

**BOARD OF SUPERVISORS
NAVAJO COUNTY, ARIZONA**

June 2, 2003

Supervisors' Chambers, Holbrook, Arizona - Time: 9:05 a.m.

PRESENT: Pete Shumway, Chairman; J.R. DeSpain, Vice-Chairman; Percy Deal, Member; Jesse Thompson, Member; Jerry Brownlow, Member; Mel Bowers, Jr., County Attorney; Dennis Miller, Interim County Manager; and Judy Jones, Clerk of the Board.

Mr. Thompson led the Pledge of Allegiance and offered the Invocation.

CALL TO THE PUBLIC: William Faurot, Tony Roach and William Schier spoke regarding their opposition to the proposed Linden Trails Subdivision. Development Services Director Dave Ashton advised that this issue is scheduled to be heard by the Navajo County Planning & Zoning Commission on June 19, 2003 at 6:00 p.m.

CONSENT AGENDA: **Mr. Thompson made a motion** to authorize the Chairman to sign the items in the Consent Folder; motion seconded by Mr. DeSpain; vote unanimously carried. The following items were included in the Consent Agenda: **1) Voucher List for Payment; 2) Board of Supervisors Minutes: May 12 & 19, 22, 2003; 3) Assessor's Assessment and Tax Roll Corrections; 4) Justice Court Reports: (April) Winslow, Show Low, Pinetop-Lakeside, Kayenta, Snowflake & Holbrook; 5) Juvenile Justice System Report: April; 6) Constable Report: (April) Show Low & Snowflake; 7) Public Works: Name existing road in the Linden area "Bond Ranch Road"; 8) Back Tax Land Deed: 105-50-015 & 016; 9) Clerk of the Court: IGA for Juror Lists**

BOARD OF SUPERVISORS/PUBLIC DEFENDER'S OFFICE: Pete Shumway, Chairman and Emery LaBarge, Public Defender: Presentation of Appreciation and Congratulations to James Norton who has worked, while attending Holbrook High School, in the Public Defender's office and has been an exemplary employee: The Board presented a Certificate of Appreciation to Mr. Norton.

MANAGEMENT INFORMATION SYSTEM (MIS): Bob Heming, Director: Amendment to the Purchasing Policy for technology related purposes: Mr. Heming advised that the current procurement policy does not require MIS review for purchases of computer/communications equipment. He requested that the policy be amended to include language which would require coordination with the MIS Department and approval by the MIS director to insure that new equipment is compatible with current county equipment. Mr. Heming noted that the Department Heads and Elected Officials were not individually notified of this proposal. Mr. Deal said he preferred to have the proposal reviewed prior to the Board taking any action. Accounting Supervisor Joan Mickle noted that there are some major purchases in this category being anticipated for this week, and if action on the policy amendment will not be taken today, she would like those purchases held until the item is brought back to the Board. Mr. Brownlow said he supports this proposal, but he also would like to have the Elected Officials and Department Heads to review it first. As there were some concerns voiced regarding the language in Mr. Heming's proposal, **Mr. Deal made a motion** to postpone this item until further information is obtained, either later today or at the next meeting; motion seconded by Mr. Shumway; vote unanimous approving the motion. At 11:00 a.m., Mr. Heming returned with modifications to the language in his proposed amendment. The modified amendment reads as follows: *Information Technology and Communication Purchases-To insure compatibility and the*

maximum benefit to the county as a whole, all purchases of computer/communications equipment must be coordinated with the MIS Department and reviewed by the MIS Director. This policy includes the following items: software, computers/peripherals, communications devices (data/voice/video), operating systems, development environments and communications services. Comments both in support of the policy and opposed to it were received from Elected Officials and Department Heads. Mr. Heming addressed the main concern by explaining that he would review and make recommendations only; the final decision on a particular purchase would rest with the department head. **Mr. Deal made a motion** to approve the amendment to the Purchasing Policy regarding MIS, as modified; motion seconded by Mr. Thompson; vote unanimous approving the motion.

GREASEWOOD SPRINGS GROUP HOME: Lorencita Begaye, Residential Supervisor: Request funding assistance for expenses to attend 2003 Diné Conference on Aging on July 29 through August 1, 2003; Ms. Begaye thanked the Board for any help they can give. **Mr. Thompson made a motion** to approve funding in the amount of \$300 from District II Special Project funds for assistance for expenses to attend the 2003 Diné Conference on Aging, July 29 through August 1, 2003; motion seconded by Mr. Deal; vote unanimous approving the motion. (Manual warrant requested)

PARKS AND EMERGENCY SERVICES: Paul Jaster, Director: Approval of Management Agreement #HAB-02-1209ML with Arizona Game and Fish for continued management of public access area to Show Low Lake: Mr. Jaster explained that the property is owned by Phelps Dodge and was deeded to the Game & Fish Department to assure public access to the lake. This management agreement, which is a renewal, allows the county to manage the facilities at the lake. Mr. Jaster noted that the county contracts with a concessionaire for maintenance and upkeep of the property, and therefore, this management agreement does not cost the county anything. **Mr. DeSpain made a motion** to approve Management Agreement #HAB-02-1209ML with Arizona Game & Fish for continued management of public access area to Show Low Lake, as presented; motion seconded by Mr. Shumway; vote unanimous approving the motion.

RECORDER/ELECTIONS: Mary Kelley, Election Coordinator: Canvass Elections for Cedar, Kayenta and Whiteriver School Districts and the White Mountain Lake Special Road District #2: Ms. Kelley read the election results into the record. **Mr. DeSpain made a motion** to approve the Canvass of the Elections for Cedar, Kayenta and Whiteriver School Districts, and the White Mountain Lake Special Road District #2, as presented; motion seconded by Mr. Thompson; vote unanimous approving the motion. (Mr. Deal absent for the vote)

PUBLIC WORKS: Bill Cox, Director: 1) Authorize closure of a portion of Old Highway 160 in the Linden area: Mr. Cox explained that the closure would occur in June and be for a period of approximately 10 days. A concrete pad will be installed over the existing Hog Wash culvert and will need the time to "cure". This is a secondary access to the town and should not create any problems with traffic. Schools will not be in session, so this will not interfere with the school bus routes. **Mr. DeSpain made a motion** to authorize the closure of a portion of Old Highway 160 in the Linden area for road construction as presented; motion seconded by Mr. Brownlow; vote unanimous approving the motion.

2) Award Annual Hot Asphaltic Concrete Pavement Overlay Bid Contract #B03-04291: Deputy Director of Highways, Dusty Parson, advised that this contract was re-bid due to problems with the first bid. He

said there were some technicalities with the re-bid also. He explained that at the pre-bid meeting, it was determined that all spaces on the bid documents were to be filled in; there were to be no blanks. However, there were minor inconsistencies wherein some of the areas where the amount of material was -0-, the cost per ton was left blank. Mr. Parsons said this inconsistency does not affect the bottom line and he asked the Board to waive this, noting that the bid documents clearly state the Board does have the authority to do so. Mr. Parsons then advised that there was one inconsistency, wherein the contractor failed to insert a cost per ton for an area that did list a quantity. He asked the Board not to waive this inconsistency as it would affect the bottom line. Mr. Cox then recommended the contracts be awarded to Hatch Construction for Areas A, B, C, D & E. He recommended that Area F be awarded to Combs Construction. Brian Larson and Mike Larson, of Surface Contracting, Inc., said they do not agree that these are minor irregularities which can be overlooked. They stressed that they did follow the specifications and filled out every line. They added that at the pre-bid meeting, Mr. Parsons requested that all blank spaces be filled in or the bid would be rejected. They asked that the Board should not award the contracts to a contractor with these irregularities, as those bids should be rejected. It appears to be arbitrary to waive some inconsistencies and not others. Jim Combs, of Combs Construction, said his position is that if no quantity was listed, no price should be given. However, if there is a quantity and no price is given, the bid should be rejected as unresponsive. He agrees with the recommendation of the Public Works Department. Jerald Hatch, of Hatch Construction, stated that it was insignificant that he omitted the price for Area F. He felt that if the contractor wanted to bear that cost, it is his responsibility. He asked that Area F be awarded to him also. Mr. Cox commented that if the Board wanted to accept all irregularities, then Hatch would win the entire contract. On the other hand, if the Board accepts no irregularities, Surface Contracting would win the entire contract. County Attorney Mel Bowers noted that the Board needs to draw a difference between "informalities" and "irregularities", which are defects more serious than informalities. The specifications clearly state that there be no blank spaces in the bid documents. A zero quantity is probably not enforceable and would not extend to the cost section. This may be more of an "informality" than an "irregularity". However, Hatch's omission would be more of an "irregularity" than an "informality" because a quantity was specified. **Mr. Deal moved for an Executive Session**, pursuant to ARS §38-431.03(A)(3) for legal advice; motion seconded by Mr. DeSpain; vote unanimous approving the motion. Present in the Executive Session were: County Attorney Mel Bowers; Interim County Manager Dennis Miller; Chairman Pete Shumway; Vice-Chairman J.R. DeSpain; Members Jerry Brownlow, Percy Deal and Jesse Thompson; Clerk Judy Jones; County Engineer Bill Cox; Assistant County Engineer Dick Young; and Deputy Director of Highways Dusty Parsons. **Mr. Deal made a motion** to return to regular session; motion seconded by Mr. Thompson; vote unanimous approving the motion. **Mr. DeSpain made a motion** to accept the recommendation of the County Engineer and award the contract as follows: Areas A, B, C, D & E to be awarded to Hatch Construction; Area F awarded to Combs Construction; motion seconded by Mr. Brownlow; vote unanimous approving the motion.

3) Resolution to execute a quit claim deed to abandon public right-of-way adjacent to Herd Street for the Clay Springs-Pinedale Volunteer Fire Department: Mr. Cox explained that the Clay Springs-Pinedale Volunteer Fire District lost their station in the fires last summer. They have acquired a piece of land on which to rebuild, but it is quite small. That lot is adjacent to a strip of land, 24' by 140', which was deeded to the County along with property for a road easement for Herd Road. This right-of-way has no real purpose at this time; the property is fenced off from Herd Street and a row of trees separates it from the main road easement. The Fire District would like the county to donate that piece of land to the District, as

it would not only increase parking for the Fire Station, but also would allow access to Herd Street which would permit Fire Department equipment to have easier, and safer, entry into the truck bays. The District would pay any fees attached to the title transfer. **Mr. Brownlow made a motion** to adopt **Resolution #36-03**, executing a Quit Claim Deed to abandon public right-of-way adjacent to Herd Street for the Clay Springs-Pinedale Volunteer Fire Department as requested; motion seconded by Mr. Deal; vote unanimous approving the motion.

PUBLIC HEALTH SERVICES DISTRICT: Dr. Stanley Warner, Director: Board of Directors Session: Publish notice of intent to amend PHSD #01-02, Public Health Services District Licencing Fees Ordinance and set for Public Hearing for June 23, 2003 at 9:00 a.m.: **Mr. Thompson made a motion** to enter into a Board of Directors Session; motion seconded by Mr. DeSpain; vote unanimous approving the motion. Dr, Warner advised that the Navajo County Public Health Services District Licensing Fee Ordinance, #01-02, needs to be amended to adopt the new fee schedule. A Public Hearing in this matter will be scheduled for Monday, June 23, 2003 at 9:30 a.m. **Mr. DeSpain made a motion** to Publish the Notice of Intent to Amend Public Health Services District Licensing Fee Ordinance #01-02 and set for Public Hearing on June 23, 2003 at 9:00 a.m.; motion seconded by Mr. Brownlow; vote unanimous approving the motion. **Mr. DeSpain made a motion** to return to regular session; motion seconded by Mr. Brownlow; vote unanimous approving the motion.

SHERIFF: Gary Butler, Sheriff: Approval of Agreement with Safeway, Inc. f or pharmacy services to provide prescriptions to inmates insuring compliance with federal data transaction standards (HIPAA): Sheriff Butler explained that this is a renewal of the pharmacy services agreement with Safeway to comply with the new HIPAA regulations. He noted that we have had the contract with Safeway for several years, as it is the only pharmacy in Holbrook. **Mr. DeSpain made a motion** to approve the agreement with Safeway, Inc. for pharmacy services to provide prescriptions to inmates, insuring compliance with federal data transaction standards (HIPAA); motion seconded by Mr. Brownlow; vote unanimous approving the motion.

HOMELAND SECURITY ADVISORY TASK FORCE: Gary Butler, Chairman: Authorization to obtain consultant for communication services: Sheriff Butler explained that the biggest problem identified by the task force, as well as the state, is communications. He is requesting authorization to obtain consultant services to analyze the current communication network and provide a proposal to correct the problems that exist. Sheriff Butler noted that while we can also use the services of the state's consultant, Navajo County has its own unique communications problems and we need to look at a county-wide system which can coordinate with the State's. He said that if approved, this will go out as a Request for Proposals, and funding for the consultant will come from existing Homeland Security grants. Mr. Deal commented that the MIS department should be involved when equipment is purchased. Sheriff Butler MIS director Bob Heming said that while his department would not have the expertise with law enforcement radios, it does have the expertise with the microwave equipment. **Mr. DeSpain made a motion** to authorize a Request for Proposals (RFP), which will be reviewed by the MIS department, for a consultant for communication services as presented; motion seconded by Mr. Thompson; vote unanimous approving the motion.

ADMINISTRATION: Joan Mickle, Finance Manager: Approval of Resolution Adopting Owner Occupied Housing Rehabilitation Guidelines: Ms. Mickle explained that NACOG assumes the responsibility of qualifying the applicants for the program, and they receive a portion of the grant funds for this duty. Mr.

Bowers added that NACOG prioritizes the applicants based on pre-established protocol. The county is not involved in the selection of recipients. **Mr. Deal made a motion** to adopt **Resolution #37-03**, adopting Owner Occupied Housing Rehabilitation Guidelines; motion seconded by Mr. DeSpain; vote unanimous approving the motion.

BOARD OF SUPERVISORS: J. R. DeSpain, Vice Chairman: Direction for the Transition Committee:
No action taken.

BOARD OF SUPERVISORS\COUNTY ATTORNEY: Pete Shumway, Chairman and Mel Bowers, County Attorney : 1) **Executive Session** pursuant to ARS § 38-431.03(A)(3) for legal advice from the Board's attorneys concerning the County Manager and Finance Director positions and requirements for the recruitment of candidates: **Mr. DeSpain made a motion** to enter into an Executive Session; motion seconded by Mr. Brownlow; vote unanimous approving the motion. Present in the session were: Count Attorney Mel Bowers; Chairman Pete Shumway; Vice-Chairman J.R. DeSpain; Members Jerry Brownlow, Jesse Thompson, Percy Deal; Interim County Manager Dennis Miller; Clerk Judy Jones. **Mr. DeSpain made a motion** to return to regular session; motion seconded by Mr. Brownlow; vote unanimous approving the motion. (At this time, the Board proceeded to Item #3)

2) **Executive Session** pursuant to ARS § 38-431.03(A)(1) for discussion and consideration of the appointment and salary for the County Manager and Finance Director positions. The Board may also meet in a public Work Session to discuss and consider in general terms the County Manager and Finance Director positions and other matters pertaining to the Administration Department and to give directions to the Staff: (The Board did not enter into this Executive Session)

3) Discussion and possible action regarding recruitment alternatives for the County Manager and Finance Director positions: Mr. Shumway noted that the three top positions in the county are currently vacant. The Board has the opportunity at this time to determine the management model it wishes to follow. Mr. Bowers, on behalf of the Elected Officials, recommended that a professional recruiting firm be hired to begin the selection process for the county manager position. He said this would take the politics out of the process, and takes the burden of finding qualified applicants off the back of the Board. The cost for these services may be anywhere from \$18,000 to more than \$25,000. The recruitment firm will however, bring only the "cream of the crop" to the Board for the final interviews and it would be money well spent. Other recommendations were made by members of the audience, including having the county do the search and hiring of the county manager itself, which would save considerable money. It was also suggested that we try this alternative first and if it does not work out, the county can then turn to a recruitment firm. Mr. Brownlow said there are advantages with either choice, but personally he believes this Board can hire a competent county manager. Mr. Deal said he supports the hiring of an outside recruitment firm because it will take the politics out of the process. He also noted there will be vacancy savings to pay the costs. Mr. DeSpain said that we have received four inquiries already, and the notice for the position has not even gone out yet. There is an urgency that we begin this process; if necessary, we can always go with the recruitment firm. Sheriff Butler commented that we should use the funds to find a manager who can help us get out of this budget crisis. Mr. Thompson stated that the Board needs to continue to be the policy makers and they need a manager that they can rely on to do what needs to be done, just as it relied on the Transition Committee to find an interim manager. He said he supports the recommendation of the Elected Officials to hire a recruiting firm.

Following further discussion, **Mr. Deal made a motion** to authorize interim county manager Dennis Miller to begin the process to hire a recruiting firm, and place the item on the next agenda. Mr. Shumway stated he would not second the motion, nor would he vote in favor of it, as he believes it is saying we have no one in Navajo County capable of doing the job. Mr. Miller suggested a compromise: create another committee to review the wording for an ad to place in the Arizona Republic. The committee would consist of the Sheriff and three other elected officials, two or three department heads and a Board member. This committee would receive and review any applications, and the screening would be done by an outside panel. Mr. DeSpain suggested we at least put the ad out there. If we do not get any qualified applicants, we can go with a recruitment firm. **Mr. Deal's motion died for lack of a second.** Mr. Deal expressed some concern that we asked for the Elected Official's input. They have given it to us and we pay no attention. Discussion continued. **Mr. DeSpain made a motion** to authorize Dennis Miller to go forward with his proposal and prepare an advertisement to go out; motion seconded by Mr. Shumway. Discussion continued. **Mr. DeSpain withdrew his motion; Mr. Shumway withdrew his second.** Mr. Shumway noted that this Board does not have a consensus and suggested this issue be continued for one week.

4) Work Session: Clarification of duties and responsibilities for Miller & Associates Consulting Services and possible need for other professional services contracts: Mr. Miller was directed to research and gather information regarding national recruitment firms and contract comparisons. He was also directed to prepare information regarding recruitment alternatives, costs, etc. Mr. Miller noted we have received one proposal from an outside recruitment firm. He said he will obtain proposals on three other national firms and the one Arizona firm. He will also, as an alternative, prepare a procedure should the county wish to do the search themselves.

Signature authority for the following: Payroll Changes; Demands; Petty Cash; Revolving Fund; Medical & Dental Accounts; Special District Demands; Time sheets/Overtime: Ms. Bray advised that she currently signs off on the medical/dental accounts and time sheets are signed off by the Department Heads. However, signing authority does need to be given on the other items. **Mr. DeSpain made a motion** to authorize Don Smith to sign off on the payroll changes and that Judy Jones-Grugel be given the authority to sign off on Demands, Petty Cash; Revolving Fund; Special District Demands and Overtime; motion seconded by Mr. Brownlow; vote unanimous approving the motion. **Mr. DeSpain made a motion** to direct Mr. Miller and Mr. Smith to bring the Board information regarding consultant companies and costs related to advertisement. **Motion died for lack of second.**

Appoint new representatives for Navajo County to the Arizona Counties Insurance Pool (ACIP) and Workman's Compensation: The Board was advised that Gilbert Gonzales and Eddie Koury previously represented the County at ACIP and Worker's Compensation. New representatives need to be appointed at this time. **Mr. Deal made a motion** to appoint Don Smith as Navajo County representative to ACIP and Worker's Compensation, *on an interim basis*, and to attend those meetings; motion seconded by Mr. Thompson; vote unanimous approving the motion.

PAYROLL ACTIONS: **Mr. DeSpain made a motion** to approve the payroll actions as submitted; motion seconded by Mr. Brownlow; vote unanimous approving the motion.

BOARD BUSINESS: There was no Board business presented.

There being no further business to come before the Board of Supervisors, the meeting was adjourned until Monday, June 9, 2003, upon a **motion made by Mr. DeSpain**; motion seconded by Mr. Thompson; vote unanimously carried. The meeting adjourned at 4:40 p.m.

APPROVED:

Pete Shumway, Chairman**DATE:****ATTEST:****Judy Jones, Clerk of the Board****The following Navajo County demands were audited, approved and ordered paid by the Board:**

DJones\$4315.50;DMartin\$1235;DMcCoy\$3895.14;DrakeTruck&Trailer\$3173.96;E&ESvc\$4558.85;EmpireMach\$21843.61;FrontierComm\$1005.15;GraniteSeed\$15900;HlbrkEMS\$1845.84;HughesSupply\$2533.23;HumSocWhtMtn\$1279;J&RWhlsI\$10216.09;JWhipple\$3800;JRGarsha\$1225;KansasStBnk\$1628.03;LesterHayCo\$29107;AWHArdy\$3500;APS\$4462.19;ADOT\$5000;AzStTreas\$25895;Bradco\$5915.09;BrimhallSnd&Rck\$40946.40;Cannon&Assoc\$7010.36CHolliday\$1940;Carquest\$2396.33;Carquest\$5507.83;CellOne\$2815.08;ChevronProd\$5721.88;CommSystem\$2221.18;Comm1stNtlBnk\$10000;MaxwellProd7006.70;MidwestBnkNote\$3376;NCRF\$5933.36;NAR\$1554.65;RevegetationSrvcs\$18918.90;RHigginsLawFrm\$1485;RSCRntlSrvCorp\$6806.16;TPhalen\$9309.05;TranasourceComp\$5373.66;USPS\$12000;WestGroup\$3997.95;YellowWoodAssoc\$2100.60;KachinaOfcBldg\$1785.47;ADOR\$4512.40;ASAPSftwr\$3256.04;APS\$6702.77BankOne\$3510;Bradco\$1864.CellOne\$3076.25;ClrkSupCrt\$2129.73;CommercialGraphics\$1275.51;DrakeTrck&Trlr\$9182.01;DurhamComm\$1001.70;ElectionsOperationsSrv\$7830.87;FalconPwr\$1071.41;FarrarElectrix\$2100;FiberMrktng\$5950;FleetSol\$8590;FrontierCarrierSrv\$2181.19;FrontierComm\$6664.61;HatchCnsrtct\$1516.30;HlbrkExtCare\$3690;JOMPharmSrv\$4355.03;MRatner\$1395;LesterHayCo\$8963.50;LPilcherEvans\$1165;NCRF\$3236.55;NorchemLab\$1991.96;OfficeDepot\$2155.09;PetroleumTrdr\$6144.73;SanDiegoPlcEqpt\$1569.32;SunLabTech\$1303.25;VisionBsnsPrdct\$2021.79;WasteManagement\$6863.40;WestGroup\$1015.91;WMH\$1088.07;WonderlandacresDEID\$10000;Xerox\$2180.08;YavapaiCntyGvt\$10000;YoungdFutureTire\$1165.37