

**BOARD OF SUPERVISORS
NAVAJO COUNTY, ARIZONA**

MAY 12, 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; Eddie Koury, County Manager; and Judy Jones, Clerk of the Board.

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

CALL TO THE PUBLIC: None

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 5, 2003; 3) Assessor's Assessment and Tax Roll Corrections; 4) Constable Reports: (April) Pinetop and Winslow; 5) Letter of Authorization for Community First to allow Ed Stone and John Hager to be added to the list of persons allowed to sign checks for the White Mountain Lake Recreation District Advisory board; 6) Applications for widows/widowers "Request for Redemption of Waiver" for Progressive Mobile Home (B. Begay) & (M. Metters; Parcel #'s: 212-14-056 (E.Clark; 109-25-186 (D.Davis); 202-32-033 (F. Hunt); 211-32-030 (E. Kuykendall); 206-19-097 (M. Matyjasik); 206-17-188 (B. Payne); 203-54-014 (R.Morales); 203-25-002C (L Stumbo); 212-42-057A (N.Thompson); 210-16-009 (G. Willis).

BOARD OF SUPERVISORS: Judy Jones, Clerk: Request to go out to bid for Annual Contract for Advertising and Printing County Newspaper Bid #B03-05051 which expires June 30, 2003. Mr. Shumway made a motion to go out to bid for Annual Contract for Advertising and Printing County Newspaper Bid #B03-05051; motion seconded by Mr. DeSpain; vote unanimously carried.

WHITE MOUNTAIN REGIONAL DEVELOPMENT CORP (WMRDC)/EASTERN ARIZONA COUNTIES ORGANIZATION (ECO): Bob Moffett, WMRDC Director and Charlie Hendrickson, APS: Presentation regarding Small Diameter Timber Thinning. Mr. Moffett addressed the board regarding a proposal to thin the area burned by the Rodeo/Chedeski fire by logging small diameter wood 14 inches and smaller. Louisiana Pacific has approached the area with interest in putting in a plant to harvest and utilize that wood. The company would like a long term commitment from the area of at least 10 years. Present national forest policy is effective for only a maximum of five (5) years. Mr. Hendrickson made a PowerPoint presentation explaining the process and the benefits that such a project would be to Navajo County as well as other counties. A coalition of counties with forests would need to form a non-profit inter-government agency (IGA). The various entities would contract with the region's national forests for forest treatment. 250 - 300 jobs would be created. He explained the need for the cooperation of all the parties involved including support of environmentalists. The plan calls for revenues paid by the Forest Service for the treatment of forests to be collected in a reserve fund and set aside as a potential source to compensate Louisiana Pacific in the event they lose access to the forests in less than ten years. It was also announced that a 10 Megawatt Bio Mass Generating plant has committed to the area and it is the intent for the slash from the timber removal to be chipped and sent to the plant. Discussion was held on the importance of removing the burned timber while it is still usable and the dangers of the upcoming fire season. The board members expressed their support for the project and requested that they be kept up to date on progress. No action taken.

BUILDING & GROUNDS: Dan Hinz, Director: Approval of Inmate Work Contract #030017DC between

Navajo County and the Arizona Department of Corrections for inmate services (expiration 6/30/08). **DeSpain made a motion** to approve Inmate Work Contract #030017DC with DOC for inmate services; motion seconded by Mr. Shumway ; vote unanimously carried.

NAVAJO COUNTY PUBLIC HEALTH DISTRICT: Dr. Stanley Warner, Director, Dr. Ray Nejerer, Bio Terrorism Defense Manager and Eddie Koury, County Manager **Board of Directors Session: Mr. Shumway made a motion** to enter into the BOD session; motion seconded by Mr. Brownlow; vote unanimously carried.

1) Current Status of the Health District operations: Dr. Warner indicated that everything was ready to do an annual billing for fees and he has discussed setting up a billing system with the MIS department and they are working together to come up with a program. No action taken. **2) Update on implementation of new fee ordinance and fee collection:** Dr. Warner reported a survey of other counties regarding fee collections shows our fees are low and he would like to see the permit fees increased in several areas including bars, bed & breakfast, board & care homes, continental breakfasts, and mobile fees. Mr. Koury reported he would speak with the MIS department regarding the program for billing. No action taken. **3) Possible new fee schedule:** Dr. Warner discussed the possibility of a new fee schedule which would increase Bakery, Bar/lounge, B&B's, Bar/Restaurant & Continental Breakfast permits from \$50 to \$75. It was reported it would need to be advertised and a public hearing would need to be held. **Mr. Deal made a motion** to proceed with plans for a new fee schedule; motion seconded by Mr. Thompson; vote unanimously carried. **(Clerk's Note: Publication was not done, therefore fee increase will not go into effect this FY)** **4) Request for additional (third) Environmental Sanitarian:** Dr. Warner stated there were only two sanitarians at this time and they need additional help due to amount of establishments (estimated 500 or more) . It was suggested this discussion be continued until the budget session. No action taken. **5) Approval for Niebling Management Consulting to assist with HIPPA compliance** Discussion was held regarding the need for assistance with the HIPPA compliance. Consensus of the board was to look into having staff assist with this matter. No action taken. **6) Extension of Amendment #2 of Bioterrorism Response & Preparedness Contract #252034 to 8/30/04** Dr. Nejerer explained the amendments to the contract. Nejerer explained changes in emphasis in area including SARS and Smallpox. Discussion was held regarding working with the tribes for continuing education. **Mr. Deal made a motion** to approve extending Amendment #2 of Bioterrorism Response & Preparedness Contract; motion seconded by Mr. Brownlow; vote unanimously carried. **Mr. DeSpain made a motion** to return to regular session; motion seconded by Mr. Thompson; vote unanimously carried.

ADMINISTRATION: Eddie Koury, County Manager: Budget Discussions - FY 2003/2004: Mr. Koury addressed the board regarding the budget in general and specific areas of concern. He reported on the estimated impact of the Speaker's budget proposal. The proposal reflects \$1,137,302.00 coming from Navajo County. He reported this is just one of the proposals being considered. There are other proposals and there does not seem to be any real consensus. There have been no decisions made by the State. He handed out information to the board regarding possible income sources and additional expenditures projected for the upcoming budget year. He reported on the PTOC tax case indicating the \$877,000 figure the county must pay is firm. Chairman Shumway asked when the amount needed to be paid. Mr. Koury reported it must be paid in this year. Mr. Koury indicated he hoped the election equipment would not cost the full \$1,000,000. Mr. Koury stated Mr. Gonzales would be making a presentation next week to the board regarding the increase in employee medical coverage. He indicated that the county will have to pay for unemployment benefits up to 26 weeks for the employees that are laid off. The amount is estimated at \$200,000. Estimated jail expenses over budget and state cost shifts were discussed. Mr. Koury went over possible sources of additional revenues. He reported the PTOC Tax case funds were there. He reported that sales tax figures were actually

down at this time and explained some figures of monies that were set aside for certain projects. He suggested that those funds needed to be discussed and decide if the funds needed to be returned to the general fund. Those areas included funds remaining from the heating/air conditioning upgrade, funds for South County Complex, funds for Winslow construction, special district assistance fund, special district revolving fund, Rodeo/Chedeski fire reimbursements, and the debris removal program reimbursements. After going over all the figures, Mr. Koury reported there could still be a shortfall of over \$3,000,000, but indicated he hoped the total would not be that much. Mr. Deal asked about deadlines to adopt the budget. Mr. Koury indicated the county may have to adopt their budget before the State makes any decisions. Non - mandated services were discussed including the Parks Department and the Child Support Department. A list of various dues that are paid by the county were presented and Mr. Koury suggested the board look at the cost. 1) Public Health District (Board of Directors Session) Mr. Thompson made a motion to enter into a BOD session; motion seconded by Mr. Brownlow; vote unanimously carried. Dr. Warner explained the proposal to hire an additional Sanitarian and a Health Educator. Discussion was held on funding of the positions. Donations for vaccines were discussed. No action taken. **Mr. Shumway made a motion** to return to regular session; motion seconded by Mr. Brownlow; vote unanimously carried. 2) Library District (Board of Directors Session) Mr. Thompson made a motion to enter into BOD session; motion seconded by Mr. Shumway; vote unanimously carried. Ms. Durkee explained the changes to the budget including the elimination of the contingency fund. Ms. Durkee explained plans for purchase of equipment and grants the staff applies for and use for the various libraries. **Mr. Brownlow made a motion** to tentatively approve the Library District Budget; motion seconded by Mr. Deal; vote unanimously carried. **Mr. Shumway made a motion** to return to regular session ; motion seconded by Mr. DeSpain; vote unanimously carried. 3) Public Works Budget: Mr. Cox explained the proposed changes to the department budget and a prioritized request list that included a 5% salary increase for Public Works employees, an increase in Reservation Road Funds and an increase in the HURF Revolving Fund. Mr. Thompson indicated he would like to see an increase in the Reservation Road Funds as communication has just begun with the various entities for improving roads on the reservation, especially the bus routes. Those roads are a priority. TEA-21 funds were discussed and the need for an increase in the funds by congress. Mr. Deal explained the division of the funds by the various states for school bus route maintenance. Mr. Shumway indicated he felt Navajo County needed to treat all roads fairly and he would like to see an equal amount of available funding placed in all districts. Mr. Shumway reported there were no funds to assist with repairs for roads in his district. Mr. DeSpain indicated the same problem in his district. Mr. Cox explained there is only about 8 miles of roads in the county that are scheduled for improvements next year, the rest of budget is for maintenance only. Mr. Deal pointed out numerous items in the Public Works budget that were funds for off - reservation roads. Discussion was held on the proposed 5% salary increase for Public Works employees. Mr. Cox explained his employees are disheartened by no raises and since his department has the money, they would like to give the employees a raise. Mr. Koury stated he felt it would be unfair to the other departments to do this now and would make for a very unhappy employee base. He added he would not make a recommendation to approve this request at this time. Chairman Shumway asked members of the personnel commission in the audience to comment on the request and all agreed the timing of the request was bad. No action taken. 4) Navajo County Flood Control District (Board of Directors Session) Mr. Pete Shumway made a motion to enter into BOD session; motion seconded by Mr. Brownlow; vote unanimously carried. Mr. Cox explained the budget. Mr. Koury added the budget was based on using last years figures. Discussion was held on the litigation involving flooding in Winslow. Mr. Shumway asked that a session be held with the attorneys to get an update on the status of the lawsuit. No action taken. **Mr. Shumway made a motion** to return to regular session; motion seconded by Mr. Brownlow; vote unanimously carried. 5) Little Colorado Flood Control District (Board of Directors Session) Mr. Shumway

made a motion to enter into BOD session; motion seconded by Mr. Thompson; vote unanimously carried. The budget was discussed and it was indicated that figures were based on last years budget. Further discussion was held on the pending litigation and the need for an update. County Attorney Mel Bowers reported the Insurance Pool attorneys are pushing very hard for resolution. No action taken. **Mr. Shumway made a motion** to return to regular session; motion seconded by Mr. Thompson; vote unanimously carried.

BUREAU OF INDIAN AFFAIRS (BIA)/FT DEFIANCE AGENCY: Calvin Castillo, Agency Road Engineer: **Funding assistance from Reservation Road Funds for road base material:** Mr. Castillo addressed the board regarding the need to gravel a school bus route and explained the road would just need capped at this time. The County Attorney questioned whether the project needed to go to bid. It was determined that Brimhall was the only source in the area and no bid process would be needed. However we would need a “sole source” letter from the BIA stating that Brimhall was the sole source provider of road materials for the area. **Mr. Thompson made a motion** to approve \$40,946.40 from Reservation Road Funds to assist with road material; motion seconded by Mr. Deal; vote unanimously carried.

BOARD BUSINESS: County Manager Eddie Koury presented the Board with a letter announcing his retirement effective May 30, 2003. Mr. Koury added that he had already accepted letters of retirement from Deputy County Manager Clinton Shreeve and Human Resources Director Gilbert Gonzales effective May 30, 2003 as well.

PAYROLL ACTIONS: Gilbert Gonzales, Human Resource Director, presented a list of payroll actions. Eddie Koury, Gilbert Gonzales, and Clint Shreeve’s resignation/retirement notices were included in the payroll changes. **Mr. DeSpain made a motion** to approve the payroll actions as submitted; motion seconded by Mr. Brownlow; vote unanimous approving the motion. Mr. Deal was not present for the vote.

There being no further business to come before the Board of Supervisors, the meeting was adjourned until Monday, 19, 2003, upon a **motion made by Mr. DeSpain**; motion seconded by Mr. Brownlow; vote unanimously carried. The meeting adjourned at 4:00 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:ASAPSoft\$1055.70;CSKAUTO\$1057.29;CitiGas1\$1179.85;ClerkSupCrt\$2649.43;CumbContCo\$1356.66;CrtRepServ\$1728.00;CourtShev\$1197.45;E&EServ\$1544.62;FrontComm\$17933.32;JanetOrioSup\$1151.43;LegalSoftwre\$8791.20;M&MProfClean\$6382.17;NCRF\$3660.38;NAzRep\$1091.87;PatMcGillicudd y\$1130.00;PetroTradCopr\$10251.66;PortenEnter\$2382.56;Quill\$2344.48;SpecLoaders\$6935.16;Sprint\$40

76.63;TCISoftwre\$1840.00;Verizon\$1429.65;Viking\$1259.61;YoungFutTire\$4256.07;NAzAcad\$1066.72