

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

Date: October 18, 2011

TOMMIE C. MARTIN
Chairman

JOHN F. NELSON
Clerk of the Board

SHIRLEY L. DAWSON
Vice-Chairman

By: Marian Sheppard
Chief Deputy Clerk

MICHAEL A. PASTOR
Member

Gila County Courthouse
Globe, Arizona

PRESENT: Tommie C. Martin, Chairman (via ITV conferencing); Shirley L. Dawson, Vice-Chairman; Michael A. Pastor, Supervisor; Don McDaniel, Jr., County Manager; John Nelson, Deputy County Manager/Clerk; Marian Sheppard, Chief Deputy Clerk; and Bryan Chambers, Chief Deputy County Attorney.

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. Leona Bowman led the Pledge of Allegiance and David Caddell from Living Waters Community Church in Globe delivered the invocation.

Item 2 – PRESENTATIONS:

2A. Presentation in recognition of businesses that have hired disabled citizens of Gila County through the Gila Employment and Special Training Program (G.E.S.T.) and their continuing support of the G.E.S.T. Program.

David Caddell, G.E.S.T. Program Manager, advised that over 40 businesses in Gila County provide employment to G.E.S.T. clients. He invited all of them to today's meeting to publicly acknowledge their commitment to G.E.S.T. clients. Mr. Caddell announced the participating companies/organizations and he had a certificate and poster for each participant. Acknowledgement was provided to the following: Wal-Mart store #1334-Claypool; Wal-Mart store #1369-Payson; Chili's-Payson; Miami Senior Center; Payson Senior Center; First Assembly of God Church-Payson; Safeway-Payson; New Ewe-Payson; Wendy's-Payson; Wendy's-Globe; Dan Good Flooring-Payson; Liquor Stable-Globe; Wayne Smith, Arrow Development Company; Globe Center, LLC; Pioneer Trailer Park-Globe; Connie's Store-Globe; Radanovich Construction & Development Company-Globe; Fry's-Globe; Gary Grounds State Farm Insurance Agency-Globe; Tom

Moody-Globe; Gila County Public Fiduciary; Gila County; Zen's Café-Globe; McDonalds-Globe; Sonic-Globe; Town of Miami; Taco Bell-Globe; Basha's-San Carlos; Globe Public Schools; Miami Public Schools; KIKO Radio-Globe; Gordon's IGA-Kearny; Big O Tires-Globe; Al's Automotive-Globe; Layton Financial Group; Copper Mountain Inn-Globe; Arizona Silver Belt Newspaper-Globe; DC Cattle Company-Globe; Christy's Cottage-Payson. Mr. Caddell also announced the following four businesses which are no longer in operation: Country Kitchen-Globe; Burger King-Globe; Padgett's Automotive-Globe; and Gollipops-Payson. In ending his presentation he invited everyone to enjoy cake at the Globe Courthouse and at the Payson Administration Building. Mr. Caddell stated that a display of assistive technology could also be viewed in the Courthouse foyer and vocational rehabilitation counselors through the Department of Economic Security were also present to answer any questions, as follows: Deborah Worth, Angela Hardy, Melissa Lopez and Peggy Reed. Chairman Martin thanked Mr. Caddell for taking the time to ensure that these companies/organizations receive public recognition for all they provide to G.E.S.T. clients and said it is something that should have been done much sooner. Mr. Caddell also recognized the members of his staff who were present at the meeting. Vice-Chairman Dawson and Supervisor Pastor also thanked Mr. Caddell and his staff for today's presentation and all of their efforts in their daily work.

2B. Presentation of 2010 financial audit findings by Dennis Osuch, partner of LarsonAllen.

Dennis Osuch, partner of LarsonAllen, thanked the Board of Supervisors for the opportunity to provide an overview of the recent audit that was conducted for Gila County. As background information, the firm of LarsonAllen has contracted with the state of Arizona Auditor General's Office and was assigned to audit Gila County's financial statements beginning with 2010. Mr. Osuch advised that he met with County Manager Don McDaniel and Finance Director Joe Heatherly to review the findings of the audit, which are outlined in the draft single audit act report, and it is related to government audit standards. He then reviewed the purpose of conducting an audit, which is for his company to provide an opinion on Gila County's financial statements in accordance with general acceptable accounting principles. The firm issued an unqualified opinion for Gila County. The major federal programs with regard to compliance and controls are also audited; however, an opinion is only issued on internal controls for federal programs. He explained that "deficiencies" are divided into 3 categories: the most severe are called "material weaknesses"; the next are "significant deficiencies" and lastly, findings that are less severe include a management letter. He advised that he brought 2 items to management's attention: outstanding checks and Board of Supervisors (BOS) minutes. He advised that the County is behind in writing minutes, and he recommended that written minutes be brought up to date and to have future minutes ready for approval by the following BOS meeting. He stated that his company

reported 16 material weaknesses for Gila County with the majority related to segregation of duties. He advised that one of the more significant adjustments was the landfill cash balance. The firm proposed a restatement of the previous years' financial statements for the landfill because in the previous financial statements, it was not clear that Gila County had the money to pay for the landfill. The landfill cash balance was previously included on the books and he stated, "You do have money set aside to pay for landfill liability. We did a restatement to include that cash balance....With the restatement that even though that cash is restricted, it is restricted to pay that liability at the landfill." The other area was largely related to year-end accruals for some of the larger grants, such as the WIA (Workforce Investment Act) grant, PILT (Payment In Lieu of Taxes) grant, Edward Byrne Memorial grant, ARRA (American Recovery and Reinvestment Act) Weather Assistance grant and a couple of other grants. He advised that some adjustments may have to be made to accrue those revenues, so the County is looking to implement a more centralized grants accounting. Regarding compliance with federal programs, 3 material weaknesses and 5 significant deficiencies were identified. Of the 3 material weaknesses, one was because the financial statements were not ready by March 31st, and the others were related to grant accruals. Of the 5 significant deficiencies, it was noted there is a need for improvement in internal controls. A uniform expenditure limitation report will be issued in the near future; however, one piece of information is still needed. An unqualified opinion will be issued for that. Mr. Osuch concluded his presentation and then asked the Board for any questions. Each Board member thanked Mr. Osuch for his presentation.

2C. Public recognition of 10 employees for August's "Spotlight on Employees" Program, as follows: Alex Cunningham, Gary Denton, Larry Dooly, Antoinette Gonzales, Bob Hickman, David Hom, William McDaniel, Bertina Pratt, Mark Warden and Rhonda Wood.

July Bocardo-Homan, Human Resources Deputy Director, presented gift cards as recognition awards to 10 employees for August's "Spotlight on Employees" Program as follows: Alex Cunningham, Gary Denton, Larry Dooly, Antoinette, Gonzales, Bob Hickman, David Hom, William McDaniel, Bertina Pratt, Mark Warden and Rhonda Wood. Each Board member thanked the employees for their dedicated work.

Item 3 – REGULAR AGENDA ITEMS:

3A. (Motion to adjourn as the Gila County Board of Supervisors and convene as the Gila County Library District Board of Directors.) Information/Discussion/Action to approve Special Services Agreement No. 6000.600.SURVEY between the Gila County Library District and Ms. Deborah Leverance, evaluator, for an amount not to exceed \$1,500 to develop and conduct a survey of all Kindergarten teachers within the

First Things First Gila Region to collect data regarding the number of children who entered school in August 2011 who possess reading readiness skills. (John Nelson) (Motion to adjourn as the Gila County Library District Board of Directors and reconvene as the Gila County Board of Supervisors.)

Upon motion by Vice-Chairman Dawson, seconded by Supervisor Pastor, the Board adjourned as the Gila County Board of Supervisors and convened as the Gila County District Board of Directors.

John Nelson, Deputy County Manager/Clerk, advised that earlier this year the Board approved for the second year the First Things First literacy grant which included an increase in funding of \$1,500 to conduct a survey. He stated, "We already do a survey, but what is missing is corresponding our children entering Kindergarten for readiness. The purpose is for all Kindergarten teachers and principals in the area to determine a baseline." A request for proposals was issued and based on the proposal submitted by Deborah Leverance, he recommended the Board's approval. Upon motion by Supervisor Pastor, seconded by Vice-Chairman Dawson, the Board approved Special Services Agreement No. 6000.600.SURVEY between the Gila County Library District and Ms. Deborah Leverance, evaluator, for an amount not to exceed \$1,500 to develop and conduct a survey of all Kindergarten teachers within the First Things First Gila Region to collect data regarding the number of children who entered school in August 2011 who possess reading readiness skills.

Upon motion by Vice-Chairman Dawson, seconded by Supervisor Pastor, the Board adjourned as the Gila County Library District Board of Directors and reconvened as the Gila County Board of Supervisors.

3B. Information/Discussion/Action to consider issuing official comments from the Board of Supervisors to the U.S. Fish and Wildlife Service regarding the draft economic analysis and draft environmental assessment of the proposed designation of critical habitat for the threatened Chiricahua Leopard Frog.

Mr. Nelson stated that the U.S. Fish and Wildlife Service is proposing a designation of critical habitat for the Chiricahua Leopard Frog and comments are being accepted until October 21, 2011. Most of the area being proposed is in northern Gila County. He read aloud a portion of the proposed official comment letter from the Board of Supervisors and he recommended that the Board authorize the submittal of the letter. Chairman Martin advised that the (May 16, 2011) official comment letter issued by the Coalition of Arizona/New Mexico Counties for Stable Economic Growth be attached to the Board's letter. Upon motion by Vice-Chairman Dawson, seconded by Supervisor Pastor, the Board unanimously approved sending a letter to the U.S. Fish and Wildlife Service issuing its official comments regarding the draft economic analysis and

draft environmental assessment of the proposed designation of critical habitat for the threatened Chiricahua Leopard Frog with the Coalition of Counties letter attached.

3C. Information/Discussion/Action to authorize staff to issue a Call for Bids for the Payson Administration Building Remodel Project. Said Call is to be written to allow the Project to be bid and implemented in logical phases or as one complete project.

Steve Stratton, Public Works Division Director, advised that cost estimates for this project were included with this agenda item for 3 areas: to remodel the Payson Administration Building; needed improvements with regard to information technology (IT); and needed improvements to the parking lot. Chairman Martin commented that she believes the hearing room portion of the project is imperative for two reasons; to increase the space of the current conference room and to have it appear as a hearing room, more like the Board's hearing room in Globe. Mr. Stratton commented that the paperwork that was submitted is not a bid, but rather it's a "soft" estimate and he believes it may be high in some areas. Chairman Martin pointed out that the cost estimate included personal computers for Board members, another Smart Board and a cabinet – all of which she said the Board already has those items. As for the parking lot portion, she said that it shows almost \$62,000 of concrete sidewalk with ADA (Americans with Disabilities Act) access and it already exists. She stated, "I think we need to remodel this room and have it set up as a hearing room. Beyond that I can't believe we can have that kind of money tied up in that. I realize we need more wiring for IT." Vice-Chairman Dawson agreed with Chairman Martin on the items that the Board already has, and that she knows there has been a conversation on the parking lot. She voiced her opposition to the cost to divide the conference room as she did not believe it was necessary as proven with the use of the Globe hearing room, which does not have dividers. Secured doors for access at times when the room would be used for meetings, which are not during regular business hours, was an expense that Vice-Chairman Dawson feels would be necessary at an extra cost if the room were to be divided. She stated, "I don't believe we have to expend all the money in this proposal; keep it simple. If you decide to have to divide the room, then we would look at the structural integrity of the flooring, but not at this time." At this time the Board members and Mr. Stratton discussed the added cost to divide the room and the security of the building as a result of dividing it. Supervisor Pastor questioned the source of funding for this project. Mr. Nelson recommended that funding for this proposed project would come from bond funds. He stated, "Currently there is \$600,000 approximately of bond funds that have not been committed. That would reserve enough money to pay off what we have remaining on some construction contracts we are currently holding, plus hopefully remodel the entire Guerrero Building as planned. There still is some bids we have not received, but we think we have sufficient money to do that; that would leave \$600,000. With this remodel in Payson as

planned at \$360,000, the security remodel that would be proposed for this facility of \$250,000, less what was budgeted in the CIP (capital improvement projects) would give us sufficient bond funds to complete this project, but that would be the end of the bond funds and there would be no other projects really coming out of that of any significance.” Supervisor Pastor replied that when the bond issue was proposed to the taxpayers, the County’s main focus was to move the probation department out of the former County hospital building, which is now owned by a private company. He stated that the amount paid in rent for the probation department from 2005 to present is approximately \$850,000. He concluded by stating that he agrees that some remodeling needs to be done in the Payson Administration Building, but it doesn’t mean it has to be done at the same time. He stated, “We need to look at what we need to do with the probation department; that should be our first priority. If that isn’t feasible, we could direct staff to look at both issues; probation and remodel. I can’t agree to a \$300,000 plus remodel at the Payson (Administration Building) complex. We need to look at something there, but also stay focused on (moving) the Probation Department, if it’s feasible.” Another concern of his were the comments he has recently received from employees that feel this expense is not necessary due to the County seat being in Globe and the fact that employees have not been given raises for several years. Supervisor Dawson felt that paying rent for the probation department needs to stop as soon as possible as that was a focal point in getting voters to vote in favor of the bond issue. She stated, “We need to economically get a safe room and large enough to function in Payson...I agree with Supervisor Pastor that the cost is too much.” Chairman Martin stated, “I would like to direct staff to bring back a recommendation (to the Board). We need to move probation. We need a better setup (in the Payson Administration Building) as it was a concern when we bought it; also the parking. We can stage our way into making it useful...” Supervisor Pastor and Vice-Chairman Dawson both agreed that directing staff to bring a recommendation to the Board of Supervisors at a future date would be a good idea. No Board action was taken on this item.

3D. Information/Discussion/Action to authorize the advertisement of Invitation for Bids No. 091411-1 for the purchase of one or more new fleet vehicles as specified for Gila County.

Mr. Stratton stated that part of the Fleet Department’s business plan is to purchase some vehicles during the 3rd and 4th quarters of this year. He stated that 2 vehicles will be used by the Sheriff’s Office, 1 vehicle will be used by the Facilities Department, 3 vehicles will be used by the Community Development Division, 3 vehicles will be used by the Health Department, and 1 vehicle will be used by the Engineering Department, of which the vehicle for the Engineering Department will be paid for with HURF (Highway User Revenue Funds). When Supervisor Pastor asked for the total number of vehicles to be purchased, he responded with “12”. Mr. Stratton then explained the process for determining which vehicles will be replaced. For example, a patrol vehicle

would be viewed differently. The mileage and repair costs are also factored into the decision. He emphasized that the size of the fleet is never increased. Upon motion by Supervisor Pastor, seconded by Vice-Chairman Dawson, the Board unanimously authorized the advertisement of Invitation for Bids No. 091411-1 for the purchase of one or more new fleet vehicles as specified for Gila County.

3E. Information/Discussion/Action to approve the distribution of Local Transportation Assistance Funds (LTAF II) to senior centers and other entities for their continued transportation operation at a set percentage per the attached list.

Mr. Stratton stated that for many years the County has used LTAF funds to subsidize transit within the senior centers and other entities that qualify. As a result of the Legislature sweeping these funds, the County has been holding back funds in anticipation of providing funding for this year. Mr. Stratton asked the Board to decide to divide 50% or 55% of the amount expended for transit services in 2010 for use in 2011. He mentioned that the list attached to this agenda item, which contains the names of the entities that would receive the proposed funding, includes the Copper Spike excursion train. The railroad company was recently sold to another company, and the new owners have decided to discontinue using the Copper Spike excursion train, so Mr. Stratton inquired whether the Board wanted to distribute that funding evenly to the other entities that were on the list. Vice-Chairman Dawson asked that the funding remain allocated for the Copper Spike for the present time as there are local efforts being made to request that the excursion service be continued by the new company. Supervisor Pastor read aloud a letter submitted by Jerry Ellison, Sr., a resident of Globe, regarding this agenda item. Mr. Ellison wrote that he is in a wheel chair and he would like to receive some transportation assistance because the area in which he lives does not receive any transportation assistance at this time. Mr. Stratton confirmed that transportation service is not provided in Mr. Ellison's area; however, the Arizona Department of Transportation (ADOT) is conducting a study due to multiple requests from citizens living in the same area as Mr. Ellison. Upon motion by Vice-Chairman Dawson, seconded by Supervisor Pastor, the Board unanimously approved a 50% distribution of Local Transportation Assistance Funds (LTAF II) to senior centers and other entities for their continued transportation operations as stated on the distribution list attached to this agenda item.

3F. Information/Discussion/Action to adopt Resolution No. 11-10-03, which authorizes the execution of an Intergovernmental Agreement IGA/JPA 11-028I (AG Contract No. P001 2011 002870) between Gila County and the State of Arizona, Department of Transportation, at an estimated total project cost of \$506,903 for pedestrian rest stop shelters in various locations within Pine and Strawberry.

Mr. Stratton advised that this money can only be used for pedestrian rest stop shelters; however, his staff has been in touch with local schools and the locations of the shelters could also be utilized for school bus stops if the schools choose to use them. He advised that the County did not receive funding for the initial application that was submitted as the committee reviewing the applications did not feel that the shelters were aesthetically pleasing. Further review was conducted on the type of shelter and the ADOT Board of Directors approved the application with a different style of shelter being used that would blend in more with the surrounding areas. There is a cash match requirement of \$28,893 of which HURF will be used instead of County funding. Don Ascoli, a resident of Payson, submitted a public participation form to address this issue. Mr. Ascoli stated that given the state of Arizona's current economy, he was not certain that this was the best use for this funding. He requested the name of a contact person at the state level and Mr. Stratton advised that he would provide that information to Mr. Ascoli after the meeting. Upon motion by Supervisor Pastor, seconded by Vice-Chairman Dawson, the Board unanimously adopted Resolution No. 11-10-03, which authorizes the execution of an Intergovernmental Agreement IGA/JPA 11-028I (AG Contract No. P001 2011 002870) between Gila County and the State of Arizona, Department of Transportation, at an estimated total project cost of \$506,903 for pedestrian rest stop shelters in various locations within Pine and Strawberry. **(A copy of the Resolution is permanently on file in the Board of Supervisors' Office).**

3G. Information/Discussion/Action to review all bids submitted for Invitation for Bids No. 080211-1 for the Rodyard Shop Paving Project; award to the lowest, responsible and qualified bidder; and authorize the Chairman's signature on the award contract for the winning bidder.

Mr. Stratton advised that an invitation for bids was advertised for this project which includes some paving, fencing and concrete work at the new County Rodyard shop area. There is a low bidder, AJP Electric, Inc., for this project and another bidder submitted a formal protest. Mr. Stratton advised that a protest letter from the law firm of Lewis and Roca on behalf of Combs Construction has been submitted to Gila County. He stated that letter and all of the other correspondence and documentation was provided to the Board as part of this agenda item. Mr. Pastor advised that two public participation forms were submitted for this agenda item. Chairman Martin called on Michael Pagonic of AJP Electric, Inc. to speak. Mr. Pagonic advised that his company submitted 2 responses to Lewis and Roca's protests, which state that AJP Electric is not qualified to perform this project. Mr. Pagonic advised that he has never done work for Combs Construction nor Lewis and Roca. He also advised that his company has been licensed since 1999 and since that time the company has expanded beyond doing electrical work. Mr. Pagonic advised that the specifications (specs) used for this bid are the same as are used by ADOT, and that ADOT has prequalified his company to do the work outlined in the bid

specs. He informed the Board that AJP Electric has previously done work on ADOT projects. Chairman Martin then called on Robert Roos to speak on behalf of Combs Construction Company, Inc. Mr. Roos stated that the title of this project is a paving project and based on Combs' estimate, 38% of the work is paving and fencing work and with the concrete work added, the job is approximately 40% of work of which AJP Electric is not qualified. He advised that the specs prepared by the County engineer incorporate ADOT specs, which are common specs that are familiar to Arizona contractors who work on ADOT projects. One of the requirements of the ADOT program is for contractors to get prequalification from ADOT, and anyone can obtain information from the internet for those companies that are prequalified by ADOT. Mr. Roos then handed out a page from ADOT's listing of those companies that are "prequalified" to do certain types of work with AJP Electric highlighted.

At 12:01 p.m., Chairman Martin announced a short break so that she could receive Mr. Roos' handout. She reconvened the meeting at 12:09 p.m.

Chairman Martin called on Mr. Roos to continue speaking. Mr. Roos stated that ADOT initially prequalified AJP to perform electrical work, but subsequently drainage and grading, miscellaneous concrete work, and signage were added to AJP's prequalification categories per ADOT. He stated that the handout contained the correct information as to the types of work AJP is prequalified to perform per ADOT. Mr. Roos emphasized that AJP is not prequalified to perform paving work. He advised that Combs is prequalified for all of the categories of work that are listed in the bid specs. Mr. Roos stated, "Combs is the lowest and responsive contractor for this project. It asks that you award even though it is slightly higher." Mr. Pagonic advised that AJP is not planning on paving this project, even though the project is named as a paving project. AJP plans on performing about 75% of the work and subcontracting out the remaining 25% of the work. He referred to a job in Somerton that AJP put down about 20,000 square feet of sidewalk of which that project was approved by ADOT. Mr. Pagonic also referenced a project recently completed by AJP at the Payson Airport, which was not listed as a reference. He pointed out that project included a lot of grading and draining, asphalt paving and a little electrical work, and that AJP completed most of that work. He provided a contact name for that project and suggested that a reference check be made on AJP's performance on that project.

At this time Mr. Stratton recommended that the Board of Supervisors go into executive session at which time Chairman Martin asked for a motion. Upon motion by Supervisor Pastor, seconded by Vice-Chairman Dawson, the Board unanimously voted to go into executive session at 12:20 p.m.

At 12:48 p.m. Chairman Martin reconvened the regular session. Mr. Stratton recommended that the Board award the contract for this agenda item to AJP Electric, Inc. Upon motion by Vice-Chairman Dawson, seconded by Supervisor

Pastor, the Board unanimously awarded a contract to AJP Electric, Inc. in the amount of \$299,326.50 for the Roadyard Shop Paving Project - Invitation for Bids No. 080211-1.

3H. Information/Discussion/Action to authorize the advertisement of Invitation for Bids No. 091511-1 for pavement marking of County roads.

Mr. Stratton advised that this project is to pave the County roads and the Engineering Department will be going by lineal footage to allow some changes through the course of the contract. Upon motion by Supervisor Pastor, seconded by Vice-Chairman Dawson, the Board unanimously authorized the advertisement of Invitation for Bids No. 091511-1 for pavement marking of County roads.

3I. Information/Discussion/Action to authorize the Chief Deputy Clerk of the Board to remove Assessor's tax parcel numbers 301-04-082, 208-03-321-A, 208-03-321-B, 206-21-042-B, and 304-04-212-Q from the November 15, 2011, BOS Property Tax Sale/Auction advertisement; proceed with the administrative process of selling the properties to Gila County, City of Globe, Town of Miami and Town of Payson for \$1 each; and issue quit claim deeds for said sales.

Marian Sheppard, Chief Deputy Clerk, advised of the statutory process pertaining to real property that was newly deeded to the state of Arizona by the County Treasurer in 2011, and the County's process to offer certain properties to Gila County or city or town within Gila County for \$1 per parcel if it would benefit that entity, such as a roadway. She stated that the statutes recently changed, which are now more in line with a process the Board of Supervisors adopted several years ago; however, the sale may only take place if the County, or a city, town or special taxing district in the County uses the property for a public purpose related to transportation or flood control. Ms. Sheppard has received verification that each of the subject parcels listed on the agenda will be used for a public purpose for transportation. Upon motion by Supervisor Pastor, seconded by Vice-Chairman Dawson, the Board unanimously authorized the Chief Deputy Clerk of the Board to remove Assessor's tax parcel numbers 301-04-082, 208-03-321-A, 208-03-321-B, 206-21-042-B, and 304-04-212-Q from the November 15, 2011, BOS Property Tax Sale/Auction advertisement; proceed with the administrative process of selling the properties to Gila County, City of Globe, Town of Miami and Town of Payson for \$1 each; and issue quit claim deeds for said sales.

3J. Information/Discussion/Action to authorize staff to proceed with the proper documentation and paperwork to quit claim the Gila Pueblo Campus and the westerly 38 acres (approximately) of the Payson Campus to the Gila County Community College District, for Board consideration at its November 1, 2011, Regular Meeting. Further, for staff to prepare the

Sales Agreement between Gila County and the Rim Country Higher Education Separate Legal Entity whereby Gila County would sell the easterly 15 acre (approximately) portion of the Payson property to the Rim Country Higher Education Separate Legal Entity without the requirements of a public auction including bidding, posting, and advertising the property per A.R.S. Section 11-251 Paragraph 9 for the Board's consideration at its November 15, 2011, Regular Meeting.

Don McDaniel, County Manager, advised that the Board reviewed this item in a joint work session with the Gila County Community College Board on September 27, 2011. Since that time Mr. McDaniel has met further with Kenny Evans, Payson Town Mayor and Chairman of the Rim Country Higher Education Separate Legal Entity (SLE); Mike Vogel; and Dr. Steve Cullen, Senior Dean of Gila County Community College. Also since that time, County staff has been putting together a survey of the property; however, Public Works found discrepancies on the survey, so it is being resurveyed. He informed the Board that the original intent of the State Board of Directors for Community Colleges was to transfer these types of properties used for college campuses back to the individual college districts around the state with the exception of the campuses in Gila County. A state law was later enacted to allow the Gila County transfer to take place that otherwise would not have been able to take place. Mr. McDaniel recommended that the Board of Supervisors authorize County staff to prepare the quit claim deed to transfer approximately 38 acres to the Gila County Community College District for the college campus in Payson and the 22 acres in Globe for the Gila Pueblo campus. The legal descriptions on the quit claim deed for the Payson parcel of land will be based on a property survey, which he believes could be accomplished by the Board's November 1st meeting. He also recommended that staff be allowed to begin the process to actually sell the remaining 15 acres (approximately) of the Payson campus, which will be used by the Payson Separate Legal Entity for a 4-year university. He stated that staff needs to develop a sales agreement with the Rim Country Higher Education SLE that hopefully would be presented to the Board of Supervisors at its November 15th meeting. Chairman Martin paid special thanks to Mr. McDaniel for conducting all of the research and preparing this agenda item in such a short time frame. She stated that a public participation form had been submitted by Thomas Loeffler requesting to address this item. Mr. Loeffler, a resident of Payson, thanked the Board for taking quick action to address this item. Regarding the transfer of the approximately 38 acres, Mr. Loeffler is in favor of having a 4-year college campus possibly located in Payson. His concern is that even though state legislation was enacted to allow this transfer of property to the college district by no later than January 31, 2013, he believes that the college district is not in a good financial position at this time to maintain the buildings and land. He requested that the County continue to maintain the college property until the current fiscal year's budgeted funds have been expended. This will allow the college district additional time to add that expense into the college budget.

With regard to the sale of the approximately 15 acres to the Rim Country Higher Education SLE, he was concerned whether anyone has looked at the design of how the college campus would look and fit on approximately 15 acres due to the shape of the property. If not, he inquired whether there was consideration of some additional acreage to accommodate the buildings. He also wanted the sales agreement to restrict certain types of buildings, such as those used for commercial or industrial purposes. He questioned whether the SLE had available funding for this purchase. Vice-Chairman Dawson addressed Mr. Loeffler's comment with regard to a desire for the County to continue maintaining the college property for a length of time after the transfer of property takes place until the County's budgeted funds for that maintenance has been expended. She stated, "There will be income to the college with regard to the sale of land. The college (district) has to grow up and be responsible....Educational programs and the transfer is again the college growing up and handling however you are going to do this. That is not anything in our business in dictating how that will work out. Do we want a university? Yes, we want a university." Don Ascoli, a resident of Payson submitted a public participation form in order to address this issue. Mr. Ascoli stated, "I support this proposal. I think it's the right thing to do. It not only will increase the visibility of the County as a place to get a good education, but obviously it will help the economy as well for the whole County." Mr. Ascoli also thanked the Board for expeditiously addressing this item. Upon motion by Vice-Chairman Dawson, seconded by Supervisor Pastor, the Board unanimously authorized staff to proceed with the proper documentation and paperwork to quit claim the Gila Pueblo Campus and the westerly 38 acres (approximately) of the Payson Campus to the Gila County Community College District, for Board consideration at its November 1, 2011, Regular Meeting. Further, for staff to prepare the Sales Agreement based upon a current appraisal between Gila County and the Rim Country Higher Education Separate Legal Entity whereby Gila County would sell the easterly 15 acre (approximately) portion of the Payson property to the Rim Country Higher Education Separate Legal Entity without the requirements of a public auction including bidding, posting, and advertising the property per A.R.S. Section 11-251 Paragraph 9 for the Board's consideration at its November 15, 2011, Regular Meeting.

Item 4 – CONSENT AGENDA ACTION ITEMS:

4A. Approval of Amendment No. 3 to an Intergovernmental Agreement, Contract No. HG050277 (ADHS11-004485) between the Gila County Division of Health and Emergency Services and the Arizona Department of Health Services in the amounts of \$318,365 for WIC (Women, Infants and Children) services and \$50,743 for BFPC (Breast Feeding Peer Counseling) services for the period October 1, 2011, to September 30, 2012.

4B. Approval of an Intergovernmental Agreement (Contract No. ADHS12-010890) between the Gila County Division of Health and Emergency Services (Nutrition Services Program) and the Arizona Department of Health Services in the amount of \$5,160 for the continuation of the Commodities Supplemental Food Program (CSFP) / Senior Farmers' Market Nutrition Program (SFMNP) for the period October 1, 2011, to September 30, 2016.

4C. Approval of the Chairman's signature on Amendment No. 1 to Subgrantee Agreement No. 10-AZDOHS-HSGP-777304-01 between the Arizona Department of Homeland Security and the Gila County Department of Emergency Management changing the grant performance period to October 1, 2010, through December 31, 2011.

4D. Approval of the appointments of the following precinct committeemen as submitted by the Gila County Republican Committee: Tonto Basin Precinct - Madra Bernard; Payson 3 Precinct - John D. Bailey; Payson 5 Precinct - William D. Powers; and Payson 8 Precinct - Wanda P. Randall.

4E. Acknowledgment of the resignation of Mr. Sam Baker from the Beaver Valley Fire District Governing Board effective July 9, 2011, and the appointment of Ms. Joyce Lynch to complete the term of Mr. Baker, which expires November 30, 2014.

4F. Acknowledgment of the resignations of Mr. Edgar Armer and Ms. Ginny Ennen from the Houston Mesa Fire District Governing Board and the appointments of Mr. Dick Sizemore to complete the term of Mr. Armer, which expires November 30, 2014, and Ms. Jeanne Schoonover to complete the term of Ms. Ennen, which expires November 30, 2012.

4G. Approval of Amendment No. 3 to Contract No. R016-10-21 with the Governor's Office of Energy Policy to extend the contract termination date from September 30, 2011, to December 30, 2011.

4H. Approval of an Order adopting Plan 1 Revision 1 as the Gila County Community College Redistricting Plan and directing that the new Plan boundaries, including any election precinct boundary changes, shall become effective upon preclearance by the Department of Justice.

4I. Approval of an Order adopting Plan A as the Gila County Supervisorial Redistricting Plan and directing that the new Plan boundaries, including any election precinct boundary changes, shall become effective upon preclearance by the Department of Justice.

4J. Approval of the January 18, 2011, January 25, 2011, February 1, 2011, February 15, 2011, and February 24, 2011, BOS meeting minutes.

4K. Approval of finance reports/demands/transfers for the weeks of October 11, 2011, and October 18, 2011.

October 11, 2011

\$539,624.50 was disbursed for County expenses by check numbers 240613 through 240771.

October 18, 2011

\$1,265,598.73 was disbursed for County expenses by check numbers 240772 through 240812. **(An itemized list of disbursements is permanently on file in the Board of Supervisors' Office.)**

4L. Acknowledgment of contracts under \$50,000 which have been approved by the County Manager for the weeks ending September 30, 2011, and October 7, 2011.

Upon motion by Supervisor Pastor, seconded by Vice-Chairman Dawson, the Board unanimously approved consent agenda items 4A through 4L.

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(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.

Don Ascoli talked about the proposed redistricting of legislative districts in the state. He encouraged the Board of Supervisors to consider taking an action stating that the position of Gila County is to be contained within one legislative district "so we can have some sway representing our view and positions."

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 presented information on current events.

There being no further business to come before the Board of Supervisors,
Chairman Martin adjourned the meeting at 1:37 p.m.

APPROVED:

Tommie C. Martin, Chairman

ATTEST:

Marian Sheppard, Chief Deputy Clerk