

**PROCEEDINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS
REGULAR MEETING HELD ON
Tuesday, March 14, 2017**

A regular board meeting of the Cochise County Board of Supervisors was held on Tuesday, March 14, 2017 at 10:00 a.m. in the Board of Supervisors' Hearing Room, 1415 Melody Lane, Building G, Bisbee, Arizona.

Present: Ann English, Chairman; Patrick G. Call, Vice-Chairman; Peggy Judd, Member
Staff Edward T. Gilligan, County Administrator; Britt W. Hanson, Chief Civil Deputy County
Present: Attorney; Arlethe G. Rios, Clerk of the Board

Chairman English called the meeting to order at 10:09 a.m.

ANY ITEM ON THIS AGENDA IS OPEN FOR DISCUSSION AND POSSIBLE ACTION

PLEDGE OF ALLEGIANCE

THE ORDER OR DELETION OF ANY ITEM ON THIS AGENDA IS SUBJECT TO MODIFICATION AT THE MEETING

CALL TO THE PUBLIC

Chairman English opened the call to the public.

No one chose to speak and Chairman English closed the 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.

CONSENT

Board of Supervisors

1. Approve the Minutes of the regular meeting of the Board of Supervisors of February 28, 2017.
2. Approve acceptance of Quit Claim Deed from John N. and Diane D. Hutchison (Grantors) to Cochise County for real property described as "All of Lots 37 and 438, SUN SITES RANCHES Unit No. 4, according to the map recorded in Book 5 of Maps and Plats, Page 102, records of Cochise County Arizona" as recommended by the Highway & Floodplain Division and the County Attorney's Office.
3. Approve Community Development Block Grant (CDBG) award #136-17 from the Arizona Department of Housing for repairs to the Southern Arizona Children's Haven effective March 15, 2017 to July 1, 2018 in the amount of \$247,103.

Community Development

4. Approve an increase in Contract No. IFB 13-41-HFP-04 with Banning Creek Enterprises, LLC for culvert cleaning in the not to exceed amount from \$250,000 to 300,000.
5. Approve an increase in Contract No. IFB 16-43-HFP-04 with Brown and White, Inc. for guardrail repair and replacement in the not to exceed amount from \$290,000 to \$340,000.

County Attorney

6. Approve grant from the Tohono O'odham Nation for prosecution software for the Cochise County Attorney's Office in the amount of \$17,924 for the period of November 30, 2016 to November 30, 2017.
7. Adopt Resolution 17-03 authorizing the acquisition of property for additional parking at the Benson Service Center.

Elections & Special Districts

8. Approve the appointment as precinct committee persons for the Democratic Party upon the recommendation of the Party Chair, Debbie Hickman: Precinct 08 Cochise Stronghold - David B. Pinar; Precinct 26 SV Avenida Del Sol - Bryan S. Reid III and Joyce Ann Carpenter.

Finance

9. Approve demands and budget amendments for operating transfers. Warrants Nos. 16023-16069, 16078-16185, 16194-16251, 16253-16341 were issued in the amount of \$317,285.70.

Pursuant to A.R.S. §11-217(C), the published minutes shall include all demands and warrants approved by the Board in excess of one thousand dollars except that multiple demands and warrants from a single supplier or individual under one thousand dollars whose cumulative total exceeds one thousand dollars in a single reporting period shall also be published. Issued warrants are listed as an attachment at the end of the minutes.

Health & Social Services

10. Approve the Arizona Department of Health Services IGA Amendment #2, Agreement # ADHS17-133164 for the Public Health Emergency Preparedness Program, between the Arizona Department of Health Services and Cochise Health & Social Services, in the additional amount of \$16,610.12.
11. Approve an Intergovernmental Agreement (IGA) between Pima County and Cochise County for Medical Examiner Services for the period of May 22, 2017 through June 30, 2017 in the amount of \$87,500 per quarter and does not include non-autopsy and non-examination services.

Supervisor Judd moved to approve items 1-11 on the consent agenda. Vice-Chairman Call seconded the motion and it carried unanimously.

PUBLIC HEARINGS

Board of Supervisors

12. Approve Cox Communications Arizona, LLC Franchise Amendment removing the "Whetstone Area" from their service area in Cochise County.

Mr. Hanson gave the background and said this amendment was to remove a certain area from the service area in Cochise County.

Chairman English opened the public hearing.

Ms. Lisa Lovallo, Cox Communications Representative, thanked the Board for understanding the need to remove this area from their service area and explained that each resident affected, to include those who had canceled service this year, would be eligible to receive a \$500 gift card to help them transition to new services. She added that residents in the affected area would receive a notice of cancelation, as well as receive personal phone calls regarding the notice.

No one else chose to speak and Chairman English closed the public hearing.

Vice-Chairman Call moved to approve Cox Communications Arizona, LLC Franchise Amendment removing the "Whetstone Area" from their service area in Cochise County. Supervisor Judd seconded the motion.

Vice-Chairman Call asked if any other areas in the County would be discontinued.

Ms. Lovallo gave an update on all areas in Cochise County and said there were no plans to discontinue service in any areas other than Tombstone and Huachuca City due to a low number in customers.

Chairman English called for the vote and was approved 3-0.

ACTION

County Sheriff

13. Approve agreement for services between Cochise County and Aerial Solutions II, LLC, an Arizona Limited Liability Company for helicopter services effective February 28, 2017 through February 28, 2020 in the amount of \$1,423,524, with an additional grant amount of \$203,640 which will cover first year fuel, personnel and lodging expenses.

Commander Sam Farris, Sheriff's Office, presented this item. Commander Farris gave the background and summary of the new product. He discussed some of the missions accomplished by the aviation component of the Sheriff's Office over the last year: rescued hikers and assisting border patrol. He added that the new helicopter was better for higher altitudes and noted that the entire cost would be covered by two grants. He also stated that the Sheriff's Office would like to continue to have an aviation component as it has been an added resource to their mission.

Supervisor Judd moved to approve agreement for services between Cochise County and Aerial Solutions II, LLC, an Arizona Limited Liability Company for helicopter services effective February 28, 2017 through February 28, 2020 in the amount of \$1,423,524, with an additional grant amount of \$203,640 which will cover first year fuel, personnel and lodging expenses. Vice-Chairman Call seconded the motion.

Mr. Gilligan said that he was in support of this program as it was at no cost to the County's general fund and the Sheriff had found a funding source.

Chairman English called for the vote and it was approved 3-0.

Human Resources

14. Approve Resolution 17-02 to renew Cochise County's membership in the Cochise Combined Trust (CCT) effective July 1, 2017 through June 30, 2020.

Ms. Julie Morales, Human Resources Director, presented this item. Ms. Morales said that this resolution is to continue the membership of Cochise County in the Cochise Combined Trust.

Vice-Chairman Call moved to adopt Resolution 17-02 to renew Cochise County's membership in the Cochise Combined Trust (CCT) effective July 1, 2017 through June 30, 2020. Supervisor Judd seconded the motion.

Chairman English called for the vote and it was approved 3-0.

15. Approve the funding for the proposed schedule of benefits and rates adopted by the Cochise Combined Trust for fiscal year 2017-2018.

Ms. Julie Morales, Human Resources Director, presented this item using a PowerPoint presentation. Ms. Morales gave statistics from the employee survey conducted earlier in the year regarding benefits. She highlighted several issues that employees were concerned with.

She moved on to proposed benefits and rates for Fiscal Year 2017-2018:

- Current Trust reserves are \$5,673,483.76
- Trust faced medical premium increases of 11-28%
- Base plan changes limited the increase to 8.50% - \$48.02 per employee; \$820,738.52 total cost at current coverage level
- Board added additional medical plan options to better manage costs and meet employee needs

She also went over the basic medical changes:

- Two plans: Traditional and Healthcare Savings
- Increased deductibles with added option to buy down
- Added National Wrap Network
- Added Diagnostic 3D Mammogram coverage
- Added requirement for pre-certification for Sleep Studies and Advanced Imaging

Wellness Program:

- HumanaVitality (go365) discontinued July 1, 2017
- Erin Collins Associates (ECA) will manage onsite Wellness Screenings

Vision Insurance:

- Annual frames allowance increased from \$120 to \$150
- Contact Allowance increased from \$135 to \$150
- No premium increase

Dental Insurance:

- Increased lifetime orthodontic benefit from \$1,000 to \$2,500
- No premium increase

Mr. Gilligan went over monthly premium cost comparisons. He said that the original cost for the traditional plan was going to be approximately \$800,000 and the Trust's major focus was to come up with a plan to keep those costs down and address the employee wants for different health care options. He noted that moving forward he would like to see benefits be a part of employee compensation as a whole to ensure that both the County and the employees share responsibility for healthcare.

He moved on to the funding recommendation:

- Institute an employee premium to cover increase for traditional plan coverage
- Offer healthcare savings account plan with no employee premium and additional tax-free financial benefits
- Restructure dependent premiums to remain market competitive and encourage child coverage

He discussed costs for recommended plans and noted that the health savings plan would include additional incentives for employees who chose that option.

Chairman English asked how the employees would have access to their health savings account.

Mr. Gilligan said that they would receive a debit card for the health savings account, which would be just like any other banking account.

Vice-Chairman Call said that compensation is a priority and asked how the recommended plan impacts the general fund.

Mr. Gilligan said that the impact depended on the decisions employees made. He stated that if all employees stayed in the traditional plan it would cost the County general fund approximately \$334,000; if all employees opted for the health savings plan it would cost the County general fund \$800,000 to \$1,200,000, but noted that the funding for the health savings account would be paid by the Trust.

Supervisor Judd asked if the \$334,000 figure was the cost if all employees contributed the \$50 premium to the traditional plan.

Mr. Gilligan said that the \$334,000 was dependent on a \$50 premium contribution by employees. He added that the plans presented today allowed more opportunity for the County to fund salary compensation.

Chairman English said that the Board has discussed beginning to share the cost of healthcare with employees, especially if the priority is to fund salary compensation.

Mr. Gilligan said that employees will be briefed in detail regarding all changes during open enrollment. He will ensure that the communication regarding healthcare and compensation is discussed.

Supervisor Judd moved to approve the funding for the proposed schedule of benefits and rates adopted by the Cochise Combined Trust for fiscal year 2017-2018. Vice-Chairman Call seconded the motion.

Chairman English called for the vote and it was approved 3-0.

Solid Waste

16. Approve the award of Invitation for Bids (IFB) 17-19-SWD-04 for the Western Regional Landfill Cell Four Liner to Rummel Construction, Inc. Scottsdale, Arizona in the not to exceed of \$1,828,002.45.

Mr. Terry Hudson, Procurement Director, presented this item. Mr. Hudson said this award was on behalf of the Solid Waste Department.

Vice-Chairman Call moved to approve the award of Invitation for Bids (IFB) 17-19-SWD-04 for the Western Regional Landfill Cell Four Liner to Rummel Construction, Inc. Scottsdale, Arizona in the not to exceed of \$1,828,002.45. Supervisor Judd seconded the motion.

Vice-Chairman Call asked how long the cell would last.

Mr. Marty Haverty, Solid Waste Management Director, said the cell should last eight to ten years depending on volume of trash coming into the system. He said that staff was on track with past projections of volume in the cells. He added that the cell would be paid for by solid waste monies and staff would continue to look at system efficiencies.

Mr. Gilligan stated that the Rate Review Advisory Board (RRAB) was in agreement that all excess revenue would go to pay back the general fund.

Chairman English urged Mr. Haverty to keep looking at ways to pay back the debt owed to the general fund, while continuing to provide excellent customer service.

Chairman English called for the vote and it was approved 3-0.

STATE & FEDERAL LEGISLATION

17. Discussion and possible action regarding state and federal legislative matters, including but not limited to the items in the attached County Supervisors Association Legislative Policy Committee Agenda and the proposed State budget.

The Board did not discuss any legislation.

REPORT BY EDWARD T. GILLIGAN COUNTY ADMINISTRATOR -- RECENT AND PENDING COUNTY MATTERS

Mr. Gilligan said he would be speaking at two Arizona Town Halls about Arizona's financial future in Sierra Vista and Douglas.

SUMMARY OF CURRENT EVENTS

Report by District 1 Supervisor, Patrick Call

Vice-Chairman Call said he would be attending meetings with the Hereford Natural Resource Conservation District (NRCD), the Southeast Arizona Contractors Association, and the Eastern Counties Organization. He added that he would also brief the Sierra Vista Chamber on water issues and would be hosting Mr. Mike Hyatt, Border Patrol Agent in Charge on the Friday Report Radio Show.

Report by District 2 Supervisor, Ann English

Chairman English deferred her report.

Report by District 3 Supervisor, Peggy Judd

Supervisor Judd said that she would be attending the Mayor/Managers Luncheon in Willcox on March 23 and would also be attending a Sunsites meeting to address their Sulphur Springs Valley plan.

Chairman English adjourned the meeting at 11:05 a.m.

APPROVED:

Ann English, Chairman

ATTEST:

Arlethe G. Rios, Clerk of the Board