GILA COUNTY, ARIZONA

Date: April 16, 2013

MICHAEL A. PASTOR
Chairman

TOMMIE C. MARTIN
Vice-Chairman

JOHN D. MARCANTI
Member

MARIAN E. SHEPPARD
Clerk

By: Laurie J. Kline
Deputy Clerk

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; Marian E. Sheppard, Clerk; and Bryan B. Chambers, Deputy Attorney Principal

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. Bryan Chambers led the Pledge of Allegiance and Reverend Charles Proudfoot from the Community Presbyterian Church in Payson delivered the invocation.

Vice-Chairman Martin announced that Sergeant Hazelo was not yet present at the meeting, so she requested that item 3A be addressed at this time, to which the Chairman agreed.

Item 3 – REGULAR AGENDA ITEMS:

A. Information/Discussion/Action to approve the allocation of $45,000 of Gila County's Secure Rural Schools and Communities Funds (SRSC - 'Forest Fees') for FY2012-13 to Roads, and to distribute SRSC funds in the amount of $1,304,124 to Gila County School Districts in accordance with the attached distribution schedule.

Linda O'Dell, Gila County School Superintendent, advised that for the past four years the Board of Supervisors has allocated $50,000 of this funding to be used for the roads by the County Roads Department and the remainder has been allocated to County schools. The allocation is based on a formula that was determined several years ago by the school district superintendents, County management and the Gila County School Superintendent's Office. The formula has a base, which is a percent of the total amount available, and student enrollment and the actual percentage of acreage in the County are also

factors. Dr. O'Dell requested permission to allocate 90% of the full amount that is on deposit in the County Treasurer's Office. That percentage is based on a request from County Manager Don McDaniel that 10% be withheld against the possibility that some amount of money may need to be returned to the federal government based on sequestration. Dr. O'Dell supports Mr. McDaniel's request.

Vice-Chairman Martin previously was questioned as to the reason it is being requested that 10% be withheld rather than 5.1% of these funds; however, that question was answered by Dr. O'Dell and Mr. McDaniel. Upon Board approval, Vice-Chairman Martin wants the 90% allocation to be distributed to the schools as soon as possible. Once the federal government decides on the sequestration issue and if those funds aren't required to be returned to the federal government, she wants the remaining 10% of funding to be immediately distributed to the schools because the funds represent "whole teachers" to the school districts. Vice-Chairman Martin voiced her opposition to the federal government using any of these funds, to which Dr. O'Dell agreed.

Supervisor Marcanti asked for further clarification on the motion for the distribution of funds and he inquired if the Board needs to state in the motion that the schools will receive another 10% of the funding if the federal government does not request them. Chairman Pastor asked Dr. O'Dell if the Board should identify this as one of possibly two payments. Dr. O'Dell replied that if the Board chooses to addresses this request as being one of possibly two payments, she is in support of that wording for the motion.

Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously approved the allocation of $45,000 of Gila County's Secure Rural Schools and Communities Funds (SRSC - 'Forest Fees') for FY2012-13 to Roads, and to distribute SRSC funds in the amount of $1,304,124 to Gila County School Districts in accordance with the distribution schedule that is attached to this agenda item in the AgendaQuick™ agenda system. County Manager Don McDaniel suggested that the motion include a statement that there would be a second distribution if and when the determination is made by the federal government. The Board unanimously approved this addition to the motion.

Dr. O'Dell advised that the funds would most likely be distributed to the school districts later today.

Item 2 - PRESENTATIONS:

Presentation of the Officer of the Quarter by Bradley D. Beauchamp, Gila County Attorney, to Sergeant Jason Hazelo of the Payson Police Department.

The Board returned to item 2A as Sergeant Hazelo arrived at the meeting in Payson. Bradley Beauchamp reviewed Sergeant Hazelo's professional experience with the Payson Police Department. He stated, "Sergeant Hazelo's testimony at trial is not only professional, but he has incredible jury appeal." Mr. Beauchamp presented the award to Sergeant Hazelo and he stated that the chosen officer's agency also receives an award. Sergeant Hazelo thanked Mr. Beauchamp for the award and stated that he appreciated all of the opportunities afforded him by the County Attorney's Office and the Payson Police Department, and he thanked his family. Mr. Beauchamp presented an award to Lieutenant Eldridge of the Payson Police Department.

Item 3 – REGULAR AGENDA ITEMS: (continued)

B. Information/Discussion/Action to ratify Gila County's determination to participate in the National IPA cooperative purchasing agreement, ratify the acceptance of its terms, and approve a Customer Purchase Agreement between Gila County and Empire CAT for the purchase of one new 2013 12M2 Caterpillar motor grader (serial number R9P00120) in the amount of $298,122 with a trade-in allowance of $111,000 that has been applied to the purchase price.

Steve Stratton, Public Works Division Director, explained that Gila County is listed as a member of the National IPA, a cooperative purchasing group. It is unclear when or how Gila County entered into this cooperative purchasing agreement, but as a member of the National IPA, Gila County can benefit through an existing agreement that Caterpillar has between the City of Tucson and the National IPA to buy a new 2013 12M2 Caterpillar motor grader. The National IPA discount is 35.5% off the list price of $445,534, which results in a significant cost savings of $158,306 on the new 2013 all-wheel drive motor grader.

The Customer Purchase Agreement with Empire CAT shows the subtotal price for the new motor grader to be $298,122, which includes $3,000 for a 5 year/5000 hour governmental (total machine) warranty and $7,894 for freight from the factory to Arizona. With a trade-in of two older motor graders in the amount of $111,000 and a down payment of $120,000 plus sales tax totaling $16,560.30, a balance of $83,682.30 will be due by August 1, 2013.

In the Transportation Excise Tax budget, there is $160,000 available in Capital Outlay. The plan is to use $120,000 of those funds during this fiscal year as the down payment, and pay the remaining balance of $83,682.30 by August 1, 2013. Empire will carry the $83,682.30 balance without charging any interest. Since it is such a short term agreement, financing is not available.

The County will automatically be enrolled in the preventative maintenance

program that provides filters and computer connectivity with Caterpillar for diagnostic "real time" information on the machine. A GPS is also installed as standard practice which provides location and operating status. The wheels, moldboard and rippers are the same size that the County purchases for its other motor graders. Upgrading one piece of equipment will save the County the cost of repairing old, unreliable equipment. The County will reduce its total number of motor graders from 15 to 14. Before the motion was made, Mr. Stratton pointed out that the agenda item incorrectly listed the trade-in amount as $110,000 when the correct amount is $111,000. (Note: The agenda has since been corrected.)

Upon motion Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously ratified its approval for Gila County to participate in the National IPA cooperative purchasing agreement, ratified the acceptance of the terms outlined in the agreement, and approved a Customer Purchase Agreement between Gila County and Empire CAT for the purchase of one new 2013 12M2 Caterpillar motor grader (serial number R9P00120) in the amount of $298,122 with a trade-in allowance of $111,000 that has been applied to the purchase price.

C. Information/Discussion/Action to authorize the County Manager's signature on an Agreement (Proposal No. GilaCounty-001) between ReSEED, LLC and Gila County allowing ReSEED, LLC to work with the Arizona Department of Transportation (ADOT) to place the road project known as "Silver King" in ADOT's 2014-2018 Five-Year Transportation Facilities Construction Program (TFCP) - $10,000 to be paid upon execution of the Agreement and $10,000 to be paid if the Silver King project is fully funded and approved in year 1 or 2 (2014 or 2015) of ADOT's Five-Year TFCP, contingent upon approval by Bryan Chambers, Deputy Attorney Principal.

Mr. Stratton provided a PowerPoint presentation regarding ADOT's Five-Year Transportation Facilities Construction Program (TFCP.) He reviewed 3 scenarios being considered by ADOT in its Five-Year TFCP. He recommended supporting Scenario B, which promotes construction of the Silver King and Lion Springs projects. The Silver King project is located in Pinal County and the project would be for the portion of roadway from the Boyce Thompson Arboretum to the turnoff to Highway 177 toward Kearny. Since the completion of the Gonzales Pass project, the accident rate has been significantly reduced and studies show that the completion of the Silver King project would provide another significant reduction in the projected accident rate. The Lion Springs project is located in Gila County and it would complete the Highway 260 divided highway from Heber to Show Low. The design of the Silver King project is 60% complete and it will be completed in February 2014 at which time the project will be ready to go out for bids. The Silver King project is estimated to cost $45M and the Lion Springs project is estimated to cost $40M.

Mr. Stratton advised that Felipe Zubia, owner of ReSEED, LLC, is a former ADOT Board member. Mr. Stratton believes that it is important to enter into this agreement with ReSEED to provide Gila County with assistance to lobby for these projects. Without the help of Mr. Zubia and his staff, Mr. Stratton believes that there is little hope of getting these projects funded. The intent is to get the Silver King project fully funded in year 1 or 2 (2014 or 2015) of the ADOT 2014-2018 Five-Year TFCP, and because the Iron Springs project has not yet been designed, the intent would be to get it funded for year 4 or 5 of the ADOT 2014-2018 Five-Year TFCP. ADOT has applied to the Federal Highway Administration for a $40M grant to design and construct the Lion Springs project. This grant application requires a 6% cash match. Mr. Stratton stated that the County should look into ways to fund the 6% match requirement for the Lion Springs project, which would be approximately $2.4M. He is waiting for an opinion from the Arizona Attorney General's Office and he has yet to contact the County Attorney's Office to determine if the County could have a joint easement with the Forest Service for the portion of roadway that is the Lions Springs project and, if so, determine if it's legal to use the County's half cent excise tax for the match requirement. Vice-Chairman Martin was adamant that both projects need to be included in ADOT's Five-Year TFCP and that both are given equal importance. Chairman Pastor inquired whether Pinal County was also supporting Scenario B to which Mr. Stratton replied that county is in support of Scenario B; however, he hasn't yet received a resolution adopted by the Board of Supervisors in support of it.

Mr. Stratton advised that the agreement with ReSEED wasn't attached to the agenda item at the time the agenda was published as there were some corrections being made, so that is the reason the language in the suggested motion states that approval of the agreement is contingent upon the approval of Bryan Chambers, Deputy Attorney Principal. The agreement has been attached to this item and it is ready to be approved by the Board, if the Board so chooses to approve it. Mr. Chambers stated that he approves the agreement as to form.

Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously authorized the County Manager's signature on an Agreement (Proposal No. GilaCounty-001) between ReSEED, LLC and Gila County allowing ReSEED, LLC to work with the Arizona Department of Transportation (ADOT) to place the road project known as "Silver King" in ADOT's 2014-2018 Five-Year Transportation Facilities Construction Program (TFCP) - $10,000 to be paid upon execution of the Agreement and $10,000 to be paid if the Silver King project is fully funded and approved in year 1 or 2 (2014 or 2015) of ADOT's Five-Year TFCP.

Mr. Stratton talked briefly about the ADOT's public comment process for the Five-Year TFCP. He recommended sending an email to all County employees

who have the use of a computer and to pass the information to those that do not have a computer urging everyone to submit comments of being in favor of Scenario B, which includes the Silver King and Lion Springs projects being placed in ADOT's 2014-2018 Five-Year TFCP, to which the Board agreed. At the end of a discussion on possible funding for the Lion Springs project, it was agreed that Mr. Stratton would place an agenda item on the Board's May 7th meeting to request authorization from the Board for Public Works Division staff to work on an agreement with ADOT on jointly providing the match funding requirement in the estimated amount of $2.4M for the grant application that ADOT has submitted to the Federal Highway Administration.

D. Information/Discussion/Action to approve the electronic submission of the Juvenile Crime Reduction Fund (JCRF) application by the Gila County Probation Department to the Arizona Supreme Court in the amount of $1,400 to be used during for fiscal year 2013, if awarded.

Sylvia Hernandez, Probation Officer Manager, explained that the Gila County Probation Department is embarking on this pilot project in conjunction with the Clerk of the Superior Court and Superior Court Administration to increase offender accountability. This will be accomplished by increasing the collection of Court ordered obligations utilizing the iPhone and Square to assist the officers in the field to collect remotely. The grant will enable the Probation Department to purchase four "iPhones" and "Squares" with no cost to the County. The grant has also allowed for the Department to build in a 2.75% charge per swipe to the grant. It is estimated the County will improve collections by 20% this year.

Chairman Pastor asked if this is a pilot program for the entire State of Arizona. Ms. Hernandez confirmed that it is. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously approved the electronic submission of the Juvenile Crime Reduction Fund (JCRF) application by the Gila County Probation Department to the Arizona Supreme Court in the amount of $1,400 to be used during for fiscal year 2013, if awarded.

Item 4 - 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 the reappointment of Margret Celix to serve on the Gila County Community Action Program Advisory Board for another four (4) years, retroactive from January 1, 2013, to December 31, 2016.

B. Acknowledgment of John Marcanti's resignation from the Gila County Building Safety Advisory and Appeals Board effective December 31, 2012,

and approval to appoint Bruce Binkley to fulfill Mr. Marcanti's unexpired term of office through December 31, 2014.

C. Ratification of the Board of Supervisors' approval for the Gila County Attorney's Office electronic submission of a FY2014 Grant Application to the Arizona Criminal Justice Commission Drug, Gang and Violent Crime Control Program in the amount of $79,722 to continue grant funding and approve up to a 25 percent match requirement.

D. Authorization of the Chairman's signature on Amendment No. 2 to Contract No. 031711-1 between Gila County and Wright Asphalt Products Company for SBS polymer chip seal oil to extend the contract for 12 months, from January 7, 2013, to January 6, 2014.

E. Authorization of the Chairman's signature on Amendment No. 2 to Contract No. 061311-1 between Gila County and Wright Asphalt Products Company for MC-800TR chip seal oil to extend the contract for 12 months, from April 6, 2013, to April 5, 2014.

F. Approval of a Special Event Liquor License Application submitted by the Pinal Mountain Elk's Lodge of Globe, Arizona, to serve liquor at a wedding reception on April 27, 2013.

G. Approval of an Agreement between Gila County and the Arizona Division of Forestry whereby Gila County will receive $15,000 of a total appropriation of $75,000 for three environmental projects affecting economic development in the five counties of Apache, Gila, Graham, Greenlee and Navajo which were identified by the Environmental Economic Communities Organization on behalf of the counties and submitted to the State Forester who has approved them.

H. Acknowledgment of the January 2013 monthly activity report submitted by the Globe Regional Constable's Office.

I. Acknowledgment of the February 2013 monthly activity report submitted by the Clerk of the Superior Court's Office.

J. Approval of the March 26, 2013, and April 2, 2013, BOS meeting minutes.

K. Acknowledgment of contracts under $50,000 which have been approved by the County Manager for the weeks of March 11, 2013, to March 15, 2013; and March 18, 2013, to March 22, 2013.

L. Approval of finance reports/demands/transfers for the weeks of April 9. 2013, and April 16, 2013.

April 9, 2013

$160,395.27 was disbursed for County expenses by check numbers 253246 through 253327.

April 16, 2013

$2,139,960.86 was disbursed for County expenses by check numbers 253328 through 253503. **(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 unanimously approved Consent Agenda action items 4A through 4L as presented.

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(H), action taken as a result of public comment will be limited to responding to criticism made by those who have addressed the Board of Supervisors, may ask staff to review the 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 requests to speak from the public in Globe or Payson.

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 11:14 a.m.

APPROVED:

Michael A. Pastor

Michael A. Pastor, Chairman

ATTEST:

Laurie Kline for

Marian Sheppard, Clerk