

Minutes

MAYOR AND COUNCIL

The Mayor and Council met in a Special Meeting Work Session on Wednesday, September 29, 2021 at 5:30 p.m. in the Council Chamber of City Hall, 425 10th Street. The Honorable Mayor Huish called the meeting to order.

1. **CALL TO ORDER:** 5:30 p.m.
2. **PLEDGE OF ALLEGIANCE:** by Council
3. **ROLL CALL.**

	PRESENT	ABSENT
MAYOR, DONALD C. HUISH	X	
MAYOR PRO TEMPORE, MARGARET MORALES	X	
COUNCILMEMBER, MITCH LINDEMANN	X	
COUNCILMEMBER, DANYA ACOSTA		X (excused)
COUNCILMEMBER, RAY SHELTON		X (excused)
COUNCILMEMBER, MICHAEL BALDENEGRO	X	
COUNCILMEMBER, JOSE GRIJALVA	X	
INTERIM CITY MANAGER/CITY TREASURER, LUIS PEDROZA	X	
CITY ATTORNEY, DENIS FITZGIBBONS	X	
CITY CLERK, ALMA ANDRADE	X	

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

No public participation requests.

5. PRESENTATION OF AWARDS:

RECOGNITION to DION ETHELL for his remarkable SUPPORT and DEDICATION to the DOUGLAS COMMUNITY.

Mayor Huish read the following statement: "Patrol Agent In Charge Dion Ethell was originally sworn in as a Federal Agent in Tucson, Arizona as a member of the Ajo Station in the Arizona west desert on September 17, 2001 just after the towers fell. Since that time, PAIC Ethell has served more than two decades in four Southwest Border stations, three Sectors and the Office of Border Patrol Headquarters in Washington, D.C. PAIC Ethell, has served as a Border Patrol Agent, Supervisory Border Patrol Agent, Special Operations Supervisor, Field Operations Supervisor, Assistant Patrol Agent in Charge, Patrol Agent in Charge, Acting Division Chief, Assistant Chief, Acting Associate Chief, and Loaned Executive to the National Capitol Area. PAIC Ethell has led numerous law enforcement missions and initiatives all over this country during his long career and has been a leader in many other areas such as tribal liaison, environmental stewardship, strategic communications, and intelligence, among others. He's been honored to speak and attend many distinguished locations such as the White House, Office of National Drug Control Policy, Pentagon, Capitol, NASA, and the National Border Patrol Academy. Notwithstanding, PAIC Ethell has also honorably served this very community for more than seven years now protecting our community, Southeast Arizona, and our great nation. His men and women stand watch every day, rain nor shine, day and night, to keep our citizens safe. We thank him for his service and support our faithful agents that will continue to serve after he's gone on to retirement. It goes without saying that we appreciate the strong relationship that the City of Douglas and the Douglas Border Patrol Station have shared over the years. I think I speak for all of us, when I say that we have enjoyed working together.

Moreover, Mayor Huish stated an agent never serves along and thanked his family, but especially his wife Sherry who has also served and sacrificed over the years. Herself, a retired scientist after 26 years and now top realtor, also served Customs & Border Protection as a contractor to assist in environmental stewardship and monitoring a number of years back. PAIC Ethel and his wife Sherry are more than contributors to our community and our country, they too, are faithful parents and have raised and hosted many children in their home over these many years. They are proud parents to four sons who have faithfully served in the military, two nephews (one just joined the Navy), and several foster children. He's as committed to family as he has been to our safety.

But now he's retiring. He tells me that he will remain here in Cochise County looking for new ways to serve his community and family and will devote the next few years to assisting his wife in the real estate market. He tells me that it's his turn to give back to her. We wish him good fortune and the best of luck as he opens the next chapter of life."

Mayor Huish provided a Plaque on behalf of the City of Douglas.

Dion Ethel thanked Mayor Huish and stated the city had been very supportive. Mr. Ethel provided a gift to Mayor Huish, Mr. Pedroza and for Chief Fullen.

Furthermore, Mr. Ethel thanked the community for the support given to the Border Patrol and the support should continue due to the fact there are a lot of men and women continuing to serve the community.

As a last comment, Mr. Ethel stated they will remain in Cochise County as this was their forever home.

6. PRESENTATION/DISCUSSION/DECISION:

A. APPROVING the ESTABLISHMENT of the City of Douglas CHARTER REVIEW COMMITTEE.

Motion by Council Member Morales, **second** by Council Member Baldenegro to approve the appointments as presented:

Melissa Dye, Sylvia Hurtado, Fernando Morales, Linda Dodge, Diego Guerrero, Scott Lehman, and Fernando Betancourt.

Mayor Huish thanked everyone in the community for wanting to assist to propose changes to the voters.

Roll call: Voted in Favor: Mayor Donald Huish, Council Members: Margaret Morales, Mitch Lindemann, Michael Baldenegro and Jose Grijalva. **Voted against:** None.

Certificates were presented to the members in attendance.

Mayor Huish provided brief background information and stated the city charter included a section in which a charter review committee needed to be appointed and bylaws were setup for a representative for each ward be appointed. Mayor Huish was very appreciative of their time to be appointed.

7. PRESENTATION/DISCUSSION:

A. HISPANIC HERITAGE month PROCLAMATION

Mayor Huish read the Hispanic Heritage month Proclamation. Mayor Huish added that Hispanic Heritage was part of the community, was greatly appreciated and made us unique.

PROCLAMATION

"Hispanic Heritage Month - Mes De La Herencia Hispana"

WHEREAS, for more than a century the City of Douglas has embraced a diverse culture intertwined with the Mexican culture and

WHEREAS, the Hispanic community is a dynamic, valued part of our city and a vital link to our economy, with an entrepreneurial spirit, a strong work ethic, and an unwavering belief in the American dream; and

WHEREAS, Hispanic culture shapes the City of Douglas prominently and influences our art, literature, music, food, folk, family values, lifestyle, ethnicity, language, and

WHEREAS, the essence of Hispanic Heritage Month is to recognize the countless contributions of people of Hispanic heritage to the United States of America. Many people of Hispanic Heritage serve in civic leaders, politicians, educators, scientists, healthcare professionals, first responders, artists, athletes, artists, religious leaders, and more; and

WHEREAS, Hispanic Heritage is intertwined into the City of Douglas and reflects a beautiful array of a vibrant culture in our community.

NOW, THEREFORE, BE IT RESOLVED that I, Donald C. Hulse, Mayor, and on behalf of the City of Douglas, do hereby proclaim **SEPTEMBER 15 - OCTOBER 15** as **HISPANIC HERITAGE MONTH** in Douglas, Arizona and call upon the citizens of Douglas to celebrate the history, culture, and spirit of Hispanic heritage.



IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Douglas to be affixed this 29th day of September 2021.

Donald C. Hulse
 Donald C. Hulse, Mayor

Attest:

 Alma Andrade, City Clerk

B. COCHISE COLLEGE Presentation by DR. J.D. Rottweiler pertaining to EDUCATING through a PANDEMIC.

Dr. Rottweiler, Cochise College President presented "Educating through a Pandemic" and provided the following bullet points of information:

- Crisis 2020-21: The Coronavirus Pandemic
- The Coronavirus Pandemic Danger or Opportunity?
 - Our students and communities need us NOW.
- Southeast Arizona Law Enforcement Training Academy (SEALETA)
- Graduates:
- Fire Science:
- Emergency Medical Services
- 75 registered Nurse candidates graduated May 2021.
- Aviation Program
- Cyber and Virtual Reality Center

"Leave nothing for tomorrow which can be done today."

- Douglas Campus – Strategic Initiatives
- Douglas Campus Dean
- Enhanced Facilities
 - Student union, Art/Fab, Greenhouse, PitFire Stage and auxiliary area
- First Responder Academy



- Community Partner
- Every Day is a NEW Day
 - of providing educational opportunities
 - Social responsibility, community engagement, meaningful careers, and lifelong learning.

Mayor Huish thanked Dr. Rottweiler for his presentation and appreciated the leadership he has showed to the community and the entire county.

Council Member Grijalva stated it was exciting news and looking into the future. Additionally, Council Member Grijalva congratulated Mr. Villareal and stated he has attended council meetings. As a final comment, Council Member Grijalva mentioned he was looking forward to advance the community.

Dr. Rottweiler thanked council and stated he believed this would bring value and greater impact to the community.

Council Member Baldenegro inquired if there was a program involving drones.

In response Dr. Rottweiler commented that the College has an intensive drone program. Dr. Rottweiler stated that the College had a partnership with Northman Grumman and developed a drone program in anticipation of the FAA coming out with advanced regulations for the integration of unmanned systems into the national airspace, at a much larger level. Additionally, Dr. Rottweiler stated the FAA returned with part 107, small, under forty pounds, needed to stay within eye sight and under forty feet, couldn't fly them by the airport.

Moreover, Dr. Rottweiler stated he was hopeful for the future as it could integrate larger things into agriculture; possibly the college could provide pesticides, herbicides via drones; and stated they are ready to do it, but are waiting for the FAA.

Furthermore, Dr. Rottweiler commented the Douglas Campus has a COLA, a certificate of authorization to fly drones within the college campus. Dr. Rottweiler added they needed business and industry in order to move that forward.

Council Member Baldenegro inquired if Fort Huachuca and Cochise College would be able to get a partnership to speed up the process.

Dr. Rottweiler responded they currently have the partnership in which the college trains and graduates about 150 United States Army Unmanned Systems Pilots, and 150 mechanics at a higher level which they fly in restricted air space, and the question would be when can they move into national air space.

Mayor Huish thanked Dr. Rottweiler for his time, and stated he was appreciative that Abe Villareal was assigned to the Douglas area.

Dr. Rottweiler thanked Mayor and Council for their time.

C. PRESENTATION by Monica Miranda, Finance Manager, pertaining to END of the YEAR FINANCIALS.

Monica Miranda presented on the following points:

- Financial Status Report July – June 2020/2021
- GG Cash position

Balance as of 06/30/21

General Fund Reserve	\$7,879,601
Restricted	
HURF	\$1,049,050
CARES Act Capital Projects	\$ 335,825
Fund Balance Capital Projects	\$ 366,414
Contingency Reserve/Debt	\$1,000,000
RICO	\$ 267,087
Debt Service	\$ 12,618
Alex Black Fund	\$ 145,366
Insurance Claims Reserve	<u>\$ 685,704</u>
Total Restricted	<u>\$3,862,064</u>
TOTAL GG Cash	\$11,741,665

Sales Tax FY 20 & 21

Month	FY 2019-20	FY 2020-21	Difference Current vs. Last Year	% Diff	Budget 2020-21	Difference Budget vs. Actual	% Diff
July	448,848	709,186	260,338	58%	520,527	188,859	36%
August	455,614	703,636	248,022	54%	528,375	175,262	33%
September	471,994	704,384	232,391	49%	547,369	157,015	29%
October	583,892	759,137	175,445	30%	504,941	254,196	50%
November	572,727	680,721	107,994	-13%	492,795	187,935	38%
December	679,740	729,281	49,541	-20%	587,275	142,006	24%
January	822,265	886,475	64,209	8%	712,454	174,021	24%
February	616,366	744,752	128,386	21%	532,212	212,540	40%
March	609,714	683,022	73,308	12%	527,056	155,965	30%
April	713,275	777,840	64,565	9%	615,019	162,821	26%
May	612,116	740,263	128,147	21%	524,441	215,822	41%
June	712,610	732,520	19,919	3%	620,045	112,484	18%
TOTAL	7,288,960	8,851,225	1,562,265	21%	6,712,500	2,138,725	32%

Mayor Huish asked Ms. Miranda if the numbers were adjusted to a comparable rate than the previous fiscal year.

Ms. Miranda agreed.

DESCRIPTION	JUL-JUN COLLECTIONS			
	FY 2020/2021	FY 2019/2020	Difference	Diff %
ADVERTISING	4,280	1,945	2,335	120.0%
MINING	68	52	16	31.0%
UTILITIES	529,359	467,728	61,631	13.2%
TELECOMMUNICATIONS	135,005	118,042	16,964	14.4%
TRANSPORTING	0	0	0	0%
PUBLICATION	154	2,967	(2,813)	-94.8%
JOB PRINTING	1,102	8	1,096	17,501.9%
RESTAURANT & BAR	628,465	534,800	93,666	17.5%
AMUSEMENT	5,849	6,743	(894)	-13.3%
COMMERCIAL RENTAL	169,070	135,458	33,611	24.8%
RESIDENTIAL RENTAL	134,454	113,595	20,860	18.4%
RENTAL-PERSONAL PROP	157,860	98,632	59,028	59.8%
CONTRACTING	174,050	225,957	(51,907)	-23.0%
HOTEL/MOTEL	115,462	102,637	12,825	12.5%
USE TAX	724,095	317,434	406,661	128.1%
VEHICLE USE TAX	700	708	(9)	-1.2%
PIPELINE	0	702	(702)	-100%
MRKTPLC FAC/REM RETAIL SALES FOOD FOR HOME CONS	4,541	2,031	2,509	123.5%
RETAIL FOOD HOME CONSU	1,502,532	1,389,934	112,598	8.1%
MRKTPLC FAC/REM RETAIL SALES	481,630	160,499	321,131	200.1%
RETAIL	4,082,748	3,619,088	463,660	12.8%
TOTAL	8,861,225	7,298,860	1,562,265	21.3%

Mr. Pedroza asked Ms. Miranda to elaborate on Wayfair as some individual may not know what it's for.

Ms. Miranda responded the 2018 Wayfair ruling was a lawsuit brought to the courts due to used tax filers for online sales.

Mr. Pedroza added basically on a national level make certain filers and certain thresholds mandatory to file sales tax. Additionally, Mr. Pedroza commented previously it was on a voluntary basis, and the court ruling made it mandatory for certain thresholds, and in Arizona was adopted. Moreover, Mr. Pedroza stated for a business that does more than one hundred thousand dollars must file sales tax.

Ms. Miranda added there were some businesses filing under the used tax categories.

Mayor Huish added as a refresher to council that the state was trying to reduce state shared revenue and this was part of the reason they thought they could do it, because they were saying cities were getting sales tax back from Wayfair.

Ms. Miranda continued with the presentation:

4th Qtr. FY 2020/2021

Fund	Revenue	Expenditure	Variance
GF	20,224,250	17,509,068	2,715,182
HURF	1,568,907	1,567,246	1,661
LTAF	1,201,605	1,026,479	175,126
Capital Projects	603,744	603,744	0
Self Fund Ins	1,178,911	1,167,375	11,537
Airport	121,505	121,505	0
Water	2,305,657	2,004,883	300,774
Sewer	6,943,232	4,642,917	2,300,315
Sanitation	1,420,055	1,251,431	168,624
Golf	215,896	215,895	0
TOTAL Funds	35,783,762	30,110,543	5,673,219

GF Budget Balance Shortfall/Overage

- 2021 4th Qtr (Jul through Jun 2021) - \$2,715,182
- 2020 4th Qtr (Jul through Jun 2020) - \$1,511,751
- 2019 4th Qtr (Jul through Jun 2019) - \$700,316

Council Member Morales inquired if the online sales tax would come in on a monthly basis or when the city would receive those funds.

In response, Ms. Miranda stated it was on a monthly basis but also depended on the filers, for example for the month of August, funds were received in September.

Mayor Huish thanked Ms. Miranda for the presentation.

Mr. Pedroza commented the city ended up in a very positive notice, stated by Ms. Miranda on \$2.7M. Additionally, Mr. Pedroza stated that any surplus would go to employee bonuses, as well as addressing one-time capital needs which would be brought to council.

Mayor Huish thanked Mr. Pedroza and stated the city would be very conservative on administration if border restrictions remain.

8. DISCUSSION/DECISION on APPROVALS of ORDINANCE.

A. **SECOND READING OF ORDINANCE NO. 21-1137**, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, AMENDING ARTICLE 12 of the STREETS, SIDEWALKS and PUBLIC PLACES CODE, relating to the REGULATION of PARKS and RECREATIONAL AREAS; establishing MISCELLANEOUS RULES of CONDUCT; SETTING FORTH VIOLATIONS; and PROVIDING for ENFORCEMENT and PENALTIES; establishing severability of components of Ordinance; and establishing an effective date thereof.

Jennifer Smith provided background information.

Ms. Smith provided an example reference the tennis courts and violators not following rules, and it was hard for Parks Dept. and Police to enforce since there is no the legal support.

Additionally, Ms. Smith clarified that Title 12 was not to restrict use of public amenities and push the control, rather is to provide staff with tools to be able to take care of amenities. Furthermore, Ms. Smith mentioned the intent was to leave it broad and not necessarily state every single rule to each amenity which would give staff flexibility to modify when needed to.

As a final comment, Ms. Smith stated it would also help with upcoming projects like the dog park.

Motion by Council Member Morales, **second** by Council Member Grijalva to approve the second reading of Ordinance no. 21-1137 with modifications as presented.

Council Member Lindemann inquired if there was an ordinance or rule that coincided with monitoring model airplanes or model cars.

In response, Ms. Smith stated the code cited the National Aeronautics which must adhere to established regulations.

Council Member Lindemann inquired if it was included.

Ms. Smith confirmed.

Mr. Pedroza added that these applied to activities of use in open space like drones and model rockets that require open space, but it didn't apply to cars as they don't fall under the category, therefore, they could be utilized as long as utilized correctly.

Council Member Lindemann inquired if the city would limit activities of people wanting to use parks.

In response, Mr. Pedroza mentioned not through the ordinance presented, and that the city was opening up activities.


Ms. Smith added the city's intention was to set codes of conduct, but open spaces were available as long as it meets established guidelines.

Roll call: Voted in Favor: Mayor Donald Huish, Council Members: Margaret Morales, Mitch Lindemann, Michael Baldenegro and Jose Grijalva. **Voted against:** None.

9. ADJOURNMENT.

Motion by Council Member Morales, **second** by Council Member Baldenegro to adjourn the meeting at 6:32 p.m.

Prepared by:



Alma Andrade, City Clerk