

**PROCEEDINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS
REGULAR MEETING HELD ON
TUESDAY, MAY 19, 2020**

A regular board meeting of the Cochise County Board of Supervisors was held on Tuesday, May 19, 2020 at 10:15 a.m. in the Board of Supervisors' Hearing Room, 1415 Melody Lane, Building G, Bisbee, Arizona.

Present: Thomas E. Borer, Chairman; Ann English, Vice-Chairman; Peggy Judd, Supervisor, telephonic

Staff Present: Edward T. Gilligan, County Administrator; Sharon Gilman, Associate County Administrator; Christine Roberts, Chief Civil Deputy County Attorney; Kim Lemons, Clerk of the Board; Amanda Baillie, Public Information Officer

Chairman Borer called the meeting to order at 10:22 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

CONSENT

Board of Supervisors

1. Approve the Minutes of the regular meeting of the Board of Supervisors of May 5, 2020.

County Attorney

2. Approve the proposed settlement of the Small Tax Appeal in Lewis Benson Properties, LLC v. Cochise County, ST2019-000174, now pending in Arizona Tax Court, a division of the Superior Court of and for Maricopa County.

Court Administration

3. Approve reappointment of Superior Court Judge Pro Tempore, Terry Bannon, pursuant to ARS 12-141 and ARS 8-231 and authorize Court Administration to call upon an appropriately appointed Superior Court Judge Pro Tempore from another county in extenuating circumstances pursuant to ARS 12-144, effective July 1, 2020 through June 30, 2021.

4. Approve the appointment of Candyce Pardee to serve as Superior Court Pro Tempore, on a part-time basis pursuant to ARS 12-141 and ARS 8-231 and authorize Court Administration to call upon an appropriately appointed Superior Court Judge Pro Tempore from another county in extenuating circumstances pursuant to ARS 12-144, effective July 1, 2020 through June 30, 2021.
5. Approve the appointment of Justice of the Peace, Patrick Call, to serve as Juvenile Hearing Officer, authorized under ARS 8-323, effective May 19, 2020.
6. Approve reappointment of Justice Court Precinct Five Pro Tempore, Gary W. Ramaeker, and the reappointment of Gerald F. Till, Paul Julien, Nathaniel Scott Redmon, C.J. Garan, Michael Skiles, and Pamela Housh as county-wide Justice of the Peace Pro Tempores for emergency or temporary coverage, both pursuant to ARS 22-121; and approve authorization to call upon an appropriately appointed Justice of the Peace Pro Tempore from another county in extenuating circumstances pursuant to ARS 22-122, effective July 1, 2020 through June, 30, 2021.

Finance

7. Approve demands and budget amendments for operating transfers.

Vice-Chairman English made a motion to approve items 1-7 on the consent agenda. Supervisor Judd seconded the motion and it carried unanimously.

PUBLIC HEARINGS

Board of Supervisors

8. Approve a Series #10 (Beer & Wine Store) new liquor license application submitted by Ms. Teresa Linette Trovato, for Dollar General Store #20512, located at 306 N. Mescal Road, Benson, AZ 85602.

Ms. Kim Lemons, Clerk of the Board, presented this item. Ms. Lemons said this application had been reviewed and recommended for approval by the appropriate departments; property taxes for the parcel were current; there had been no formal protests and the applicant paid the \$100.00 processing fee. Board staff recommended approval.

Chairman Borer opened the public hearing and asked the Clerk if she received any comments regarding this public hearing and Ms. Lemons stated there was none.

Chairman Borer closed the Public Hearing.

Supervisor Judd moved to approve a Series #10 (Beer & Wine Store) new liquor license application submitted by Ms. Teresa Linette Trovato, for Dollar General Store #20512, located at 306 N. Mescal Road, Benson, AZ 85602. Vice-Chairman English seconded the motion.

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

ACTION

Chairman Borer stated item 9 would be heard after item 14.

Board of Supervisors

9. Sitting as the Cochise County Board of Equalization, the Board of Supervisors will uphold or amend the Assessor's decision for the Taxpayer Notice of Claim for 120-23-005, multiple parcels (Mr. George Hadanich, Gateway of Light).

Mr. Leiendecker, County Assessor, presented this item. Mr. Leiendecker said this is a Notice of Claim appeal filed based on an error on two specific properties involving six individual land parcels. He described the property locations, their operations, and full cash values. Both properties are located near the entrance of Cochise Stronghold in the foothills of the Dragoon Mountains. Both properties were purchased by Mr. George Hadanich in 2016 and in December 2017, for one dollar, transferred into the Gateway of Light Inc., a non-profit religious corporation created on December 1, 2017 in the State of Washington with Mr. Hadanich identified as the President of this corporation. An exemption affidavit was filed in 2019 by the law firm DeConcini McDonald Yetwin & Lacy on behalf of Gateway of Light Corporation for all eight parcels. Mr. Peter Champoux was listed as the contact person on the exemption affidavit. The County Assessor's Office made an appointment, physically inspected all properties in question, and determined the properties did not meet the exemption requirements for religious purposes. Mr. Leiendecker listed those requirements and criteria: Property must be titled in the name of a not-for-profit entity; Property must be used primarily for religious worship; Exemption affidavit must be filed with the County Assessor; Property tax exemptions are not favored and will be construed in favor of payment of taxes; Laws exempting property from taxation are to be strictly construed; The presumption is against exemption and every ambiguity will be construed against it. In response to the attorney, based on the physical review and in-depth interview with Reverend Champoux, the decision was made by the Assessor's Office to deny appeal with no error identified.

Mr. Leiendecker continued and said that after-the-fact Mr. Hadanich provided additional information, conflicting with what was initially provided to the Assessor, that did not identify an error.

Vice-Chairman English said based on the criteria, no error was made. Mr. Hanadich did not like the decision and is looking for a way to change it and this is not the methodology for that. To change, Mr. Hanadich would need to provide records, membership information, etc. to show it is an active religious organization. Vice-Chairman English did not see that the Assessor had made any error.

Supervisor Judd said that the Board of Equalization is a quasi-judicial board and has been advised to recuse herself and she chooses to do so and will not vote today. She apologized for the position she had to take.

Mr. Hadanich said he felt his mission, and that of all the members in the Gateway of Light community, is God's divine plan to bring togetherness, love, and help to the area. He said this process has been going on for some time and Mr. Leiendecker's statement and information provided are a violation of the first amendment, and federal and state laws. He said he received a packet of information via email at 3:00 pm yesterday with defamatory statements from the Assessor and a former subcontractor, Mr. Nikholas Thomas. He talked about the character of a former employee and his comments and connection to the Gateway of Light. He refuted comments and acquisitions made. He did not think it was right to receive the additional information at 3:00 pm the day before the hearing without any time to get notarized statements from certain individuals on behalf of the Gateway of Light. He thinks Supervisor Judd was forced to recuse herself. The question for the Board is the legal definition of this religious organization. He did not understand why the Diamond Mountain Resort and other religious organizations had received the exemption. He spoke of the

separation of church and state, checks and other papers previously submitted, corporate papers and registrations which support their case. Historically, religious organizations were exempt because of the benefit brought to the community. He spoke of a shift of consciousness in the world and a move from the darkness through the light of God. The Gateway of Light community has dedicated its life to helping people in a holistic approach.

Chairman Borer asked if Mr. Hadanich could be more specific about the error in the claim.

Mr. Hadanich spoke of a letter that Mr. Leiendecker wrote claiming that Mr. Champoux was not qualified and questioning the Gateway of Life services and the length of time Mr. Hadanich lived at the property each year. He said the Assessor called them fraudulent and a bunch of fakes. He spoke of a W-2 that was submitted and a letter in response. Mr. Hadanich said the Board had a copy of both letters.

Chairman Borer asked Mr. Hanadich to pause and asked if Mr. Leiendecker had anything to add.

Mr. Leiendecker said his closing direction to the Board concerned the attorney Mr. James Sasa. Mr. Sasa contacted Mr. Hadanich and the corporation, and agreed with the Assessor's Office, directing the corporation in the future to follow guidelines and provide documentation, stating he could not defend the property on an exemption basis. Mr. Leiendecker asked the Board to consider the facts and said he stands behind his letter to the attorney and denial of exemption.

Chairman Borer asked after the Board action today what is the next action Mr. Hadanich could take. Mr. Leiendecker said a legal tax court appeal is available.

Mr. Hadanich wanted to finish his statement. He spoke of Mr. Sasa and his direction, and said he addressed all the comments from the Assessor. He brought up other religious organizations' exemptions and rebuttals to previous letters. He said they submitted facts and documents in their defense and violations of their rights. He said we have prayed for Mr. Leiendecker and he believes the Gateway of Light is here for guidance and service to others, not to take advantage of others. All the Assessor's criteria have been met. Supervisor Judd can verify their position. Mr. Hadanich said he is not the owner of the non-profit. He asked the Board to consider their facts that refute the Assessor's points.

Chairman Borer asked that Mr. Leiendecker restate the rules the Assessor's office has to follow.

Mr. Leiendecker restated the criteria stated earlier and reiterated the facts he presented with additional details concerning the testimony with Mr. Champoux and the public's access to the property. There was no clear documentation submitted to prove exemption.

Chairman Borer said the Board had 100+ documents from the Assessor, and the documents submitted by Mr. Hadanich, and asked if Mr. Hadanich had anything else to add.

Mr. Hadanich refuted points made by the Assessor and spoke again of the four-page letter.

Chairman Borer said the Board had reviewed the letter and there is ambiguity between it and the interview with Mr. Champoux which the Board was ready to address.

Mr. Champoux spoke and said he was misquoted by Mr. Leiendecker and statements were taken out of context.

Note: Mr. Champoux's connection was not good and his statements were not clear.

Chairman Borer asked Mr. Champoux if he did not state what had previously been noted.

Mr. Champoux said he was the only person at the property when the Assessor's office inspected and that he was not an official agent for the organization and was unaware of the various nuances of the organization at the time. He said he was the contact person acting as a tour guide but not to represent written documentation. He had no knowledge of those things because of lack of involvement with the organization. He said the property was closed because of construction.

Vice-Chairman English said she had reviewed and read all the information. The Board of Equalization must look at the Arizona laws to see if they have been followed by the Assessor in making the decisions. After consideration of today's statements there is a lot of ambiguity and Arizona laws want you to pay taxes unless you can prove beyond a doubt that you are a religious organization, otherwise everyone would be able to get this exemption.

Chairman Borer asked if we had received any public comment on this item. Ms. Lemons stated there was none.

Vice-Chairman English made a motion to uphold the Assessor's decision for the Taxpayer Notice of Claim for 120-23-005, multiple parcels (Mr. George Hadanich, Gateway of Light). Chairman Borer seconded the motion.

Chairman Borer called for the vote and it was approved 2-0-1 (Judd recused).

Court Administration

10. Approve a 5-year Contract with Preventronics to Supply IP Security Cameras for the Superior Court located at 100 Quality Hill and the Administration Building located at 4 Ledge Avenue, in an amount not to exceed \$31,111.73, effective May 19, 2020.

Ms. Niltza Flores presented this item. Ms. Flores outlined the details of the upgraded system and how it will support the court security standards. Court Administration requested approval.

Supervisor Judd agreed with the upgrade coinciding with other improvements in the area.

Ms. Flores confirmed the cost includes installation of 25 cameras for both buildings. The annual costs will include maintenance.

Mr. Gilligan said concerns about life-long costs are valid but this a solid improvement from analog to digital, upfront costs are for cabling to connect the system, there is a decent life expectancy on this equipment, and he is comfortable the Courts will be able to manage costs moving forward.

Chairman Borer stated his concerns about future costs.

Mr. Gilligan reiterated that the system will be robust for years to come.

Vice-Chairman English made a motion to approve a 5-year Contract with Preventronics to Supply IP Security Cameras for the Superior Court located at 100 Quality Hill and the Administration Building located at 4 Ledge Avenue, in an amount not to exceed \$31,111.73, effective May 19, 2020. Supervisor Judd seconded the motion.

Chairman Borer asked if we had received any public comment on this item. Ms. Lemons stated there was none.

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

Development Services

11. Approve a Coronavirus Aid, Relief, and Economic Security (CARES) Act Airports Grant of Federal funds for the Bisbee-Douglas International Airport, in the amount of \$20,000, effective May 19, 2020.

Mr. Dan Coxworth, Development Services Director, presented this item. Mr. Coxworth outlined the grant and stated there is no County match.

Chairman Borer asked if we had received any public comment on this item. Ms. Lemons stated there was none.

Vice-Chairman English made a motion to approve a Coronavirus Aid, Relief, and Economic Security (CARES) Act Airports Grant of Federal funds for the Bisbee-Douglas International Airport, in the amount of \$20,000, effective May 19, 2020. Supervisor Judd seconded the motion.

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

12. Approve a Coronavirus Aid, Relief, and Economic Security (CARES) Act Airports Grant of Federal funds for the Cochise County Airport in the amount of \$30,000, effective May 19, 2020.

Mr. Dan Coxworth, Development Services Director, presented this item. Mr. Coxworth said this is another CARES grant with the same terms as the previous item.

Chairman Borer asked if we had received any public comment on this item. Ms. Lemons stated there was none.

Supervisor Judd made a motion to approve a Coronavirus Aid, Relief, and Economic Security (CARES) Act Airports Grant of Federal funds for the Cochise County Airport in the amount of \$30,000, effective May 19, 2020. Vice-Chairman English seconded the motion.

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

Emergency Services

13. Approve Hazardous Material Emergency Preparedness Grant reallocation funding of \$25,717.30 for HAZMAT training equipment.

Mr. Gabe Lavine, Emergency Management Director, presented this item. Mr. Lavine said this is an extension of two previous reallocation agreements from fiscal year 2019 for additional funding of HAZMAT training equipment with no county match.

Chairman Borer asked if we had received any public comment on this item. Ms. Lemons stated there was none.

Vice-Chairman English made a motion to approve Hazardous Material Emergency

Preparedness Grant reallocation funding of \$25,717.30 for HAZMAT training equipment. Supervisor Judd seconded the motion.

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

Health & Social Services

14. Approve renewal of Public Health Emergency Preparedness, Contract #ADHS17-133164, Amendment #7, for Covid-19 between the Arizona Department of Health Services and Cochise Health & Social Services, in the amount of \$263,965, effective March 5, 2020 through March 15, 2021.

Ms. Carrie Langley presented this item. Ms. Langley said these funds will support an enhanced ongoing and prolonged effort in response to Covid-19.

There was a short discussion about the broad oversight of this amendment and the factors considered for the fund amount.

Supervisor Judd asked if the funds will be used in long-term care facilities and hospitals and Ms. Langley described their use.

Note: The meeting was suspended from 10:55 to 11:12 a.m. when the Melody Lane Complex internet service went down.

Chairman Borer asked if we had received any public comment on this item. Ms. Lemons stated there was none.

Vice-Chairman English made a motion to approve renewal of Public Health Emergency Preparedness, Contract #ADHS17-133164, Amendment #7, for Covid-19 between the Arizona Department of Health Services and Cochise Health & Social Services, in the amount of \$263,965, effective March 5, 2020 through March 15, 2021. Supervisor Judd seconded the motion.

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

STATE & FEDERAL LEGISLATION

15. Discussion and possible action regarding state and federal legislative matters listed or described in the attached County Supervisors Association Legislative Policy Committee Agenda, the Arizona Association of Counties (AACo) Legislative Policy Committee Agenda, and the proposed State budget, and other matters related thereto.

Vice-Chairman English provided the Board with a copy of a Resolution which Pima County is addressing today. Pima and Maricopa Counties received Covid-19 money that the other counties did not receive. Pima County is supporting all 15 counties getting Covid-19 money from the Governor of Arizona. She expressed appreciation for our friends and colleagues in all the counties. She talked about SB1133 going through without the amendment and asked the Board to go online to oppose. The legislature is back in session but not as a special session.

The Board took no action on this item.

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

Mr. Gilligan deferred his report.

SUMMARY OF CURRENT EVENTS

Report by District 1 Supervisor, Thomas E. Borer

Supervisor Borer said ADOT will be working to repair Highway 92 in the next week.

Report by District 2 Supervisor, Ann English

Supervisor English said the City of Douglas will elect a new Mayor tomorrow.

Report by District 3 Supervisor, Peggy Judd

Supervisor Judd said her community is opening and read aloud a quote by Theodore Roosevelt.

Chairman Borer adjourned the meeting at 12:10 p.m.

APPROVED:

Thomas E. Borer, Chairman

ATTEST:

Kim Lemons, Clerk of the Board