

**MINUTES
OF THE
LA PAZ COUNTY BOARD OF SUPERVISORS
Monday, June 18, 2018, 10:00 a.m.
Regular Meeting**

Chairman Minor called the June 18, 2018, regular meeting of the Board of Supervisors to order at 10:04 a.m. Elected Officials and Department Heads present were: Chairman Minor, Supervisor Irwin, Supervisor Wilson (telephonically), Sheriff Risen, Human Resource Director Frantz, Finance Director Krukemyer, Public Defender Higgins, Superior Court Clerk Spielman, Chief Probation Officer Ross, Recorder Baker, Elections Director Scholl, Health Director Shontz, Community Development Administrator Yackley; and Deputy Clerk of the Board Green.

Chairman Minor led the Pledge of Allegiance followed by the Invocation given by Pastor Jose Garcia of the Parker Apostolic Church.

Presentation: “Summer Preparedness” by Jeff Spohn, Southwest Division Manager of the Arizona Public Service (APS)

Anna Chaulk, representative of Arizona Public Service (APS) stated that Mr. Spohn was unable to come, and she came in his stead.

She explained that APS has a good relationship with the La Paz County Emergency Services and first responders. She noted that APS, whose presence is in the majority of the state, was a first responder along with others, and participated in back-up exercises and emergency plans. She stated that APS would send crews North, if needed, in order handle weather issues.

She stated that APS has put their resources in electronic availability after closing some offices, with automated outage messages, updated every five minutes, that give information on what may have caused outages.

Ms. Chaulk stated that she appreciated the relationship with La Paz County.

Call to the Public: This is the time for the public to comment. Members of the Board may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01(H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date

There were no comments.

County Administrator and/or County Supervisor's Current Event Summary: The County Administrator or Board Member may present a brief summary of current events summarizing recent occurrences without any discussion or feedback from the remainder of the board. The Board will not propose, discuss, deliberate or take legal action on any matter mentioned in the summary unless the specific matter is already properly noticed for legal action, and then only at such time as that matter comes before the board itself pursuant to its meeting agenda. A.R.S. § 38-431.02(K)

There were no comments.

CONSENT AGENDA (*Discussion and possible action on the following items*):

County Administrator Drake presented for approval Consent Agenda Items #6(a) through #6(f).

6(a) Approval of Minutes

Approve the minutes of the June 4, 2018, 10:00 a.m. regular meeting.

6(b) Approval of Payroll

Approve May 27, 2018, through June 9, 2018, gross payroll, as presented, in the amount of \$375,610.68, plus employer benefit contributions of \$91,421.75, for a total of \$467,032.43, including handwritten warrants.

6(c) Approval of Demands

Approve the demands already remitted, as presented, for FY2017/2018, in the amount of \$773,178.31, including handwritten warrants.

6(d) Approve change to the minimum requirement for the Assessor's Chief Deputy position – Human Resources

This item was removed from the Consent Agenda for separate discussion and action.

6(e) Approve to appoint the position of Chief Deputy, a vacant budgeted position – Assessor (Replacement/Promotion)

This item was removed from the Consent Agenda for separate discussion and action.

6(f) Approve to appoint the position of Public Defender I, a vacant budgeted position - Public Defender (Replacement)

Approve to appoint Sean Kautenburger to the position of Public Defender I, effective June 19, 2018, at an annual salary of \$54,673.63 (E019, Step 5); a vacant budgeted position; contingent upon admission into the Arizona State Bar.

6(g) Approve Arizona Criminal Justice Commission Drug, Gang and Violent Crime Grant FY2019 Cycle 31 Award, DC-19-026, in the amount of \$66,480; effective July 1, 2018, and terminating June 30, 2019; with a grant match of \$16,620 to be funded by RICO account #277 – County Attorney

Approve Arizona Criminal Justice Commission Drug, Gang and Violent Crime Grant FY2019 Cycle 31 Award, DC-19-026, in the amount of \$66,480; effective July 1, 2018, and terminating June 30, 2019; with a grant match of \$16,620 to be funded by RICO account #277.

6(h) Approve Arizona Criminal Justice Commission (ACJC) Crime Victim Compensation Grant Agreement VC-19-055, in the amount of \$49,360, effective July 1, 2018, and terminating on June 30, 2019 – County Attorney

Approve Arizona Criminal Justice Commission (ACJC) Crime Victim Compensation Grant Agreement VC-19-055, in the amount of \$49,360, effective July 1, 2018, and terminating on June 30, 2019.

6(i) Approve application for fireworks display from Fireworks Productions of Arizona on behalf of the McMullen Valley Chamber of Commerce for a fireworks demonstration scheduled for July 3, 2018 at Centennial Park, Salome – Board of Supervisors

Approve application for fireworks display from Fireworks Productions of Arizona on behalf of the McMullen Valley Chamber of Commerce for a fireworks demonstration scheduled for July 3, 2018, at Centennial Park, Salome.

6(j) Approve departmental requests for extension of accrued vacation leave from FY2017/2018 – Board of Supervisors

Approve departmental requests for extension of accrued vacation leave from FY2017/2018.

6(k) Approve the Arizona Criminal Justice Commission (ACJC) Drug, Gang and Violent Crime Control grant award for FY2018/2019, allocating 25% matching funds in the amount of \$5,078 from the General Fund, effective July 1, 2018 to June 30, 2019 – Probation

Approve the Arizona Criminal Justice Commission (ACJC) Drug, Gang and Violent Crime Control grant award for FY2018/2019, allocating 25% matching funds in the amount of \$5,078 from the General Fund, effective July 1, 2018 to June 30, 2019.

6(l) Adopt Resolution No. 2018-09, authorizing participation in the Juvenile Family Counseling Program for FY2018/2019, allocating 25% matching funds in the amount of \$1,483 from the General Fund – Probation

Adopt Resolution No. 2018-09, authorizing participation in the Juvenile Family Counseling Program for FY2018/2019, allocating 25% matching funds in the amount of \$1,483 from the General Fund.

Supervisor Irwin requested that Items #6(d) and #6(e) be pulled from the Consent Agenda for discussion.

CHAIRMAN MINOR MOVED to approve Consent Agenda Items #6(a) through #6(l), excluding items #6(d) and #6(e). Motion seconded by Supervisor Irwin, passed unanimously.

6(d) Approve change to the minimum requirements for the Assessor's Chief Deputy position – Human Resources

Supervisor Irwin inquired as to whether this item went through the proper procedures and all those that were required to “sign off” on the item, did so.

Human Resource Director Frantz confirmed that the process was followed, to approve the change to the minimum requirements for the Assessor's Chief Deputy position.

6(e) Approve to appoint the position of Chief Deputy, a vacant budgeted position – Assessor (Replacement/Promotion)

Supervisor Irwin reiterated her question as to whether this item also went through the proper procedures and all those that were required to “sign off” on this item, did so.

Human Resource Director Frantz confirmed that the process was followed, to approve to appoint Kimmy Olsen to the position of Chief Deputy Assessor, effective June 18, 2018, at an annual salary of \$53,050 (CD01).

CHAIRMAN MINOR MOVED to approve Consent Agenda Items #6(d) and #6(e). Motion seconded by Supervisor Irwin, passed unanimously.

Chairman Minor recessed as the Board of Supervisors and convened the Jail District Board of Directors at 10:20 a.m.

CONSENT AGENDA (Discussion and possible action on the following items):

County Administrator Drake presented for approval Jail Consent Agenda Items #7(a) through #7(c).

7(a) Approval of Jail District Payroll

Approve May 27, 2018, through June 9, 2018, gross payroll, as presented, in the amount of \$64,403.91, plus employer benefit contributions of \$10,511.63, for a total of \$74,915.54, including handwritten warrants.

7(b) Approval of Jail District Demands

Approve the demands already remitted, as presented, for FY2017/2018, in the amount of \$50,011.97, including handwritten warrants.

7(c) Approve salary increase for LPN Detention Nurse (Salary Increase)

Approve a one-step salary increase for Jeff Bissell, LPN Detention Nurse, retroactive to April 1, 2018, to an annual salary of \$49,369.63 (NE077), a budgeted item.

SUPERVISOR IRWIN MOVED to approve Jail District Consent Agenda Items #7(a) through #7(c). Motion seconded by Supervisor Minor, passed unanimously.

Chairman Minor recessed the Jail District Board of Directors and reconvened the Board of Supervisors at 10:22 a.m.

REGULAR AGENDA (Discussion and possible action on the following items):

Presentation of audit findings by Jay Parke of Walker & Armstrong LLP – Board of Supervisors

Jay Parke, of Walker & Armstrong, LLP, stated that the County's audits from 2014 through 2016 were prepared and appear on the Auditor General's website. He explained that it is the office of the Auditor General that is responsible for auditing Counties; sub-contracting out to accounting firms.

He added that Walker and Armstrong have assisted 11 out of the 15 Counties in Arizona in facilitating preparation of their audits for a number of years.

He gave a brief history of the County's audits, noting that it took several years to bring the County up to current; 2013 the first year to being caught up in recent years. He added that preparation of year 2017 is currently being done and they will be soon working on 2018.

Mr. Parke explained that there were two types of audits performed; financial and compliance; the latter relating to federal funding.

He explained that audits were important for lenders and other financial organizations and not a performance of a forensic audit or a substitute for strong internal controls.

He reported that the audits performed indicated deficits in the balance on funds overall; disaster grant recording, internal controls at the Golf Course and the Parks Department; and recommended adoption of a nepotism policy.

Mr. Parke noted that the County was able to avoid penalties for exceeding its expenditure limitation from 2014 to 2016 by a bill passed by the legislators. He added that voters also approved a one-time override for 2018/2019 at the May 2018 special election. He expected the 2018 audit preparation to be completed by November 2018.

Supervisor Irwin expressed appreciation for Walker & Armstrong's assistance with the audits, particularly relating to grant programs.

Discussion and possible action relating to: The National Opioid Crisis and Litigation Options; by representatives from Andrews & Thornton, law firm – Board of Supervisors

Anne Andrews, of Andrews & Thornton, discussed at length the topic of a national opioid crisis in the nation and described a process in which counties over the nation could recover damages they feel they have incurred in any way to the County and to first responders.

She explained that this is to be a very large litigation effort against the drug companies or "big defendants" to encourage policy in order that these crises would not repeat themselves; and encouraged the County to sign on in that effort.

She stated that it would not cost the County anything up front; it would be on the "back end" and she would be willing to meet with the Board on the accounting of costs, which would include a 20% fee.

She stated that the Arizona Attorney General has not decided what he would do about the issue.

Supervisor Irwin asked if the County Supervisor's Association (CSA) expressed an opinion.

Ms. Andrews answered that her firm did meet with Craig Sullivan of the CSA, and he indicated that there was no position at this time.

A brief discussion ensued in which the Board expressed they wished to continue the item to the next regular meeting.

SUPERVISOR MINOR MOVED to continue the discussion relating to: The National Opioid Crisis and Litigation Options, to the July 2, 2018, regular meeting of the Board of Supervisors. Motion seconded by Supervisor Irwin, passed unanimously.

Approve award of the Publication and Advertising Bid for FY 2018/2019– Board of Supervisors

Deputy Clerk of the Board Green presented for approval the award of the Publication and Advertising Bid for FY 2018/2019 to sole-bidder Today's News Herald/Parker Pioneer.

She stated that Today's News Herald/Parker Pioneer was the only qualified publisher located in the area according to statute requirements.

SUPERVISOR IRWIN MOVED to approve award of the Publication and Advertising Bid for FY2018/2019 to Today's News Herald/Parker Pioneer with the rates as follows: \$3.76 per column inch by email, or \$4.18 per column inch by fax or mail for Legal Ads; \$5.07 per column inch by email, or \$5.57 per column inch by fax or mail for Display/Classified Ads; and additionally, 3% per month service charge to balances more than 30 days past due. Motion seconded by Chairman Minor, passed unanimously.

Approve to ratify service agreement between Frontier Communications of America, Inc., and La Paz County Education Service Agency, to construct high speed internet infrastructure for eligible schools and libraries in La Pa County that have signed agreements; fully funded by Federal and State grants – School Superintendent

Supervisor Wilson, on behalf of School Superintendent Price, presented for approval the ratification of a service agreement between Frontier Communications of America, Inc., and La Paz County Education Service Agency, to construct high speed internet infrastructure for eligible schools and libraries in La Pa County that have signed agreements.

He stated that the high-speed internet infrastructure for schools and libraries would be paid by two components; Federal E-rate paying at 80%, and Arizona State Funding at 20%, for schools and libraries that had signed agreements for the services.

CHAIRMAN MINOR MOVED to ratify service agreement between Frontier Communications of America, Inc., and La Paz County Education Service Agency, (effective May 18, 2018), to construct high speed internet infrastructure for eligible schools and libraries in La Pa County that have signed agreements; fully funded by Federal (80%) and State (20%) grants. Motion seconded by Supervisor Irwin, passed unanimously.

Approve recommendation by the County Attorney/Assessor to hire outside counsel, Helm, Livesay & Worthington, Ltd., to represent the county in tax litigation: SolarCity v. ADOR, 413 P.3d 678 (2018), which case has been remanded to the Arizona Tax Court No. TX2014-000129 for further proceedings – County Attorney/Assessor

Deputy County Attorney Buckelew requested approval to hire outside counsel, Helm, Livesay & Worthington, Ltd., to represent the county in tax litigation: SolarCity v. ADOR, 413 P.3d 678 (2018), which case has been remanded to the Arizona Tax Court No. TX2014-000129 for further proceedings.

He explained the nature of the Tax Court case, stating that SolarCity was objecting to being taxed on solar equipment leased to residential property. He added that large cases such as this are typically handled by Maricopa County, representing all 15 Counties.

Assessor Camacho added that these properties were centrally valued by the Department of Revenue; however, La Paz County has the opportunity to tax them on personal property. She was in agreement that expert counsel would be required on this case.

CHAIRMAN MINOR MOVED to approve hiring outside counsel, Helm, Livesay & Worthington, Ltd., to represent the county in tax litigation: SolarCity v. ADOR, 413 P.3d 678 (2018), which case has been remanded to the Arizona Tax Court No. TX2014–000129 for further proceedings. Motion seconded by Supervisor Irwin, passed unanimously.

Adjournment

Chairman Minor adjourned the meeting at 11:34 a.m.

APPROVED:

/s/
Duce Minor, Chairman

ATTEST:

/s/
Diane Green, Deputy Clerk of the Board

The following La Paz County demands have been audited, approved and ordered paid by the La Paz County Board of Supervisors: #11133711, ADOT, \$100,000; #11133712, AACO, \$8,904.97; #11133713, Abbey, Stubbs & Ford, LLC, \$7,500; #11133714, All Covered, \$16,554.91; #11133716, APS, \$7,187.35; #11133717, Atkins North America, Inc., \$5,907.01; #11133729, Colorado River Funeral, \$1,730; #11133730, Colorado River Joint Venture, \$1,617.32; #11133737, Dave’s Commercial Service, \$1,292; #11133740, Fester & Chapman PC, \$3,300; #11133744,

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Fulton Distributing, \$5,031; #11133745, FX Tactical, \$26,082.35; #11133749, Jacobsen West, \$1,416.40; #11133756, Marcus G. Faust, Professional Corp., \$7,500; #11133758, Media World USA, \$3,975; #11133759, Norbert Mendoza, \$2,744.60; #11133766, Town of Parker, \$1,527.04; #11133767, Pavement Sealants & Supply Inc., \$1,377.18; #11133768, Phoenix Children's Hospital, \$1,300; #11133770, Pitney Bowes Purchase Power, \$1,016.25; #11133773, Pride Outfitting, \$6,470.26; #11133777, Quill, \$1,202.43; #11133780, Redburn Tire Company, \$5,253.28; #11133782, Ronald Parker, MD, \$1,800; #11133789, Staples Credit Plan, \$2,180.06; #11133793, Titleist, \$2,381.59; #11133795, Tour Edge Golf Mfg. Inc., \$1,308;l #11133797, Trinity Services Group, Inc., \$23,503.86; #11133801, Verizon Wireless, \$1,298.61; #11133802, Walker & Armstrong, \$16,697; #11133804, Willdan Engineering, \$1,280; #11133807, Zumar Industries, Inc., \$2,406.81; #11133811, AZLGEBT, \$185,515.64; #11133818, Bob Barker Company, \$1606.45; #11133820, CDW Government, Inc., \$22,004.39; #11133827, Exhibitone, \$4,200; #11133829, Michael Leland Frame, \$12,457.50; ##11133835, Inland Kenworth, Inc., \$188,493.59; #11133837, La Paz Solar, LLC, \$1,944.02; #11133841, Parker Oil Products, Inc., \$12,084.88; #11133850, Senergy Petroleum, \$20,884.19; #11133851, Sunedison c/o DG Solar Lease, LLC, \$5,405.86; #11133854, Tri-State Reporting, \$1,176.20; #11133858, AZ Department of Revenue, \$6,999.24; #11133859, Kutak Rock LLP, \$10,000; #11133862, Squire Patton Boggs LLP, \$10,000; #11133863, Standard Insurance, \$10,205.30; #11133898, Altura Communication, \$2,841; #11133899, APDA, \$1,280; #11133908, Election Systems # Software, \$2,042.80; #11133909, Empire Southwest, \$1,641.33; ##11133925, Redburn Tire Company, \$3,262.87; #11133939, Tempe Mission Palms Hotel, \$1,586; #11133940, Three Four Printing, \$2,364.96; #111300111, Skytec Security & Automation, \$3,787.23; #111300133, TAMCO, \$2,965.77.