

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

Date: June 23, 2015

**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

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PRESENT: Michael A. Pastor, Chairman; Tommie C. Martin, Vice-Chairman (via ITV); John D. Marcanti, Member; Don E. McDaniel, Jr., County Manager; Bryan B. Chambers, Deputy County Attorney/Civil Bureau Chief; 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 - 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. Bob Gould led the Pledge of Allegiance and Minister Bart Campbell of the Church of Christ in Globe delivered the invocation.

**Item 2 – PUBLIC HEARINGS:**

**A. Information/Discussion/Action to adopt Resolution No. 15-06-03 designating Day Place and Fisherman's Lane as Country Dirt Roads and accepting the roads into the Gila County Maintained Roadway System.**

Steve Sanders, Interim Public Works Division Director, stated that Day Place and Fisherman's Lane are located in the Tonto Basin area and are approximately 1500 feet in length. These roads provide access to 19 properties of which the property owners have granted easements to the County. Designating these roads as Country Dirt Roads and accepting them into the Gila County Maintained Roadway System would be beneficial to both the property owners and the County. Chairman Pastor opened the public hearing and no comments were received; therefore, he closed the public hearing. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously adopted Resolution No. 15-06-03 designating Day Place and

Fisherman's Lane as Country Dirt Roads and accepting the roads into the Gila County Maintained Roadway System. **(A copy of the Resolution is permanently on file in the Board of Supervisors' Office.)**

**B. Information/Discussion/Action to approve Gila County Order No. LL-15-02 that is related to a liquor license application submitted by Joseph Stephen Nowak for a person transfer of a Series 7 beer and wine license with an interim permit to operate at the Flying Grizzly located in Strawberry.**

Marian Sheppard, Clerk of the Board, advised that an application was submitted by Joseph Stephen Nowak for a Series 7 Beer & Wine Bar liquor license, which allows a beer and wine retailer to sell and serve beer and wine, primarily by individual portions for on-site consumption and in the original container for consumption on or off the premises. She advised that Mr. Nowak is the applicant and he is a 100% owner of the restaurant. She also advised that the County has an internal review process to ensure that all County permitting requirements are being met by the applicant and that the applicant is current on paying property taxes for any property owned in Gila County. She advised that the Building Permitting Department, Health Department and the Treasurer's Office reviewed the application and each Department/Office has conveyed that there aren't any pending County-related issues with regard to this restaurant and applicant. Ms. Sheppard stated that she has not received any objection letters; therefore, she recommended that the Board proceed with the public hearing and if no one objects, she recommended that the Board vote to recommend the Arizona Department of Liquor Licenses and Control's approval of the license.

Chairman Pastor directed an inquiry to Bob Gould, Community Development Director, and read aloud the comment written on the interoffice memorandum from Scott Buzan, Chief Building Official, which states, "No pending issues. Please be aware that the commercial type kitchen indicated on the floor plan will require a building permit plus wastewater and Health Department approvals when installed" Mr. Gould replied that the applicant is complying with the normal permitting process and there is no reason to delay approving the liquor license application. Chairman Pastor opened the public hearing and there were no comments from the public; therefore, he closed the public hearing and asked for a motion from the Board. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously adopted Order No. LL-15-02.

**C. Information/Discussion/Action to consider approving the proposed primary property tax levy for FY 2016, excluding amounts that are**

**attributable to new construction, that is \$2,610,889 greater than the amount levied for FY 2015.**

Don McDaniel, County Manager, defined and explained the difference between tax rate and tax levy and stated that the language in the truth in taxation hearing notice of tax increase *was* confusing; however, it was in compliance with Arizona Revised Statutes in every aspect of its appearance and content. He also stated that property taxes are the single largest revenue the County receives. The net assessed value for the entire County has increased year over year (2014 to 2015) from \$416,099,715 to \$482,220,482. The \$66,120,767 increase is the result of a \$56,000,000 increase in centrally assessed properties which include mines and industrial properties assessed by the Arizona Department of Revenue as well as the Assessor identifying \$10,000,000 in unreported and incorrectly assessed properties. He stated that the tax rate in the County has remained constant over recent years and that the proposed tentative budget for Fiscal Year 2016 does absorb the increase in the tax levy. He added that the intent of County Administration is to suggest modified language for the Truth in Taxation Hearing Notice of Tax Increase to the legislature in order to be applicable to Gila County citizens.

Vice-Chairman Martin stated that it would be helpful to have a one-page summary of this explanation which could be provided to citizens. Mr. McDaniel replied that Jacque Griffin, Assistant County Manager/Librarian, prepared a press release that is comprehensive and that the staff report attached to this agenda item contains a good explanation as well. Chairman Pastor added that there will be town hall meetings soon regarding the County's budget, both in Payson and in Globe, at which time a written explanation can be made available to the citizens. Vice-Chairman Martin stated that there needs to be an explanation regarding centrally assessed properties versus County assessed properties. Supervisor Marcanti added that it is important to present to the legislature some proposed changes to the language that is contained in the truth in taxation notice.

Chairman Pastor opened the public hearing and Don Ascoli of Payson addressed the second paragraph of the truth in taxation hearing notice of tax increase and stated that it was confusing. Mr. McDaniel concurred that Mr. Ascoli identified the biggest flaw in the notice and stated that the tax rate never was \$3.64. He further explained that the notice was a fillable form and the information had to be "backed in" in order to arrive at the \$4.19 tax rate which didn't change from last year; however, the form did not allow it to be stated in that way. Chairman Pastor stated that he met with Arizona State Representatives, T.J. Shope and Frank Pratt and made them aware of this issue with the language and requested that the information be taken to the legislature. The Board held a brief discussion with Mr. Ascoli and agreed that

it may be helpful to associate a year with a tax rate for the current year as well as the prior year and propose that to the legislature. Mr. Ascoli asked for the statute to which this item refers, and Mr. McDaniel replied that it is A.R.S. 42-17107.

Jon Cornell, KQSS radio station reporter, inquired if the County is not changing the tax rate, does the proposed tax levy cover the reduced revenue the County receives from the State of Arizona? Mr. McDaniel responded that the \$2.6M does actually cover the cost of the reduced revenue received by the County.

Tom Hale of Globe spoke in opposition of the County raising taxes and stated that Gila County has the highest tax rate in Arizona and that the Copper Administration Building is over budget. Chairman Pastor replied that Pima County has a higher tax rate than Gila County and that the Copper Administration Building is not over budget.

Mr. Ascoli, commended the Board for keeping the tax rate flat, and stated that the County needs to get more land into the tax rolls to increase the tax rate.

Chairman Pastor closed the public hearing. Vice-Chairman Martin stated that she was glad the County is able to hold the tax rate at \$4.19 and continue to provide services to the citizens of the County. Supervisor Marcanti stated that the Copper Administration Building will save the tax payers money by the County not paying \$160,000 a year in rent for office space. Chairman Pastor was also glad to be able to keep the tax rate the same for the last 5 or 6 years and provide services to the citizens of the County; and he was also sensitive to Mr. Hale's concerns. By roll call vote the Board of Supervisors unanimously approved the proposed primary property tax levy for FY 2016 (excluding amounts that are attributable to new construction) that is \$2,610,889 greater than the amount levied for FY 2015.

### **Item 3 – REGULAR AGENDA ITEMS:**

Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, 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 approve and accept a Grant Renewal Amendment for Grant No. GRA-RC004-14-0616-01-Y3 - Gila Parent Outreach and Awareness, which is a "Community-Based Literacy Grant" in the amount of \$65,000 for the period July 1, 2015, through June 30, 2016.**

Jacque Griffin, Assistant County Manager/Librarian, stated that there are two grants that the Library District is awarded from First Things First. This grant renewal amendment affords the Library District both the opportunity and the ability to provide early literacy training and materials to approximately 1,800 children age birth to five within the Gila Region service area. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously approved and accepted a Grant Renewal Amendment for Grant No. GRA-RC004-14-0616-01-Y3 - Gila Parent Outreach and Awareness, which is a "Community-Based Literacy Grant" in the amount of \$65,000 for the period July 1, 2015, through June 30, 2016.

At 10:44 a.m. Bryan Chambers, Deputy County Attorney/Civil Bureau Chief, left the meeting and Bradley Beauchamp, County Attorney, joined the meeting.

**B. Information/Discussion/Action to approve and accept Grant Agreement No. GRA-RC029-16-0761-01 - San Carlos Apache Parent Outreach and Awareness, which is a "Community-Based Literacy Grant" in the amount of \$70,000 for the period of July 1, 2015, through June 30, 2016.**

Ms. Griffin stated that this item is to approve and accept a new grant from First Things First that will enable the Library District to continue its efforts to provide curriculum materials and educational training to families and children ages birth through five years and to provide 11,130 books to be distributed and 75 parenting workshops in the San Carlos Region of the County. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously approved and accepted Grant Agreement No. GRA-RC029-16-0761-01 - San Carlos Apache Parent Outreach and Awareness, which is a "Community-Based Literacy Grant" in the amount of \$70,000 for the period of July 1, 2015, through June 30, 2016.

**C. Information/Discussion/Action to adopt the Fiscal Year 2015-2016 Annual Tentative Budget for the Gila County Library District.**

Ms. Griffin explained that the Library District budget is included in the Gila County budget as a whole, but must be approved by the Library District Board of Directors. The Library District is a separate secondary taxing entity and has a separate tax levy and the funds received from the tax levy must be expended for library services. Since 2008, library services have remained constant through the economic downturn and expenditures have been held flat to create a savings for the Library District. She stated that in 1999 the tax rate for the Library District was reduced from 24.25 cents to 20 cents per \$100,000 to offset an increase in the primary tax rate. She requested that the tax rate be increased to 24.25 cents per \$100,000 which was the tax rate historically, prior

to 1999, in order to balance the revenue with the expenditures. Vice-Chairman Martin expressed appreciation for the “judicious” use of funds in order to “serve the underserved of the underserved” through the libraries by providing library services and staff to help citizens in the small communities of the County. She would also like to ensure that the libraries continue to have the hardware and the software to provide easy Internet access to citizens. Supervisor Marcanti asked if during the time the Library District was receiving the 24.25 cents tax rate, if there was a cash reserve set aside each year. Ms. Griffin explained that although the tax rate was reduced in 1999, at that time there was approximately \$600,000 in reserve funding which has had to be used each year to fill the gap between revenue and expenses. In 2008 and 2009 the revenue for the Library District was more than \$1.1M; therefore, it was possible to have a cash reserve. If there is an increase in the tax rate to 24.25 cents it will enable the Library District to preserve the approximate \$200,000 left in cash reserves. Supervisor Marcanti asked Ms. Griffin if she believed that the Library District could “get by” with the current tax rate for another year to help the citizens of Hayden and Winkelman absorb the tax rate increase a little easier. She stated that if the tax rate is not increased, there will be approximately \$24,000 left in reserves for the 2017 fiscal year. Chairman Pastor stated that he understands and appreciates the services provided by the libraries and the resources available to citizens who otherwise would not have access to the Internet, and other resources the libraries provide. He asked if perhaps a compromise could be made with regard to the amount of the tax rate increase. Vice-Chairman Martin stated that the Board may want to go forward with the tax rate increase this year and lock the services in for the citizens, and felt that an increase will be less likely to pass next year with the election. Ms. Griffin added that the Library District will work with the amount of funding that is received and the tax rate increase will ensure that the expenses balance the revenue.

Jon Cornell, KQSS radio station reporter, inquired if the tax rate increase for the Library District will bring the funding back up to where it was previously. Ms. Griffin stated that it will, in fact, return the rate to the prior tax rate as well as afford the Library District the opportunity to offer additional access to electronic resources. Vice-Chairman Martin made a motion to adopt the Fiscal Year 2015-2016 Annual Tentative Budget for the Gila County Library District, which was seconded by Chairman Pastor. Supervisor Marcanti voted nay on the motion, so the motion passed with a 2 to 1 vote. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously adjourned as the Gila County Library District Board of Directors and re-convened as the Gila County Board of Supervisors.

**D. Information/Discussion/Action to adopt the Fiscal Year 2015-2016 Annual Tentative Gila County Budget in the amount of \$91,985,237;**

**authorize the publication of the summary budget; and set the public hearing for July 28, 2015, to adopt the Final Fiscal Year 2015-2016 Gila County Budget.**

Mr. McDaniel stated that the tentative budget establishes an estimate of County expenses for the fiscal year. The Fiscal Year 2015 – 2016 Tentative Budget amount is \$91,985,237, which is approximately \$2,400,000 less than last year’s overall budget. The reason for the decrease in the budget amount is the fact that the County is no longer the grant recipient for the Workforce Investment Act Program funds which was approximately \$3-4M; and no longer distributes the funds which creates a decreased budget for the County.

Jeff Hessenius, Finance Division Director, thanked the Board, staff and those citizens who attended the meeting, both in Payson and in Globe. He also thanked the elected officials, department heads and staff for the diligent planning and hard work dedicated to this process as set forth by the Board. Upon the Board of Supervisors’ adoption of the tentative budget, the budget review team will hold two public forums from 4:00 p.m. to 7:00 p.m.; one forum will be held on July 15<sup>th</sup> in Globe, and one forum will be held on July 16<sup>th</sup> in Payson. Chairman Pastor inquired as to the locations and times. Mr. Hessenius replied that the forum in Globe will be in the Board of Supervisors’ (BOS) hearing room and the forum in Payson will be held in the BOS conference room. Further updates will be provided on the Gila County website as they are available. Chairman Pastor asked if this was the first time the County has held public forums with regard to the County budget, to which Mr. Hessenius replied that he was correct. He added that there was an effort put forth to provide more meaningful information with regard to the budget to the public and to the citizens of the County.

Highlights of the FY 2015-2016 Tentative Budget are as follows:

**Budget Policies and Assumptions**

- Adopted at BOS Work Session March 31, 2015
- Maintain our commitments to fund services for:
  - Employee medical insurance cost increases
  - Employee retirement benefits cost increases
  - Additional costs related to PSPRS and CORP cost increases (New)
  - Employee CPI and performance pay salary adjustments
- Maintain our commitments to fund services provided through:
  - Constituent funds
  - Community Agency fund
  - Economic Development fund
  - Natural Resources fund
  - Community College
- Maintain our commitment Public Service Levels

- Law enforcement
- Criminal prosecution
- Judicial services
- Roads, Landfill
- Health Services
- Community Services
- Elected Officials and Department budgets absorbed the cost to implement the classification and compensation study
- Absorb State funding reductions, shifts and new mandates
- Provide for a balanced budget
- Develop a sustainable, structurally balanced budget
- Maintain existing County property tax rate
- Assessed Property Valuations increased \$66M
  - The majority of the increase, \$56M, was attributed to Centrally assessed properties
- Property tax levy increased \$2.6M
- Overall Budget Decreased \$2.46M
- Total Authorized Positions Decreased – 29 FTE

Chairman Pastor asked for clarification with regard to the decrease in the number of employees. Mr. Hessenius replied that the significant impact was the elected officials and department heads looking at the authorized positions available as related to the implementation of the Classification and Compensation Study and analyzing the vacant positions to determine whether or not they could eliminate any of those positions. Mr. Hessenius then reviewed the General Fund Revenue slide and stated that property taxes are the single largest revenue source for the County. He continued by highlighting the Assessed Property Values, Primary Property Tax Levy, and the Primary Property Tax Rates slides as well as the expenditures and County staffing levels and the ongoing budget challenges.

Mr. McDaniel pointed out that the Capital Improvement Projects on page 66 of the Tentative Budget booklet is staff's effort to select projects that the Board would want to complete. This topic will be presented to the Board at the June 30, 2015 Work Session to receive guidance from the Board with regard to prioritizing the capital improvement project items. The Board had a brief discussion regarding questions to be discussed with department heads and stated that the departmental summaries were good information.

Jon Cornell, KQSS radio station reporter, inquired about the cash reserves and if there is some kind of budgeted contingency fund. Mr. Hessenius replied that on page 36 of the Tentative Budget booklet in the Reserves section, there is a Rainy Day and Cash Flow Reserve fund. Vice-Chairman Martin added that while the County may not be able to add to the reserves this year, it will not be

necessary to “dip into” the funds either. Mr. Hessenius added that it was, in fact, one of the challenges identified to move toward increasing the cash reserves. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously adopted the Fiscal Year 2015-2016 Annual Tentative Gila County Budget in the amount of \$91,985,237; authorized the publication of the summary budget; and set the public hearing for July 28, 2015, to adopt the Final Fiscal Year 2015-2016 Gila County Budget.

**E. Information/Discussion/Action to approve Disability Related Employment Services Contract No. DE126000-001 between the Arizona Department of Economic Security, Rehabilitation Services Administration and Gila County, d/b/a Gila Employment and Special Training to provide employment services to vocational rehabilitation clients in Gila County for the period July 1, 2015, through June 30, 2018.**

Malissa Buzan, Community Services Division Director, stated that this is a fee for services contract based on referrals from the Department of Economic Security (DES); consequently, there is no amount listed on the contract. She stated that this is an ongoing contract with DES that is renewed every three years with amendments throughout the three years, and which provides approximately \$1,500 in billable client services per month. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously approved Disability Related Employment Services Contract No. DE126000-001 between the Arizona Department of Economic Security, Rehabilitation Services Administration and Gila County, d/b/a Gila Employment and Special Training to provide employment services to vocational rehabilitation clients in Gila County for the period July 1, 2015, through June 30, 2018. (Note: As of this writing, a revised contract was scheduled to be presented to the Board of Supervisors on July 7, 2015, to remove the contract number from the signature page – as this is a new contract that replaced Contract No. DE126000-001, and the term of the contract was reduced to one year.)

**F. Information/Discussion/Action to approve an Intergovernmental Agreement (Contract No. ADES15-089113) between the Arizona Department of Economic Security and Gila County Division of Community Services, Community Action Program in the amount of \$451,731 for the period of July 1, 2015 through June 30, 2020, to provide case management and community services to eligible Gila County residents.**

Ms. Buzan stated that this is a five-year intergovernmental agreement which provides for case management for individuals in a homeless or poverty situation to assist in achieving stability as well as fund community services activities such as network meetings and partnerships throughout the County.

Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously approved an Intergovernmental Agreement (Contract No. ADES15-089113) between the Arizona Department of Economic Security and Gila County Division of Community Services, Community Action Program in the amount of \$451,731 for the period of July 1, 2015 through June 30, 2020, to provide case management and community services to eligible Gila County residents.

**G. Information/Discussion/Action to approve Intergovernmental Agreement No. 051915 between Gila County and the Gila County Community College District (Provisional) for the County to provide \$250,000, in four quarterly payments of \$62,500, to the College for utility expenses and repair and maintenance of the facilities and real property at its Globe and Payson campuses commencing July 1, 2015, and ending June 30, 2016.**

Mr. McDaniel provided a brief history regarding the association between Gila County and the College. He advised that when the County owned the property that is used for the College campuses in Globe and Payson, approximately \$300,000 was budgeted each year for utility expenses, and repair and maintenance of the facilities. At the time the County quit-claimed the property to the College it was agreed that the County would continue to provide \$250,000 each year to the College to assist with utility expenses and repair and maintenance of the facilities. Each year the County enters into an Intergovernmental Agreement in order to authorize this payment to the College. Mr. McDaniel assured the Board that the County's FY 2015-2016 budget includes \$250,000 of funding for the College. Vice-Chairman Martin stated that she is glad that the County is able to assist the College as it is very important for the community. Supervisor Marcanti stated that he recently attending a graduation ceremony at Gila Community College and was surprised at the number of graduates. Chairman Pastor agreed with the comments made by Vice-Chairman Martin and Supervisor Marcanti. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously approved Intergovernmental Agreement No. 051915 between Gila County and the Gila County Community College District (Provisional) for the County to provide \$250,000, in four quarterly payments of \$62,500, to the College for utility expenses and repair and maintenance of the facilities and real property at its Globe and Payson campuses commencing July 1, 2015, and ending June 30, 2016.

At 11:41 a.m. Bradley Beauchamp, County Attorney, left the meeting and June Ava Florescue, Deputy County Attorney Principal, joined the meeting.

**H. Information/Discussion/Action to approve various Professional Services Contracts attached to this agenda item in order to retain the services of attorneys for the period of July 1, 2015, through June 30, 2016; all of whom assist the Superior Court in Gila County as public defenders on an annual basis.**

Mr. Hessenius stated that this item is requesting the Board to approve the extension or renewal of existing Professional Services Contracts with various attorneys in order to provide indigent legal defense on behalf of Gila County Citizens. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously approved various Professional Services Contracts attached to this agenda item in order to retain the services of attorneys for the period of July 1, 2015, through June 30, 2016; all of whom assist the Superior Court in Gila County as public defenders on an annual basis.

**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 Contract No. 07012015-16 between the Arizona Community Action Association (ACAA) and the Gila County Community Services Division, Community Action Program (CAP), whereby ACAA will administer funding in the amount of \$137,834.00, which will be used to provide weatherization services, utility repair and replacement, utility deposits and bill assistance to eligible citizens residing in Gila County for the period of July 1, 2015, through June 1, 2016.**

**B. Approval of Lease Use Agreement Extension No. 2 between Gila County and the Pine-Strawberry Horseman's Association to extend the term of the Agreement for an additional four years, from May 24, 2015, through May 23, 2019.**

**C. Acknowledgment of the reappointment of Richard L. Harpster to the Beaver Valley Domestic Water Improvement District Board of Directors for another four-year term of office retroactive from January 1, 2015, through December 31, 2018.**

**D. Acknowledgment of Sarah Linkey's resignation from the Beaver Valley Fire District Board of Directors and the appointment of Samuel K. Baker to fulfill Ms. Linkey's unexpired four-year term of office effective April 20, 2015, through December 31, 2016.**

**E. Acknowledgment of Gary Richardson's resignation from the Rim Trail Domestic Water Improvement District Board of Directors and the appointment of Bruce E. Johnson to fulfill Mr. Richardson's unexpired term of office effective May 2, 2015, through December 31, 2018.**

**F. Acknowledgment of the May 2015 monthly activity report submitted by the Globe Regional Constable's Office.**

**G. Acknowledgment of the May 2015 monthly activity report submitted by the Payson Regional Constable's Office.**

**H. Acknowledgment of the May 2015 monthly activity report submitted by the Globe Regional Justice of the Peace's Office.**

**I. Acknowledgment of the May 2015 monthly activity report submitted by the Clerk of the Superior Court's Office.**

**J. Approval of the June 9, 2015, Board of Supervisors' meeting minutes.**

**K. Acknowledgment of contracts under \$50,000 which have been approved by the County Manager for the weeks of May 18, 2015, through May 22, 2015; May 25, 2015 through May 29, 2015; and June 1, 2015 through June 5, 2015.**

**L. Approval of finance reports/demands/transfers for the weeks of June 2, 2015, June 16, 2015, and June 23, 2015.**

**June 2, 2015**

\$167,556.00 was disbursed for County expenses by check numbers 270455 through 270551.

**June 16, 2015**

\$1,191,757.20 was disbursed for County expenses by check numbers 270738 through 270898.

**June 23, 2015**

\$1,708,830.40 was disbursed for County expenses by check numbers 270899 through 271057. **(An itemized list of disbursements is permanently on file in the Board of Supervisors' Office.)**

Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously approved the Consent Agenda action items 4-A – 4-L.

**Item 5 – 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 6 – At any time during this meeting pursuant to A.R.S. §38-431.02(K), members of the Board of Supervisors and the County Manager may present a brief summary of current events. No action may be taken on issues presented.**

Each Board member presented information on current events and the County Manager advised that he didn't have any comments at this time.

Chairman Pastor recessed the meeting at 11:52 a.m. and reconvened the meeting at 1:35 p.m. Travis Shields, Deputy County Attorney, was present for the appellate review hearing.

**Item 7 – APPELLATE REVIEW HEARING:**

**A. 1:30 P.M. - Information/Discussion/Action to affirm, modify or reverse the decision of the Gila County Hearing Officer regarding Community Development Division Complaint No. CP1304-011.**

Bob Gould, Community Development Division Director, advised that Jonathan Hepp is appealing a decision of the Gila County Hearing Officer regarding this case. The case involved a violation of the Gila County Planning and Zoning Ordinance and the Gila County Lien and Clean Ordinance for property known as Assessor's parcel number 304-31-052J and located at 226 East Sycamore Lane in Payson. A hearing was held on May 15, 2015, and at that time Hearing Officer Donald Voakes fined Mr. Hepp \$10,000 and ordered him to bring the remaining issues on the property into compliance by August 1, 2015. The order included imposing additional fines if the property is not brought into compliance by that date. Mr. Gould further advised that since the hearing date

of May 15<sup>th</sup>, Mr. Hepp has brought the property into compliance. He noted that the debris has been cleared and pointed out that a container remains on the property, which is permissible. He stated that the property was in violation of the Section 103.1(D) and (E) of the Gila County Planning and Zoning Ordinance, and he proceeded to read aloud portions of that Section.

Mr. Gould advised that the Community Development Division has been addressing issues on this property for the past ten years. With regard to this specific violation, Mr. Hepp was issued a notice of violation on June 19, 2013. Mr. Gould cited the various dates of which a decision was made to extend the hearing date up to the final hearing date of May 15, 2015. Mr. Gould explained that the hearing dates were extended because Mr. Hepp was making attempts at various times to clean up the property and there were other times the hearing date was extended for Mr. Hepp due to family health reasons. Mr. Gould advised that the County has expended approximately \$3,000 over the past ten years on this case, not including this specific citation. The County has expended approximately \$1,000 for this citation to include site visits, vehicle mileage to/from the property, and staff time to send emails and notices by U.S. mail with postage, etc. Chairman Pastor asked Mr. Gould to confirm that a total of \$4,000 was spent by the County with regard to violations on this property to which Mr. Gould replied that the amount was probably a little less than \$3,000. Mr. Gould stated that there were three prior citations that were dismissed by the County. Margie Chapman, Community Development Division Code Compliance Manager (via ITV from Payson), explained the reasons for those dismissals. Chairman Pastor asked Mr. Gould for the total amount expended by the County for this particular citation to which he replied that it was \$980.40.

For the record – Mr. Hepp did not appear at this hearing. Chairman Pastor asked Ms. Chapman if she had been in recent contact with Mr. Hepp and if she was aware of the reason he did not appear at today's hearing. Ms. Chapman stated that she has not heard from Mr. Hepp although she did receive a phone call from Mr. Hepp's son requesting that Mr. Hepp be provided a written transcript and audio tape recording of the May 15<sup>th</sup> hearing. At that time Ms. Chapman advised Mr. Hepp's son that the cost would be \$35 to which Mr. Hepp's son told Ms. Chapman that he would confer with his father and call her back. She has not heard back from Mr. Hepp or his son. Chairman Pastor then asked Marian Sheppard, Clerk of the Board, to confirm that she had sent Mr. Hepp a certified letter regarding today's hearing date, time and location to which she affirmed that was done. Ms. Sheppard also advised that she had a receipt with proof that the certified letter was accepted.

Ms. Chapman advised that County staff has spent an exorbitant amount of time and effort regarding this property, so she urged the Board to issue a fine;

otherwise, she feels that the County will lose its credibility with regard to the process that has been established contained in the ordinances. She also pointed out that the inspectors would be very disappointed if a fine was not imposed because of the time they have expended on the issues related to this property. Supervisor Marcanti commented that the Board needs to consider the amount of time that County staff has expended in order to bring this property into compliance. At Chairman Pastor's request, Ms. Chapman affirmed that the property has been brought into compliance as of this hearing. She advised that only the foundation remains, which is permissible. She advised that Mr. Hepp did a very thorough job in cleaning up the property. Chairman Pastor inquired about the motel and surrounding area to which Ms. Chapman replied that area has a lot of weeds that need to be removed. Ms. Chapman clarified that with regard to this specific citation, the building and some trailers needed to be removed, which was done.

Chairman Pastor commented that the County attorney was present (Travis Shields) and he stated to Mr. Shields that a \$10,000 fine was imposed by the Hearing Officer. Mr. Gould interjected that the \$10,000 fine was not related to County expenses; it was imposed due to Mr. Hepp not cleaning up the property as required by the County. Chairman Pastor stated that prior to this hearing; he and Ms. Chapman had talked about the Board's options with regard to the fine. Given the fact that the property has been brought into compliance, Chairman Pastor was going to recommend that the Board reduce the fine to an amount that would cover the County's costs that have been expended on this case. Chairman Pastor advised that he was going to recommend an amount of \$1,500; however, given the fact that Mr. Hepp did not appear at today's hearing, he wanted the Board to enter into a discussion at this time regarding the amount of the fine that should be imposed by the Board. Vice-Chairman Martin wanted affirmation that the property is cleaned up in order to meet the County's expectations. If she receives confirmation that has been done, then it is her recommendation that the fine be waived. She expressed disappointment that Mr. Hepp was not present at this hearing. She added that if County staff expresses to the Board that further cleanup should be conducted on the property, she suggested reducing the amount of the fine based on Mr. Hepp doing further cleanup to the County's satisfaction. She called it "trading dollars to clean." Mark Kaufman, Community Development Division Zoning and Building Inspector (via ITV from Payson), advised that over the past ten years he has performed most of the inspections on this property. The most recent time he visited the property, Mr. Kaufman noted that debris remains. He stated that at the north end of the property, behind the location of the old roping arena, some debris remains. This was the location where 2-3 old manufactured homes were disassembled. He added that there are some piles of lumber material that was from some old buildings and the old announcer's stand that was taken down. Mr. Kaufman advised that remaining debris stems

from the original citations on the property. He advised that some of the debris can be seen from the road. Mr. Kaufman stated, "As far as the buildings themselves: the motel, bar, restaurant and store; that stuff is all clean and it looks good." Mr. Gould announced that Mr. Voakes was present at today's hearing, to which Chairman Pastor acknowledged his presence. Chairman Pastor inquired as to the approximate amount of debris that still needs to be removed from the property, either by truck load or container load. Mr. Kaufman replied that he estimates the amount to be approximately 2-3 roll-off containers; however, he added that it is difficult to estimate the amount.

Mr. Gould asked Ms. Chapman to clarify if the debris remaining on the property was part of the original citations or if it pertains to the current citation of which this hearing addresses the current citation. Ms. Chapman replied that the debris was part of the original citations; however, she stated that it was never removed as required in the original citations; it was only moved to a different area on the property. Chairman Pastor wanted clarification that if the debris is not removed at some point, if it will continue to be an issue for a potential new citation. Mr. Gould reiterated Ms. Chapman's statement that the debris in question is not related to this citation; however, he does feel that until it has been removed from the property, it will continue to be a problem and may become a future citation.

Supervisor Marcanti advised that a process is in place within the County to address these types of problems, and he believes the Board should back up the hearing officer, so he recommended imposing a \$1,500 fine to Mr. Hepp. Vice-Chairman Martin expressed a concern that if the remaining debris upon the property is not addressed, she believes there will be future complaints from neighboring property owners. Ms. Chapman stated that neighboring property owners are very happy with the work that has recently been done on the property; however, once they see that there is still debris in the back area of the property, she anticipates that someone will file another complaint. Vice-Chairman Martin recommended having the \$10,000 fine remain in place and as more debris is removed by Mr. Hepp, the Board would consider reducing that fine. Chairman Pastor recommended that the \$10,000 fine should remain in place, and that Mr. Hepp should be notified that he has 30 days to perform the additional cleanup on the property of which a listing of the work to be done will be provided in writing to Mr. Hepp. Vice-Chairman Martin inquired if the County could perform the work to clean up the property and then Mr. Hepp would still be required to pay the \$10,000 fine and she referenced the Clean and Lien Ordinance. Mr. Gould replied that the Community Development Division does have available funds for the County to clean up the property. Chairman Pastor asked for clarification that the County could perform the work and still charge Mr. Hepp the \$10,000 fine to which Mr. Shields advised that the \$10,000 has already been issued by the Hearing Officer. Chairman Pastor suggested that those funds (once collected) could be used by the County

to clean up the property. Chairman Pastor asked Ms. Chapman if she believes giving Mr. Hepp an additional 30 days to clean up the property is sufficient to which Ms. Chapman affirmed that amount of time was sufficient.

After conferring with Mr. Shields, it was agreed that the Board would make a motion which would allow Community Development Division staff to contact Mr. Hepp advising him that he has 30 days from this date to complete specific tasks (outlined in writing by the County) so that all debris is removed from the property. County Manager Don McDaniel confirmed that the Board's action (vote) would be to continue today's hearing for an additional 30 days because Mr. Shields has confirmed that the \$10,000 fine has already been issued.

Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously continued this hearing for 30 days from this date.

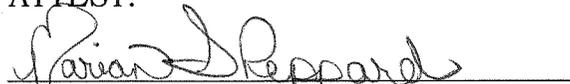
There being no further business to come before the Board of Supervisors, Chairman Pastor adjourned the meeting at 2:04 p.m.

APPROVED:



Michael A. Pastor, Chairman

ATTEST:



Marian Sheppard, Clerk of the Board