

**BOARD OF SUPERVISORS
NAVAJO COUNTY, ARIZONA**

June 20, 2005

Board of Supervisors Chambers, Holbrook, Arizona – Time: 9:03 a.m.

PRESENT: Jerry Brownlow, Chairman; Percy Deal, Vice-Chairman; David Tenney, Member; Jesse Thompson, Member; J.R. DeSpain, Member; James G. Jayne, County Manager; Lance Payette, Chief Deputy County Attorney; Darlene Fraley, Deputy Clerk of the Board. Mr. Tenney led the Pledge of Allegiance and the Invocation.

CALL TO THE PUBLIC: There was no response to the Call to the Public.

CONSENT AGENDA: 1) Voucher list for payment; 2) Justice Court Reports: Holbrook #1, Pinetop #6: April; 3) Tax Roll Corrections; 4) Application for tax exemption filed with a “Request for Exemption of Waiver” for each of the following widow/widowers: Laura Bove, Kathleen Brownlee, Marilyn DeHerrera, Dolores Duran, Eric P. Ferreira, Shannon Ferreira, Ellsworth Fish, Sandra Gigicon, Max H. Hartwell, Patrick M. Kelly, Tera McGinness, Ernest Maestas, Pitacio Martinez, Shannon Martinez, Eric A. Swenson, Jr., Helen L. Warner, Clara A Young; 5) Emergency Purchase of CCTV Recorder as an upgrade to the closed circuit monitor in the jail’s central control unit with purchase to be expensed from Jail Enhancement funds; 6) Approve the use of the Southwest corner of the County Complex by the Holbrook Fire Department for the 4th of July fireworks display; 7) Special Event Liquor License: Fraternal Order of Eagles for Benefit for White Mountain Hospice and City of Hope, Tall Timbers County Park, Overgaard; 8) Sympathy letter for Senator Jake Flake and Debra Housel; 9) Approve amendment to a State Housing fund Agreement extending the contract for 120 days **Mr. Tenney made a motion** to authorize the Chairman to sign the items on the Consent agenda; motion seconded by Mr. Thompson; motion carried unanimously. Mr. DeSpain was absent for the vote.

HUMAN RESOURCES: Gail Calisen, Director: Approval of Personnel Actions: **Mr. Tenney made a motion** to approve the personnel actions as presented; motion seconded by Mr. Thompson; motion carried unanimously. Mr. DeSpain was absent for the vote.

BOARD OF SUPERVISORS: Jerry Brownlow, Chairman: Selection and approval of Public Works Director: Mr. Brownlow advised those present that in executive session the Board interviewed the final two candidates for the Public Works Director position and that it was a difficult decision between these candidates, with a split 3-2 vote selecting Dusty Parsons. He later clarified that a vote is not taken in executive session; that there is discussion of who the Board members would like to see in the position and an official vote will be taken in this open session. During discussion, Mr. DeSpain stated he felt the Board members were very aware of his position on this issue. He advised that he personally liked Dusty Parsons and that he has been responsive to his District’s needs. He stated that over 90% of the people who signed the petition were from his district and he was encouraged by those personnel to look other places for a Director. He fears that the employees will continue to undermine Dusty and he cannot vote for Mr. Parsons with a clear conscience. He stated he hopes that the personnel will support Mr. Parsons; that he personally supports Jimmy Jayne as County Manager and he encourages the administration to seek training to help resolve this conflict. Mr. Thompson stated he also experienced difficulty with this situation and the interviews but now is the time for everyone to come together. He stated he is reaching out to the employees to communicate and work with administration and Mr. Parsons. He said progress has been made and now it is time to look forward and work together. Mr. Tenney stated this was not an easy process and there were very viable candidates; he believes the right choice has been made and Mr. Parsons will continue to demonstrate his loyalty and dedication to the citizens of this county. Mr. Deal encouraged everyone to move forward. He stated that Dusty Parsons was the best qualified applicant; that thirteen applications were received, were narrowed down to six and then to two. He believes the Board is doing

the right thing to select Mr. Parsons. **Mr. Tenney made a motion** to approve the selection of Eugene Parsons as the Public Works Director; motion seconded by Mr. Deal; motion carried on a 4-1 vote with Mr. Brownlow, Mr. Deal, Mr. Thompson and Mr. Tenney voting in favor of the item and Mr. DeSpain voting against the issue.

Mr. Brownlow introduced Representative Jack Brown, Mr. Brent Brown of the Governor's office and Matt Ryan, Coconino County Supervisor.

ADMINISTRATION FINANCE: James Menlove, Finance Director: Approval upon opening and review of sealed bid #B05-051705 for the contract for the official County Newspaper for the period July 1, 2005 through June 20, 2006: James Menlove reported two sealed bids had been received for the contract for the official County newspaper for the period July 1, 2005 through June 20, 2006. He opened the bid from The Holbrook Tribune reporting the bid is \$1.60 per column inch on the first publication and \$1.40 per column inch for additional publications; the bid from Winslow Mail was \$3.00 per column inch. Staff will evaluate the bids and bring a recommendation to the Board later in this meeting.

BOARD BUSINESS: Mr. Brownlow reported that Larry Dunagan brought the new County emergency services van for those present to tour between 12:00 and 1:30 p.m. and there will be a tabletop exercise at Hondah on Tuesday involving Apache, Coconino and Navajo Counties. Mr. Deal reported that last week he participated in public hearings before the Senate in Washington D.C. with the trip sponsored by the Indian Health Services. He expressed appreciation to Mr. Latham and Mr. Jayne for providing the opportunity for him to meet with Congressman Rick Renzi and he reported he also had the opportunity to meet with Senator McCain. Mr. Thompson thanked Mr. Jayne for accompanying him to the transportation facility at Dilcon where they agreed improvements are needed and will explore the County cooperating with the Navajo Nation and BIA on this project. Mr. DeSpain reported that he and Mr. Jayne represented the Board at the recently held AACO conference, which was very good. He stated the CSA Executive Director is leaving in September and Jim Sawyer of AACO has resigned to go to NACO with Nicole Waldron replacing Mr. Sawyer.

Mr. Brownlow recognized Jack Latham of Congressman Renzi's office.

PUBLIC WORKS/PLANNING AND ZONING: Dave Ashton, Presenter:

1) Public Hearing and Resolution to approve Amendment to the Conceptual Master Development Site Plan for Starlight Ridge in the Lakeside Area: Mr. Ashton advised those present that the developer of Starlight Ridge is requesting to amend the Conceptual Master Development Site Plan due to realignment of some of the proposed interior roads for Unit 2 to create a better traffic pattern through the subdivision. He reported this request was presented to the White Mountain Transportation Committee and they and staff recommend approval with stipulations as presented in their report. Mr. Young reported this revision has also been submitted to the White Mountain Apache Tribe and the Forest Service. No letters of opposition were received in conjunction with the public notice of this hearing. Colette Altaha, Transportation Coordinator of the White Mountain Apache Tribe, stated the Tribe appreciates the notices, has reviewed the plan and is agreeable to the changes. In response to a question from Mr. Deal, Ms. Altaha stated that the Tribe's plan for the reservation land in this area is in the very early planning stages and includes commercial lots and a 100-unit housing development, with both of these far in the future. She said requests for an easement route are going through the legal department. Mr. Brownlow invited public comments in this hearing and there were none. Mr. Young and Mr. Ashton traced the original road alignment as it related to the requested road alignment. Mr. Deal emphasized that in the event of an emergency, the Tribe would be at a disadvantage with no connector road and requested that Mr. Young encourage the developer to communicate with the Tribe for road continuity. Mr. Young stated the developer is willing to establish connector lines with the Tribe, Forest Service and County for access. **Mr. DeSpain made a motion** to approve by **Resolution No. 43-05** the Amendment to the Conceptual Master Development Site Plan s requested by Steve Kohner, agent for Lakeside 160 L.L.C. as presented; motion seconded by Mr. Tenney; vote

unanimous approving the motion.

2) Resolution approving the Master Plan and the Final Plat with the Financial Assurances for the Canyon Vista Estates subdivision This item was **continued**.

Mr. Brownlow expressed his appreciation to Dave Ashton for 14 years of service to the County, announcing this would be Mr. Ashton's last meeting as he is retiring from the County. Mr. Young invited the Board to a luncheon for Mr. Ashton on Tuesday at 12:00.

BOARD OF SUPERVISORS: George Joe, Presenter: Presentation of an Economic Development Publication for the Navajo Nation: Mr. Joe distributed a prototype of the Rez Biz, a planned economic development publication for the Navajo Nation. He said this publication will be approximately 24 pages and will be published monthly. He reviewed some of the content of the publication and explained he is approaching Navajo County, other counties and New Mexico to request start-up funding for the publication. Mr. Thompson stated he was impressed with this publication and recommends that Mr. Jayne and Mr. Menlove consider this project. Mr. DeSpain congratulated Mr. Joe on recognizing the need for economic development and taking steps to promote it. In response to questions from Mr. Deal, Mr. Joe stated they are working on a business plan with a consultant and will have a cost breakdown. They are requesting that the County partner in this project through a one-year, one-time contribution to provide the start up funds. He reported that all members of the Tribe would get the publication free for three months. He stated they do have a cost proposal and he will assure that Mr. Menlove has that information.

FINANCE/SPECIAL DISTRICTS: Dick Young, Leida Hatch, Dusty Parsons, Presenters

- 1) **Public Hearing and Resolution to authorize the establishment of the Fawn Brook Domestic Wastewater District of Navajo County** Ms. Hatch advised the Board that the public hearing for the establishment of the Fawn Brook Domestic Wastewater District of Navajo County is being requested as a result of saturation of the soil in this area from old septic systems. City of Show Low officials have advised property owners that if the infrastructure is constructed, the City will annex them and hook them up to city sewer. She recognized the presence of Steve Wene as legal counsel and Catherine Mullaugh, as a proposed Board member and advised that Dan Simpson had submitted a letter of willingness to be on the Board. Mr. Brownlow invited comments from the audience. In response to questions, Mr. Wene stated there are about fifteen people in the audience who are in favor of the formation of this district; the need for the district is established by the environmental concerns, the Board will be formed to address financing the sewer system; the City of Show Low supports the proposal and ribbing on the pavement and curbing on the road will be included in the project. It was acknowledged that no comments were received against this District establishment. In response to Mr. DeSpain's concerns regarding property owner awareness of assessment amounts, Mr. Wene advised there is not an assessment amount at this time as the project must go through the bid process. Mr. Brownlow invited anyone in the audience to express opposition and no one responded. Mr. Frank White said the property owners had conducted several meetings and no one had expressed opposition. Mr. Tenney stated there had been several good property owner meetings on this topic. **Mr. Tenney made a motion** to adopt **Resolution 44-05** to establish the Fawn Brook Domestic Wastewater District of Navajo County with appointment of the Board as listed within the resolution; the motion was seconded by Mr. DeSpain; the motion carried unanimously. Mr. Deal was absent during the vote.
- 2) **Board of Directors Session: Scott's Pine Tract A Improvement District: Approve a contract with Delph Engineering for the survey and design of the improvements for the Scott's Pine Tract A Improvement District:** **Mr. DeSpain made a motion** to enter a **Board of Directors Session** for Scott's Pine Tract A Improvement District; motion seconded by Mr. Thompson; vote unanimous approving motion. Mr. Deal was absent for the vote. Mr. Young advised the Board that this District currently has a contract with Delph Engineering to perform the surveying and engineering. For continuity purposes, staff recommends that the

engineering contract for Tract A also be awarded to Delph Engineering in an amount not to exceed \$25,000 with the funds to be advanced from the General Fund to be repaid from the District assessment proceeds. Mr. Brownlow asked if there was a time frame for the next construction and Mr. Young stated it would not happen this construction year. **Mr. DeSpain made a motion** to approve a contract with Delph Engineering for the survey and design of the improvements for the Scott's Pine Tract A Improvement District; motion seconded by Mr. Thompson; vote unanimous approving the motion. **Mr. Thompson made a motion** to return to regular session; motion seconded by Mr. DeSpain; vote unanimous approving the motion.

- 3) **Board of Directors Session: Roan Circle Improvement District: Accept and order Publication of the Notice of Completion of the Improvements of the Street within the District; and release the retained funds:** **Mr. DeSpain made a motion** to enter into a **Board of Directors Session** for the Roan Circle Improvement District; motion seconded by Mr. Tenney; vote unanimous approving the motion. Mr. Young advised the Board that staff recommends that Contract B04-03232 be closed as all work is complete. **Mr. Tenney made a motion** to accept and order Publication of the Notice of Completion of the improvements of the street within the Roan Circle Improvement District; and release the retained funds; motion seconded by Mr. DeSpain; vote unanimous approving the motion. **Mr. Tenney made a motion** to return to regular session; motion seconded by Mr. DeSpain; vote unanimous approving the motion.
- 4) **Board of Directors Session: Madison Lane Circle Improvement District: Accept and order Publication of the Notice of completion of the Improvements of the Street within the District and release the retained funds:** **Mr. DeSpain made a motion** to enter into a **Board of Directors Session** for the Madison Lane Circle Improvement District; motion seconded by Mr. Tenney; vote unanimous approving the motion. Mr. Young advised the Board that all work is complete for Contract B04-03231. He said the Notice of Completion that is published allows one year for anyone to file a protest. **Mr. DeSpain made a motion** to accept and order publication of the Notice of Completion of the improvements of the street within the Madison Lane Circle Improvement District and release the retained funds; motion seconded by Mr. Tenney; vote unanimous approving the motion.

PUBLIC WORKS: Dick Young, Presenter

- 1) **Approve Contract Amendment 1 for \$9,527.00, Contract Amendment 2 for \$2,611.00 and Contract Amendment 3 for \$2115.00 as presented to Gannett Fleming for the Chevelon Creek Rehabilitation Project:** Mr. Young advised the Board that at the time that the initial contract for the transportation enhancement project was awarded they were not aware of the extensive environmental study that ADOT identified at a later date. This study would address archaeological and historical issues. The three proposed contract amendments would cover these studies for the final design of the Chevelon Creek Bridge. Mr. Young reported that all funds for these contracts will come from the Transportation Enhancement Fund with the understanding that Navajo County is responsible for 5.3% of the total cost and if the costs exceed the grant funding the County would be responsible for that excess. In response to questions from Supervisors, Mr. Young stated that the bridge would be closed during construction and that road closure with an exact time frame will come back to the Board. **Mr. DeSpain made a motion** to approve Contract Amendment 1 for \$9,527.00, Contract Amendment 2 for \$2,611.00 and Contract Amendment 3 for \$2115.00 as presented to Gannett Fleming for the Chevelon Creek Rehabilitation Project; motion seconded by Mr. Tenney; vote unanimous approving the motion.
- 2) Approve purchasing 229.06 square feet of the Gilbert and Geraldine Armijo parcel at 144 N. Woodland Road for \$3,000 and authorize a manual warrant: Mr. Young advised the Board that this is the remaining parcel of the three that the county must acquire along Woodland Road to construct the proposed improvements and that this acquisition is budgeted. The property owners, Gilbert and Geraldine Armijo, have accepted the offer for the land, including the trees, and will execute the deed upon their receipt of the check. **Mr. DeSpain made a motion** to approve purchasing 229.06 square feet of the Gilbert and Geraldine Armijo parcel at 144 N. Woodland Road for \$3,000 and authorize a manual warrant; Mr. Thompson seconded the motion; vote unanimous approving the motion.

Mr. Brownlow recognized Representative Bill Konopnicki in the audience.

BOARD OF SUPERVISORS: Craig Sullivan, Presenter: Post-legislative presentation outlining the impact of this session's legislation and budget on County government: Mr. Sullivan expressed appreciation to Mr. Brownlow for his dedication as the Navajo County representative to the County Supervisors Association. Mr. Sullivan conducted a PowerPoint presentation outlining a summary of the recent legislative session. He advised that County Contributing Funds and the County Transportation Contribution fund will sunset on June 30, 2005. The minimum diversion of Highway User Revenue Funds (HURF) impacts the county by \$53,103. The County will now split the Restoration of Competency costs with State on a 50/50 basis, down from 86% County contribution. Proposition 204 had no impact on the County. The State pays 50% of growth for rural counties in a cost sharing arrangement for ALTCS. The County contribution to the Disproportionate Share Uncompensated Care (DUC) Pool this year will be \$122,800. Mr. Sullivan emphasized that this legislative session was successful in passing requested legislation through the cooperative efforts between county boards and the legislators. He discussed several legislative bills and reported that the tax reform bill created business tax equity by reducing the assessment rate from 25% to 20% over a ten-year period, and over a five-year period increases state aid to the homeowner and the homeowners' rebate. He stated the legislators are still working with the water regulation and drought management issues and the studies confirm that the water issues around the state are not homogenous. In response to a question by Mr. Deal, Mr. Sullivan stated he would provide information as to whether the Rural Water Study Committee has the authority to look at water on the reservation. Mr. Sullivan stated that the issue of the removal of underground storage tanks and issues surrounding the state trust land must be addressed in the next session. He requested that Supervisors carefully monitor legislation and proposed ballot measures for impact, citing a significant cost impact on the court/detention system should a ballot measure pass to amend the Arizona Constitution to not grant bail for serious felony offenses if the person is in the United States illegally. He discussed the impact of the increase in the ASRS contributions by employees and the governmental entities, advising the required increase would take place over a two-year period. In response to a question from Mr. DeSpain, Mr. Sullivan stated he would obtain an answer regarding voting identification and report back.

Mr. Jayne stated that Navajo County is fortunate to be represented by the CSA State Co-Representatives of the Year, Representative Konopnicki and Representative Brown, and the CSA State Senator of the Year, Senator Flake. He stated that Senator Flake was unable to attend because of the death of his brother. He invited Representative Brown and Representative Konopnicki to speak.

Representative Konopnicki expressed his appreciation for the Board and CSA dedication, emphasizing that legislators could not be effective without their cooperation. He reported that the State revenue is \$1.2 billion above projections resulting in a \$400 million cash reserve. He stated he believed the water fight between rural Arizona and the larger counties is going to be significant and he wants to ensure legislators have all the information they need. He advised that the legislators would scrutinize tax reform next year to assure questions and impacts are addressed.

Representative Brown expressed appreciation to the Board for the opportunity to speak. He advised that there are challenges in rural Arizona regarding State land sales as the Board has approved sales in Maricopa County on extremely large tracts have been approved but there has been an on-going request to purchase a five-acre parcel in St. Johns for a park and State land staff advises the parcel is too small to appraise. He agreed that the water situation must be closely monitored to assure that bills do not penalize the rural counties. Mr. Thompson encouraged Representative Brown to continue working with Representative Kirkpatrick, Representative Tom and Senator Hale on reservation and County issues. Mr. Brown stated they do work closely together and that he believed the team representing Navajo County is the strongest team at the legislature. He said they made progress on several bills and will continue to request input on bills that impact this County.

Mr. DeSpain stated he would like to publicly thank Representative Konopnicki and Representative Brown for their consistent participation in the Small Counties' forums and the County Supervisors Association. All Board members expressed appreciation for the legislators' dedication and the impact they make.

Supervisors were cautioned to monitor and budget for increased fuel prices for the next fiscal year and the impact that will have on all areas of the budget.

Matt Ryan expressed appreciation to the Board for hosting the upcoming CSA meeting in September.

Jack Latham corrected a remark he made at the June 6 meeting, stating this month actually marks the 230th anniversary of the Army rather than the 279th anniversary.

The Board recessed for lunch at 11:55 a.m. and reconvened at 1:40 p.m.

JUVENILE PROBATION: Ted Ryersbach, Chief Probation Officer: **Resolution** approving a County Match of \$4,469 with Supreme Court funds for family counseling for juveniles and their families referred to the Court: The Board reviewed population count for juveniles using this service and Mr. Menlove assured the Board these funds were budgeted. **Mr. DeSpain made a motion** to approve **Resolution 45-05** authorizing a continuing funding for Family Counseling with a County match of \$4,469 with Supreme Court funds; motion seconded by Mr. Tenney; vote unanimous approving the motion.

HEALTH DEPARTMENT/BIO-TERRORISM: Dr. Wade Kartchner, Kevin Neill, Amy Stradling and Tracy Letcher, Presenters; **Board of Directors Session:** **Mr. Tenney made a motion** to enter a **Board of Directors Session** for the Navajo County Public Health Services District; motion seconded by Mr. Thompson; vote unanimous approving motion.

- 1) **Approve IGA with Shonto that will provide the use of school facilities by Navajo County Public Health Services District during a public health emergency:** Kevin Neill addressed questions from Mr. Deal regarding the remote access of Shonto, stating that Shonto was selected to provide school facilities for health emergency use based on a tribal liaison study reflecting that this area is a major population center and advised it would be used as an alternative site if Kayenta could not be used. **Mr. Deal made a motion** to approve an IGA with Shonto that will provide the use of school facilities by Navajo County Public Health Services District during a public health emergency; Mr. Thompson seconded the motion and the motion carried unanimously.
- 2) **Approve Amendment #2 of the County Prenatal Block Grant from the Arizona Department of Health Services to continue to provide services to the communities of Navajo County:** Amy Stradling advised the Board that this prenatal program has been effective and this amendment is necessary to continue to provide these services. **Mr. DeSpain made a motion** to approve amendment #2 of the County Prenatal Block Grant from the Arizona Department of Health Services to continue to provide services to the communities of Navajo County; Mr. Tenney seconded the motion; vote unanimous approving the motion.
- 3) **Approve request to amend HIV Contract #HG352259 from a Fixed Price to Cost reimbursement Contract:** Tracy Letcher clarified that there are no County matches required and this amendment will change the contract to an actual cost reimbursement. **Mr. DeSpain made a motion** to approve an amendment to the HIV Contract #HG352259 from a Fixed Price to Cost reimbursement Contract; motion seconded by Mr. Tenney; vote unanimous approving the motion.

Dr. Kartchner reported that the animal control manager position is currently being advertised. Mr. Payette stated they would also draft an ordinance that would have to be approved by the Board.

Mr. DeSpain made motion to return to regular session; motion seconded by Mr. Thompson; vote unanimous approving the motion.

PUBLIC DEFENDER: Emery LaBarge, Public Defender: Approve request for Expert Witness Fees in CR2005-126 State v. Joseph Gomez up to \$5,000: Emery LaBarge advised the Board that the proposed cost reflects an increased cost governed by the need to obtain expert witness testimony from out of state since the forensic experts in the State have been involved with this case. Mr. Deal expressed opposition to funding this expert witness fee. Mr. Jayne stated he had spoke with Judge Nielson regarding this expense and both he and Judge Lamb came to an agreement that \$5,000 is a reasonable expense. In response to procedural questions, Ms. LaBarge stated that if the Board of Supervisors denied this request the defendant could hold Board members personally liable for lack of adequate defense; her office would file a motion with Judge Nielson to order the Board to pay and this process could take sufficient time that the defendant would have to be released. Mr. Deal inquired who pays for the expert witnesses on behalf of the baby and was advised the same County budget does. **Mr. Tenney made a motion** to approve the Public Defender request for Expert Witness Fees in CR2005-126 State v. Joseph Gomez up to \$5,000; motion seconded by Mr. DeSpain; vote 4-1 with Mr. Brownlow, Mr. Thompson, Mr. DeSpain and Mr. Tenney voting in favor of the motion and Mr. Deal voting against the motion.

ASSESSOR: Cammy Darris, Assessor: Request to hire a temporary employee for five to six weeks to be paid totally through the Navajo Nation: Lola Sibcy apologized for Cammy Darris, stating her absence was due to County business and began the presentation of this agenda item. Ms. Darris entered the discussion in progress. The Board was advised this is a 5-6 week position and is part of a youth training program through the Navajo Nation; there will be no cost to the County as all expenses, including workman's compensation is paid through the Nation. **Mr. Deal made a motion** to approve the request to hire a temporary employee for five to six weeks to be paid totally through the Navajo Nation; Mr. Thompson seconded the motion; vote unanimous approving the motion.

ADMINISTRATION/FINANCE: James Menlove, Karen Bray, Presenters:

- 1) **Approve award of official County Newspaper contract for the period July 1, 2005 through June 20, 2006:** Mary Jane Springer stated both the Winslow Mail and The Holbrook Tribune were deemed responsive bidders with staff recommending award to The Holbrook Tribune based on cost as outlined: The Holbrook Tribune \$1.60 per column inch on the first publication and \$1.40 per column inch for additional publications as opposed to the Winslow Mail bid of \$3.00 per column inch. **Mr. DeSpain made a motion** to approve award of the official County Newspaper contract for the period July 1, 2005 through June 20, 2006 to the Holbrook Tribune; motion seconded by Mr. Tenney; vote unanimous approving the motion.
- 2) **Appoint Board of Directors for the County's Industrial Development Authority (IDA) to be appointed for like terms similar to the Board of Supervisors:** Mr. Menlove stated the Board had previously approved the re-activation of the Industrial Development Authority and they are now requesting to appoint the Board of Directors for this entity. Mr. DeSpain explained historical responsibilities of this Board as related to the process surrounding the Cholla Power plant emphasizing that it is important the Board appoints individuals who are strong in the area of finance. He recognized Amber Hill, City of Holbrook Finance Director, and stated she has volunteered for this Board from District III. Mr. Payette researched Board questions and advised Directors are only required to be qualified electors in the County and it is necessary to review the Articles of Incorporation for term limits. He stated the only item needing to be addressed today is putting forth names for this Board. Mr. Menlove stated that Kerry Ballard, Town of Snowflake Vice Mayor, has volunteered to serve on this Board. He requested that Supervisors advise him one additional name. This agenda item is **continued until the next meeting.**
- 3) **Approval of Employee Benefits for Plan Year 2005-2006:** Karen Bray reviewed the proposed employee benefit package stating there is no increase to employee contributions for medical insurance; waiving the \$25 single/\$75 family annual prescription deductible; the calendar dental maximum increase from

\$1,000 to \$1,250; life insurance benefit increases from \$20,000 to \$40,000; MSAS is launching a campaign to build the dental network; and MSAS is offering discounts at Mayo Clinic at no additional cost. She also discussed administrative savings. Mr. Tenney requested that orthodontics benefits be explored in a future package. Ms. Bray stated the group would again consider that and explained that at this time FLEX contributions can help minimize the impact of that expense. In response to a question from Mr. DeSpain, Ms. Bray stated the County has approximately 25-30 retirees and the State has discontinued the rural reimbursement of costs and now subsidize at \$150.00 single and \$260 family. Ms. Bray stated this benefit package is a result of the Task Force study and recommendation. Mr. Menlove advised that a year ago the benefits package was not well funded and this year it is in very good shape. Mr. Tenney complimented these efforts and the proposed package. Mr. DeSpain made a motion to approve the employee benefits plan as presented for Plan Year 2005-2006; motion seconded by Mr. Deal; vote unanimous approving the motion.

There being no further business to come before the Board of Supervisors, the meeting was adjourned, upon a **motion made by Mr. Tenney**; motion seconded by Mr. DeSpain; vote unanimous approving the motion. The meeting adjourned at 2:50 p.m.

APPROVED:

Chairman

Date

ATTEST:

Darlene Fraley, Deputy Clerk