



Minutes

The Mayor and Council met in a Regular Meeting on Wednesday, June 8, 2022, at 6:00 p.m., at City Hall Council Chamber, 425 10th Street. The Honorable Mayor Huish called the meeting to order.

1. **CALL TO ORDER. 6:00 p.m.**
2. **PLEDGE OF ALLEGIANCE. By Council**
3. **INVOCATION. Council Member Shelton**
4. **ROLL CALL.**

	<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 (excused)
COUNCILMEMBER, RAY SHELTON	X	
COUNCILMEMBER, MICHAEL BALDENEGRO	X	
COUNCILMEMBER, JOSE GRIJALVA	X	
CITY MANAGER, ANA URQUIJO	X	
CITY ATTORNEY, DENIS FITZGIBBONS	X	
CITY TREASURER, LUIS PEDROZA	X	
CITY CLERK, ALMA ANDRADE	X	

5. PRESENTATION of AWARDS.

A. **OATH OF OFFICE to NEWLY ELECTED OFFICIALS** Administered by Judge Alma Vildosola.

Judge Alma Vildosola administered the Oath of Office to the Newly Elected Officials: Council Members Mitch Lindemann, Ray Shelton and Jose Grijalva.

DISCUSSION/DECISION on APPROVALS TO MOVE THE FOLLOWING TWO ITEMS OUT OF ORDER TO ALLOW ATTENDEES TO BE PART OF A RECEPTION.

8 E. RESOLUTION NO. 22-1503, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** the **NAMING** of the **VETERAN’S PARK PLAYGROUND in HONOR of ARMY SERGEANT FIRST CLASS FRANK G. VEJAR.**

Ana Urquijo provided background information and shared the following points:

Late SFC Frank G Vejar was born on April 12, 1931, and raised in Douglas, AZ

- SFG Frank Vejar was a member of Heavy Mortar Company, 31st Infantry Regiment, 7th Infantry Division
- He was reported missing on November 30, 1950, in North Korea
- After 70 years SFC Frank Vejar remains were accounted for on April 14, 2020
- SFT Frank Vejar was awarded purple heart, combat infantryman’s badge, Korean service medal and Korean Presidential unit citation.

Additionally, Ms. Urquijo stated that Vejar family shared other hero names that remain missing in action and asked for consideration to include “The Missing Three”, Cpl. Gerardo R. Aldaña, Sgt Richard C. Encinas, PV2 Felix M. Yanez; as part of the resolution.

Mr. Leslie Pollard of 2200 9th Street, Douglas; addressed the council and thanked them for their consideration in the naming of facility.

Motion by Council Member Shelton, second by Council Member Grijalva to approve Resolution No. 22-1503.

Council Member Lindemann thanked Mr. Pollard for the item and recognition that is well deserved.

Ms. Urquijo asked since there was a motion on the floor to include the other three names that were still missing in action.

Denis Fitzgibbons agreed to amend resolution to include the other three missing.

Motion by Council Member Lindemann, second by Council Member Grijalva to approve an amendment to Resolution No. 22-1503 to include 3 missing in action heroes.

Ms. Urquijo provided the following information for the record: Douglas community members that served in the Army during the Korean War that are still reported missing, Cpl. Gerardo R. Aldaña, Sgt. Richard C. Encinas, and PV2 Felix M. Yanez.

Mayor Huish provided an opportunity for public comment.

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

8 F. RESOLUTION NO. 22-1504, a resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** the execution of a **MEMORANDUM OF UNDERSTANDING** between the City of Douglas and the **Douglas Veteran's Memorial Committee**.

Ana Urquijo provided background information and stated the MOU is intended to memorialize the criteria of names eligible to be engraved onto the Douglas Veterans Memorial.

Ms. Andrade did a roll call of those veterans present and those that were not present: Lawanna Diffie, Pete & Shirley Alvarado, Raul (Skipper) and Cecelia Fraijo, Don Jordan, Hector (Pato) & Gloria Leon, Sergio Mendez and Sergio Mendez Jr., Hector Salinas, Ernie and Yoli Verdugo, Samye and Martha Arciniega, Irma Cabarga, Gilbert Celeya, Raul "Caballo" Celeya and Family, Monica Cruz, Rene Gonzalez, Albert Jordan, Bernardo Jordan, Luis & Joan Melendez, Luis R (Sarge) Melendez, Art (Shorty) Molina, Virgil and Vickie Sellard, Carlos (Chato) Silvas.

Ms. Urquijo stated that six or seven members were deceased, and their family members were present to represent them.

Sponsors list was read. American Legion Post 11, Bushmasters, Chief Fragoso with Baca Nora Imports, City of Douglas, Club Alba/Oasis, Cochise County Fair Grounds, Dawson's Tavern, DOC and inmates, Douglas Golf Club, Elks Club, Lynn Kartchner for engineering at the Memorial, Maddux & Sons cement & rebar, Manuel Barco for the constructions of the models, Max Tapia Lead on Guidance on Construction, Pirtleville Tavern, Super Shuttle largest donation check of \$1,000.00, The Warehouse - meeting space, VFW.

Motion by Council Member Morales, second by Council Member Baldenegro to approve Resolution No. 22-1504.

Ms. Lawanna Diffie added that the Douglas community was also part of the sponsorship list. Additionally, Ms. Diffie provided background information on the Douglas Veterans Memorial and the completion day was on November 11, 2000.

Council Member Lindemann expressed his gratitude for the work put in to for local heroes.

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

Mayor Pro Tempore Morales presented a plaque to Raul (Skipper) Fraijo in appreciation for his dedication and attention to detail for twenty-two years.

Mayor Huish took a recess for a reception at 6:33 p.m. and reconvened at 6:54 p.m.

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

Ms. Andrade stated no public participation forms were submitted.

7. DISCUSSION/DECISION on APPROVAL of CONSENT AGENDA ITEMS:

- A. **EXPENSE** report for the month of **MAY** 2022, totaling \$3,131,294.78.
- B. **Meeting Minutes** for March 14, April 6, and April 13, 2022.
- C. **Planning and Zoning Appointment of Mr. Frank Rivera**, effective June 8, 2022.
- D. **La Frenzy Steak and Grill African Cuisine Liquor License**
- E. **Contract Renewal with Educational Services, Inc. (ESI)**

Motion by Council Member Morales, second by Council Member Grijalva to approve consent agenda items as presented.

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

8. DISCUSSION/DECISION on APPROVALS.

A. **THIRD READING OF ORDINANCE NO. 22-1146**, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY** within the City of Douglas, subject to taxation, a certain rate upon each One Hundred Dollars (\$100.00) of valuation sufficient to raise the amount estimated to be required in the annual budget, and providing funds for General Municipal Expenses; all for the fiscal year ending the 30th day of June, 2023, establishing severability of components of Ordinance; and establishing an effective date thereof.

Luis Pedroza provided background information and provided the following points pertaining to the 2022 tax levy information:

- The primary assessed value for the City this year is \$58,097,555
- Primary assessed valuation went up \$237,740 or 0.4% (excluding new construction)
- \$1,193,037 was added to the tax rolls from new construction
- The recommended property tax rate for this year is to keep the City's property tax rate at 1.1519 which would levy \$669,226.
- The levy is an increase from \$656,825 to \$669,226 for a total increase of \$12,401, due to new construction and slight increase in valuation.

Motion by Council Member Baldenegro, second by Council Member Shelton to approve the third reading of Ordinance No. 22-1146.

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

B. **SECOND READING OF ORDINANCE NO. 22-1147**, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING the ACCEPTANCE of DONATED VACANT semi improved REAL PROPERTY from RICHARD & DEBRA HOLMAN** consisting of 5 Lots in Block 2 of the La Perilla Estates in the City of Douglas, establishing severability of components of Ordinance; and establishing an effective date thereof.

Luis Pedroza provided background information and stated the Holman's are looking to retire their investment and seek a tax donation credit of five vacant lots.

Motion by Council Member Morales, second by Council Member Baldenegro to approve the second reading of Ordinance No. 22-1147.

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

C. **SECOND READING OF ORDINANCE NO. 22-1148**, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING the LEASE AGREEMENT and MEMORANDUM OF AGREEMENT for SUN STATE TOWERS** to establish a communications facility on a portion of parcel # 409-13-19008 located at 1st Street and E Avenue, Douglas, Arizona, and authorizing the City Manager to execute all necessary documents; establishing severability of components of Ordinances; and establishing an effective date thereof.

Ana Urquijo provided background information and stated Sun State Towers is requesting to install a telecommunications tower. Additionally, Ms. Urquijo commented the initial lease is for ten years with the option to renew for four successive periods of ten years each, and that for the initial year Sun State Towers would pay the city \$1,250 with a 2% rent increase in year two of the initial term.

Motion by Council Member Baldenegro, second by Council Member Morales to approve the second reading of Ordinance No. 22-1148.

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

D. **FIRST READING of Ordinance No. 22-1149**, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING the SALE** of a SEMI-IMPROVED PARCEL of LAND located on the southwest corner of **15th Street and Van Buren Avenue**, Foothills Lots 22 thru 26 including Block 30, with Assessor's Parcel Number 410-32-121 to **BYRD'S SHEET METAL and CONSTRUCTION, INC**, pursuant to terms entered into by the parties; establishing severability of components of Ordinance; and establishing an effective date thereof.

Luis Pedroza provided background information and stated Council awarded the bid to Byrd's sheet metal and construction on May 11, 2022, for being the highest bidder. Additionally, Mr. Pedroza commented that the purchase agreement included standard terms included that the condition of the lot shall not be split, and the buyer is responsible for closing costs. Further, Mr. Pedroza stated there was a \$5,000 earnest money deposit required applied to the purchase price.

Motion by Council Member Baldenegro, second by Council Member Shelton to approve the placement of Ordinance No. 22-1149.

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

Motion by Council Member Grijalva, second by Council Member Baldenegro to approve the first reading of Ordinance No. 22-1149.

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

ADDENDUM AGENDA # 1 SENT ON JUNE 6, 2022.

1. DISCUSSION/DECISION on APPROVALS.

A. FIRST READING OF ORDINANCE NO. 22-1150, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **REZONING ONE PARCEL of LAND within the NORTHWEST CORNER OF THE INTERSECTION OF N. WASHINGTON AVE AND E. HIGHWAY 80** located in Douglas, Arizona,

from **SINGLE-FAMILY RESIDENTIAL to GENERAL COMMERCIAL** and AMENDING the OFFICIAL ZONING DISTRICT MAP, established by Ordinance 691 and amended by Ordinances 858 and 22-1145; establishing severability of components of Ordinance; and establishing an effective date thereof.

Ana Urquijo provided background information and added the Planning and Zoning Commission met on May 17, 2022 and recommend to council to approve the proposed rezoning situated on the intersection of N. Washington Avenue and E. Highway 80 and amending the Zoning Districts Map from Single-Family Residential 32 (SFR32) to General Commercial (GC) to the description noted.

Motion by Council Member Morales, second by Council Member Shelton to approve the placement of Ordinance No. 22-1150.

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

Motion by Council Member Morales, second by Council Member Baldenegro to approve the first reading of Ordinance No. 22-1150.

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

G. RESOLUTION NO. 22-1505, a resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** the execution of Amendment no. 1 to the **INTERGOVERNMENTAL AGREEMENT** between the City of Douglas and **ARIZONA DEPARTMENT OF CORRECTIONS, REHABILITATION, and REENTRY** on behalf of the Arizona State Prison Complex-Douglas extending the agreement for twelve (12) months, through August 15, 2023, to provide **INMATE LABOR** for city maintenance operations and projects.

Jennifer Smith provided background information and stated the agreement was a twelve-month extension to the Intergovernmental Agreement between the City and Arizona Department of Corrections. Ms. Smith added the agreement periodically required an extension of terms upon contract expiration to continue with the program.

Council Member Lindemann inquired if there were any restrictions as in the past there was a restriction where inmates could not be closer to the border.

In response Ms. Smith stated the city has a great relationship with DOC and meet on a monthly basis, and DOC has restrictions where inmates are not allowed to go south of First Street, however, some projects like CDBG would allow them to go beyond but an officer is always with them.

Motion by Council Member Shelton, second by Council Member Baldenegro to approve Resolution No. 22-1505.

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

H. RESOLUTION NO. 22-1506, a resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **ADOPTING** the tentative estimates of the amount required for the public expense of the City of Douglas for the fiscal year 2022-2023; adopting a **TENTATIVE BUDGET**; setting forth the receipts and expenditures; the amount proposed to be raised by various means; and giving notice of the time for hearing taxpayers on the adoption of the final budget.

Ana Urquijo provided background information and stated there were changes to the initial recommendation made and as part of the meeting with the Finance Committee on May 31, and Mr. Grijalva would provide the following:

Continue annexation efforts. Look at areas for growth as well as areas that we are already servicing such as the Bay Acres/Sunnyside Fire District area and Pirtleville. It is necessary to make efforts to annex to gain population, increase state shared and federal revenue sharing, increase local sales taxes and increase assessed property

valuation. In addition, consider charging for services being rendered to those outside of the city limits such as police and fire services.

- Initiate a secondary property tax bond for infrastructure needs. Bring to the voters the initiative to bond for city infrastructure including streets and the Airport.
- Enhance sales tax collections through enforcement and education. Utilize the existing contract auditor to initiate more audits, perform property rentals discovery and provide more education to businesses not filing, late filing or filing incorrectly. The Finance Committee also recommended to talk about decrease in sales tax until revenues are enhanced through sales tax enforcement, collections, and other revenue enhancements.
- Adopt a policy for community funding requests. A policy that will apply to all community funding sponsorships. Specifically, to request more information from the Douglas Community Coalition's \$12,000 request for Teen Nights. The Finance Committee requested to find out how the program would be structured, how the funds would be expended and the benefits to the community.

Further, Council Member Grijalva stated the Finance Committee also made recommendations on the funding request not on the budget and a committee member asked about the coalition's mission statement, their books and how they conduct teen nights. Council Member Grijalva asked the coalition group for their information and commented a member on the list was not even aware they sponsored teen nights. Therefore, the Finance Committee did not recommend the funding request.

Luis Pedroza highlighted the budget changes and stated that during the council/Finance committee meeting, council made a motion to give health insurance a brake for family to level on the \$19,926 impact and staff would absorb through the self-funded insurance reserve fund. Additionally, Mr. Pedroza stated two laborers were added to the sewer by taking monies and adding to savings. Further, Mr. Pedroza added that a housekeeping item was moving transit budget from the bus that was funded making sure a correction was made, and city was only funding the match portion which was showing grant and the match funding.

Mr. Pedroza stated as Council Member Grijalva commented regarding community funding requests some were recommended except for the Douglas Coalition, but others were included with their funding amounts requested and are for council's decision.

Motion by Council Member Baldenegro, second by Council Member Grijalva to approve Resolution No. 22-1506.

Council Member Lindemann commented during the joint session with the finance committee that there was discussion to increase DARC's request from \$13,000 to \$15,000.

Mr. Pedroza mentioned it is currently not in the budget as presented.

Councilman Shelton had a conversation with DARC offices, and they were ok with this year's request.

Councilman Lindemann commented DARC could make the request next year.

Council Member Baldenegro inquired if more people would be hired for the water department to support the port of entry project and to provide the training they would need.

In response Mr. Pedroza added that the city considered the waterfront it did not have enough funding for new position, but certainly with the water rate increases that would trigger every January for the next four years and that would be a consideration as the city moves forward with other budgets.

Council Member Lindemann inquired on the sanitation containers replacement need.

Mr. Pedroza responded that some of the replacements are some of the cans that get stolen, more customers asking for a second or third can and businesses; some cans incur damages that the city no longer repairs.

Council Member Lindemann further stated when the city first started it was not mentioned replacement would be done.

Mr. Pedroza agreed and stated that if it was misused from the user than the new receptacle would be charged to the user. Mr. Pedroza additionally stated the city does not charge for new cans but charges a delivery fee for those cans.

Council Member Lindemann stated that eventually fees could be cut down.

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

9. DISCUSSION/DECISION to call for and conduct an EXECUTIVE SESSION for the following items:

A. Under the authority of ARS 38-431.03 (A)(3), (4), and (7) to consider its position, instruct its representative and obtain legal advice regarding litigation related to the Certificate of Purchase held by the City of Douglas on Cochise County Parcel Number 409-22-077.

B. Under the authority of ARS 38-431.03 (A1), to discuss and review the performance evaluation of the city clerk.

Motion by Council Member Morales, second by Council Member Shelton to enter into executive session at 7:32 p.m.

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

Motion by Council Member Morales, second by Council Member Grijalva to adjourn the executive session at 7:55 p.m.

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

10. DISCUSSION/DECISION on the following items:

A. **DISCUSSION/DIRECTION** on the pending litigation regarding the Certificate of Purchase held by the City of Douglas on Cochise County Parcel Number 409-22-077.

Mayor Huish Directed the city attorney to proceed with the foreclosure of the property North of the Fire Station.

B. **DISCUSSION/DECISION** to approve a five percent salary increase to the city clerk based on her performance evaluation held on February 23, 2022; and to add the city clerk position in the Classification Maintenance Reviews.

Motion by Council Member Morales, second by Council Member Shelton to approve a five percent salary increase to the city clerk based on her evaluation held on February 23, 2022, with an increase retroactive to her evaluation on February 23, 2022, and to add the city clerk position in the Classification Maintenance Reviews.

Motion PASSED by a vote of 6-0. Roll call: Voted in Favor: Mayor Donald Huish, Council Members: Margaret Morales, Mitch Lindemann, Ray Shelton, Michael Baldenegro, and Jose Grijalva. Voted Against: None

11. CITY MANAGER REPORTS.

Ana Urquijo provided information on the community calendar on the website; some repairs at city facilities and parks; aquatic center is open for open swim; encourage the community to get outdoors and to keep up with everything on the special events. Additionally, Ms. Urquijo stated that staff is supporting the food truck Fridays and expect to evolve into a great program as well.

12. INFORMATIONAL ITEMS AND REPORTS FROM COUNCIL AND FUTURE AGENDA ITEM REQUESTS.

Council Member Grijalva invited all to the Town Hall meeting scheduled at Diane's Photography on 957 G Avenue with several topics of discussion. Additionally, Council Member Grijalva thanked Parks and Recreation, and the Library for the entire month planned of activities.

13. ADJOURNMENT.

Motion by Council Member Morales, second by Council Member Shelton to adjourn the meeting at 7:59 p.m.

Prepared by:



Alma Andrade, City Clerk