

The Pinal County Board of Supervisors convened at 9:30 A.M. this date. Chairman Smith called the meeting to order.

The morning session of the meeting was held in the Ironwood Room located at 135 N. Pinal St., Florence, Arizona 85132. The afternoon session will be held in the Board of Supervisors hearing room at the same address.

Present: Chairman Anthony Smith; Vice-Chairman Todd House; Supervisor Pete Rios; Supervisor Cheryl Chase; Supervisor Stephen Q. Miller; Chief Civil Deputy County Attorney Chris Keller; Assessor Doug Wolf; Recorder Virginia Ross; School Superintendent Jill Broussard; Sheriff Paul Babeu; Treasurer Dodie Doolittle; Assistant County Manager for Administrative Services Leo Lew; County Manager Greg Stanley; County Attorney Chief of Staff Dwight Fujimoto; Honorable Judge Roger Valdez.

Budget discussion item. Staff will present projected revenues vs. expenditures and end with summary questions to obtain guidance regarding budget preparation.

Leo Lew, Assistant County Manager for Administrative Services presented the current and future projected revenues and expenditures. The County is still in a deficit. The revenues did not increase as much as the expenditures. He discussed the flat levy vs. the flat rate scenarios. Mr. Lew pointed out that the ICE negotiations are ongoing. Mr. Lew summarized the guidance and direction he received from the Board through the discussion.

For the primary property taxes, there was guidance to build next year's budget on the assumption of the same rate of \$3.7999, which results in a 1% decrease in levy on existing properties since the existing valuations decreased. The rates in the future will be discussed then, but there was openness to a potential flat rate if needed or somewhere between a flat levy and flat rate.

Roundtable discussion with elected officials regarding budget preparation for the 2014/15 year.

For budget development this year, the County will begin with the premise of no increases in department operating budgets except for retirement and medical. However, one Board member did ask that departments bring their wish lists so that there is awareness. It was also requested that Capital needs be communicated. There is an openness to issue debt if needed or pay cash for infrastructure depending on the amounts and circumstances.

11:15 A.M. – Chairman Smith recessed the meeting for a short break.

11:20 A.M. – Chairman Smith re-convened the meeting. Sheriff Paul Babeu left while Chief Henry sat in to represent the Sheriff's Office.

There was guidance to set aside budget for the value of a 2.5% wage increase in the 4th quarter of next year. However, once the compensation study is complete, further decisions can be made on wages.

There was guidance to keep the financial stability reserve at 15%, however, staff is going to discuss with rating agencies what they like to see.

There were a couple of suggestions related to helping the financial health of the County. Doug Wolf, County Assessor would like to see the Board aggressively sell County owned properties that make sense in order to get them on the tax roll as well as to lobby for State Land to be more effectively turned into private use. Of course there was urgency placed on the fix of the ICE contract.

Regarding fees, departments have brought fee proposals before the Board. Planning and Development fees were updated and adopted. Medical Examiner fees were revised. Environmental Health fees were discussed at length and the good news is that fees were adopted that have an equitable distribution in proportion to cost. However, the fees were not increased in such a manner as to receive more cost recovery overall. Few other departments are currently looking at fees (for example case management fees for Public Fiduciary) and staff will continue to bring them before the Board.

Mr. Lew's presentation can be viewed at
<http://www.pinalcountyz.gov/Departments/BoardofSupervisors/Lists/Minutes/Attachments/691/01%20-%20Budget%20Summit%20Presentation.pdf>

12:15 P.M. – Chairman Smith announced that the remainder of the meeting would be held in the Board of Supervisors hearing room. He recessed for a short lunch break.

1:04 P.M. – Chairman Smith reconvened the meeting. He announced that he would need to leave at 2:00 P.M. for a previously scheduled meeting and would turn the meeting over to Vice-Chairman House.

Review of draft Strategic Plan from the February 26, 2014 work session.

The above item was removed to be discussed at a future Work Session.

Elected Officials sharing their ideas around future participation for expanding the Strategic Plan to include their areas.

The above item was removed to be discussed at a future works session.

Discussion with the Board of Supervisors on the plans and status to restore the Elections Warehouse.

Recorder Virginia Ross appeared before the Board to brief everyone on the status and progress of the ability to recover from the Elections warehouse fire that happened on February 3, 2014. Everything in the building was a total loss, but the backup server stored the elections data at another location which was not lost. Candidate files that were previously moved and the archived rosters were also maintained. Ms. Ross proposed the new elections warehouse and early voting operations re-located to 188 N. Main Street in Coolidge, Arizona where restoration work of building has already begun. Ms. Ross also plans to move the early voting to the Coolidge site because currently when ballots are received, they are taken to a mini trailer across the street from her office. The newly renovated building will streamline the elections process and increase efficiencies. The target move date is around May 31, 2014. Staff anticipates full recovery in time for the 2014 elections. Ms. Ross presented the plan for the Coolidge warehouse build out. The new location will have a window viewing area for members of the public and party observers to watch as the ballots are tabulated. The warehouse will also include a fire proof vault. You can view Ms. Ross' presentation at <http://www.pinalcountyz.gov/Departments/BoardofSupervisors/Lists/Minutes/Attachments/691/05%20-%20Future%20of%20Elections.pdf>

The optical scanners were lost in the fire. Previously voters placed their marked ballot in an optical scanner and the early voters either mailed their ballots or delivered it to a polling site to be placed in a ballot box. Half of the polling sites did not have the capability for staff to upload the data so those scanners had to be brought back with the ballots to a central election site to tabulate. Moving forward, Ms. Ross would like to change the process. Elections will have the ADA compliant machines as required by law and voters will still be able to mark their ballots in privacy booth. However, all ballots will be dropped in a sealed tamper proof box, not the optical scanners. The boxes will then be brought back to the central count room for tabulation. There will be very strict security and audit control measures taken to prevent any type of tampering with the ballots boxes and/or ballots. The central tabulation center will have a high speed central scanner used to tabulate the ballots.

Supervisor Rios asked if the tabulation report historically placed on the polling site door/window, showing the number of voters and which candidate was in the lead, would still be available for interested members of the public to view.

Ms. Ross said that for this year, staff will not be able to do that. The equipment lost is no longer manufactured. For staff to get the new optical scanners at every compatible site is between about \$500,000 - \$600,000. The new technology coming out may potentially render those machines obsolete. More and more counties are urging the legislature to go to all mail elections. She was concerned with investing that amount of funding in something that may very well be useless in the next few years. Staff will be

looking at the procedure to see what can be done. The goal is to get the results out as quickly as possible.

Supervisor House asked if staff could post a note with a phone number that citizens could call after a certain time to get results or send staff out to post the results the next morning.

Supervisor Chase agreed that investing in equipment that may not be needed in the near future was not a good idea, but urged staff to find a way to get the results to the rural communities.

Ms. Ross said that an advantage to having a Central Count Tabulation System is that staff will be situated to keep up with the changes in technology and the election laws. Some of the disadvantages might be the public perception of questioning whether or not the ballot boxes will make it back to central count. Staff will implement very structured and strict procedures. The improvements will require additional training of poll workers to ensure everyone is keeping up with the changes.

Another change being made is to outsource the distribution of the early ballots. The machine staff currently uses is not able to keep up with the demand. This year is the first impact of the consolidated elections for the cities and towns. This will require the cities and towns to be on the ballot in August and November. There have been discussions with cities and towns regarding concerns about non-partisan candidates being included on partisan ballots. Staff has agreed to create a ballot just for non-partisan candidates. However, voters only get to choose one ballot.

Supervisor Rios asked what the court ruled today regarding the bifurcated system.

Deputy County Attorney, Jerri Roll said that the Kansas District Court ruled that the EAC could not deny Arizona or Kansas their request to have their states specific requirements placed on the federal form. Four of the groups of plaintiffs that sued the State were permitted to intervene so she did not expect this to be the last decision.

Ms. Ross would like to bring in high speed scanners to scan the ballot affidavits for better side by side signature comparison. Having the early voting and all of the ballots at one site, there is less handling of them and reduces the risk when moving ballots from one building to another.

Staff had two public meetings and a demo by an election equipment supplier. The RFP (request for proposal) will be published March 20, 2014 to the suppliers. They will have until April 1, 2014 to respond with any questions. The bid will close on April 11, 2014 with a plan to award the proposal to a supplier at a Special Session on April 23, 2014. This will position Pinal County to be able to accommodate whatever direction the Arizona Legislature takes. The Recorder's office is going to need additional help and Ms. Ross plans to bring that request to the Board at a future meeting.

Supervisor Rios asked if the walk-in early ballots will have to go to the Coolidge location regardless of precinct.

Ms. Ross said that they could come to the Recorder's office in Pinal County or to any of the satellite Recorder's offices to vote and those services would still be provided.

Supervisor Chase asked if any of the insurance reimbursement has been received.

Ms. Ross said no. There meetings are ongoing.

The Board thanked Ms. Ross and her staff for a job well done.

Discussion on an Economic Development Special Area Plan for San Tan Valley.

Planning and Development Director, Jerry Stabley appeared before the Board. There was an item on the agenda in January to talk about spending economic development funds on a project in Casa Grande. At that time, the Board asked staff to look in other locations within the County as there may be an area with as much of or even greater need. Since that time, staff has worked to come up with ideas to be presented today. San Tan Valley is the largest community in the County. The citizens in the area have expressed great concern with regard to the economic future of the community. The Board's direction was to consider steps the County could take to bolster the economy of San Tan Valley. Staff recommended hiring a Consultant Team with expertise in economic development, land planning, land economics, transportation engineering and design, facilitation and consensus building and the ability to work with stakeholders and property owners, including Arizona State Land. The consultant team would need to know the role of government in economic development and to seek and catalog public input. Outreach to property owners is important. Mr. Stabley would like the consultant team to secure and employ latest population projections, determine amount of land needed for commercial and employment and to identify economic opportunities and constraints. Mr. Stabley projected the cost of the consultant team would be \$150,000 to \$200,000. There is a possibility to work with the Arizona Public Service to see if this would qualify for A Focused Future. Staff's next step is to work with community groups, have the groups jointly request this process, develop an RFP, identify a consultant group that meets criteria and bring a contract back to the Board for consideration in 4-6 months. Mr. Stabley's presentation can be viewed at <http://www.pinalcountyz.gov/Departments/BoardofSupervisors/Lists/Minutes/Attachments/691/06%20-%20Economic%20Development%20Area%20Plan,%20San%20Tan%20Valley.pdf>

Supervisor Chase would like to see this move forward, but was concerned about the County's ability to do so in the next 4-6 months considering the fiscal situation. She felt it may be better to move this a little further out.

Mr. Stabley said that staff could look at that.

The Board agreed that this was a priority, but supported Supervisor Chase's request to delay consideration of the contract.

County Manager, Greg Stanley said that staff will link up with APS and get a better idea of the cost and come back to the Board in a future work session to see if the Board would want to move ahead or hold off.

The meeting stood adjourned at 2:02 P.M. The next regular meeting of the Pinal County Board of Supervisors will be on Wednesday, March 26, 2014 at 9:30 A.M.

PINAL COUNTY BOARD OF SUPERVISORS

AmberLee Mudd

AmberLee Mudd, Deputy Clerk of the Board