

OFFICE OF BOARD OF SUPERVISORS

YAVAPAI COUNTY, ARIZONA

Prescott, Arizona July 28, 1999

The Board of Supervisors met in special session on July 28, 1999.

Present: Chip Davis, Chairman; Gheral Brownlow, Vice Chairman; Bill Feldmeier, Member; Bev Staddon, Clerk.

Also present: Jim Holst, County Administrator; Dave Hunt, Board Attorney/Assistant County Administrator.

ITEM NO. 1. County Administrator Jim Holst.

1. Discussion regarding Fairgrounds, Rodeo, Regional Landfill, and SR 69/89 Connector Road Contribution agreements. Mr. Holst provided the Board with information regarding the Yavapai County Fair Association's move to the Prescott Valley area, noting that the Fair Association's request for a special use permit for its new facility was on the Board's agenda for August 2, 1999. He told the Board that at the new site the County would own 40 or more acres, and that there would be approximately \$3.5 million worth of improvements on the land. He said that the balance of the property and improvements would be owned by the Fair Association, and that the County would have a management agreement with the Fair Association for operation of the County Fairgrounds. Mr. Holst told the Board that if the Fair Association's horse racing operation ever went under, the County's portion of the new site would not be affected. Fair Association attorney Ted Beck agreed, saying that if the Fair Association stumbled or defaulted on a loan that he hoped would be received from USDA Rural Development, the County would have no exposure. He told the Board that the County's portion of the new site would not have many of the exhibit halls and the like normally associated with a fairgrounds, but that it would be a County Fairgrounds facility. Supervisor Feldmeier said he believed what the Board was hearing on this day was that the issue that could have been a deal-killer had been resolved. Supervisor Brownlow asked if there would be a lien against any of the buildings going up on the County's portion of the property. Mr. Beck responded that there would not be, and that a clause to that effect would be added to the agreement. Mr. Holst reviewed the costs involved, saying that as part of the agreement the County would get back 30 to 40 acres of the current Fairgrounds site. He said that the Fair Association would spend \$3.5 million on land and improvements for the County's new Fairgrounds, and would then deed the property to the County. He said the County would loan the Fair Association the money, which it would then use to develop the new Fairgrounds and deed it back to the County. He said that items which are not affixed to the current Fairgrounds could be moved to the new site, and that the total of the County's funding for the new Fairgrounds project would be approximately \$6.2 million. Mr. Beck said he knew there would be people who would say that the Fair Association is not getting enough for the improvements it will leave behind, but that he believed if the Board approved the agreement and if the Fair Association board also approved it, everyone would have a leg up on the project. There was brief discussion regarding when the agreement could be finalized, during which there was general agreement that the Board is in favor of the agreement and that it should be placed on the August 16, 1999, agenda for approval. Discussion turned to the Rodeo agreement, with Mr. Holst saying that staff was talking with City of Prescott staff regarding several issues, one of which was how the Frontier Days activities can remain at the current site. He said the County was dealing with the City on this issue, and that in turn the City would deal with Frontier Days. Walter Burcham, representing Frontier Days, said his organization would be meeting with City officials on August 11<sup>th</sup>. Mr. Holst said the concept was that the County would deed 17 acres of the current Fairgrounds site north of Rodeo Drive to the City, and that in return the City would change the County's percentage of ownership in the 170 acres of joint use land in the Sundog Ranch Road area from 35% to 45%. He said that this would assist the City in putting in a road and utilities in that area, which would make the land in that area much more valuable. Chairman Davis asked what the value of the 17 acres was. Mr. Holst said there was no formal appraisal on the land, and that staff wanted to

avoid going through that process and just generally agree that the values are within the County's legal ability to make a trade. He said the property in the Sundog Ranch Road area would be very valuable once the road and utilities are in. He said that both the City and the County would agree to pave 200 spaces each at the current site, and that the County needed another 200 spaces at this location anyhow. He said that the City would consider 50% participation in the cost of constructing Rodeo Drive, and that the County has an interest in that road because it part of the County's master plan for the area. Mr. Holst said that the proposal was good for both the City and the County. Supervisor Brownlow asked how the Board could be assured that the City would get along with Frontier Days and not try to take over their operation. He said he would like to see some assurance of that before he would be comfortable approving the agreement. Mr. Holst said that was a good point, and that it would be helpful for the Board to see a draft of the agreement that the City and Frontier Days work out. There was brief discussion regarding which buildings will stay at the current site and which will be moved to the new Fairgrounds, during which Mr. Beck said that anything permanently fixed to the ground would not even be considered for moving. There was general agreement by the Board that this was a good plan. Mr. Holst said that the SR 69/89 Connector Road Contribution agreement basically said that if the City's connector road is compatible with the County's needs in the Sundog Ranch Road area, the County might consider making a \$1 million contribution.

2. **Brief update on Highway 89A Partnership Project.** Mr. Holst briefly explained that as a result of the ADOT Transportation Board's meeting in Prescott Valley in June, improvements for the Airport Connector and Highway 89A to the new realigned Fain Road would total no more than \$46.5 million between the County and ADOT. There was brief discussion regarding the need to obtain right-of-way on Highway 89A in the vicinity of Robert Road, and Supervisor Brownlow asked if it would be possible to have a signs put up at the location of the new Fairgrounds and the new Fain Road so people would know where they will be.

## ITEM NO. 2. Board of Supervisors.

1. Discussion and possible action regarding whether to include the question of an additional half-cent sales tax for roads on the November 2, 1999, special election ballot. The Board considered this item in conjunction with item 2, below.
2. Discussion and possible action regarding whether to include the question of a County-wide jail district on the November 2, 1999, special election ballot. The Board considered this item in conjunction with item 1, above. Mr. Holst said the Board had the ability to implement a half-cent sales tax by a vote of the Board, which it had already done; that it had the ability to place on the ballot a request for approval of an additional half-cent that could be used for roads; and that it had the ability to place on the ballot approval of a jail district to be paid for either from a sales tax of up to one-half cent or from a property tax of up to 20 cents. He said that staff could contact other counties that have gone through the process of establishing a jail district. Chairman Davis said he believed it was appropriate to note that Supervisor Brownlow had advocated a jail district for quite some time. In response to a question from Chairman Davis, Mr. Holst said that in conversations he had with individual Board members, it appeared to him that there was interest in reducing the property tax and using a sales tax for a jail district. He said that a sales tax would cover increased costs for inflation and provide for capital costs related to the jail. He said that it would reduce the burden on the County's General Fund, and that with some of the pressure off the General Fund the Board could consider a proportionate reduction in the property tax. He said that if the jail district is formed, the County would no longer be able to charge cities and towns for housing prisoners. There was brief discussion about funding levels, during which Mr. Holst said he believed that jail expenses were going to grow faster than the sales tax growth. Mr. Holst said when he began looking at this concept, he used two-tenths of a percent as the anticipated tax, but that he was now looking at less than a quarter of a cent tax. He said there would be a 7% increase in maintenance and operation and that he anticipated a 5.7% growth rate in the sales tax. He told the Board that the County's sales tax growth had run at better than 6% for all but one year, and that he had concerns about multi-county and multi-state corporations and whether the County was receiving its fair share of sales tax. Mr. Holst said that establishment of a jail district would allow for a 10 cent reduction in the property tax. He told the Board that there was no limit as to how long a jail district and tax for the same could remain in place, but that the Board would have to establish the duration up front and that he had based his estimates on 20 years. Supervisor Feldmeier asked if what cities and towns are currently required to pay for with regard to housing prisoners results from violations of city or town ordinances. Sheriff Buck Buchanan said no. He said he did not disagree that there was

nothing wrong with letting the voters decide the issue of a jail district, but that he believed information about it needed to be available and in a very clear form. He said he was opposed to a property tax, but was an advocate of consumption taxes. Sheriff Buchanan said he had spoken with other entities that have jail districts, specifically Coconino County, and was told that once the cities and towns do not have to pay for their prisoners, the number of prisoners in the jail would increase. He said that if the per diem cost to cities and towns is removed, the County could expect the jail population to increase a great deal, and that it was his belief that if a jail district was established the jail population would double within a year. Mr. Holst noted that the one area that cities and towns have not been paying for is second offense DUIs. Supervisor Feldmeier said he believed the Board has a very good working relationship with all the cities and towns in the County and that it would ask the cities and towns to work with the Board on this issue. Chairman Davis suggested that staff be asked to compile information about jail districts from other counties, saying that if the Board was going to have a public hearing on this issue it needed to get going. Mr. Hunt asked if the Board would like to approve the resolution calling for the public hearing, saying this would start the clock going. Supervisor Feldmeier said that was what he would like to do, and that the safety valve would be the public hearing. Sheriff Buchanan said he would not be opposed to that, but that he believed there was an obligation for the Board to be very clear on the pros and cons of a jail district. Chairman Davis asked Sheriff Buchanan if he thought the Board would not do that. Sheriff Buchanan said if all the Board was doing was creating a hidden tax, there was a problem. Chairman Davis responded that what the Board was trying to do was capture the 30% of sales tax that comes from tourists, and that the Board was not trying to snooker County taxpayers. Supervisor Feldmeier said he agreed, and that it made him angry that Sheriff Buchanan would even suggest that the Board would be less than objective in providing information to the public. He said the Board had never done that in the past, and that it wasn't about to start doing it now. Supervisor Brownlow said he was in favor of a jail district instead of another half-cent sales tax for roads. He said he wanted to clarify that the Board had called for an election on a five-member Board only because petitions had submitted requesting it, and that he, personally, was opposed to it. He said the County has impact fees which generate money for roads, and that he did not believe that people would vote for another half-cent sales tax for roads. Supervisor Brownlow said he did not know where the County was going to come up with \$10 million to build a jail, and that his thought was that the Board needs to tell the voters how long a jail district tax would be in place and how it would affect their pocketbooks. He said that the tax might put Yavapai County in the position of having one of the highest sales taxes in the state, and that it would drive up the cost of everything. He said the Board would need to look at that, but that he believed most people are concerned about law enforcement and incarcerating violators. Supervisor Brownlow said he believed that if Sheriff Buchanan, who he said was the most popular elected official in the County, would get on board with the Board it would be possible to make a good presentation to the public so that the voters can make an informed decision. Sheriff Buchanan said the money generated from a jail district tax could not be used for law enforcement and was just for jails. Supervisor Brownlow said that was true, but that it would free up other money. Sheriff Buchanan acknowledged that was true. Chairman Davis said he believed the Board needed to move on this, and that it was the Board's role to make sure that people have all the information necessary to make an informed decision. Mr. Holst said that one of the requirements would be a publicity pamphlet that would be mailed to all registered voters. Chairman Davis said that from everything he could see, a jail district would benefit the people who live in the County. In response to a question from Supervisor Brownlow, Mr. Holst said that his calculations indicated that approximately \$56 million would be generated over the next 20 years for capital improvements just for jails. He said he had also calculated what it would cost to provide a permanent 10 cent reduction in the County's property tax, and that there would also be an amount made available for roads. He said that the Board would also have to determine the maximum tax rate up front, but could then decide what the actual rate would be and that it could start with something less than the maximum. Supervisor Feldmeier said that during his tenure on the Board, there were two things that he heard most often from his constituents, and those were concerns about law enforcement and about roads. He said he believed this plan would create a very legitimate balance between those concerns, and that if the Board could establish a jail district then he did not believe it would be necessary to ask the voters for a half-cent sales tax. Chairman Davis said he believed this was a win-win situation. He said it would need to be made clear to the voters that the Board was not creating a jail district in order to have a new program, and that the County was going to have to pay for jails anyhow and that it was just a question of how to pay for them. He said the Board's intent was to minimize the effect on County residents. Supervisor Feldmeier said he agreed. Mr. Hunt said that approval of the resolution on this day would provide for a public hearing on the matter not less than 21 days nor more than 40 days from this date, and that after that hearing the

Board would consider whether or not to establish the jail district. Supervisor Feldmeier asked who employees of the jail district would belong to. Mr. Hunt said they would probably belong to the Sheriff's Office, saying that this would be much the same as the Flood Control District with regard to employees. Chairman Davis said he would like to have two public hearings, one in Prescott and one in the Verde Valley. There was brief discussion regarding additional public meetings, during which Mr. Holst made it clear that while only one statutory public hearing was required, the Board was not limited in the number of public meetings it could hold prior to the statutory hearing. Supervisor Brownlow moved to approve Resolution No. 1184, Consideration of the Establishment of the Yavapai County Jail District. Supervisor Feldmeier seconded the motion, which carried by unanimous vote.

3. Consider conditional withdrawal from the tobacco lawsuit. Chairman Davis said he would prefer to see the County withdraw from the lawsuit. Supervisor Feldmeier noted that Mr. Holst would be attending a meeting of the County Supervisors' Association on July 29 to present information regarding the plan to trade the counties' shares in exchange for the state taking responsibility for AHCCCS eligibility and residual payments. Mr. Holst said this had started out as a way to find out whether the court would agree that the counties are part of the state's claim, and that he believed the County had gotten involved in the lawsuit in order to help provide unanimity among the counties. He said he would like to see if the other counties were interested in pursuing the alternate plan. He said his guess was that the rural counties would probably like the alternate plan, but that Maricopa County would want everyone to stay the course with the lawsuit. Chairman Davis said he thought this was a case where the County could lose the battle but win the war, and that the County could lose for a long time to come just to make up for one win that it is a party to. Mr. Holst said that the County has less of a problem where AHCCCS is concerned than most of the other counties do, and that if the other counties don't like the alternate plan Yavapai County would not lose much. There was general agreement to wait and see what happens at the CSA meeting before taking any action.
4. Consider approval of items appearing on the Consent Agenda and Consent Agenda for Special Districts. See below.

#### ITEM NO. 3. Elections Director Sharon Keene-Wright.

1. Update on the process for splitting and combining precincts. County Recorder Patsy Jenney-Colon participated in discussion. In response to a question from Mr. Holst, Ms. Keene-Wright said that the legislature had placed a moratorium on the realignment of precinct boundaries until after the 2000 Census, but that it was still possible to do administrative realignments. Chairman Davis asked what would happen if the voters approved a five-member Board. Ms. Keene-Wright responded that the Board would probably have to work with existing precinct lines with regard to redistricting, and just reallocate the existing precincts into different supervisorial districts. Mr. Holst asked if it would be possible to have a supervisorial district line along an administrative precinct line. Ms. Keene-Wright said the Board would need to look at 1990 Census information when it is considering redistricting.
2. Discussion and possible action regarding the consolidation of precincts/polling places for the November 2, 1999, special election. County Recorder Patsy Jenney-Colon participated in discussion. Following very brief discussion, during which the Board members said that Ms. Keene-Wright had met with each of them individually and explained the changes and that they were satisfied with her proposal, Supervisor Feldmeier moved to approve the list of consolidated precincts/polling places as recommended by Ms. Keene-Wright. Supervisor Brownlow seconded the motion, which carried by unanimous vote.

Upon a motion by Supervisor Feldmeier, seconded by Supervisor Brownlow, the Board voted unanimously to convene in emergency session in order to consider a request from MIS Director Mark Ruddeforth for permission to hire Kevin Blake as a GIS Analyst II at a starting salary of \$43,000 instead of the stated minimum salary of \$41,845. Mr. Holst explained that the person for whom Mr. Ruddeforth had previously obtained approval to hire at a higher salary had declined the position, but that Mr. Blake was available. Upon a motion by Supervisor Brownlow, seconded by Supervisor Feldmeier, the Board voted unanimously to approve the request.

#### CONSENT AGENDA FOR BOARD OF SUPERVISORS:

1. Consider approval of reorganization for the Office of the Clerk of the Board. Noting that this reorganization would save approximately \$4,500, Supervisor Brownlow moved to approve the request. Supervisor Feldmeier seconded the motion, which carried by unanimous vote. No comments from the public.
2. Request from Public Works for approval of a project on several roads in the Highlands subdivision. Public Works Director Richard Straub and Assistant Public Works Director Juanita Barnett participated in discussion. Approved by unanimous vote. Motion by Supervisor Brownlow, seconded by Supervisor Feldmeier. No comments from the public.
3. Appoint one additional representative of Business to the Local Workforce Investment Board. Chairman Davis said that it would be necessary to delete from the list of appointees the person appointed to represent Youth Council (Carol Hunter-Geboy) because that representative is supposed to be appointed by the new LWIB. He said that deleting that position would keep the ratio of 50% plus one for representation by Business where it needs to be, but that because Denise Farley was no longer manager of Cable One she was not eligible to serve on the LWIB and that it was necessary to appoint a replacement. He said he would like to nominate Elaine Bremner as that replacement. Supervisor Feldmeier said he would like to see another major employer come forward to replace Ms. Farley, and that he would like someone who was not associated with the Workforce Development Board (formerly the Private Industry Council). There was brief discussion regarding a HUD appointee, during which Ms. Staddon said she had been informed by District 3 Administrative Aide Diane Joens that Margaret Keener could be appointed to represent HUD as well as CDBG and that this would not upset the ratio of representation on the new board, but that if Carol Dittmore was appointed as recommended by HUD, it would be necessary to appoint yet another representative of Business in order to maintain the proper ratio. There was brief discussion regarding possible appointees for Business, with Supervisor Brownlow saying he would like to see consideration given to Ms. Bremner and Mr. Islas from Sturm Ruger. NACOG Economic Workforce Development Director Teri Drew said that the state had recommended appointing Brandon Arterbury to represent DES Vocational Rehabilitation, but that the Board did not have that information when it had appointed members to the new board on July 6<sup>th</sup>. She said that the Board had appointed alternates and that Gary Spiker had been appointed in place of Mr. Islas, who had declined appointment. Supervisor Feldmeier said he was concerned about having business people on the board. He said he had no problem with Mr. Spiker, but wanted to be sure that he was an employer. Chairman Davis moved to appoint Elaine Bremner to replace Denise Farley (Business), to rescind the appointment of Carol Hunter-Geboy (Youth Council), and to appoint Margaret Keener to represent HUD. Supervisor Brownlow seconded the motion, which carried by unanimous vote. Supervisor Feldmeier said he had concerns about this, but believed that the Board needs to be together on this issue.

#### CONSENT AGENDA FOR SPECIAL DISTRICTS:

1. Resolve into Board of Directors of Seligman Sanitary District and approve resubmission of application for funding through the Water Infrastructure Financing Authority (WIFA). Reference: Special District minutes.

There being no further business to discuss, the meeting was adjourned.

ATTEST:

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Clerk \_\_\_\_\_ Chairman