

**MAYOR AND COUNCIL PUBLIC MEETING NOTICE  
REGULAR MEETING - AUGUST 13, 2025 AT 6:00 PM**



**Minutes**

The City of Douglas Mayor and Council met in a Regular Meeting on Wednesday, August 13, 2025, at 6:00 p.m., at City Hall Council Chamber, 425 10<sup>th</sup> Street. The Honorable Mayor Jose Grijalva called the meeting to order.

1. **CALL TO ORDER. 6:04 p.m.**
2. **PLEDGE OF ALLEGIANCE. By Council.**
3. **INVOCATION BY: Bishop Adam Brake - Church of Jesus Christ of Latter-Day Saints**
4. **ROLL CALL.**

	<u>PRESENT</u>	<u>ABSENT</u>
MAYOR, JOSE GRIJALVA	X	
MAYOR PRO TEMPORE, DANYA ACOSTA		X (excused)
COUNCILMEMBER, MELISSA RODRIGUEZ	X	
COUNCILMEMBER, JOSE MONTANO	X	
COUNCILMEMBER, RAY SHELTON		X (excused)
COUNCILMEMBER, MICHAEL BALDENEGRO	X	
COUNCILMEMBER, RICHARD C. ACOSTA	X	
CITY MANAGER, ANA URQUIJO	X (virtual)	
CITY ATTORNEY, DENIS FITZGIBBONS	X	
CITY TREASURER, ALEJANDRO MARTINEZ	X	
CITY CLERK, ALMA ANDRADE	X	

**5. EVENTS UPDATE.**

The Recreation department staff presented upcoming events including the Mexican Baseball Fiesta on October 1st at Copper King Stadium featuring the Narajeros versus the Yaquis. They announced Trunk or Treat Hawkins Chronicles on Halloween night with location to be determined. The aquatic department announced that the butterfly valve in the pump room has been replaced, and lap swim resumed on August 12, 2025. Open swim continues weekends at the 8th Street pool, with night swim on Friday evenings. Adult swim lessons session 2 begins August 18th, and water aerobics continues Monday, Wednesday and Friday afternoons.

The Douglas Public Library announced activities throughout the week including relaxing activities on Mondays, STEAM Club on Tuesdays, movies on Wednesdays, and story time on Thursdays. Paint night for adults is scheduled for August 22<sup>nd</sup> at 5pm, and book club meets on the last Tuesday of each month.

**6. MAYOR AND COUNCIL MEMBER UPDATES AND/OR REPORTS.**

Mayor Grijalva reported meeting with Jose Juan Bernal from the Episcopal Church about their construction plans and the fee waiving program. Mayor Grijalva asked staff if the city could help him out with the program to get the fees waived. The next Chat with the Mayor will be held at their church on September 6th. He met with high school students to describe the roles of mayor and council. Staff are working on a Mariachi Festival for September 13th at 10th Street Park. The Commercial Port of Entry groundbreaking ceremony is planned for next month, with dignitaries invited to attend the event and the Pick game afterward.

7. **READING OF PROCLAMATION.**
  - A. **HISPANIC HERITAGE MONTH.**

Mayor Grijalva read the proclamation.

**8. PRESENTATION of AWARDS.**

- A. In **RECOGNITION** to the **DOUGLAS LITTLE LEAGUE SENIOR ALLSTARS** team for their **STATE WIN** and good representation in **OAKLAND, CA** at the **WEST REGION TOURNAMENT**.

**SENIORS:**

**Players:** Maximiliano Algara, Jaiden Arciniega, Sebastian Avechuco, Miguel Bustamante, Rafael Buzane, Abel Clinch, Diego Duarte, Christopher Escarcega, Emmiliano Fimbres, Esequiel Gonzales, Isidro Hoyos, Rodrigo Lamadrid and Erick Damian Villalobos.

**Manager:** Jesus Duarte, **Coaches:** Chris Escarcega and Jesus Martinez.

**B. In RECOGNITION to the DOUGLAS LITTLE LEAGUE MAJOR ALLSTARS team for their DISTRICT 8 TOURNAMENT WIN.**

Council Member Rodriguez shared impressive statistics about Douglas Little League's success over the past three years: 8 district championships (6 baseball, 2 softball), 7 state appearances, 2 state championships, 1 state runner-up, and 3 West Region appearances. She noted that some of the senior players were making their second West Region appearance. She thanked the board members, managers, coaches, volunteers, and the Douglas community for their support in making these successes possible.

**MAJORS:**

**Players:** Hector Arciniega, Brayden Bustamante, Zarik Garcia, Roman Gonzales, Saul Higuera, Jacob Hurtado, Maximiliano Mares Lagarda, Alan Martinez, Everardo Orozco, Damian Pena, Fabian Valenzuela and Derek Vasquez.

**Manager:** Eric Valenzuela, **Coaches:** Alan Martinez & Luis Francisco Arciniega

**Not an action item, no action taken.**

**9. PERSONS WISHING TO ADDRESS THE COUNCIL IN WRITING OR VERBALLY ON ANY ITEM NOT ON THE AGENDA.**

- Ms. Ida Ann Pedrego of 1815 East 5<sup>th</sup> Street addressed the council, following up on her previous request for council members to meet with constituents outside of council meetings. She emphasized that many citizens do not call council members directly but instead call her or others to get things done. She reiterated that being on city council is a commitment and suggested that if necessary, meetings with constituents should be added to the job description for council members. She acknowledged that many council members work full time but noted that citizens are available on Saturdays, Sundays, and after work hours.
- Jay Hamwright, CEO of the Boys and Girls Club of Sierra Vista, expressed excitement about coming to Douglas and appreciation for the community's care for children. He stated they are looking to offer mentorship opportunities and provide a safe place for kids after school and during breaks. He mentioned they are looking forward to get started soon.
- Supervisor Kathleen Gomez announced that she has awarded \$10,000 to the Boys and Girls Club of Douglas to help kick it off. She discussed the upcoming meeting on August 25, 2025 at the county building to discuss the jail tax, emphasizing its importance for funding the jail and avoiding expensive costs of shipping inmates to other counties. She stressed the need for a Port of Authority board for Douglas, noting that without stakeholders involved, the city will not get necessary funding for the \$44 million road and \$24 million for pipes to the port of entry. She mentioned starting a strategic plan for the port of entry and the importance of all elected officials participating. She discussed the need for county and city engineers to meet about flooding issues on 23rd Street, encouraged consolidation of the four chambers of commerce into one, and announced the Douglas Native American Festival on November 15, 2025.
- Mr. Arturo Torres of Balar Entertainment reported that June was their most successful month with visitors from multiple cities and states. While not profitable for him personally, he noted it generated city tax revenue through local shopping and hotels. He requested urban curb and gutter improvements that he has been requesting since 2018, especially with the Boys Club potentially locating north of his property. He commended the recreation staff he worked with on recent events but emphasized the need for council support, particularly regarding infrastructure improvements to handle water flow issues.



Not an action item, no action taken.

**10. DISCUSSION/DECISION on APPROVAL of CONSENT AGENDA ITEMS:**

- A. **EXPENDITURES** for the month of **JULY 2025** totaling **\$6,580,925.58**.
- B. **MEETING MINUTES** for **JULY 9** and **JULY 30, 2025**.
- C. **LIQUOR LICENSE 009** for **DOUGLAS BEVERAGE & GROCERY**.
- D. **DOUGLAS PUBLIC FACILITY MUNICIPAL PROPERTY CORPORATION (MPC GOLF COURSE) REAPPOINTMENTS** of **JAMES SELCHOW** and **KEVIN ALVARADO**; and an **APPOINTMENT** of **JOE SALCIDO**.
- E. **RESOLUTION NO. 25-1684**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **RATIFYING** the **TRANSFER** of a **GRANT FUNDED VEHICLE** from the **SANTA CRUZ COUNTY SHERIFF'S OFFICE** to the **DOUGLAS POLICE DEPARTMENT** (2023 CHEVROLET TAHOE PPV).
- F. **RESOLUTION NO. 25-1685**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** the City of Douglas to **ACCEPT GRANT FUNDING** from Walmart in the amount of \$5,000 as part of their **FY2025 COMMUNITY GRANTS PROGRAM**.
- G. **RESOLUTION NO. 25-1686**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** the City of Douglas to **ACCEPT GRANT FUNDING** from **BEST FRIENDS ANIMAL SOCIETY** in the amount of \$1,000 as part of their **FY2025 PAWS** in the **FIELD CHALLENGE**.
- H. **RESOLUTION NO. 25-1687**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** the **EXECUTION** of a **DESIGN SERVICES CONTRACT** to **KIMLEY HORN and ASSOCIATES, INC.** for the new 16 inch waterline from Airport Road to the 5 million gallon reservoir located in Cochise County, Arizona.
- I. **RESOLUTION NO. 25-1688**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona **AUTHORIZING** the execution of a **DESIGN SERVICES CONTRACT** to **STANTEC CONSULTING SERVICES, INC** for West Douglas Water Campus (New Well Equipment, Reservoir, Booster Pump Station and Treatment) located at Cochise College in Cochise County, Arizona.
- J. **RESOLUTION 25-1690**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** an amendment to the **INTERGOVERNMENTAL AGREEMENT** between the City of Douglas and the **ARIZONA DEPARTMENT of CORRECTIONS, REHABILITATION, and REENTRY** on behalf of the Arizona State Prison Complex-Douglas to **AMEND** the **INMATE LABOR PAY RATE** from **fifty cents (\$0.50)** to **one dollar (\$1.00) per hour**, and authorizing the city manager to execute the amended contract.

Mayor Grijalva pulled Item J for separate discussion.

**Motion by Council Member Rodriguez, second by Council Member Baldenegro to approve the consent agenda items A through I as presented.**

**Roll call: Voted in Favor: Mayor Jose Grijalva, Council Members: Melissa Rodriguez, Jose Montañó, Michael Baldenegro and Richard Acosta. Voted Against: None.**

For Item J (Resolution 25-1690 regarding inmate labor pay rate), Mayor Grijalva explained that during budget review discussions, they learned inmates choose where to work based on pay rates. He initially suggested raising the rate to \$1.50 to attract more and higher-skilled inmates.

Ms. Smith explained that the city paid approximately \$11,500 for inmate labor at \$0.50 per hour, and the approved \$1.00 rate would double costs to \$23,000. An additional \$0.50 increase would add another \$11,500 for a total of \$34,000, which was not budgeted but could be absorbed through vacancy savings.

Council discussion ensued with Council Member Rodriguez expressing concern about creating competition with other cities.

Council Member Montaña worried it could escalate to \$2, \$3, or \$5 per hour while having the same labor.

Council Member R. Acosta agreed to keep it at \$1.00, noting that if they get 20 laborers, that's already a gain with more work getting done.

Council Member Baldenegro asked about the current workforce size, and Ms. Smith responded they have about 10 trustees that fluctuate for various reasons.

Mayor Grijalva emphasized being proactive and competitive but acknowledged council's consensus to keep the rate at \$1.00.

**Motion by Council Member Rodriguez, second by Council Member R. Acosta to approve Resolution No. 25-1690 consent agenda item J as presented.**

**Roll call: Voted in Favor: Council Members: Melissa Rodriguez, Jose Montaña, Michael Baldenegro and Richard Acosta. Voted Against: Mayor Jose Grijalva.**

#### **11. DISCUSSION/DECISION on APPROVALS.**

A. **RESOLUTION 25-1689**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** the **EXECUTION** of a **MASTER UTILITY SERVICE AGREEMENT** with **SUSTAINABILITY PARTNERS, LLC**, that establishes a contract to provide infrastructure as a service type contract or capital recovery service contract for various city infrastructure needs for the City of Douglas.

Mr. Luis Pedroza introduced Joe Yuhas and Andrew Myers from Sustainability Partners. Mr. Yuhas presented their infrastructure as a service model, describing it as a third way to fund critical infrastructure beyond traditional cash or bond financing. He compared it to a photocopier service where the city pays monthly for use without owning the assets, with maintenance and replacement included. The model offers zero upfront costs, preserves debt capacity, funds up to 100% of project costs, keeps assets under city control while off balance sheet, and shifts maintenance responsibilities to Sustainability Partners. The Master Utility Service Agreement (MUSA) is an overarching 10-page agreement with no commitment to specific projects; individual projects would be added as amendments.

Mr. Myers explained they operate on a cost-plus basis as a public benefit B Corporation, making 80 basis points (0.8%) annually on projects. Projects have no long-term obligation and can be terminated with 30 days' notice, with assets transferring at prorated original cost, not market value. They can work with existing engineering firms and maintenance providers and can serve as local match for state or federal grants.

**Motion by Council Member R. Acosta, second by Council Member Baldenegro to approve Resolution No. 25-1689.**

Council Member Montaña asked about the rent-to-own comparison and timeframes.

Mr. Myers clarified it's more like a build-to-suit leaseback with key differences - no ridiculous interest rates, looking for 100-year relationships, with natural agreements end when assets reach end of useful life.

Council Member Baldenegro asked about specific projects, and Mr. Pedroza explained projects would be determined by Mayor and Council and brought back as addendums.

Ms. Urquijo emphasized this innovative approach helps small cities with limited resources leverage opportunities they would otherwise miss due to small bonding capacity.

**Roll call: Voted in Favor: Mayor Jose Grijalva, Council Members: Melissa Rodriguez, Jose Montaña, Michael Baldenegro and Richard Acosta. Voted Against: None.**



B. **FIRST READING OF ORDINANCE NO. 25-1216**, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AMENDING CHAPTER 8.28** of the **DOUGLAS MUNICIPAL CODE** specifically as to section 8.28.040(f) relating to **CONSTRUCTION RELATED NOISE**, establishing severability of components of ordinance; and establishing an effective date thereof.

Chief Fullen explained this ordinance amendment is required to comply with Senate Bill 1182, signed by Governor Hobbs on May 13th and codified under ARS 9-500.52. The bill restricts municipalities from enforcing noise ordinances that prohibit general construction activities between May 1st and October 15th from 5am-7pm on business days and 7am-7pm on Saturdays, if work is performed under a valid permit. Concrete pouring is allowed one hour before regular construction times (4am on business days).

Council Member Baldenegro asked for clarification on whether landscaping services like leaf blowing were included, and after discussion with Chief Fullen and the City Attorney, it was clarified this applies to construction activities under valid permits, not general landscaping. The ordinance is designed to protect construction workers from Arizona heat by allowing earlier start times.

**Motion by Council Member Baldenegro, second by Council Member Montaña to approve the placement of Ordinance No. 25-1216.**

**Roll call: Voted in Favor: Mayor Jose Grijalva, Council Members: Melissa Rodriguez, Jose Montaña, Michael Baldenegro and Richard Acosta. Voted Against: None.**

**Motion by Council Member Rodriguez, second by Council Member Baldenegro to approve the first reading of Ordinance No. 25-1216.**

**Roll call: Voted in Favor: Mayor Jose Grijalva, Council Members: Melissa Rodriguez, Jose Montaña, Michael Baldenegro and Richard Acosta. Voted Against: None.**

## **12. CITY MANAGER REPORTS.**

Ms. Urquijo reported that construction for the Commercial Land Port of Entry is underway with a \$653 million investment by GSA. This is the first phase of a two-port solution, with the existing Raul H. Castro port expansion/remodeling to follow 12-18 months later. A groundbreaking ceremony is planned for September 5th as a closed gathering with live streaming for the community. She congratulated all stakeholders who have worked for decades on this historic project.

Regarding the Boys and Girls Club, they met with leadership this week to establish a timeline. Minor repairs are needed in the call center space they'll use. An MOU will come to council in October. They're setting up an advisory board and finding a local director, with a tentative January 2026 start date or summer 2026 fallback. The city allocated \$200,000 in seed money, Family Foundation contributed \$100,000, and Supervisor Gomez added \$10,000.

Other updates included: Downtown streetscape project awaiting final documents for bidding with fall 2025 start date; Back 9 golf course rehabilitation with seeding this weekend; Well 18 drilling continues at Cochise Park with completion expected summer 2026; New asphalt plant has arrived with foundation work underway; Striping truck has arrived pending mounting and training; Douglas Days 2025 YouTube video released; Douglas will be presenting sponsor for 6th Annual Native American Festival on November 15, 2025; Groundswell Capital virtual information session for contractors on August 21, 2025; Free business workshops at the Visitor Center.

She addressed public comments by noting ongoing meetings prioritizing lights, streets, sidewalks and curbing, with areas around the call center/community center already moved up in timeline. She will reach out to Mr. Torres about his curbing needs and to Cochise County to collaborate on issues raised by Supervisor Gomez.

## **13. FUTURE AGENDA ITEM REQUESTS FROM MAYOR AND COUNCIL.**

Council Member R. Acosta requested updates on the strategic economic plan and creation of a port authority board, possibly in partnership with Cochise County.

Mayor Grijalva requested three items: A presentation on code enforcement statistics including warnings, citations and fines given due to complaints about insufficient enforcement; Compliance with ARS 38-502 and 38-503 that he worked on with Mr. Fitzgibbons; A presentation on tourism and marketing efforts by the visitor's scenter to address complaints about insufficient marketing efforts and to show what is done to advertise Douglas.

**14. ADJOURNMENT.**

**Motion by Council Member Rodriguez, second by Council Member Montaña to adjourn the meeting at 7:47 p.m. Motion passed unanimously.**

Prepared by:



Alma Andrade, City Clerk