

Minutes

MAYOR AND COUNCIL

The City of Douglas Mayor and Council met in a **Special Meeting on Monday, May 23, 2022 at 5:30 p.m.** at City Hall Council Chambers, 425 10<sup>th</sup> Street. The Honorable Mayor Donald Huish called the meeting to order.

1. **CALL TO ORDER:** Mayor Donald Huish 5:30 p.m.
2. **CALL TO ORDER:** Chair, Jose Grijalva
3. **PLEDGE OF ALLEGIANCE.** By Council and Finance Committee Members

4. **ROLL CALL: Mayor, Donald Huish**

	<u>PRESENT</u>	<u>ABSENT</u>
MAYOR, DONALD C. HUISH	X	
MAYOR PRO TEMPORE, MARGARET MORALES	X	
COUNCILMEMBER, MITCH LINDEMANN	X	
COUNCILMEMBER, DANYA ACOSTA	X	
COUNCILMEMBER, RAY SHELTON	X	
COUNCILMEMBER, MICHAEL BALDENEGRO	X	
COUNCILMEMBER, JOSE GRIJALVA	X	
CITY MANAGER, ANA URQUIJO	X	
CITY ATTORNEY, TINA VANNUCCI	X	
CITY TREASURER, LUIS PEDROZA	X	
CITY CLERK, ALMA ANDRADE	X	

5. **ROLL CALL: Chair, Jose Grijalva**

	<u>PRESENT</u>	<u>ABSENT</u>
CHAIR JOSE GRIJALVA	X	
MEMBER, ALEX BONEO		X (excused)
MEMBER ANEL LOPEZ	X	
MEMBER ADAM BRAKE	X	
MEMBER PETE CORDOVA	X	
MEMBER MICHAEL BALDENEGRO	X	
CITY TREASURER, LUIS PEDROZA	X	

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

None

7. **DISCUSSION/DECISION on APPROVALS.**

- A. **RESOLUTION NO. 22-1501**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **DECLARING** and **ADOPTING** the **RESULTS** of the **GENERAL ELECTION** held on May 17, 2022, seeking approval of **EIGHTEEN PROPOSED AMENDMENTS** to the City of Douglas Charter.

Alma Andrade presented the results of the City of Douglas Charter election held on May 17, 2022. She added that once the legislation is approved, those amendments will be sent to the governor for his approval to ensure that the amendments are not in conflict with state statute or the Constitution of Arizona.

**Motion by Council Member Lindemann, second by Council Member Shelton to approve Resolution No. 22-1501.**

**Motion PASSED** by a vote of 7-0. Roll call: Voted in Favor: Mayor Donald Huish, Council Members: Margaret Morales, Mitch Lindemann, Danya Acosta, Ray Shelton, Michael Baldenegro, and Jose Grijalva. Voted Against: None.

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- B. **RESOLUTION NO. 22-1502**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **APPROVING** the **DOUGLAS RIDES IMPLEMENTATION PLAN** and **POLICY STATEMENT** in accordance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990 (ADA).

Humberto Rivera provided background on the Douglas Rides Implementation Plan and Policy Statement in accordance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990 (ADA).

**Motion by Council Member Shelton, second by Council Member Baldenegro to approve Resolution No. 22-1502.**

**Motion PASSED by a vote of 7-0. Roll call: Voted in Favor: Mayor Donald Huish, Council Members: Margaret Morales, Mitch Lindemann, Danya Acosta, Ray Shelton, Michael Baldenegro, and Jose Grijalva. Voted Against: None.**

- C. **Employee HEALTH INSURANCE Contracts.**

Ms. Urquijo presented initial increases were received 51% over the last year range, in working with brokers and staff working on changing carriers and contract structure, particularly the stop loss insurance, renewals were lowered from a 7% increase overall premiums. Contracts will be renewed with current providers for claims administration, pharmacy management network and claims utilization. Carriers will change for stop loss insurance from Swiss Re to Berkeley. Also, the dual option will continue for employees to provide a choice to pay up to a richer plan. Asking for consideration of the contribution provided by the city for the city employee only coverage to be at \$616.08 per month, which is an increase from the current year of an additional \$55.22, which is city portion and for employee plus family coverage city contribution to be \$968.50 per month, an increase of \$62.04 over the current year. Setting those amounts from the city will place a portion of the premium as follows, Employees only for Plan A will be zero and for Plan B it will be \$115.24 per month, a \$10.06 increase. For family coverage Plan A employees will pay \$521.50 which is an increase of \$33.40 from last year. For Plan B \$745.30 a \$50.28 increase to the amount the city will pay toward health insurance premiums will cost an additional \$91,000 to the general fund, which has been accounted for in the budget for fiscal year 22-23. If the same funding levels remain on the same funding levels, the employee only coverage or increase on the city contribution will be an annual increase to the general fund of \$54,000 and for family additional \$47,000. Lastly Ms. Urquijo added if the council wanted to consider an additional cost to increase the level of Plan A, to remain the same cost for supporting the city with an additional impact of \$20,000 to the general fund.

Council Member Shelton asked how the additional \$20,000 will help.

Ms. Urquijo answered family coverage for the base rate is going up to \$33.40 and the \$20,000 would leave it flat.

Council Member Morales asked if deductible will change.

Ms. Urquijo answered it would not.

**Motion by Council Member Shelton, second by Council Member Morales to approve contract renewals with Marpai Health, Aetna, American Health Holding, and Broadreach Medical Resources and a new contract with Berkley; set the monthly city contributions for employee only at \$616.08 and for employee + family at \$968.50; and to accept all other voluntary and customary benefits.**

**Motion by Council Member Shelton, second by Council Member Baldenegro to amend and add \$20,000 for Plan A to remain as is.**

**Motion PASSED by a vote of 7-0. Roll call: Voted in Favor: Mayor Donald Huish, Council Members: Margaret Morales, Mitch Lindemann, Danya Acosta, Ray Shelton, Michael Baldenegro, and Jose Grijalva. Voted Against: None.**

**Motion PASSED by a vote of 7-0. Roll call: Voted in Favor: Mayor Donald Huish, Council Members: Margaret Morales, Mitch Lindemann, Danya Acosta, Ray Shelton, Michael Baldenegro, and Jose Grijalva. Voted Against: None.**

Mayor Huish took a recess at 5:49 p.m. and reconvened at 5:54 p.m.

8. PRESENTATION/DISCUSSION.

A. Fiscal Year 2022/2023 BUDGET

Ms. Urquijo presented the budget philosophy and reference the SEA model for a Sustainable Douglas, Efficient Douglas and Aligned Douglas. Sustainability looking within programs and from a long-term perspective with viable programs now using one-time revenues in a smart way when we are uncertain of future revenues and efficiencies in terms of our ongoing audits of our organization's operations. Some progress already in the last six months, continuing to look at operations for reduction of waste in terms of how you do things, process improvements and streamlining where available, and then finally aligning with Mayor and Council's priorities. City administration came together with Mayor and Council in January to set this vision, and also come up with a vision map to set the tone for the future. Lastly, Ms. Urquijo added the context was not necessarily changed of our past organizational mission, items were just accentuated.

Policy priorities:

- Infrastructure
- Downtown Revitalization
- Managing Growth/Annexations
- Economy, Jobs & Amenities
- Community Facilities, Special Events & Tourism
- Streets & Roads

Organizational Values:

- Professionalism,
- Respect
- Integrity
- DOUGLAS
- Excellence

Ms. Urquijo commented this is still a draft from of the vision and share it today to get a further comment later from you as the guide and governing body of the organization. It started off our retreat for Vision 2032 with strong and great guidance by Mayor. One of the things that resonates is to have continuity as a council, and we do have growth that is expected with the new port of entry.

Vision 2032 – Council

- Becoming a Destination
- Improving the Image of Douglas
- Showcasing our Downtown

Ms. Urquijo reported the fund balances.






**GG Cash Balance**    \$17,560,671

## Fund Balance

Restricted Cash	
Alex Black Fund	145,366
CARES Savings Capital Funding	641,771
ARPA Funding	1,095,142
PSPRS Bond Reserve	4,000,000
Police Savings for Trainees	255,000
Unspent Cap Lease Proceeds	<u>65,329</u>
<b>TOTAL RESTRICTED CASH</b>	<b>6,202,608</b>

Policy Reserves	
45 day Operating Reserve	1,653,679
Capital Reserve	1,627,258
Debt Reserve	<u>3,774,078</u>
<b>TOTAL POLICY RESERVE CASH</b>	<b>7,055,015</b>

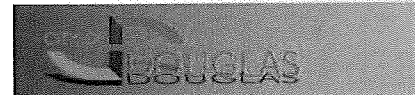
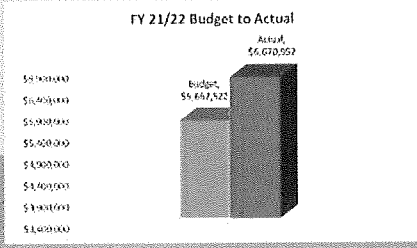
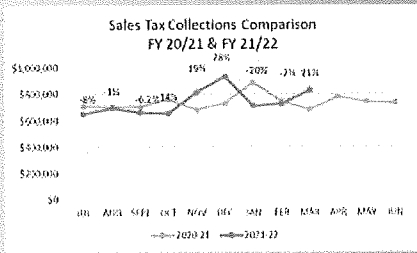
**UNRESTRICTED FUND BALANCE**  
\$4,303,048

Ms. Urquijo reported the FY 21/22 Overview.

### FY 21/22 Overview

- Sales Tax is 19% or \$1,003,430 Above Budget Projections
- Sales Tax is 2% or \$70,358 Above from Last Year's Actual Collections
- Overall General Fund Revenues are 8% above Budget Projections
- Received 1st Tranche of ARPA of \$2,192,781 – Reclassifying Some Projects for Next Year
- Excluding ARPA, we are Projecting a 2.5 Million Surplus for FY 21/22



Council Member Lindemann commented that he would like to talk about going back to sales tax, back to the benefit of the businesses.

### City Funds

General Fund	Special Revenue Funds	Enterprise Funds	Internal Service Funds
<b>FUNDS:</b> General Fund, Airport, Golf Course, Housing	<b>FUNDS:</b> HURF, Transit, Rico, Capital Projects, Debt	<b>FUNDS:</b> Water, Sewer, Sanitation	<b>FUNDS:</b> Self Funded Insurance
<b>FUNCTION:</b> Public Safety, Public Works, Parks and Rec, Admin, Other.	<b>FUNCTION:</b> Funds designated by law or for specific use	<b>FUNCTION:</b> Business-type activities that are self-sustaining through operational revenue	<b>FUNCTION:</b> Use to charge the cost of individual activities to individual funds
<b>FUNDING:</b> Taxes, State Shared Revenue, User Fees, Lic & Permits, Section 8, Inv	<b>FUNDING:</b> Gas Tax, Grants, Rico Seizures, Capital & Debt	<b>FUNDING:</b> User Revenue	<b>FUNDING:</b> Charges to Individual departments

### FY 22/23 GF Revenue

**State Shared Revenue**

- GF \$1.8 Million Increase
- HURF \$270,484 Increase

**Local Sales Tax**

- 5% or \$400,000 Increase

**Sale of Real Property**

- Rancho La Perilla Apartments Sale Expected to Yield \$1 million in Net Proceeds

### FY 22/23 GF Revenue - Continued

#### Grant Reimbursements (New Grants)

- \$2.5 Million from Congressional Directed Spending (CDS) for Downtown Revitalization Streetscape
- \$3.0 Million from CDS for Chino Road Extension
- \$300,000 from AZ State Parks for Historical Preservation Building grant for Police Department and/or Airport facilities

#### SMART & Safe Tax

- Legalization of Marijuana 16% Sales Tax State Share
- \$100,000 for Police and Fire Training and/or Addtl Personnel Costs

Question was asked if a dispensary is still in place for Douglas, and was that figured as potential sales tax.

Mr. Urquijo answered figures of a future dispensary have not added future sales tax projections.

### FY 22/23 GF Highlights

#### 2% COLA for Non-Minimum Wage Employees

- GF \$152,285

#### Minimum Wage Expected to Increase in January 2023

- State looks at CPI in August for the last 12 months to set new minimum wage
- Looking at April CPI at least a 5.5% Increase is expected



### FY 22/23 GF Highlights

#### Three Years to Market Salaries Model

- Classification Maintenance Review
- FY 22-23 \$336,000 (Included In Recommended Budget)
- FY 23-24 \$306,000
- FY 24-25 \$244,000

#### 2022-2025 CMR Recommended Plan - Classifications by Title

TITLE	FY 21/22 Current Range	FY 22/23 Proposed Range	FY 23/24 Proposed Range	FY 24/25 Proposed Range
		<10% Line <15% Ld/T/MM <25% Directors Min Wage	<5% Line <10% Ld/T/MM <15% Directors	<5% All positions

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Council Member Lindemann asked if Police Department, as well as the Fire Department and Parks and Rec, positions that are budgeted fully funded.

Ms. Urquijo answered they're fully funded, but they're not fully staffed.

Council Member Lindemann commented that it is very important to be fully staffed for our community to be safe.

Question was asked what the turn over rate with City employees.

Ms. Urquijo answered it is 2.72%.

Comment was made of the concern of preparing a list of cost of living. Index is considerably higher than Douglas. It was clarified that Fire, Police, for those that serve and protect, the reserve should go to that. Doing it across the board will be a bigger cost than anticipated. Fixing is not a necessary thing to fix right now, especially with turnover rates at 2%.

Mayor Huish commented one of his goals is that standards need to be raised in the community. Not be in second place, but be in first place.

Council Member Lindemann asked if there are enough people to get the work done because the streets matter and his concern is if there are enough people to cover all of the groups.

Ms. Urquijo answered there is a large lead in streets and roads policy priorities, and every sense that we show that we have a nexus of \$67 million need to actually improve things around.

Mr. Pedroza added there is a need to define the strategy of what is needed to do out on the streets, and then equip employees with the right equipment and the right amount of people. Mr. Pedroza added if more needs to be done, more equipment and personnel needs to be added. There is a need to start doing that this year to develop what the strategy is within the funding that is available.

Ms. Lopez commented that it is important to be able to continue pay for performance. And also asked what is currently done for staff, is a performance evaluation model followed.

Ms. Urquijo answered that currently a performance evaluation is not necessarily tied to salary increases. The city classified staff works out of a subsection and has done so for so many years. However, our very model does allow for possibly longevity increases into steps within the step model, but also for their own performance.

**FY 22/23 GF Highlights - Continued**

**New Staffing**

- 19 Positions Requested, Total of \$786,589
- 3 FT Limited Status (LS) Positions Recommended; 1 PT LS; Plus Addtl Budget for Recreation and Visitor Center On-Call Aides
- Pilot Program for Police Trainees & Community Service Officers
- \$255,000 from Carryover Savings

Request	Gen Fund cost w/eres	Other Funds cost w/eres	Total Cost w/eres	Recommend/Approval	
				GF Amount	Other Funds
Executive Assistant, range 17 limited status FT	\$ 45,506	\$ 5,056	\$ 50,562	\$ 45,506	
Accounting Supervisor, range 26	\$ 41,089	\$ 41,089	\$ 82,177	\$ 15,973	\$ 15,973
Visitor Center Aide, range 1 limited status PT	\$ 14,147		\$ 14,147	\$ 26,621	
Lead Recreation Aide, range 13	\$ 45,512		\$ 45,512	\$ 16,697	
Crime Analyst, range 22	\$ 61,587		\$ 61,587	\$ 61,587	
Maintenance Technician I, range 14	\$ 48,271		\$ 48,271	\$ 48,271	
<b>TOTAL</b>	<b>\$ 256,112</b>	<b>\$ 46,145</b>	<b>\$ 302,256</b>	<b>\$ 214,655</b>	<b>\$ 15,973</b>

Question was asked if the wastewater plant currently has any vacancies.

Ms. Urquijo answered that there is currently one position that is open and she also provide background of limited status vs permanent status.

## FY 22/23 GF Highlights - Continued

### Capital Budget

- Recommend set aside \$1.8 Million from Unrestricted Fund Balance to Catch Up Capital Project Needs for the next 2-3 years
- \$716,600 from Unrestricted Fund Balance for FY 22/23 (\$4.3M Available)
- \$563,978 from Increase in State Shared Revenue
- ARPA Capital
  - Redistribute to Meet Vision 2032 Focus Areas
  - Grant Match for Large Scale Projects



## Capital Budget Detail

Source	DEPT	ITEM/PROJECT	TYPE	Funding Year	Amount Approved
<b>FY 21/22 Carryover (CO) to FY 2022/2023</b>					
CarryOver	Cemetery	Cemetery Beautification	Facilities	CO from FY 20/21	\$43,957
CarryOver	Dev Services	Abatement Program	Planning	CO from FY 20/21	\$47,662
CarryOver	Dev Services	Downtown Streetscape	Facilities	CO from FY 20/21	\$34,428
CarryOver	Parks	Pet Park	Facilities	CO from FY 20/21	\$20,000
CarryOver	Police	Polco Bldg Exterior Improvements	Facilities	CO from FY 20/21	\$28,374
CarryOver	PW Admin	Warehouse	Facilities	CO from FY 20/21	\$56,592
CarryOver	PW Construction	City Hall Upgrades	Facilities	CO from FY 20/21	\$107,092
CarryOver	Visitor Center	Airport Museum Improvements	Facilities	CO from FY 20/21	\$60,000
				<b>Total</b>	<b>\$398,405</b>
<b>ARPA FY 21/22 Not Completed and Authorized Carryover to FY 22/23</b>					
ARPA	Dev Services	Downtown Revitalization Construction (multiyear)	Planning	FY 2021/2022	\$300,000
ARPA	HURF (Streets)	Batch Plant Maintenance	Facilities	FY 2021/2022	\$500,000
ARPA	HURF (Streets)	Asphalt Laydown	Facilities	FY 2021/2022	\$150,000
ARPA	HURF (Streets)	Street Roller	Equipment	FY 2021/2022	\$50,000
ARPA	HURF (Streets)	8 Wheel Dump Truck	Vehicles	FY 2021/2022	\$100,000
ARPA	HURF (Streets)	Street Crack Sealer Machine	Equipment	FY 2021/2022	\$90,000
ARPA	Parks	Parks Master Plan Recommendations	Planning	FY 2021/2022	\$425,000
ARPA	Water and Sewer	POE & Dev Area Water and Sewer Design/Engineering	Infrastructure	FY 2021/2022	\$500,000
				<b>Total</b>	<b>\$2,115,000</b>
<b>ARPA FY 22/23 &amp; FY 21/22 Carryover (CO) Savings</b>					
ARPA	IT	Telecommunication Expansion Study	Infrastructure	FY 2022/2023	\$275,000
ARPA	Policy Priorities	Grant Match or Policy Priority Projects	Various	CO from FY 20/21	\$808,091
21/22 CO	Policy Priorities	Grant Match or Policy Priority Projects	Various	CO from FY 20/21	\$236,958
				<b>Total</b>	<b>\$1,320,049</b>

## Capital Budget Detail - Continued

<b>ARPA FY 21/22 Not Completed and Authorized Carryover to FY 22/23 using UNRESTRICTED FUND BALANCE</b>					
ARPA	Airport	Perimeter Fence (\$450,000 grant w/\$40,000 match)	Facilities	FY 2021/2022	\$40,000
ARPA	Aquatics	ADA Chair for Pool	Equipment	FY 2021/2022	\$5,000
ARPA	Finance	Repair/Retile Finance/Utility Billing (50'50 Fin/Utl Bldg)	Facilities	FY 2021/2022	\$3,250
ARPA	Parks	Irrigation Controller, Pump and Roof at Paseo Linear Park	Facilities	FY 2021/2022	\$20,000
ARPA	Police	Body Worn Cameras (5 year lease)	Equipment	FY 2021/2022	\$160,000
ARPA	Police	Animal Shelter	Equipment	FY 2021/2022	\$300,000
ARPA	PW Admin	PW Warehouse	Facilities	FY 2021/2022	\$102,541
ARPA	PW Construction	Rapax Roof Public Works Office	Facilities	FY 2021/2022	\$10,000
ARPA	PW Fleet	East Garage Enclosure (remainder)	Facilities	FY 2021/2022	\$63,280
ARPA	Visitor Center	3 VC Projects Combined for Storage Bldg	Equipment	FY 2021/2022	\$12,500
				<b>Total</b>	<b>\$716,600</b>
<b>FY 22/23 New Capital</b>					
GF	IT	Computer Replacement	Equipment	FY 2022/2023	\$30,000
GF	IT	IDF Upgrades	Equipment	FY 2022/2023	\$12,000
GF	IT	Video Surveillance Server	Equipment	FY 2022/2023	\$20,000
GF	Mayor & Council	Raul Castro Statue	Facility	FY 2022/2023	\$30,000
GF	Fire/EMS	Medication Dispenser	Equipment	FY 2022/2023	\$14,130
GF	Police	SRT Equipment	Equipment	FY 2022/2023	\$37,000
GF	Police	6 ballistic Vests	Equipment	FY 2022/2023	\$7,200
GF	Visitor Center	Gazbo Roof	Facility	FY 2022/2023	\$15,000
GF	Cemetery	Backhoe	Equipment	FY 2022/2023	\$120,000
GF	Parks	Tractor	Equipment	FY 2022/2023	\$50,000
GF	Parks	Speech pad Controller	Equipment	FY 2022/2023	\$7,000
GF	Parks	Tennis Court renovations	Facility	FY 2022/2023	\$80,000
GF	Recreation	Cargo Van	Vehicle	FY 2022/2023	\$25,000
GF	Recreation	Light Towers	Equipment	FY 2022/2023	\$20,000
GF	Recreation	Carpenter	Equipment	FY 2022/2023	\$20,000
GF	Aquatics	ADA Chair for Pool (extra amount needed)	Equipment	FY 2022/2023	\$5,000
GF	PW Construction	Stucco South wall 7th St Bldg	Facility	FY 2022/2023	\$20,000
GF	PW Construction	Work Truck from Auction	Vehicle	FY 2022/2023	\$15,000
GF	PW Fleet Maint	T4 Car hauler trailer with winch	Equipment	FY 2022/2023	\$20,000
GF	PW Fleet Maint	Vehicle Scanner (4,100 coming from Transit)	Equipment	FY 2022/2023	\$3,785
GF	Development Serv	Plotter/scanner/Printer	Equipment	FY 2022/2023	\$7,663
GF	Development Serv	Field Computers	Equipment	FY 2022/2023	\$5,000
				<b>Total</b>	<b>\$563,978</b>

## FY 22/23 GF Highlights - Continued

### Health Insurance

- Self-Funded Insurance for 10 Years – Built \$500,000 Reserve
- Use of Reserve for Unexpected Additional Increases and/or High Claims
- Increase of 7%

	Monthly City Current Contribution	Monthly City Proposed Contribution	Monthly Current Emp Contribution	Monthly Proposed Emp Contribution
Emp Only	\$560.86	\$916.08 (\$55.22 increase)	\$ 0	\$ 0
Family	\$906.46	\$988.50 (\$62.04 increase)	\$488.10	\$521.50 (\$33.40 incr.)



Council Member Lindemann commented that the 65% the City pays of the family cost for health insurance is a great benefit, not many organizations do that.

Mr. Pedroza presented the FY 22/23 Enterprise Fund Highlights.

## FY 22/23 Enterprise Funds Highlights

### WATER

#### Revenue

- Projecting 5% Increase Due to Rate Adjustments & Growth

#### Capital

- New Approvals
  - Retile and Replace Countertops for Utility Billing - \$5,000
  - Safety & Traffic Control - \$5,000
  - Valve Replacement - \$10,000
  - New Financing \$2.1M for New Well #18



## FY 22/23 Enterprise Funds Highlights Water - Continued

### Capital

• Fund Balance Use:	<b>\$1,256,000</b>
• Well 14 Rehab/Treatment	\$700,000
• Reservoir Roof	\$200,000
• Backup Generator Well 16 or 17	\$160,000
• 3-300k Gallon elevated storage tank inspections	\$ 29,000
• HYDRO Vacuum Machine	\$ 90,000
• 16" Geronimo Trail Trans. Line	\$ 10,000
• Automatic Flush System additional	\$ 20,000
• Well Chlorination System Room Well 9	\$ 42,000
• Bluestake Locator	\$ 5,000





## FY 22/23 Enterprise Funds Highlights

### Water - Continued

#### Grants

- Port of Entry Related Grants:
  - \$2.7M from NADBank for water/sewer design
  - \$1.9M from the Arizona Environmental Infrastructure Fund for water/sewer design and possible construction
  - \$2.5M from CDS request for a new water well
- Other New Grant Requests
  - \$700,000 from USDA for Well 14 Rehab
  - \$850,000 from CDS request for new water SCADA system

**TOTAL GRANTS: \$8.65M**



## FY 22/23 Enterprise Funds Highlights

### Sewer

#### Revenue

- Projecting 5% Increase Due to Rate Adj & New Contract w ADCRR

#### Capital

- Financing a New Loader for Sludge Transfer - \$55,000/year
- 50 Ft Walkway for Chlorine Contact Chamber - \$23,500
- Forklift - \$15,000

#### Grants

- \$2.4M for POE Design and Construction

**TOTAL CAPITAL: \$93,500**



## FY 22/23 Enterprise Funds Highlights

### Sanitation

#### Revenue

- \$3,100 Increase in Service Fees Due to Growth

#### Capital

- 96 Gallon Cans - \$24,000
- 300 Gallon Cans - \$12,878
- Tire Changing Machine (Split w Transit) - \$9,796

#### Other Initiatives

- Continue Alley Cleanup with Inmates
- Pilot Tree Limb Chipping Program
- Explore Other Cleanup Programs

**TOTAL CAPITAL: \$46,674**



Council Member Morales asked if the City only had one inmate crew and if more crews could help with the clean-up.

Mr. Pedroza answered there are 3 work crews; Parks, Streets and Alleys.

Mr. Pedroza presented the Special Revenue Funds Highlights.

### FY 22/23 Special Revenue Funds Highlights

#### HURF

##### Capital

• Streets Program	\$420,000
• Solar LED Poles	\$20,000
• Used Utility Truck	\$15,000
• Street Signage	\$30,000
• Traffic Control Cones & Barricades	\$30,000
• Large Connex	\$10,000
• Street Pole Replacements	\$20,000

**TOTAL CAPITAL: \$545,000**



Council Member Lindemann commented that there are areas of Ward 2 that needed more streetlights for more safety.

Mr. Pedroza reported the City is starting to fund a solar led pole that is very low maintenance and provides good lighting. They will address areas in town that do not have any lighting with these LED poles. It will start in phases and also grant funding will be pursued.

Council Member Shelton asked if money is available from the border wall construction to repair the streets.

Mr. Pedroza answered the contractors provided \$100,000 towards the wear and tear, the money was absorbed into Streets account.

Council Member Baldenegro commented using solar panels at City Hall, Police Dept., and Call Center to minimize cost.

Mr. Pedroza reported the City applying for grants for solar shading parking on eligible parking structures within the city, facilities that the City currently owns and operates. We're looking at the Aquatic Center, golf course, city hall and visitor center. It needs to be an enclosed parking lot and it takes care of all that cost. It gives a little bit of credit back into the bill, but also the shading provided. Mr. Pedroza also added it is needed for saving our vehicles from the elements.

### FY 22/23 Special Revenue Funds Highlights

#### HURF

##### Carryover Capital

• Batch Plant Maintenance	\$500,000
• Asphalt Laydown Machine	\$150,000
• Street Roller	\$50,000
• 8 Wheel Dump Truck	\$100,000
• Crack Seal Machine	\$90,000

**TOTAL CARRYOVER  
CAPITAL: \$890,000**



## FY 22/23 Special Revenue Funds Highlights

### Golf Course

#### Revenue

- Budget \$180,000 Subsidy
- Sale of La Perilla Apartments Possible Capital Cash Infusion

#### Operations

- Continue MPC Management
- Researching Golf Management Company for Golf Operations Management



## FY 22/23 Special Revenue Funds Highlights

### Airport

#### Revenue

- Budget \$36,667 GF Subsidy
- Renegotiate T-Hangars Lease that Expires November 2022

#### Capital Needed – Not Funded

- Runway Reconstruction \$4.4M
- AvGas Fueling Station and Automate Jet A Fueling \$927,531
- Other Capital Needs: \$3.6M



Council Member Morales commented about reaching out to Lifeline about helping.

Mr. Pedroza commented he is not sure if Lifeline would since they only use a helicopter. He added they were interested in a contribution towards helping build a smaller hangar.

Question was asked about the gas station being down.

Mr. Pedroza answered the station had been down for five months, and they have been looking at different funding sources to get it going.

## FY 22/23 Special Revenue Funds Highlights

### Airport

#### Grants

- \$400,000 ADOT Grant for Perimeter Security Fencing (Ph III)
- Applying for \$300,000 Grant for Large Hangar Renovations
- Apply for Annual ADOT 5 Year Capital Improvement Grants

#### Initiatives

- Apply for NPIAS Designation
- Continue to Consider Sale



## FY 22/23 Special Revenue Funds Highlights

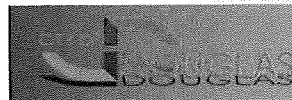
### Transit

#### Grants

- Received 2 Year Grant for Operations and Admin \$1,090,000
- Applying for 5339 Grant to Fund Transit Project Manager \$65,000
- Applying for Freeport Grant for Bus Match \$81,000

#### Initiatives

- Negotiating Non-Emergent Medical Transportation Contract
- Continue to Market and Sell App to Other Transit Providers
- Renegotiated Cochise College Contract from \$24K to \$25K



## FY 22/23 Special Revenue Funds Highlights

### Housing

#### Initiatives

- Utilizing Reserves Instead of GF Subsidy
- Considering Transferring Housing to Cochise County
  - Opportunity with Upcoming Retirements and Recent Promotion
  - Douglas is the Only City in the County Operating its Own Public Housing Authority
  - Consolidation Could Make the Program More Self Sustaining
  - Will Require GF Subsidy in future years if not transferred to County



Council Member Acosta asked since the housing program is being transferred over to Cochise County will there be a reduction in the vouchers that are available.

Ms. Urquijo answered to her understanding there will not be a reduction.

FY 22/23 Outside Funding Requests

Organization	Amount Requested	Purpose
Pirtleville Community Action Network Inc.	\$ 3,000	Wall of Faces Kiosk for Visitor Registration
Douglas Senior Citizens, Inc.	\$ 1,250	Senior parties and celebrations
Douglas China Poblana	\$ 3,500	Fiestas Patrias Celebration
*Douglas Community Coalition	\$12,000	Teen Nights
Douglas ARC	\$13,000	Fuel for meals on wheels program
<b>TOTAL</b>	<b>\$32,750</b>	

\*Not a 501c3 Designation/Not Included in the Budget



Ms. Lopez asked what the Douglas Community Coalition be using \$12,000 on.

Mr. Pedroza answered that more detail is being requested from the coalition.

Ms. Lopez asked where the Douglas Senior Citizens, Inc. is located.

Mr. Pedroza answered it is a 501c3 nonprofit group established. Exact location is not known. They organize and host Christmas parties, holiday parties, Valentine's Day.

Council Member Shelton commented he would like to see the figure to Douglas ARC brought up to the proximity of \$17,000 to \$20,000.

Council Member Baldenegro would like to have more money added to the 4<sup>th</sup> of July fireworks display.

Pending

- **Liability Insurance**
- **Worker's Compensation Insurance**
- **Final State Shared Revenue Numbers**



Ms. Lopez asked how the Visitor Center position will be utilized.

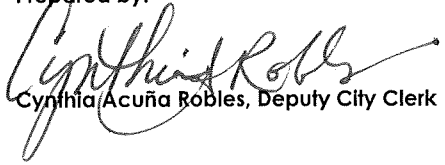
Ms. Urquijo answered it will be able to extend certain hours, but certainly need more than the part time work to expand on our tourism efforts.

9. **ADJOURNMENT:** Mayor, Donald C. Huish

**Motion by Council Member Morales, second by Council Member Acosta to adjourn the meeting at 7:36 p.m.**

10. **ADJOURNMENT:** Chair, Jose Grijalva

Prepared by:

  
Cynthia Acuña Robles, Deputy City Clerk