

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

Date: August 19, 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; John D. Marcanti, Supervisor; Don E. McDaniel Jr., County Manager; Bryan B. Chambers, Deputy Attorney Principal; Jacque Griffin, Assistant County Manager/Librarian; Marian Sheppard, Clerk of the Board; and Laurie J. Kline, Deputy Clerk of the Board.

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. Vice-Chairman Martin led the Pledge of Allegiance and Minister Robert Howard of First Christian Church (Globe) delivered the invocation.

Item 2 – PUBLIC HEARINGS

A. Information/Discussion/Action to adopt Resolution 13-08-02 to name a previously unnamed road to be called W. Stone Crossing and to rename W. Falling Star to W. Stone Crossing.

Michael O'Driscoll, Health & Emergency Services Division Director, stated that in order to make this unnamed portion of road in Globe easier to locate for 911 responders, a letter was sent to the property owners proposing to name a previously unnamed section of road and rename W. Falling Star section of road to W. Stone Crossing. There have been no written objections received in response to the public notice and/or newspaper publications. Chairman Pastor opened the public hearing and there were no comments from the public, so he closed the public hearing and asked for a motion from the Board. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously adopted Resolution 13-08-02 to name a previously unnamed road to be called W. Stone Crossing and to rename W. Falling Star to W. Stone

Crossing. **(A copy of the Resolution is permanently on file in the Board of Supervisors' Office.)**

Item 3 – REGULAR AGENDA ITEMS:

A. Information/Discussion/Action to receive the presentation by Patricia Power, Vice President of Bose Public Affairs Group, regarding recent lobbying and consulting efforts in Washington D.C. to further County supported projects and to potentially secure federal funding for Gila County; discuss various items of interest and projects with Ms. Power; and provide direction to her on future projects and activities.

Don McDaniel, County Manager, stated that Patricia Power, Vice President Bose Public Affairs Group, has been lobbying in Washington, D.C. on Gila County's behalf since 2006, and she has done a good job of keeping the County abreast of issues of impact and interest to Gila County.

Ms. Power thanked the Board for the renewal of the contract with Bose Public Affairs Group, and she stated that she is present to provide the Board with an update on her activities during the past year per the terms of the contract. She outlined some of the top issues that affect Gila County, as follows: 1) Wildfire Protection – Ms. Power has been working on the Four Forests Restorative Initiative (4FRI), which includes getting the contracts and dealing with the ramifications of the decisions made by the Forest Service officials. There have been a number of hearings in Washington, D.C. on the Forest Service and land management. She advised that Vice-Chairman Martin testified in April of this year on land issues before the United States House Committee on Natural Resources, which was very effective. 2) Road Issues – Ms. Power advised that Moving Ahead for Progress in the 21st Century (MAP-21) expires in one year from September 2013. The big issue regarding MAP-21 is getting funding for the Highway Trust Fund. The two likely scenarios are to raise the gas tax, which was sufficient for quite some time, but has changed as newer vehicles are more fuel efficient and because electric vehicles are becoming more popular. Consequently, less gas-tax revenue is now being collected. A possible solution that has been discussed is raising the tax rate or imposing a vehicle miles traveled tax. Ms. Power stated that there has been communication with the congressional offices regarding the need for Congress to provide funding for rural area projects as well as urban area projects, so she hopes that is considered during their decision-making process. 3) Resolution Copper - She advised that Congressman Paul Gosar and Congresswoman Ann Kirkpatrick have introduced a bipartisan bill currently waiting for action on the House floor in support of this mining project located in Superior, Arizona. Ms. Power does not believe this bill will pass through the Senate, but she does believe that it will probably pass through the House. She stated that she is working hard to see that rural Arizona is not left behind. She commented that Senator Flake stated earlier this morning that he wanted to see progress being made with

regard to those opposed to this mining project. Efforts are also currently being made to form a rural caucus in the House. Ms. Power believes that the County is positioned well by being represented by two Senators in addition to two Representatives (one Republican and one Democrat), who work well together. The caucus will be used to work on moving forward with the Resolution Copper mining project, as well as road improvement issues. Vice-Chairman Martin stated that she attended one meeting with regard to setting up and defining goals for the rural caucus.

Ms. Power reported on administration, which she said is more tracking than actively being involved. She is working on getting information on topics such as Payment in Lieu of Taxes (PILT), Secure Rural Schools (SRS) implementation, and the impact of sequestration by the federal government. She emphasized the importance of 4FRI because it has a direct impact on the County. Lastly, she addressed how the new federal land program will be implemented. The Board thanked Ms. Power and encouraged her to keep up the good work. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously agreed to support the lobbying and consulting efforts provided by Patricia Power, Vice President of Bose Public Affairs Group, in Washington, D.C.

B. Information/Discussion/Action to receive the presentation by Dr. Pascal Berlioux, Executive Director of Eastern Arizona Counties Organization (ECO), regarding issues related to forest health, forest fires, and endangered species; discuss various items of interest with Dr. Berlioux; and provide direction to him on future directions and activities of ECO.

Dr. Pascal Berlioux, Executive Director of Eastern Arizona Counties Organization (ECO), stated that ECO is a consortium of five counties: Gila, Graham, Greenlee, Apache and Navajo. This consortium comprises one-third of the counties in Arizona, two-thirds of rural counties in Arizona, and three-fourths of the small counties in Arizona. ECO receives money from each of these counties as well as from the State Land Department, and the money is disbursed for projects accordingly.

Dr. Berlioux stated that it's been a year since he was assigned to this job and he added that the Legislature has reacted very well to the initiatives to "ramp up" ECO's activities. As a result ECO's funding has been doubled by the legislation in the last year. The key focus has been to "beef up" ECO's actions at the local level as well as at the state and federal levels. ECO has been involved with civil issues to include transportation, forest restoration, fire prevention, land management, endangered species, and the Governor's National Resources Review Council.

With regard to forest restoration, Mr. Berlioux advised that the Four Forest Restoration Initiative (4FRI) is not going well. The two main concerns include contracting for thinning of the forests and obtaining a Record of Decision from NEPA (National Environmental Policy Act.) ECO is working with Senators and Representatives with regard to 4FRI to try to change legislation with regard to contractors. ECO is not concerned with the entity that wins the contract, nor is it concerned with how the timber is utilized; it is just concerned with “getting the job done.”

With regard to land management, ECO is working with both the Apache-Sitgreaves National Forests and the Tonto National Forest (TNF) on their proposed Travel Management Plan.

With regard to the endangered species, ECO has filed official comments with the U.S. Fish and Wildlife Service (USFWS) on the jaguar. ECO believes that the USFWS goes beyond the core requirements on this designation and there is no specific science to support the jaguar as needing to be designated as an endangered species. He also talked briefly about the Mexican gray wolf being reintroduced under the Endangered Species Act as a “10(j) population” and he emphasized the importance of retaining the Mexican gray wolf under the 10(j) rule.

The Arizona Governor created the Natural Resources Review Council. ECO has been doing outreach so that ECO may also be represented on this Council. Lastly, Dr. Berlioux advised that Senator Crandall included \$100,000 grant in the State’s budget for a county or a group of counties to look at issues regarding natural resources management.

The Board thanked Dr. Berlioux for the presentation.

C. Information/Discussion/Action to set primary and secondary property tax rates for 2013 for all taxing jurisdictions within Gila County and convey tax rates for all jurisdictions to the County Treasurer, and adopt Resolution No. 13-08-03 providing for the collection of taxes for all jurisdictions by the County Treasurer for fiscal year 2013-2014.

Don McDaniel, County Manager, stated that this is the time of year to set the primary and secondary property tax rates for fiscal year 2013-2014 for all taxing jurisdictions within Gila County, and for the Board to adopt Resolution 13-08-03 of which Exhibit A to the resolution contains the net assessed valuations, tax levies and tax rates for tax year 2013. He also added that because the consultant for the software that is being implemented in the Treasurer’s Office is running behind schedule, the tax bills will be approximately 30 days late in being mailed. Notification will be sent to each of the receiving agencies of this possibility. Also, taxpayers will be notified by public notice that property tax bills will be mailed late; however, notice will also

be provided that the collection date will also be extended by an equal amount of time. Mr. McDaniel explained that this was an unavoidable set of circumstances and that the Treasurer's Office is working diligently to expedite the process of the software changeover.

Chairman Pastor inquired as to whether or not Mr. McDaniel is satisfied with the answers from the County Attorney's Office regarding the Rim Trail Water Improvement District (Rim Trail). Mr. McDaniel then stated that Rim Trail requested a flat tax rate rather than a flat tax rate per parcel, and Bryan Chambers, Deputy Attorney Principal, advised that wouldn't be legal; therefore, Rim Trail has been advised that the County will not be able to fulfill that request. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously set primary and secondary property tax rates for 2013 for all taxing jurisdictions within Gila County and conveyed tax rates for all jurisdictions to the County Treasurer, and adopted Resolution No. 13-08-03 providing for the collection of taxes for all jurisdictions by the County Treasurer for fiscal year 2013-2014. **(A copy of the Resolution is permanently on file in the Board of Supervisors' Office.)**

D. Information/Discussion/Action to acknowledge the resignation of Industrial Development Authority (IDA) Board member Scott Flake; and further, to appoint a member to the IDA Board of Directors effective immediately and expiring July 15, 2019.

Don McDaniel, County Manager, deferred this item to Vice Chairman Martin who provided some information about Scott Flake's resignation from the Industrial Development Authority (IDA) Board. She then recommended the appointment of Tim Grier, Town of Star Valley Manager and an attorney, to fill Mr. Flake's unexpired term of office. Supervisor Marcanti was in favor of the recommendation. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously acknowledged the resignation of IDA Board member Scott Flake; and further, appointed Tim Grier, Manager Town of Star Valley/Attorney, to the IDA Board of Directors effective immediately and expiring July 15, 2019.

E. Information/Discussion/Action to approve a Road Project Agreement (FS Agreement No. 13-RO-11031200-022) between the United States Department of Agriculture, Forest Service, Tonto National Forest and Gila County to receive \$227,022 for the double chip seal of Forest Road 55 (Russell Road), effective through December 31, 2013, at which time it will expire unless extended.

Steve Sanders, Public Works Division Deputy Director, stated that in January 2011, the County submitted an application for Secure Rural Schools Title II Special Project funds for this road project. The County was awarded a grant

and funding was approved by the Eastern Arizona Resource Advisory Committee (RAC) in the amount of \$230,700; however, before the funds could be secured, the U.S. Department of Agriculture (USDA) Forest Service, Tonto National Forest (TNF) froze the funds and the project was put on hold due to sequestration by the federal government. Recently the Forest Service contacted the County and stated that the funds were reauthorized; however, the funds were reduced to \$227,022. By executing this agreement, it will allow the County to accept the funds from the Forest Service. Mr. Sanders stated that there shouldn't be a reason not to be able to finish this double chip seal project by the end of the year.

Chairman Pastor asked Mr. Sanders when the County plans to begin the project. Steve Stratton, Public Works Division Director, stated that the plan is to begin the project in late September or early October of this year to chip seal 3.5 miles of road. Chairman Pastor directed Mr. Sanders or Mr. Stratton to meet with him after today's meeting to discuss a question from a constituent regarding this item. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously approved a Road Project Agreement (FS Agreement No. 13-RO-11031200-022) between the United States Department of Agriculture, Forest Service, Tonto National Forest and Gila County to receive \$227,022 for the double chip seal of Forest Road 55 (Russell Road), effective through December 31, 2013, at which time it will expire unless extended.

F. Information/Discussion/Action to approve a Road Project Agreement (FS Agreement No. 13-RO-11031200-018) between the United States Department of Agriculture, Forest Service, Tonto National Forest and Gila County to receive \$185,538 for the surfacing project of Forest Road 512 (Young Road), effective through December 31, 2013, at which time it will expire unless extended.

Mr. Sanders advised that in September 2012, the County submitted an application for Secure Rural Schools Title II Special Project funds for this road project. The County was awarded a grant and funding was approved by the Eastern Arizona Resource Advisory Committee (RAC) in the amount of \$222,500; however, before the funds could be secured, the U.S.D.A. Forest Service, TNF froze the funds and the project was put on hold due to sequestration by the federal government. Recently the Forest Service contacted the County and stated that the funds were reauthorized; however, the funds were reduced to \$135,538 of Title II Secure Rural School funds plus \$50,000 from the TNF. This funding in the amount of \$185,538 will not complete the entire 13 miles; however, it will provide for approximately 4 miles of surfacing for Forest Road 512, (Young Road) and make a good base for long-term and continued maintenance of the road. Supervisor Marcanti inquired about the type of material to be applied to the road. Mr. Stratton replied that the Forest Service is permitting the County to use granite and other material from

Ponderosa gravel pits at no cost, and the material will be blended to create plasticity. The project is scheduled to begin in October and should be completed by the end of this year. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously approved a Road Project Agreement (FS Agreement No. 13-RO-11031200-018) between the United States Department of Agriculture, Forest Service, Tonto National Forest and Gila County to receive \$185,538 for the surfacing project of Forest Road 512 (Young Road), effective through December 31, 2013, at which time it will expire unless extended.

Chairman Pastor announced that the Board would address agenda items 4-6 at this time, and then return to address agenda items 3G and 3H.

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 Amendment No. 2 to Contract No. Gila 10101 between Gila County and Central Arizona College for Program Year 2013 to provide additional WIA Youth Services funding for the period of July 1, 2013, through June 30, 2014, in the amount of \$673,403.

B. Approval of Amendment No. 2 to Contract No. Gila 10102 between Gila County and Central Arizona Association of Governments for Program Year 2013 to provide WIA Adult Services for the period of July 1, 2013, through June 30, 2014, in the amount of \$722,451.

C. Approval of the Chairman's signature on the Memorandum of Understanding (MOU) between the Gila County Division of Health and Emergency Services, the Gila County Board of Supervisors and Cenpatico Behavioral Health of Arizona, LLC for a period of three years (from the date of the last signature on the MOU) to provide a coordinated response to the behavioral health needs of persons impacted by disaster.

D. Authorization of the Chairman's signature on Amendment No. 2 to Contract No. 091511-1 between Gila County and Traffic Safety Inc. to increase the contract amount by \$35,000, for a new total contract amount of \$60,000, for the term of the contract, from December 20, 2012, to December 19, 2013.

E. Acknowledgment of the resignation of Ms. Linda Stailey from the Tonto Village Domestic Water Improvement District governing board and the appointment of William Snyder to complete Ms. Stailey's term which expires December 31, 2016.

F. Approval to appoint Kevin Corso to the Local Board of the Public Safety Personnel Retirement System (PSPRS) to be represented as a "Citizen" on said board for a term of four (4) years, for the period of August 19, 2013, to August 18, 2017.

G. Approval of a Special Event Liquor License Application submitted by Arizona Equine Rescue Organization to serve liquor at special events to be held on August 30, 2013, August 31, 2013, and September 1, 2013.

H. Approval of an Application for Extension of Premises/Patio Permit submitted by Tamara Morken of Rimside Grill/THAT Brewery to temporarily extend the Rimside Grill/THAT Brewery patio area in order to serve liquor in that area on September 13-15, 2013; September 27-29, 2013; October 26, 2013; and November 30, 2013 during special charity events.

I. Approval of a request for a waiver of fees by the Gila County Fair Committee for the use of the Fairgrounds facilities in Globe for the 2013 Gila County Fair and Fair Appreciation Dinner.

J. Acknowledgment of the July 2013 monthly activity report submitted by the Globe Regional Justice of the Peace's Office.

K. Acknowledgment of the June 2013 monthly activity report submitted by the Payson Regional Justice of the Peace's Office.

L. Acknowledgment of the June 2013 monthly activity report submitted by the Recorder's Office.

M. Approval of the July 16, 2013, Board of Supervisors' meeting minutes.

N. Acknowledgment of contracts under \$50,000 which have been approved by the County Manager for the weeks of July 22, 2013, to July 26, 2013; and July 29, 2013, to August 2, 2013.

O. Approval of finance reports/demands/transfers for the weeks of August 13, 2013, and August 20, 2013.

August 13, 2013

\$812,905.15 was disbursed for County expenses by check numbers 255921 through 256042.

August 20, 2013

\$1,893,075.08 was disbursed for County expenses by check numbers 256043 through 256211. **(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 Consent Agenda action items 4A through 4O as presented.

Item 5 – 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.

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 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 briefly presented information on current events.

At this time, Chairman Pastor addressed agenda items 3G and 3H. As both items stated that the Board may vote to go into executive session, he asked for a motion to go into executive session on both items. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously voted to go into executive session at 11:05 a.m. to address agenda item 3G followed by another executive session to address agenda item 3H.

Chairman Pastor reconvened the regular meeting at 11:38 a.m. Note: Vice-Chairman Martin left the executive session at 11:25 a.m. to attend to another meeting; therefore, she did not return to the regular meeting at which time a vote was taken on agenda items 3G and 3H.

3G. Information/Discussion/Action to vote to go into executive session pursuant to A.R.S. § 38-431.03(A)(3), to receive legal advice from its attorney regarding a Summons and Complaint filed against Gila County by AJP Electric, and pursuant to A.R.S. § 38-431.03(A)(4), to consider its position in the litigation, direct its attorneys on how to proceed in the

litigation, and direct its attorneys on how or whether to engage in settlement discussions.

Chairman Pastor called for a motion on agenda item 3G. Supervisor Marcanti made a motion to proceed as directed to the County Attorney's Office. Chairman Pastor amended that motion to add "and to approve (paying) the amount due to AJP Electric plus 1% interest compounded monthly, and to direct the County Attorney to proceed as directed", to which Supervisor Marcanti agreed. Chairman Pastor then called for the vote which passed.

3H. Information/Discussion/Action to vote to go into executive session pursuant to A.R.S. § 38-431.03(A)(3), to receive legal advice from its attorney regarding Strawberry Ridge Estates LLC. v. Gila County TX 2013-000471, and pursuant to A.R.S. § 38-431.03(A)(4), to consider its position in the litigation, direct its attorneys on how to proceed in the litigation, and direct its attorneys on how or whether to engage in settlement discussions.

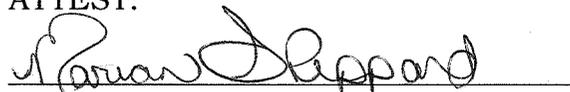
Chairman Pastor called for a motion on agenda item 3H. Supervisor Marcanti made a motion to dismiss the lawsuit and directed the County Attorney to proceed as directed in the executive session in Strawberry Ridge Estates, LLC vs. Gila County TX 2013-00471, which was seconded by Chairman Pastor and passed.

There being no further business to come before the Board of Supervisors, Chairman Pastor adjourned the meeting at 11:40 a.m.

APPROVED:


Michael A. Pastor, Chairman

ATTEST:


Marian Sheppard, Clerk of the Board