in the process will be to obtain Board approval of a resolution allowing said disposal of property and to issue quit claim deeds for the transfer of ownership. Today's request is to consider accepting a bid from the Koesslers as they are adjoining land owners on one side. The owner on the other side, Daniel Balmer, has chosen not to bid on the portion adjacent to his property; however, he did submit a letter asking that any consideration given to sell that portion be given to the Koesslers. The Koesslers have bid on that portion as well so there is a bid of \$10 from the Koesslers for their adjoining part and another bid of \$10 also from the Koessler's for the part adjoining Mr. Balmer's parcel that is immediately adjacent to the Koessler's roadway. Vice-Chairman Martin stated that this is one of those subdivisions that looks pretty on paper, but it didn't fit the land very well and she was glad to see these properties go back on the County's tax rolls. Mr. and Mrs. Koessler were present and stated that it had been a very positive experience working with Gila County. Mr. Sanders noted that the portions of Nellie Drive being bid on are adjacent to the parcel numbers listed as the road does not have a parcel number. Upon motion by Supervisor Pastor, seconded by Vice-Chairman Martin, the Board unanimously accepted a bid of \$10.00 from Mr. and Mrs. Gerald Koessler for a portion of Nellie Drive adjacent to Assessor's tax parcel no. 302-31-079 and a bid of \$10.00 for a portion of Nellie Drive adjacent to Assessor's tax parcel no. 302-31-124 which was also submitted by Mr. and Mrs. Gerald Koessler.

Item 4 – Information/Discussion/Action to authorize the advertisement of Request for Sealed Bids No. 090109-1 - Gila County Public Works Complex Subgrade Preparation Phase.

Steve Stratton stated that, if approved, the advertisement for bids will go out tomorrow and the following week, then site preparation bids will be due back to the County on September 30, 2009, and hopefully the bids can be awarded on

October 6, 2009. There is approximately 21,000 tons of material to move with some being cut and some fill. Upon motion by Vice-Chairman Martin, seconded by Supervisor Pastor, the Board unanimously authorized the advertisement of Request for Sealed Bids No. 090109-1 - Gila County Public Works Complex Subgrade Preparation Phase.

Item 5 – Information/Discussion/Action to ratify the Board of Supervisors’ authorization for the Public Works Division to submit a Grant Application to the U.S. Department of Transportation for \$25,000,000 of TIGER (Transportation Investment Generating Economic Recovery) discretionary grant funds that will be used to construct the Tonto Creek Bridge with roadway approaches.

Mr. Stratton stated that these grant funds are part of the federal economic stimulus package. He thanked Diana Jones for her efforts as this has been a hard grant to gather information for and to write. Steve Sanders, Chuck Williams and the Emergency Services Department also assisted Ms. Jones in writing this grant application. This application is an alternative to obtain other funding to build the Tonto Creek Bridge. Past discussions have been held about the earmarks funding in the next U.S. Transportation Bill, which is still being pursued; however, this opportunity has come up and he would like to submit the application. There will be no County match required. Steve Sanders will be presenting an item to the Board in an upcoming meeting on the environmental process for the Tonto Creek Bridge project and this would be a follow-up to that to enable finishing the design work and actual construction of the bridge if the County is awarded this grant. On behalf of the residents of Tonto Basin, Supervisor Pastor also expressed his appreciation to Ms. Jones for her efforts. Upon motion by Supervisor Pastor, seconded by Vice-Chairman Martin, the Board unanimously ratified the Board of Supervisors’ authorization for the Public Works Division to submit a Grant Application to the U.S. Department of Transportation for \$25,000,000 of TIGER (Transportation Investment Generating Economic Recovery) discretionary grant funds that will be used to construct the Tonto Creek Bridge with roadway approaches.

Item 6 - Information/Discussion/Action to consider approval of the substitution of the Maricopa County Office of General Litigation Services by Laurence G. Tinsley, Jr. as counsel in this matter of Chavez v. Brewer, CV2006-007000.

June Ava Florescue, Deputy County Attorney, stated that this is an ongoing litigation in which Gila County has been named as a party in the lawsuit. Eleven counties have been sued and were previously represented by the Maricopa County Attorney’s Office, which has handled the case for all of the counties. Maricopa County wants to substitute its newly created department, the General Litigation Services, by Laurence G. Tinsley, Jr. to handle this matter for the Maricopa County Attorney’s Office. Nothing else will change in litigation except for the office that will be handling it on behalf of Gila County.

Upon motion by Vice-Chairman Martin, seconded by Supervisor Pastor, the Board unanimously approved the substitution of the Maricopa County Office of General Litigation Services by Laurence G. Tinsley, Jr. as counsel in this matter of Chavez v. Brewer, CV2006-007000.

Item 7 - CONSENT AGENDA ACTION ITEMS:

- A. Approval to renew a five-year contract between Gila County, on behalf of the Gila County Juvenile Detention Center, and the Bureau of Indian Affairs for housing of Native American detainees for the period October 1, 2009, to September 30, 2014.**
- B. Approval to appoint the following individuals as precinct committeemen to the Gila County Republican Party: Danny Loren Debus, Robert W. Hibbert, and Paul A. McKinney.**
- C. Approval to ratify the Board of Supervisors' signatures on a letter of support for a Young, Arizona, "Community Challenge Grant."**
- D. Approval of a Support and Maintenance Contract between Gila County, (Information Technology Department) and CommVault in the amount of \$12,583.84 for data restoration and backup of all County digital information for the period October 23, 2009, through October 2, 2010.**
- E. Approval of a Planning Services Contract between Central Arizona Association of Governments and Gila County to provide planning services and activities in the amount of \$11,768 as defined in the Contract.**
- F. Approval of Public Works Division Policy No. DPW 09-07 – Routine Safety Inspections of Roads in the Gila County Maintained Roadway System.**
- G. Approval of Amendment No. 1 to an Intergovernmental Agreement (Contract No. DE101045001) between the Arizona Department of Economic Security and Gila County whereby \$720,026 of additional funds have been provided by REPAC Consortium members for continued Dislocated Worker Program services under the Workforce Investment Act.**
- H. Approval of Amendment No. 10 to an Intergovernmental Agreement (Contract No. E5313521) between the Arizona Department of Economic Security, Rehabilitation Services Administration (DES/RSA) and Gila County, Division of Health and Community Services (DHCS), Gila Employment and Special Training (GEST)), to extend the contract from October 1, 2009, to March 31, 2010, for continued Community Access,**

Education and Information services and Work Internship/Work Exploration services.

- I. Approval of Contract No. DE106003-008 between DES/RSA and Gila County DHCS/GEST for the period October 1, 2009, to September 30, 2014, a new contract to provide two services to DES/RSA Vocational Rehabilitation clients in Gila County that were previously provided under Contract No. E5313521 (above item.)**

- J. Adoption of Resolution No. 09-09-03 authorizing the Gila County Probation Department's participation in the FY 2009-2010 Family Counseling Program through the Arizona Supreme Court, Juvenile Justice Services Division, and certifying that a matching fund requirement of \$2,315 for the Program will be provided by the County. (A copy of the Resolution is permanently on file in the Board of Supervisors' Office.)**

- K. Approval of the July 21, 2009, July 28, 2009, August 4, 2009, and August 11, 2009, BOS meeting minutes.**

- L. Approval of the personnel reports/actions for the weeks of September 8, 2009, and September 15, 2009.**

September 8, 2009:

Departures from County Service:

- 1. John Canez – Constituent Services District II – Temporary Labor – 07-17-09 – General Fund – DOH 05-26-09 – Temporary position
- 2. Angel Gonzales – Constituent Services District II – Temporary Laborer – 08-26-09 – General Fund – DOH 05-26-09 – Temporary position
- 3. Terrice Jones – Assessor – Mapping Technician – 08-04-09 – General Fund – DOH 07-02-07 – Resigned
- 4. Christopher Powell – Constituent Services District II – Temporary Laborer – 07-24-09 – General Fund – DOH 05-26-09 – Temporary position
- 5. Cameron Roland – Constituent Services District II – Temporary Laborer – 07-17-09 – General Fund – DOH 05-26-09
- 6. Christopher Siegel – Constituent Services District II – Temporary Laborer – 08-26-09 – General Fund – DOH 05-26-09 – Temporary position

SHERIFF'S PERSONNEL ACTION ITEMS

End of Probation:

- 7. Dennis Foil – Sheriff's Office/Payson – Detention Officer – 08-31-09 – General Fund

September 15, 2009:

Departures from County Service:

1. Charles Hernandez – Constituent Services District II – Temporary Laborer – 09-08-09 – General Fund – DOH 09-08-09 – Declined offer
2. Tova Vargas – Constituent Services District III – Temporary Clerk – 08-01-09 – General Fund – DOH 06-01-09 – Temporary position

Hires to County Service:

3. Michael Lopez - Health and Community Services – Career and Employment Specialist – 08-14-09 – WIA Fund – Replacing Dave Ferrell

Temporary Hires to County Service:

4. Myron Mayr - Health and Community Services – Davis Bacon Specialist – 09-09-09 – ARRA Fund

Request Permission to Post:

5. Public Works/Automotive Equipment Maintenance – Vehicle and Equipment Mechanic – Position Vacated by Terry Wollgast
6. Public Works/Recycling and Landfill Management – Solid Waste Operations Worker – Position Vacated by Walter Wiley

SHERIFF’S PERSONNEL ACTION ITEMS

Hire to County Service:

7. Angelita Mendoza - Sheriff’s Office/Globe – Administrative Clerk – 09-08-09 – General Fund - Replacing Misty Allinson

Position Reviews:

8. Travis Baxley - Sheriff’s Office/Globe – Task Force Agent (Sgt.) – 08-22-09 – From Narcotics Task Force Fund – To Drug Gang Violent Crime Control Fund
9. Ray Van Buskirk - Sheriff’s Office/Globe – Task Force Agent – 08-22-09 - From Narcotics Task Force Fund – To Drug Gang Violent Crime Control Fund
10. Bianca DalMolin - Sheriff’s Office/Globe - Task Force Agent – 08-22-09 - From Narcotics Task Force Fund – To Drug Gang Violent Crime Control Fund
11. William Newman - Sheriff’s Office/Globe - Task Force Agent – 08-22-09 - From Narcotics Task Force Fund – To Drug Gang Violent Crime Control Fund
12. Johnny Sanchez - Sheriff’s Office/Globe – Task Force Commander – 08-22-09 - From Narcotics Task Force Fund – To Drug Gang Violent Crime Control Fund

M. Approval of finance reports/demands/transfers for the weeks of September 8, 2009, and September 15, 2009. (separate handout) September 8, 2009:

\$1,610.691.46 was disbursed for County expenses by check numbers 220498 through 220536 and 220538 through 220654.

September 15, 2009:

\$946,760.61 was disbursed for County expenses by check numbers 220537 and 220655 through 220792. **(An itemized list of disbursements is permanently on file in the Board of Supervisors' Office.)**

Upon motion by Supervisor Pastor, seconded by Vice-Chairman Martin, the Board unanimously approved consent agenda items 7A-7M.

Item 8- CALL TO THE PUBLIC: Call to the Public is held for public benefit to allow individuals to address issue(s) within the Board's jurisdiction. Board members may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to Arizona Revised Statute §38-431.01(G), action taken as a result of public comment will be limited to directing staff to study the matter, responding to criticism, or scheduling the matter for further discussion and decision at a future date.

There were no requests to speak from the public.

Item 9 - At any time during this meeting pursuant to A.R.S. §38-31.02(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 Jacque Griffin, Assistant County Manager/County Librarian, on behalf of Steve Besich, County Manager/Clerk, who is ill, presented information on current events.

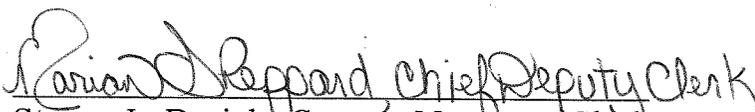
There being no further business to come before the Board of Supervisors, Chairman Dawson adjourned the meeting at 10:56 a.m..

APPROVED:



Shirley L. Dawson, Chairman

ATTEST:

for 

Steven L. Besich, County Manager/Clerk