

BOARD OF SUPERVISORS MINUTES WITH SUPPLEMENTAL TRANSCRIPT
(Where a supplemental transcript is available, it is printed in bold type)

OFFICE OF BOARD OF SUPERVISORS
YAVAPAI COUNTY, ARIZONA

Prescott, Arizona

August 1, 2005

The Board of Supervisors met in regular session on August 1, 2005, at 9:00 a.m.

Present: Carol Springer, Chairman; Thomas Thurman, Vice Chairman; Chip Davis, Member; Bev Staddon, Clerk.

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

Clerk's note: A copy of these minutes with a supplemental transcript is available in the Office of the Clerk of the Board of Supervisors and is also available on the County website.

PRESENTATIONS

- P1. Presentation of League of Women Voters Elected Official Directory. Cindy Gresser, League of Women Voters of Central Yavapai.

CONSENT AGENDA Upon a motion by Supervisor Thurman, seconded by Supervisor Davis, the Board voted unanimously to approve all items with the exception of item C12. See item C12 for details. No comments from the public.

C – BAGDAD/YARNELL JUSTICE COURT

- C1. Transfer of one Clarity brand cassette recorder and microphones from Bagdad Justice Court to Clarkdale Municipal Court for \$1.00 and transfer of one Techniques brand cassette recorder and microphones from Yarnell Justice Court to Jerome Municipal Court for \$1.00.

C – BOARD OF SUPERVISORS

- C2. Minutes of meeting of July 18, 2005, and of special meeting of July 21, 2005.
- ~~C3. Authorization for Chairman to sign petition to annex County property located on the southeast corner of Pioneer Parkway and Willow Creek Road into the City of Prescott. WITHDRAWN~~
- C4. Proclaim the fourth Monday in September as "Family Day in Yavapai County – A Day to Eat Dinner with Your Children."
- C5. Appointment of precinct committeemen as recommended by the Yavapai County Democratic Party, as evidenced in Board Memorandum No. 2005-13.
- C6. Approve vouchers.

C – COMMUNITY HEALTH SERVICES

- C7. Take County vehicle out of state to Las Vegas, Nevada, in conjunction with "Crystal Reports Version 10" software training by CompUSA, August 29-30, 2005.

C – DEVELOPMENT SERVICES

- C8. Preliminary site plan, C Bar C Preliminary Site Plan, 402-14-362A and 362B, Prescott Valley/Dewey-Humboldt area, C Bar C Construction, Inc., #H5116. Consideration of a Preliminary Site Plan in order to allow the creation of 2 parcels in an M1 (Industrial; General Limited) zoning district on parcels totaling approximately 5.48 acres. Located approximately 600 feet northwest of the Santa Fe Loop and Concord Drive intersection approximately 4,000 feet north of the Highway 69 and Fain Road intersection east of the Town of Prescott Valley and North of the Town of Dewey-Humboldt in the Grapevine Industrial Park. S21 T4N R1E G&SRB&M. The Planning and Zoning Commission recommended approval of the Preliminary Site Plan.
- C9. Amendment to stipulations for Record of Survey in Lieu of Subdivision, Grapevine Industrial Park, 402-14-060E, F, P, R, T; 402-14-061A, 062A, 063B, 063D, 063E; 402-14-228A, 228E, 228G, 228H, 228J, 228K, 228L, 228M, 228N, 228S, 228U, 228W, 228X, 228Y and 228Z; 402-14-229D, 229E, 229F; 402-14-230A, Prescott Valley/Dewey-Humboldt area, Development Services Staff, #H5124. Amendment to previously approved stipulations for HA# H6924 for a Record of Survey in Lieu of a Subdivision known as the Grapevine Industrial Park in order to eliminate the requirement for Planning and Zoning Commission and Board of Supervisors review and approval of a preliminary site plan in an M1 (Industrial; General Limited) zoning district. Located approximately 4,000 feet north of the Highway 69 and Fain Road intersection east of the Town of Prescott Valley and North of the Town of Dewey-Humboldt in the Grapevine Industrial Park. S21 T14N R1E G&SRB&M. The Planning and Zoning Commission recommended approval of the Amendment to Stipulation #2 for Record of Survey in Lieu of Subdivision as follows: 2). Any future division of parcels to be no less than 35,000 sq ft and a

Preliminary Site Plan to be reviewed and approved by the Development Services Staff for all future parcel splitting.

- C10. Replat of final plat, Weaver Mt. Estates, 201-28-043, 044, 045 and 054, Congress area, Rome Glover, #H5131. Consideration of a Replat of a Final Plat of 4 existing parcels (Lots 43, 44, 45 & 54) approximately 13,000 sq. ft. in size as a result of a roadway realignment to improve traffic circulation. Located along the south side of Weaver Valley Drive in Congress. S35 T10N 6W G&SRB&M.

C – FLOOD CONTROL DISTRICT

- C11. On-call professional services contract with JDS and Associates, Inc., in the amount of \$20,000 for surveying services County-wide. To be paid from Outside Services.

C – PUBLIC WORKS

- C12. Change Order #1 (Final) with Asphalt Paving & Supply, Inc. in the decreased amount of \$31,274.48 for Willow Creek Road Reconstruction, SR 89 to Pioneer Park, in Yavapai County, Arizona Project #2313538. Half-cent sales tax project. Public Works Director Phil Bourdon participated in discussion of this item. Approved by unanimous vote. Motion by Supervisor Davis, second by Supervisor Thurman. No comments from the public.

Supervisor Davis said he simply wanted a little clarification on how the force account worked. Mr. Bourdon said this had to do with the smoothness bonus, and that why the contractor had done a good job on the smoothness of the road it was not as good as it could have been and for that reason the contractor would not receive the full amount of the smoothness bonus, which resulted in a change order for a decrease in the total project cost. He added that, typically, no more than one-third to one-half of the bonus was given on projects.

- C13. Change Order #1 (Final) with Grady's Quality Excavating, Inc. in the decreased amount of \$15,000 for Cattle Guard Construction at Various Locations in Yavapai County, AZ, Project #2514540. HURF project.
- C14. Dedication offered by First American Title for portion of Lynx Creek Road, Lynx Creek area.
- C15. Purchase two solar flashers and two beacon kits for Cornville Road at cost of \$7,100 to be paid from HURF.

C – SHERIFF

- C16. Criminal Justice Enhancement Fund Award for grant amount of \$33,211 for "Street Crime Suppression." No cost to the County.

C – WATER ADVISORY COMMITTEE

- C17. Apply for a grant to examine organic wastewater compounds in select streams and wells in Yavapai County and commit to matching funds for the first year in an amount of \$15,000; \$10,000 from WAC account and \$5,000 as in-kind services of staff and TAC Committee Members.

ACTION ITEMS

A – BOARD OF SUPERVISORS

- A0. Amend intergovernmental agreement with the Yavapai-Apache Nation for wastewater treatment services for the Camp Verde Justice Facility, to be effective August 12, 2005. Original agreement approved July 18, 2005. Dave Hunt, Board Attorney/Assistant County Administrator. Supervisor Davis moved to approve the agreement. Supervisor Thurman seconded the motion, which carried by a 2-to-1 vote, with Supervisors Davis and Thurman voting "yes" and Chairman Springer voting "no." No comments from the public.

Mr. Hunt reminded the Board that on July 18 it had approved the original IGA to be submitted to the Nation for signature on or before July 29. He said that subsequently there were further discussions with the Nation and that based on those discussions the Nation had approved an amended agreement, signed copies of which were in the possession of the Clerk of the Board. He reviewed the changes from the original agreement, saying that one had to do with the monthly services fees. Mr. Hunt said the original agreement had provided for two increase provisions and that the Nation had pointed out that if additional capacity was reserved for the County it would not be available to other customers, and therefore the County should pay for that additional capacity. He said that because of the length of time it had taken to negotiate the agreement, the date that service would be available had been changed from November 1, 2005, to February 1, 2006. Mr. Hunt said the critical part of the negotiations had been the security performance, part of which was a letter of credit that would apply for the first five years after which provisions for liquidated damages would be effective. He said that he and Mr. Holst felt that the County's interests would be better served by eliminating the liquidated damages and just pursuing actual damages instead. Mr. Hunt said the other change was that instead of the Nation providing an irrevocable letter of credit it would provide a pledge

agreement. He said that with regard to the events that would trigger the County's ability to get funds from the Nation, the Nation had requested that the wording for one such event be changed to the failure to "accept" 100% of the wastewater as opposed to failure to "process" 100% of the wastewater, and that there was also agreement that any violation of the agreement with regard to that provision or a violation of ADEQ regulations for three months would trigger the County's ability to apply for funds. He said some fairly standard indemnification clauses had also been included. Supervisor Davis said there were a number of issues raised by the Nation's legal counsel but that by working with Nation Chairman Jamie Fullmer the agreement being considered on this day had been worked out. He said he was happy that an agreement had been reached that appeared to be fair to both sides. Chairman Springer said that in the original agreement it appeared that the County would pay a portion of the costs for any expansion efforts, but that in the current agreement it appeared that the County would pay the entire cost. Mr. Hunt said that was true only with regard to capacity. Mr. Holst said his intent in the original agreement was the County to pay a pro rata share, so that if the County requested 20,000 gallons per day of additional capacity that was all the County would pay for. Chairman Springer said she was confused about the pledge terminology because it sounded like it was not real money but instead some kind of agreement to provide money should there be a demand, but that the agreement also addressed investment of that money. Mr. Hunt said that pledge agreement provided for the transmittal of \$2 million to a third party custodian, and that it was the same as what had previously been termed an escrow account. He said that if the Nation failed to put that money on deposit it would fail to comply with the terms of the agreement. Chairman Springer asked what kinds of investments could be made with the money. Mr. Hunt said they would be low-risk investments and that the County staff would be monitoring them to be sure that the County's interests were not being compromised. Chairman Springer asked if the Board would have veto authority if it thought the Nation was investing in something the County did not feel was a good investment. Supervisor Davis said the County would have the ability to monitor the account, and that he believed there was a "flag" mechanism that would require the bank to notify the County if the account dropped down to the \$2 million level. Mr. Hunt said that the pledge agreement would actually save the Nation some money, as the cost of administering an irrevocable letter of credit was between \$20,000 and \$30,000 per year. Chairman Springer noted that the investment would be handled through Chase Bank and that the agreement called for any litigation to be handled under New York state law. She asked how that could potentially affect the County. Mr. Hunt said he was not aware of any provision in New York law that would adversely affect the County, adding that New York was where Chase Bank had its headquarters. Chairman Springer said that what the County had now was a 25-year contract for a wastewater facility, that it would contribute \$1.5 million up front, and that it would have a \$2 million security that was only good for four years. She said that what it came down to was a 25-year contract with a four-year warranty, and she asked Mr. Hunt if he agreed with that. Mr. Hunt responded that the only thing that really changed on the liquidated damages was the amount, and that it was his feeling that the potential for recovery in case of a serious breach could be much more in actual damages. Chairman Springer said there were two portions of the agreement that seemed to be in conflict with regard to sovereignty for the Nation, with one portion appearing to retain sovereignty while the other portion appeared to waive it. Mr. Hunt said they were two different things and that the language was inserted on the advice of the attorney retained by the County to review the agreement.

A – DEVELOPMENT SERVICES

- A1. Yavapai County trails logo to be utilized by the Yavapai County Trails Committee. Ken Spedding, Development Services Director. Approved by unanimous vote. Motion by Supervisor Davis, second by Supervisor Thurman. No comments from the public.

Mr. Spedding said the logo would be used on signs on trails, and, in conjunction with the County seal, on letterhead and business cards for the Trails Committee. Supervisor Davis said he thought it was great, but that on the business card he thought it would be better to not identify the Supervisors' district but just say "Trails Committee." Mr. Spedding said the Trails Committee preferred the line to fill in the volunteer's name.

A – LIBRARY DISTRICT Reference: Library District minutes.

- A2. Commit \$22,000 per year for the next three years to be paid to the Sedona Public Library for expansion of library service to the Village of Oak Creek. To be paid from Building Land Rental account. Barbara Kile, Library District Director.

A – POQUITO VALLEY ROAD IMPROVEMENT DISTRICT Reference: Poquito Valley Road Improvement District minutes.

- A3. Appoint Dava & Associates as District Engineer. Phil Bourdon, Public Works Director.

A – PUBLIC WORKS

- A4. Bids for Iron Springs Road Pavement Reconstruction Project in Yavapai County, Arizona, Project #2112125. Bids opened

July 19, 2005, with bids received from the following: Fann Contracting, Inc., \$2,677,702; and Asphalt Paving & Supply, Inc., \$2,865,093. Recommend awarding to Fan Contract, Inc., for \$2,677,702. Half-cent sales tax project. Phil Bourdon, Public Works Director. Approved by unanimous vote. Motion by Supervisor Davis, second by Supervisor Thurman. No comments from the public.

- A5. Contract for Professional Services and Authorization of Services #2513845 with Pearson Engineering Associates, Inc., for Lightning Strike Damage Investigation at Seligman Airport, in an amount not to exceed \$2,000 to be paid from Outside Services in the General Services Airport Account. Phil Bourdon, Public Works Director. Approved by unanimous vote. Motion by Supervisor Thurman, second by Supervisor Davis. No comments from the public.
- A6. Authorization of Services #2513847 with Z&H Engineering, Inc. for Design Services for Sedona Airport Perimeter Road and Taxilane Rehabilitation in an amount not to exceed \$77,010, to be paid from ADOT Aeronautics grant #5S30. No County funds involved. Phil Bourdon, Public Works Director. Approved by unanimous vote. Motion by Supervisor Thurman, second by Supervisor Davis. No comments from the public.
- A7. Authorization of Services #2513846 with Z&H Engineer, Inc. for Bidding Services for Sedona Airport Apron A Expansion in an amount not to exceed \$13,280, to be paid from ADOT Aeronautics grant E4S40. No County funds involved. Phil Bourdon, Public Works Director. Approved by unanimous vote. Motion by Supervisor Thurman, second by Supervisor Davis. No comments from the public.
- A8. Authorization of Services #2515370 with Dava & Associates for engineering services for Poquito Valley Road Improvement District in an amount not to exceed \$237,865 to be paid from Regional Road Fund and reimbursed by the improvement district at a later date. Phil Bourdon, Public Works Director. Deputy County Attorney Randy Schurr participated in discussion of this item. Approved by unanimous vote. Motion by Supervisor Thurman, second by Supervisor Davis. No comments from the public.

Mr. Schurr said this item was on the agenda in error, and that while there was a request for the County to advance funds to Poquito Valley Road Improvement District it was the Board of Directors of the District that would need to approve the Authorization of Services. He said the District Board would also need to agree to reimburse the County for the funds. In response to a comment from Chairman Springer, Mr. Schurr said it was a technical issue but that the item needed by on the District's agenda as well as on the Board's agenda. He said the question the Board could resolve on this day was whether to advance the funds to the District to pay for engineering services. Chairman Springer said she disagreed because the agenda item said the funds would be reimbursed by the District, but that the item would be put on the District's agenda for the next regular meeting as a point of clarification.

- A9. Waive a portion of Resolution No. 1113 regarding obtaining the signatures and mailing addresses of at least 100% of the property owners abutting the disposition of a public road in the Black Canyon City area. Phil Bourdon, Public Works Director. Approved by unanimous vote. Motion by Supervisor Davis, second by Supervisor Thurman. No comments from the public.

HEARINGS

H – BOARD OF SUPERVISORS

- H1. Truth in Taxation for 2005-2006. County Administrator Jim Holst. Participating in discussion of this item were Prescott Valley resident Ned Cantrell and Prescott area resident Richard Clark. Upon a motion by Supervisor Davis, seconded by Supervisor Thurman, and upon a roll call vote, the Board voted unanimously to approve the increased levy, with Supervisor Davis voting "yes"; Supervisor Thurman voting "yes"; and Chairman Springer voting "yes."

Mr. Holst said the calculations involved were complicated, but that basically if the County was going to receive more revenue from property tax it had to conduct a Truth in Taxation hearing. He said there would be a 6.6% increase in revenue received from the property tax. Supervisor Davis said that to be crystal clear, he wanted to state that the Board did not raise the County's property tax rate and that the increased revenue would be the result of increased property values over the previous fiscal year. Mr. Holst said that was correct. He said the County's current tax rate was \$1.70 and that it would remain unchanged for the 2005 tax year. Mr. Cantrell said he was not sure he understood everything that Mr. Holst said or everything that he had read in the newspaper, but that he did believe that property taxes discriminated against those who could least afford them. He said that everyone talked about affordable housing but that 10% of the cost of a house was permits and fees, which he said were taxes, and that when a house was sold 10% of the mortgage was for taxes. Mr. Cantrell said that everyone paid taxes for other people and he asked if Arizona Public Service or Safeway really paid taxes or whether everyone else paid the taxes when they purchased electricity or bought groceries. He said that most renters could have their rent decreased by 10% if there were no property taxes. He said it was true that values kept going up but that taxes should not be raised because of inflation. Mr. Clark said he thought Mr. Cantrell made some very valid points. He said

that values were increasing way out of line with the Consumer Price Index and that value was only realized if someone sold his house. He said it seemed a bit unfair to pay taxes on that. Mr. Clark asked what the ramification to the budget would be if the Board decreased the tax rate from \$1.70 to \$1.60. Supervisor Davis said it would reduce the budget by about \$1.94 million and that the Board would have to lay off people at the jail, or Sheriff's deputies, or not build roads. He said he thought people should have just a little bit of faith in the Board because it was a pretty conservative Board that really looked hard at requests for funding and services. Supervisor Davis said he believed Yavapai County was the most successful county in Arizona with regard to fiscal health, but that there were some challenges the Board grappled with constantly. He said the Board had to not only look at the CPI but also at the growth rate in the County. He said the Board had long been advocates for the elderly with regard to tax issues, including supporting freezing property valuations for the elderly. Supervisor Davis said the County was a very small piece of the pie with regard to a tax bill, and that it received only one-fourth to one-fifth of the total taxes levied. He said he was extremely happy to see people present on this day to ask questions about taxes because it was something that had been lacking in previous years. He said the County did a good job, and that the Board wanted to be able to tell its story. Mr. Clark said it seemed like there should be something in between static growth and uncontrollable growth to consider.

- H2. Final approval of budget for the 2005-2006 fiscal year and resolution adopting the budget, to include resolving into the Boards of Directors of the following special and improvement districts to approve district budgets for the 2005-2006 fiscal year: Yavapai County Flood Control District; Yavapai County Free Library District; Yavapai County Jail District; Ash Fork Street Lighting Improvement District; Seligman Street Lighting Improvement District; Yarnell Street Lighting Improvement District; Granite Gardens Sanitary District; Prescott East Sanitary District; Seligman Sanitary District; Coyote Springs Road Improvement District II; and Pine Valley Street Improvement District. County Administrator Jim Holst. Upon a motion by Supervisor Thurman, seconded by Supervisor Davis, the Board voted unanimously to give final approval to the budget and to approve Resolution No. 1588. Reference: Special district minutes for each district listed.

Mr. Holst noted that today's hearing was a statutorily required hearing to consider adoption of the final budget. He said there were some technical reductions made to the budget but that it was essentially the same as the tentative budget. He noted that the budget was approximately \$198 million, which he said was about a nine percent increase over the 2004-2005 fiscal years, with most of the increases in the budget being related to the courts and law enforcement.

H – DEVELOPMENT SERVICES

- H3. Preliminary plat, Rancho Vista Estates Subdivision, 500-09-164G, 164F, 164K, 164J, 164D, and 500-09-172A, 172B, 172C, 172E, 172F, Poland Junction area, Ron Gawlitta agent for Rancho Vista Estates LLC, #H5085. Elise Link, Planning Manager. On July 6, 2005, the Planning & Zoning Commission recommended denial of the preliminary plat. The following persons spoke in opposition to this application, generally citing traffic and water concerns: Elizabeth Davison; Sue Schnetlage; Richard Malatin; and Richard Clark. Supervisor Davis moved to approve the recommendation of the Planning & Zoning Commission. Supervisor Thurman seconded the motion, which carried by a 2-to-1 vote, with Supervisors Davis and Thurman voting "yes." Chairman Springer voted "no", saying she was not real happy with the applicant's proposal but that she felt because of other issues involved it would have been better to have the development under some control by the County.

Ms. Link located the subject property in the Poland Junction area, saying that it was surrounded by metes and bounds parcels on the west and south and by BLM land on the north and east and that the property was currently zoned RCU-2A. She said the access road to the property was Meadow Road, which she said was maintained by the County for a short distance and that the rest of it was a private easement. Ms. Link said that water would be provided by shared wells that the applicant was proposing to drill, and that the applicant anticipated that five to six lots would use each well. She said the subdivision regulations required the applicant to provide an adequate water supply and that the only way to do that would be for the applicant to drill a well on each lot to prove the existence of water or to tie into a municipal water system, neither of which she said the applicant felt was feasible and that as a result he was requesting a waiver. Ms. Link said the applicant was proposing private roads built to County road standards but that he wanted a waiver to reduce the pavement width from 24 feet to 20 feet and that he also wanted to reduce the design speed from 25 mph to 15 mph in some areas. She told the Board that the Commission had recommended denial of the application on a 6-to-1 vote, with the reason for the recommendation being that the request was inconsistent with the subdivision regulations. Ms. Link added that the dissenting Commissioner had said she preferred to have a subdivision where the County would have some input as opposed to lot splitting. She said there was opposition from neighbors in the area, most of who lived along Meadow Road, and who said they did not want additional traffic on that road. Ms. Link said the applicant was proposing an

access road to fire code standards, that there would be water storage tanks for fire suppression, that each home would be sprinklered, and that there would be a homeowners' association. She said the applicant had also proposed reserving access to BLM lands. Ms. Link said she wanted to remind the Board that it had recently approved new subdivision regulations in order to encourage subdivision over lot splits. She added that Public Works was supportive of the waivers on the interior roads, and she briefly reviewed seven stipulations that staff was recommending in the event the Board chose to approve the application on this day. Supervisor Davis asked if Public Works had agreed to narrower widths on the roads because the roads would be chip sealed. Ms. Link said the applicant did not want to pave the access road and that Public Works did not agree with that waiver request. She said that on the interior roads the applicant had agreed to meet County standards but had asked to make the roads a little narrower and to reduce the design speed. She said that 600 feet of the access road was a private easement. Supervisor Davis asked if it was appropriate for the Board to approve a subdivision across someone's private easement. Ms. Link said the applicant had an agreement with the owner of the easement to use it. Supervisor Thurman asked whether the Affidavit of Disclosure would be required if the Board approved this application. Chairman Springer said if the Board approved it there would be a public report. Ms. Davison said she was speaking on behalf of everyone in Poland Junction and that people were concerned about the water situation and the health and well-being of everyone in the area. She said she did not believe it was in the best interest of the Board to approve this subdivision at this time. Ms. Davison said there were problems because there was no deceleration lane on Highway 69 coming to Poland Junction from Mayer and that there was already a great deal of traffic in the area and the addition of 53 homes would only make things worse. She said that if the applicant could obtain access across Bell Ranch Road it would be better. She said she did not want to begrudge the applicant the opportunity to develop his property but that he needed to do it in a sensible way. Ms. Davison said that ten years ago when Mr. Gawlitta's application to develop the property was not approved he sold off land to Mr. Nichols along Bell Ranch Road and now was being denied access over that road. Supervisor Thurman asked Ms. Davison if it was true that she did not have a problem with the proposed subdivision except for access issues. Ms. Davison said yes, but that she also had concerns about water. Supervisor Thurman asked Ms. Davison if she was served by the Mayer Domestic Water Improvement District (MDWID). Ms. Davison said yes, but that the district would not provide service to the applicant's property. She said it was her understanding that the applicant had an artesian well on his property that he would turn over to the water district if his application was approved by the County. Ms. Schnetlage said she wanted to talk about Meadow Drive, which she said was about one mile in length with two-thirds of it not being maintained by anyone. She said there were approximately 12 residents on that part of the road, with about another 12 lot splits being done and that adding 53 homes on the applicant's property would create a real problem. She said the road was very narrow and that the issue of improving the road needed to be addressed before more homes were allowed. Supervisor Thurman said that many horse people did not like to see roads paved. Ms. Schnetlage said she understood that but that development was coming and people would have to deal with it at some point. She said she used to live in an area of northern California where people used paved roads to ride their horses. Mr. Malatin said he was opposed and that he believed the applicant's proposed subdivision would jeopardize MDWID because the water district was already having problems delivering water to the Poland Junction area. He added that there were people in the area who were already hauling water. Mr. Clark said that with regard to planned area developments versus wildcat splits one of the big advantages of planning was that with regard to water the water was somewhat assured and one could have a sewer treatment plant instead of septic tanks. He said that with the applicant's proposal it seemed like those benefits were being thrown out the window. Mr. Gawlitta said he had owned the subject property for 12 years and that it had been his desire to put together a place that would be beautiful, remote and quiet for horse people. He said there was one question, and that it was whether the County wanted a part in controlling the growth and in ensuring there was quality in the subdivision or whether he would be forced into a position to sell the property in five-way lot splits. Mr. Gawlitta said he was reluctant to chip seal roads because of horses, and that he had asked for 20-foot widths for the interior roads so there would be ample room for people to ride horses long the sides of the roads. Supervisor Thurman asked about the artesian well on the property. Mr. Gawlitta said there was such a well but that it would not support 100 homes. He said that because of the fractured nature of the soil in the area there was water and that since 1995 he had drilled three wells on the property and all three of them came in. Supervisor Thurman noted that he had lived in the area and was well aware of how spotty wells in that area were. He asked about the storage tanks for fire suppression and whether they would also be used for drinking water by homes in the area. He said what he was getting at was that if there were some areas that had real good water and other areas that did not, it would not work. Supervisor Thurman said the biggest opposition of the neighbors was traffic and water, and he said that the dust that would be created on the road with that many people coming and going would be insane. He said it sounded as though the applicant was using Bell Ranch Road as emergency access only. Mr. Gawlitta said yes, and that

one of the reasons there was a turn-off from the highway at Poland Junction was because he had worked with ADOT. He said he had a personal agreement with Mr. Nichols to use Bell Ranch Road anytime he wanted. He said that Mr. Nichols was trying to sell the property and that a developer was interested in it. Mr. Gawlitta said that Mr. Nichols had not allowed him anything more than a personal assurance that he could personally use the road. He told the Board there would be 53 homes on the property whether his application was approved or not, and that the question was the extent to which Yavapai County would participate in the development of the property. Supervisor Thurman said the problem was that fingers would be pointed at the Board for allowing a dry lot development to occur. He said this was something the Board could not control when the parcels involved were zoned for 36 acres or more, but that in this case it was different. Supervisor Thurman said there were six people on the Planning & Zoning Commission who said "no" and that he had a real problem over-ruling the Commission unless there was new information. He said he was afraid the proposed development would cause a huge impact to the community, and that while the applicant would make money he did not know how the proposed development would help other people in the community. Mr. Gawlitta said people would have an improved road. He said that some years ago he had obtained a 50-foot easement from Philip and Jeane Albins and that although it was his easement everyone used it. He said that the County owned a road in the area but had never taken care of the road and that now the County wanted him to take care of it and that he did not think that was fair. Mr. Gawlitta said there were at least 12 lot splits that had taken place in the area and that he was being asked to improve life for those 12 people. He said he did not have a problem working with those people but that he did have a problem working for them. He said he did not have a problem working with the residents of Poland Junction to put together a road improvement district or otherwise work something out for cost sharing. Mr. Gawlitta said the question was whether the County was going to participate in the process and help improve the access or just sit back and let things happen. He added that the Arizona Department of Water Resources did not care if people had to carry water into their homes in one-gallon increments as long as it is disclosed in the public report that there is not adequate water. Supervisor Thurman said the people who lived in Mr. Gawlitta's subdivision would come running to the County when they ran out of water. Mr. Gawlitta said the responsibility was his, and that that was why he was here on this day. He said that if the Board wanted to promote wildcat subdivisions then the way to do it was to turn down his application, but that if the Board wanted to see something happen that it could say was done well it could look to him. Supervisor Thurman told Mr. Gawlitta that he needed to understand that there were many people in Poland Junction who did not want to see a subdivision developed because they were concerned about water. Chairman Springer noted that Mr. Gawlitta had already drafted CCRs for the homeowners' association, and she asked at what point in time responsibility would be turned over to the HOA. Mr. Gawlitta said that would not happen until half of the properties had been sold, adding that it was not specified in the CCRs. Chairman Springer said that should be specified in the CCRs. She told Mr. Gawlitta that he was planning to put a great deal of responsibility on the homeowners and that the CCRs needed to clearly state at what point in time the homeowners must take over. She said she was also concerned about the storage tank issue. She said the applicant was talking about wells that would produce only five to ten gallons per minute, that he was talking about a total of six storage tanks and that this would work out to five to six homes sharing a single well. Chairman Springer asked Mr. Gawlitta if the water storage tanks were for fire protection only. Mr. Gawlitta responded that he could not tell the Board that the storage tanks would not be used for domestic water, but that the storage tanks would be placed only on the strongest wells. Chairman Springer asked who would share wells and who would determine who uses which wells. Mr. Gawlitta said that would be determined by proximity to the wells. Chairman Springer asked how many wells would be drilled. Mr. Gawlitta said he would be drilling not less than 12 wells, with four to five homes sharing each well. In response to a question from Chairman Springer, Mr. Gawlitta said he would be selling lots with power and water. Chairman Springer said Mr. Gawlitta had said he would sell lots with the potential that the property owner could drill his own well. Mr. Gawlitta said that under state law a property owner has that right. He said he was looking at shared wells, but that if a property owner decided he wanted his own well he could not deny the property owner that right. Chairman Springer asked what would happen if the water was not sufficient to fill the storage tanks. Mr. Gawlitta said it would be. Chairman Springer said she had dealt with water issues for many years and that she would consider what Mr. Gawlitta was talking about to be poor well to serve four to five homes.

H – SELIGMAN SANITARY DISTRICT Reference: Seligman Sanitary District minutes.

- H4. Annual rate hearing pursuant to A.R.S. §48-2027(H). Bev Staddon, Clerk of the Board/Special Districts Coordinator.
- H5. Tax levy for current expense pursuant to A.R.S. §48-2026. Bev Staddon, Clerk of the Board/Special Districts Coordinator.
- H6. Resolution and Ordinance No. 2005-1, an Ordinance Establishing Rates and Charges for Sewers or Wastewater Treatment Plant; Providing for Monthly User Charges; and Regulating the Use of Sewers Tributary to the District Collection System. Bev Staddon, Clerk of the Board/Special Districts Coordinator.

-
STUDY SESSION

S – ADMINISTRATOR

S1. County Administrator's Report. County Administrator Jim Holst.

Mr. Holst noted that in two weeks the Board would set tax rates, saying that by that time levy information would have been collected from the various jurisdictions in the County. He said he had been doing some research into all of the details of the process of collecting levy information and translating that information to the tax bill. He told the Board there was an issue with the Cottonwood-Oak Creek School District that had triggered a look at who is responsible for what with regard to this process, that the board of trustees for the school district would be looking at its situation and that he would have information for the Board regarding that matter at its August 15 meeting. Mr. Holst said he had met with Scott Bohning of Durrant Architects and that Mr. Bohning was looking at setting up some meetings. Mr. Holst said that he would like to include on the August 15 agenda a progress report about where things were with regard to the capital improvements program. Chairman Springer asked Mr. Holst if he was talking about having a timeline prepared. Mr. Holst said he would like to show a timeline, not for purposes of adoption, but just to show the Board the different processes required to move forward with the capital improvements project. He added that he may want to provide the Board with such information at each Board meeting. Mr. Holst said he was looking at holding initial interviews with candidates for the budget analyst position later in the week. He said he was aware that Board members were interested in candidates for the capital improvements position and that he would ask Human Resources Director Julie Ayers to contact each Board member individually regarding that position. Mr. Holst said he had met with representatives of the BLM and that in general he had a clear understanding of the process the Board would need to go through to renew the County's lease for Pioneer Park and to perfect authorization for uses on that property.

-
CLAIMS AGAINST YAVAPAI COUNTY

<u>ACCOUNT</u>	<u>AMOUNT</u>	<u>ACCOUNT</u>	<u>AMOUNT</u>
General Fund	2,234,520.82	Jail District	577,021.82
District 2 Park Fund	1,057.73	District 3 Park Fund	1,419.61
Adult Center – Ctwd	32,763.24	Volleyball Court	32.51
WMD Planner	1,003.15	HS 2003 Supplem.	707.26
DOJ HS Exercise	433.33	Improvement of Ed	7,491.70
Reading Special. H&S	252.78	Adult Prob Fees – 40	1,065.23
Dewey Humboldt Agree	2,313.93	Public Health Reserve	6,980.20
Environmental Health	15,028.78	Susan Komen Breast H.	780.29
Medical Reserve Corps	964.63	Resep Radiation Exp.	467.11
Comm. Health Center	32,989.54	AMPPHI	1,476.47
Family Planning	4,241.29	MCH Programs	1,180.24
Breast Feed. Couns.	574.61	Health Promotion	2,418.48
Cost Allocation	5,172.54	Nutrition	644.79
TB Control	954.04	WIC Program	16,561.23
Title X Family Plann.	1,383.64	Jail Enhancement	859.72
Juvenile Delinq. Reduct	13,096.30	Juvenile IPS	17,389.62
Juvenile Food Prog	1,543.49	Comm Advisory Bd	63.30
Probation Serv	4,353.55	Adult IPS	30,920.81
Adult Probation Fees	12,286.73	Prob Enhance	46,710.50
Recorder's Surcharge	34,320.63	Indigent Def/Dg	6,114.65
Crim Just/Atty	4,632.30	Bad Check Prog	2,788.30
CDBG Grant	25,582.80	Juv Prob Svs	880.96
Commodity Fd	625.90	Hi Risk Chld HI	7,800.58
Clerk's Storage	1,353.88	HIV Counsel & Test	1,385.01
Atty Anti-Racket	20,656.89	PANT	7,906.25
Law Library	1,674.87	CASA	14,891.49
Case Processing	6,011.29	Prim. Care – V.V.	4,676.22
Victim Witness Prog	11,030.62	Court Enhancement	1,582.98
Council Court	5,305.99	Enhance Drug Court	2,431.39
Drug Enforce. Fund	2,654.94	Probate Fund	1,353.29

Primary Care Services	12,301.21	PC Fees VV	530.23
Local ADR	1,205.72	Victims Rights Impl	3,944.37
JAIBG Juv Acct P-II	1,805.43	Yavapai Indian Agree	1,792.34
Dietetic Intern	938.46	Immuniz Service	3,030.57
Personal Care Svs	4,054.38	Idea-Preschool	160.12
Subs Abuse/DARE	36.90	Chem Abuse	42.77
Family Drug Court	975.00	Juv Det/PACE	5,923.76
Collab. Comp Rev Gr	949.29	Special Program	9,623.27
Sm Schools Ecia	58.01	Sm Schools Beha	1,392.76
Fill the Gap – Courts	10,470.07	Hurf Road Funds	462,771.45
Assessor Surcharge	6,053.09	Assessor App Dev	7,447.82
Health Fund	83,865.34	Jail Commissary	7,743.51
Landfill Administ.	46,362.94	Judge Pro Tem Div B	10,838.41
Tire Recycle	23,786.80	Safe School Pro	8,629.62
Adhs-Svs Coord	2,861.49	Local Incentive Awards	502.57
ELL Consortium 2003	3,965.70	Fill the Gap – Attorney	5,005.42
Family Law Commiss.	7,966.86	Comm Punish Pro	5,212.73
Juven. Detent Ed Pro	1,503.34	Regnl Road Project	701,390.06
Library Auto Consor	508.51	Health Start	4,376.94
Victim Comp VOCA	9,317.23	DUI Comm Gov Office	2,803.33
Ryan White II	4,791.44	Prepared. Bioterror	17,825.54
St Grant in Aid	1,270.11	Primary Care Fees	48,550.12
Perinatal Block	3,440.61	Well Woman Health	3,012.86
Tobacco Educ	18,333.43	School Reso. – Mayer	944.20
Direct Treatment Fund	2,421.59	Mental HealthRWJF	3,610.41
Mental Health Part.	3,610.46	Field Trainer	2,447.08
Attendant Care	22,297.48	HIV/CT	29.71
Accell & Visitation	839.98	Childrens Justice	609.57
Child Sup & Vis	1,014.93	Domestic Relations Ed	449.96
Self Service	1,212.58	VOCA	11,377.73
JTSF Treatment	39,434.53	Diversion Conseq.	2,053.99
Capital Projects	79,900.00	ALTCS	698,887.54

In addition, payroll was issued on July 22 for the pay period ending July 16; warrant numbers 2454264 through 2454609, in the amount of \$289,392.94. Jury certificates issued during this time; 6871496 through 6871878. Warrants issued for August 1 Board day, 4246703 through 4247179; 4247180 through 4247645.

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

ATTEST:

_____Clerk _____Chairman