

**SUBMITTED BY:** Luis Pedroza, Deputy City Manager

**MANAGEMENT TEAM REVIEW:** Ana Urquijo, City Manager

**FOCUS AREA:** Other / NA

**ORGANIZATIONAL IMPROVEMENTS:**

**SUBJECT:** **SECOND READING of ORDINANCE NO. 26-1233**, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING the AGREEMENT for the PURCHASE of INTERESTS** in sections of **REAL PROPERTY** with assessor parcel numbers 408-31-002E and 408-31-002H **GRANTING of an EXCLUSIVE and PERMANENT EASEMENT** and approving the agreement for the purchase of interests in real property with the United States of America, authorizing the city manager to execute all necessary documents; establishing severability of components of Ordinance; and establishing an effective date thereof.

**EXECUTIVE SUMMARY:**

The General Services Administration (GSA) acting through the United States Government is expanding the Raul H. Castro Port of Entry (RHC POE). Part of the expansion includes the diversion of drainage and constructing a new drainage channel that will take water directly west and eventually drain into its natural drainage location in Mexico. GSA is requesting an easement over city owned parcels to construct the new drainage channel.

**BACKGROUND:**

The purchase agreement is for an exclusive easement of city owned property located directly south of Chino Road by the border and another thin parcel located east of Chino Road directly south of the "jungle" and within Freeport McMoran owned property (attached map in agreement). Current drainage that comes from east Douglas collects at the international drainage channel, goes underneath the RHC POE and then turns north to join the Pan American drainage channel. The water then goes west south of 3<sup>rd</sup> street and crosses the "jungle" south of Walmart and then eventually makes its way alongside Chino Road and drains into Mexico.

The change in this drainage channel will be to have the underground drainage underneath the port to continue directly west and drain into Mexico by Chino Road, thereby eliminating the north turn into the Pan American drainage channel. This new drainage will benefit overall city drainage in that it will remove a pressure point at the 3<sup>rd</sup> Street and Pan American Channel that causes north, south and east flows to converge that sometimes cause backups. Because it will remove 60% of the flow into this conversion point, this will ease other drainage systems throughout the city.

The agreement will purchase the easement over parts of these two city owned parcels for a price of \$388,472.00. GSA will build the drainage channel at its own cost, but the maintenance of the channel will be the city's. A separate agreement will be established between USA and the city for this purpose. The land is currently unutilized except for access to the WWTP. As part of the project GSA will build an access point over the drainage that will allow city vehicles to reach the WWTP and also serve Border Patrol for their patrol.

**DISCUSSION:**

Staff recommends approval of the easement as well as the agreement of purchase of the easement between the United States of America and the City of Douglas.

**FISCAL IMPACT:**

Revenue to GF in the amount \$388,472.00.

**Fiscal Year:** 2025/2026

**Amount Requested:**

**Budgeted:** Y / N

**Account (s):**

**“...I MOVE THAT THE MAYOR AND COUNCIL APPROVE THE SECOND READING OF ORDINANCE NO. 26-1233 BY NUMBER AND TITLE ONLY.”**