

**DOUGLAS CITY COUNCIL
SPECIAL MEETING MINUTES
JUNE 10, 2009**

The City of Douglas Mayor and Council met in a Special Meeting on Wednesday, June 10, 2009, at 5:00 p.m. in the Council Chamber of City Hall – 425 10th Street. The Honorable Mayor Gomez called the meeting to order and proceeded to ask for roll call.

1. CALL TO ORDER/ROLL CALL

	PRESENT	ABSENT
MAYOR, DR. MICHAEL GOMEZ	X	
COUNCIL MEMBER MARGARET MORALES-WARD ONE	X	
COUNCIL MEMBER MITCH LINDEMANN-WARD TWO	X	
COUNCIL MEMBER BOB FERNANDEZ - WARD THREE	X	
COUNCIL MEMBER RAY SHELTON – WARD FOUR	X	
COUNCIL MEMBER IVAN HUIISH - WARD FIVE	X (delayed) 5:03p.m.	
COUNCIL MEMBER LOUIE ACEDO – WARD SIX	X	
CITY MANAGER- CURTIS SHOOK	X	
CITY ATTORNEY-JUAN PABLO FLORES	X	
FINANCE DIRECTOR-JORGE TREVIÑO	X	
CITY CLERK - BRENDA AGUILAR		X (excused)

2. DISCUSSION/DECISION TO CALL FOR AND CONDUCT AN EXECUTIVE SESSION UNDER THE AUTHORITY OF A.R.S. §38-431.03 (A) (4) TO CONSULT WITH THE CITY ATTORNEY REGARDING THE RANCHO LA PERILLA FORECLOSURE, MT DEVELOPMENT LLC. PENDING BANKRUPTCY PROCEEDINGS, AND PENDING OR CONTEMPLATED LITIGATION AGAINST THE CITY OF DOUGLAS BY MANUEL TAPIA.

Motion by Council Member Shelton, **second** by Council Member Morales, to enter into executive session.

Roll Call: All members voted in favor. **MOTION PASSED**

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3. ADJOURNMENT.

Motion by Council Member Morales, **second** by Council Member Huish to adjourn the meeting at 5:35 p.m. unanimously passed.

Prepared By:

Brenda Aguilar
City Clerk

**DOUGLAS CITY COUNCIL
REGULAR MEETING MINUTES
JUNE 10, 2009**

The City of Douglas Mayor and Council met in a Regular Meeting on Wednesday, June 10, 2009, at 6:00 p.m. in the Council Chamber of City Hall – 425 10th Street. The Honorable Mayor Gomez called the meeting to order and Council Member Huish led the invocation after the Pledge of Allegiance. Mayor Gomez proceeded to ask for roll call.

4. ROLL CALL

	PRESENT	ABSENT
MAYOR, DR. MICHAEL GOMEZ	X	
COUNCIL MEMBER MARGARET MORALES-WARD ONE	X	
COUNCIL MEMBER MITCH LINDEMANN-WARD TWO	X	
COUNCIL MEMBER BOB FERNANDEZ - WARD THREE	X	
COUNCIL MEMBER RAY SHELTON – WARD FOUR	X	
COUNCIL MEMBER IVAN HUISH - WARD FIVE	X	
COUNCIL MEMBER LOUIE ACEDO – WARD SIX	X	
CITY MANAGER- CURTIS SHOOK	X	
CITY ATTORNEY-JUAN PABLO FLORES	X	
FINANCE DIRECTOR-JORGE TREVIÑO	X	
CITY CLERK - BRENDA AGUILAR		X (excused)

5. PRESENTATION OF AWARDS

Mayor Gomez presented the following awards to City of Douglas personnel: Jorge Treviño, Finance Director, 2 years of service; Curtis Shook, City Manager, 2 years of service; Victor Gonzalez, Economic Development Director, Economic Developer of the year for small communities recognition award issued by the Arizona Association for Economic Development.

6. DISCUSSION/DECISION ON CONSENT AGENDA ITEMS:

- A. EXPENDITURES FOR THE MONTH OF MAY 2009, TOTALING \$2,420,647.66.**

- B. APPROVAL OF BID PROPOSAL SUBMITTED BY SQP CONSTRUCTION FOR THE INSTALLMENT OF NEW SOUTHWEST SEWER INTERCEPTOR, PHASE I FROM CUSTOMS/J AVENUE TO THE INTERSECTION OF 3RD STREET AND NORTH DOUGLAS AVENUE IN THE AMOUNT OF \$258,128.09.**

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- C. APPROVAL OF BID PROPOSAL SUBMITTED BY INTERMEDIX FOR EMERGENCY MEDICAL SERVICE BILLING FOR THE CITY OF DOUGLAS IN THE AMOUNT OF \$36,000.
- D. APPROVAL OF BID PROPOSAL SUBMITTED BY BUG WISER FOR GENERAL PEST CONTROL IN THE AMOUNT OF \$3,828.
- E. APPROVAL OF BID PROPOSAL SUBMITTED BY LEGEND TECHNICAL SERVICES OF ARIZONA FOR WATER TESTING AND SAMPLING, DOCUMENTATION, AND ADMINISTRATION.
- F. APPROVAL OF BID PROPOSAL SUBMITTED BY FERGUSON AND HD SUPPLY WATERWORKS FOR CONSTRUCTION MATERIALS AND DANA KEPNER FOR SENSES METERS.
- G. APPROVAL OF BID PROPOSAL SUBMITTED BY MADDUX & SONS FOR ALL ROCK MATERIALS.
- H. APPROVAL OF BID PROPOSAL SUBMITTED BY WESTERN EMULSION FOR ASPHALT MATERIAL, MESA MATERIALS FOR COLD MIX, AND GRANITE CONSTRUCTION FOR HOT MIX.
- I. APPROVAL OF BID PROPOSAL SUBMITTED BY BORDER MART FOR THE PURCHASE OF FUEL SERVICE TO THE CITY OF DOUGLAS.
- J. APPROVAL OF BID PROPOSAL SUBMITTED BY FRIENDS CLEANING SERVICES FOR THE PURCHASE OF JANITORIAL SERVICE FOR THE CITY OF DOUGLAS.

Motion by Council Member Morales, **second** by Council Member Shelton to approve the consent agenda items, including item - A, expenditures for the month of May totaling \$2,420,647.66 and amending item 6H by removing Granite Construction from the paragraph.

Roll Call: All members voted in favor. **MOTION PASSED**

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7. PRESENTATION/DISCUSSION BY ROB HEIMBUCH, REVENUE DISCOVERY SYSTEMS REGIONAL ACCOUNT MANAGER, REGARDING TRANSACTION PRIVILEGE TAX AND COLLECTION & AUDITING PROGRAM.

Tom Belshe, League of Arizona Cities and Towns Deputy Director, stated that Revenue Discovery Services was a league-sponsored program. He further stated that out of 90 cities, there were 14 self-collecting cities and 76 cities used the collection program through the Department of Revenue. Mr. Belshe further stated that Douglas was a program city and was a part of the Arizona Department of Revenue sales tax collection program. However, although the program was free from a fee, program cities had a waiting period of approximately four to six weeks for the money to be received since the Arizona Department of Revenue held on to collections for a certain period of time and the money earned an interest rate. As a result, possible cash flow problems could be created. Additionally, a city could hire an auditor, but the auditor's performance would be based on the information provided by the collector.

A self-collecting city initially faced costly overhead price. However, the Arizona League of Cities and Towns was introduced to RDS by other leagues, and it found that RDS was a back-office solution, no software purchase was required, and no additional employees needed to be hired and would work with existing Finance employees. Mr. Belshe stated that the league could assist with Procurement on behalf of cities. Furthermore, the Arizona Department of Revenue has been under staffed and under funded; the auditing and collection service by A.D.O.R. could be very limited. The alternative was presented for consideration.

Rob Heimbuch, RDS Regional Account Manager, gave a PowerPoint presentation regarding transaction privilege tax and collection and auditing program.

The following were topics of discussion:

- Why does the League support?
- General Overview
- Who is RDS?
- Brief Background
- Core competencies
- Why RDS?
- Government Contract Experience
- Benefits of Processing & Compliance Partnership
- Why Should Douglas Self-Collect?

Mayor Gomez inquired if RDS was paid based on collection.

Rob Heimbuch stated that they did.

Mayor Gomez inquired if the ordinance required a bid process.

Carlos De La Torre stated that if the league had procured the service and an option was available for the City; a discussion would need to take place with Tom Belshe regarding the legalities.

Mayor Gomez inquired if collection of interest was allowed by law.

Rob Heimbuch stated no, but that his response would need to be verified.

Council Member Lindemann requested a general percentage of newly discovered revenues.

Rob Heimbuch stated that it averaged between four to ten percent increase in revenues for all clients.

Council Member Lindemann inquired how the City could address the monthly fluctuation of payment to RDS since they would be paid based on collections and commented that the amount paid to the AZDOR would equal payment to RDS.

Jorge Treviño, Finance Director, explained that taxpayer information provided by AZDOR during the past months had been checked and discrepancies and errors had been found. Thus, creating a significant loss of revenue for the City. Mr. Treviño recommended considering RDS as an option.

Council Member Lindemann inquired how payment to RDS would be collected since the sales tax payment collected would be submitted to the City the day after receipt.

Rob Heimbuch stated that their fee was on the gross collection.

Curtis Shook, City Manager, provided background information regarding the City's current collection process.

Council Member Lindemann requested the number of Arizona communities RDS was currently serving.

Rob Heimbuch stated that currently it was Bull Head City.

Council Member Shelton requested the total number of contracts under RDS in the State of Nevada.

Rob Heimbuch responded that there were over 280, which included the State of Alabama, Georgia, Louisiana, and Kentucky,

Council Member Huish inquired the percentage of delinquent accounts found at the initial process of the cities serviced.

Rob Heimbuch stated he was unaware since it was based on the information provided by the city being serviced as well as other criteria.

Council Member Huish requested an explanation on methods or procedures followed by RDS, which allowed a collection success in comparison to other agencies.

Rob Heimbuch stated that it was outlined in the contract.

Council Member Acedo inquired if RDS was audited by the State and if contracts were signed on an annual basis.

Rob Heimbuch replied that RDS was audited by both the Federal and State government and contracts were for three and five years. However, if one year contracts were requested it would be more costly.

Mayor Gomez inquired if RDS would have the authority to close a business for unpaid sales tax.

Rob Heimbuch stated that RDS would not have the authority and would only be a partner to the City.

Tom Belshe, League of Arizona Cities and Towns Deputy Director, explained that there were two different issues. If the business was not paying because they believed they did not owe the tax or it did not apply to them, a hearing process through the State would have to be followed. However, if they were not paying by choice, the City would have to address the issue.

8. PRESENTATION/DISCUSSION BY VICTOR GONZALEZ, ECONOMIC DEVELOPMENT DIRECTOR, REGARDING TOURISM, GOLF AND RV IN DOUGLAS.

Victor Gonzalez, Economic Development Director, gave a PowerPoint presentation regarding Douglas Tourism, Golf, and RV.

The following were topics of discussion:

- Overview
- Local Tourism Impact
- Regional Tourism Impact
- Cochise County Visitor – Study 2002
- Douglas Tourism – Attractions
- Golf & RV
- Strategies

Mayor Gomez requested the timeline for the opening of the RV Park and inquired if showers would be installed during that timeframe.

Carlos De La Torre stated that it could be between 120 to 180 days, adding that improvements would not be made during that timeframe, but if the City had full control from 120 days, a schedule could be developed in approximately 90 to 120 days to have it fully functional from the time the City would occupy the facility.

Council Member Morales inquired if there was a tracking mechanism to account for the visitors that were not included in a count compiled by the Visitor Center.

Victor Gonzalez stated that there was not since the visitors were tracked through a sign-in process at the Visitor Center.

Council Member Morales inquired if sign-in books were available for visitors at the Williams House or the Gadsden.

Victor Gonzalez stated that Tourism Coordinator, Ginny Jordan, distributed brochures and maintained communication with the Gadsden Hotel. In addition, an ambassadors program was being considered for development in order to provide information to tourists.

Council Member Lindemann stated that activities had not been mentioned such as the historical significance of Copper Queen Baseball and the adult softball league, adding that Douglas should not only be a site seeing destination, but a location with ongoing activities. Council Member Lindemann inquired if information could be included on an additional page of the City's brochure as projects were completed.

Victor Gonzalez replied that more advertising and marketing was needed; however, with the future assistance of the new Chamber of Commerce community events would be posted on their website, while the visitor center or the tourism program focused on a broader picture. Mr. Gonzalez stated that additional information could be included.

Council Member Fernandez expressed concern regarding golf course issues and inquired why the Council was not receiving a monthly or quarterly financial report. Furthermore, Council Member Fernandez suggested a monthly golf activity as a way to attract tourism and expressed concern regarding tourists traveling into Mexico.

Council Member Shelton commented that the City was on the right track, was moving forward, and was doing everything possible based on the availability of funding and resources. In addition, a shuffleboard game was suggested for inclusion with other construction improvements at the RV Park and an update to the City's brochure. Council Member Shelton stated that the project would move forward by having the Council work together along with the community and City employees.

Council Member Huish stated that although the City was moving in the right direction, Golf Course Staff should develop a record keeping process that would identify winter visitors and how the information was obtained regarding the Douglas RV Park.

Council Member Acedo commented that he had mentioned the need for tourism in Douglas during a Tourism Committee Meeting at a recent Arizona-Sonora Conference in Scottsdale. Council Member Acedo suggested the paving of Slaughter (Ranch) Road to encourage more tourism through that area.

Council Member Huish inquired if the U.S. Passport requirement had affected travel into Mexico.

Victor Gonzalez stated that there had not been any decline to date; however, in the prior year the count of travelers into Mexico had declined due to criminal violence.

Mayor Gomez inquired if travel by vehicle without a permit was allowed in the State of Sonora.

Victor Gonzalez stated that he was unaware, but would look into it.

Council Member Acedo stated that it was work in progress.

Carlos De La Torre stated that there was a future expectation of 67 percent increase in the number of golfers at the golf course and 40 percent increase in Recreational Vehicles.

Council Member Fernandez commented that the City of Douglas should be the focus and suggested future promotion.

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

Tom Belshe, League of Arizona Deputy Director, provided the following information:

- Two budgets in the State Legislature.
 - Budget passed by the Senate and the House contains items the League opposes.
 - \$42 million cut to the vehicle license tax.
 - 3-year moratorium on development impact fees collection.
 - Change to secondary property tax used to pay bonds.
 - Decrease on commercial assessment ratio from 22 percent to 10 percent; tax increase to homeowners to pay the difference.
 - A budget concept presented by the Governor is supported by the Executive Committee of the League of Cities due to the following:
 - No State Shared Revenue cuts.
 - No moratorium or development impact fee policy.

Carlos Valenzuela, Chamber of Commerce Vice President, addressed Mayor and Council regarding the Chamber of Commerce.

- Chamber of Commerce reorganization moving forward.
 - Temporarily located at the barbershop of the Grand Theatre.
 - Requested a permanent location for the Chamber of Commerce from the City of Douglas.
 - First meeting scheduled on August 3, 2009.
- Requested PSA announcements for Douglas.
- Requested \$1,000 for relocation packets.
- Requested the Visitor Center as the permanent meeting location for the Chamber of Commerce.
 - Requested fee reduction.

Josue Lopez, Head of Chamber of Commerce Retail Committee, made the following suggestions:

- PSA to encourage local shopping.
 - Announcements should be throughout the year.

Vicky Merritt, Chamber of Commerce Secretary, made the following comments:

- Likes living in Douglas.
- Suggested consideration should be given to make Douglas a better place for everyone.

Bruce Endres, Chamber of Commerce Treasurer, made the following suggestions:

- Merchants should be supported.
- Retail is important to the community and a part of the economy is important to the City's growth.
- PSA and relocation packets are a good investment.

10. RESIGNATIONS AND APPOINTMENTS.

Motion by Council Member Lindemann, **second** by Council Member Shelton to approve the appointment of Christina Gomez, Rita Rojas, Sylvia Hurtado, Olga Cordova Ramirez de Miguez, and Lupe Mora to the Program Coordinating Committee.

Roll Call: All members voted in favor. **MOTION PASSED**

11. DISCUSSION/DECISION ON APPROVAL OF THIRD READING OF ORDINANCE NO. 09-960, AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF DOUGLAS, COCHISE COUNTY, ARIZONA, AMENDING ORDINANCE NO. 08-946 BY MODIFYING THE EFFECTIVE YEAR OF THE FEE SCHEDULE TO CORRECT AN OMISSION IN SECTIONS 2 AND 3 AND BY AMENDING LANGUAGE IN SECTION 4 PERTAINING TO THE EFFECTIVE DATE OF THE SANITATION FEES AND ESTABLISHING AN EFFECTIVE DATE THEREOF.

Carlos De La Torre stated that clerical and typographical errors had to be rectified in the ordinance.

Motion by Council Member Shelton, **second** by Council Member Morales to approve third reading of Ordinance No. 09-961 by number and title only.

Roll Call: All members voted in favor. **MOTION PASSED**

Mayor Gomez recessed the meeting for approximately five minutes.

12. DISCUSSION/DECISION ON APPROVAL OF THIRD READING OF ORDINANCE NO. 09-961, AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF DOUGLAS, COCHISE COUNTY, ARIZONA, AUTHORIZING THE CITY TO LEASE TO CATHOLIC COMMUNITY SERVICES A WESTERN PORTION OF THE DOUGLAS MUNICIPAL AIRPORT WITH DIMENSIONS OF APPROXIMATELY 82' X 110' AREA AROUND AND INCLUSIVE OF THE RED BRICK BUILDING ON SAID PREMISES LOCATED AT 10TH STREET AND AIRPORT ROAD, DOUGLAS, ARIZONA; AND ESTABLISHING AN EFFECTIVE DATE THEREOF.

Motion by Council Member Shelton, **second** by Council Member Shelton to approve third reading of Ordinance No. 09-961 by number and title only.

Roll Call: All members voted in favor. **MOTION PASSED**

13. DISCUSSION/DECISION ON APPROVAL OF THIRD READING OF ORDINANCE NO. 09-963, AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF DOUGLAS, COCHISE COUNTY, ARIZONA, AMENDING TITLE 6 OF THE DOUGLAS MUNICIPAL CODE RELATING TO ANIMALS BY AMENDING ORDINANCE 787 PERTAINING TO CHAPTER 6.04 AND ESTABLISHING ADDITIONAL REGULATIONS ON DOG MAINTENANCE; ESTABLISHING SEVERABILITY OF COMPONENTS OF ORDINANCE; AND DECLARING AN EMERGENCY.

Carlos De La Torre explained that a nuisance issue had been incorporated into the ordinance and it was well defined.

Motion by Council Member Shelton, **second** by Council Member Huish to approve the third reading of Ordinance No. 09-963 by number and title with modifications as presented and declaring an emergency.

Council Member Acedo stated that although others seemed to agree with a limit of four dogs, he thought two dogs should be sufficient, adding that cats should be included since they were a problem and a nuisance in his ward.

Council Member Huish stated that he would agree to a limit of two dogs and it was a step in the right direction even though it might not address all concerns.

Council Member Shelton stated that the limit of dogs should be three or four, but would agree to a limit of four. He further stated that there had to be control in maintaining the dogs in their yards; otherwise, enforcement rules had to be followed. In addition, areas needed to be clean, odor control had to be addressed, and people needed to take care of the general health and welfare of the dogs and the citizens of Douglas.

Mayor Gomez stated he liked the limit of two dogs, adding that many concerns had been addressed through the ordinance

Council Member Fernandez expressed dissatisfaction regarding the limit of four dogs and enforcement issues, but agreed with a limit of two dogs.

Council Member Lindemann stated that the ordinance limit should be up to four dogs, adding that surrounding communities had between three to five in their ordinances. Council Member Lindemann requested clarification on kennel regulations.

Juan Pablo Flores stated that there was a provision in the ordinance regarding the establishment of future administrative rules and regulations. They would be internal regulations, would not be a part of the code, and would only address commercial breeders' kennels.

Council Member Lindemann inquired if there would be an ordinance requirement for cats to be vaccinated and licensed, as it was required for dogs.

Juan Pablo Flores stated that the provision was not included in the ordinance, there was not sufficient time to study the matter, and the provision regarding dogs was already a part of the ordinance.

Council Member Lindemann inquired if the cat regulation would be addressed in the future.

Juan Pablo Flores stated that the ordinance would have to be revised sometime in the future and if there were outstanding cat or dog problems, they would be addressed at that time.

Council Member Lindemann requested an explanation regarding the process followed to determine if certain dogs had the required vaccines and license.

Juan Pablo Flores replied that unless the City was notified, the dogs would remain undetected.

Council Member Lindemann suggested the consideration of constructing a new animal shelter.

Council Member Morales suggested limiting the number of dogs to four and agreed with the City Attorney, Juan Pablo Flores, regarding future modifications to the ordinance. She stated that the ordinance addressed issues previously presented to Council, adding that the residents should be safe and a clean environment should be provided.

Council Member Huish inquired if there was a provision that would allow jail time for individuals that failed to pay fines.

Juan Pablo Flores stated that a provision was included allowing the City the right to seek a cumulative judgment against those with numerous violations under the dog code and explained the process.

Council Member Shelton agreed with Council Member Fernandez regarding the enforcement issue.

Peter Estrada, Humane Officer, expressed concern regarding the accountability of dog owners for all issues related to the dog.

Gwen Doyle of 1160 E Tenth Street, stated the dog owner should be held accountable for all issues related to the dog and thanked the City Manager, Curtis Shook; Police Chief, Alberto Melis; and City Attorney, Juan Pablo Flores, for writing the ordinance. Ms. Doyle along with other residents had previously addressed Council regarding dog odor and vicious dogs. Ms. Doyle stated that the limit on the number of dogs should be between two and four; however, that would be the Council's decision.

Motion by Mayor Gomez, **second** by Council Member Huish to amend Ordinance No. 09-963 by limiting the number of dogs to two (2).

Council Member Lindemann stated that residents would be alienated and upset by limiting the number of dogs to two specifically since surrounding communities had a limit of three to five dogs.

Dee Fontes, member of the public, stated that dogs barked to warn owners of certain situations and suggested that pet owners should be responsible in addressing a habitual barking dog. Ms. Fontes inquired if there was a grandfather clause.

Juan Pablo Flores informed that the ordinance did not include a grandfather clause.

Council Member Shelton stated that limiting the number of dogs to two was unreasonable; residents would be upset and expressed opposition.

Council Member Huish stated that dog owners needed to be held accountable and stated that he was in favor of limiting the number of dogs to two.

Council Member Acedo commented that limiting the number of dogs to two or four was acceptable to him.

Mayor Gomez commented that he was a dog lover and had owned five different dogs in forty-five years. However, he did not think the majority of people would want four dogs.

Peter Estrada, Humane Officer, stated that he was a responsible dog owner and explained the maintenance measures taken in relation to his dogs, adding that owners should be held responsible.

Council Member Acedo inquired if dogs needed to be in a fenced area when on a leash.

Juan Pablo Flores stated that there was a provision on the old ordinance, under secure enclosure, that required the dogs to be in a secured area.

Roll Call: Mayor Gomez, Council Members: Bob Fernandez, Ivan Huish and Louie Acedo voted in favor, opposing vote by Council Members: Margaret Morales, Mitch Lindemann, and Ray Shelton. **MOTION TO AMEND PASSED**

Roll Call: Mayor Gomez, Council Members: Bob Fernandez, Ivan Huish and Louie Acedo voted in favor, opposing vote by Council Members: Margaret Morales, Mitch Lindemann, and Ray Shelton. **MOTION PASSED WITHOUT THE EMERGENCY CLAUSE**

- 14. DISCUSSION/DECISION ON APPROVAL OF SECOND READING OF ORDINANCE NO. 09-965, AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF DOUGLAS, COCHISE COUNTY, ARIZONA, AUTHORIZING THE EXECUTION OF A LEASE AGREEMENT BETWEEN THE CITY OF DOUGLAS AND RPT, LLC TO PROVIDE FIXED BASE OPERATOR SERVICES AT THE DOUGLAS MUNICIPAL AIRPORT; AND DECLARING AN EMERGENCY.**

Motion by Council Member Lindemann, **second** by Council Member Shelton to approve second reading of Ordinance No. 09-965 and to place it on third reading by number and title only and declaring an emergency.

Roll Call: All members voted in favor. **MOTION PASSED**

Motion by Council Member Lindemann, **second** by Council Member Fernandez to approve third reading of Ordinance No. 09-965 by number and title only and declaring an emergency.

Council Member Huish inquired if the City would no longer be involved with the airport business.

Carlos De La Torre agreed and further stated that July 1, 2009, was the effective date for the Fixed Base Operator.

Mayor Gomez commented that the City would purchase the gasoline and profit from its sale.

Carlos De La Torre agreed.

Council Member Acedo inquired the number of previous employees at the airport.

Carlos De La Torre stated that there had been one employee.

Roll Call: All members voted in favor. **MOTION PASSED**

15. DISCUSSION/DECISION ON APPROVAL OF FIRST READING OF ORDINANCE NO. 09-967, AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF DOUGLAS, COCHISE COUNTY, ARIZONA, AMENDING SECTION 12.16.050 SUBSECTION B OF THE DOUGLAS MUNICIPAL CODE TO SUSPEND THE TWENTY (20) DOLLAR PROCESSING FEE; AND DECLARING AN EMERGENCY.

Carlos De La Torre stated that there had been a request by the merchants for the suspension of the fees during several dates in June.

Council Member Acedo suggested waiving the fee for the remainder of the summer.

Motion by Council Member Shelton, **second** by Council Member Huish to place Ordinance No. 09-967 on its first reading by number and title only and declaring an emergency.

Roll Call: All members, except Council Member Shelton, voted in favor.

MOTION PASSED

Motion by Council Member Shelton, **second** by Council Member Huish to approve first reading of Ordinance No. 09-967 and to place it on second reading by number and title only and declaring an emergency.

Council Member Shelton commented that there were businesses that could not display their merchandise through a sidewalk sale and it would hurt them.

Roll Call: All members, except Council Member Shelton, voted in favor.

MOTION PASSED

Motion by Council Member Shelton, **second** by Council Member Huish to approve second reading of Ordinance No. 09-967 and to place it on third reading by number and title only and declaring an emergency.

Roll Call: All members, except Council Member Shelton, voted in favor. **MOTION PASSED**

Motion by Council Member Shelton, **second** by Council Member Huish to approve third reading of Ordinance No. 09-967 by number and title only and declaring an emergency.

Roll Call: All members, except Council Member Shelton, voted in favor. **MOTION PASSED**

16. DISCUSSION/DECISION ON APPROVAL OF FIRST READING OF ORDINANCE NO. 09-968, AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF DOUGLAS, COCHISE COUNTY, ARIZONA, AUTHORIZING THE EXECUTION OF A RENEWABLE TWO-YEAR LEASE AGREEMENT HSBP-1109-L-LN0004 BETWEEN THE CITY OF DOUGLAS AND THE DEPARTMENT OF HOMELAND SECURITY FOR A SURVEILLANCE CAMERA FACILITY ON PROPERTY OWNED BY THE CITY OF DOUGLAS; AND DECLARING AN EMERGENCY.

Carlos De La Torre explained that the two-year lease agreement was for a surveillance camera in the area of the wastewater treatment plan that would support the Border Patrol in their enforcement actions.

Motion by Council Member Lindemann, **second** by Council Member Morales to place Ordinance No. 09-968 on its first reading by number and title only and declaring an emergency.

Roll Call: All members voted in favor. **MOTION PASSED**

Motion by Council Member Lindemann, **second** by Council Member Morales to approve first reading of Ordinance No. 09-968 and to place it on second reading by number and title only and declaring an emergency.

Roll Call: All members voted in favor. **MOTION PASSED**

Motion by Council Member Lindemann, **second** by Council Member Morales to approve second reading of Ordinance No. 09-968 and to place it on third reading by number and title only and declaring an emergency.

Roll Call: All members voted in favor. **MOTION PASSED**

Motion by Council Member Lindemann, **second** by Council Member Morales to approve third reading of Ordinance No. 09-968 by number and title only and declaring an emergency.

Roll Call: All members voted in favor. **MOTION PASSED**

17. DISCUSSION/DECISION ON APPROVAL OF RESOLUTION NO. 09-619, 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 2009 – 2010; ADOPTING A TENTATIVE BUDGET; SETTING FORTH THE RECEIPTS AND EXPENDITURES; THE AMOUNT ACTUALLY LEVIED AND THE AMOUNTS ESTIMATED AS COLLECTIBLE FOR THE PREVIOUS FISCAL YEAR; 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; AND FOR FIXING THE TAX LEVY.

Carlos De La Torre stated that a general fund balanced budget had been presented to Council and in relation to the enterprise fund, future proposals regarding rate increases for sewer fees would also be presented to Council. The budget did not include planned layoffs or furloughs, with the anticipation that all revenue projections would be aligned with what the City was collecting as well as any impacts from the State. Mr. De La Torre mentioned that in the prior budget presentation the funding of the IT position had been discussed along with future projects, adding that the non-renewal of the U of A lease would create a negative impact of \$18,000 in the budget or projected revenues.

Jorge Treviño stated that the consolidated budget revenue was \$46,010,231 and the proposed expenditures were \$46,527,958, adding that the budget would encompass recommendations made by the Finance Committee as presented in a prior special budget meeting. The budget process within the next three months would also include the process to increase sewer rates, which would follow State Law procedure. The anticipated implementation would be in November and the increase would be received by the City between December 2009 and January 2010.

Luis Pedroza clarified that the expenditures would be \$46,529,958.

Jorge Treviño further stated that although the general fund would be balanced, the expenditures for some of the enterprise funds such as the water fund, sewer fund, and special revenue fund would have to be covered by reserves. Mr. Trevino informed that in July (2009) staff would be presenting a sewer rate increase proposal to Council, adding that the final budget adoption would take place in July and the total amount could not be changed after the tentative adoption. The property tax rate will also be presented to Council at the August meeting for approval.

Carlos De La Torre explained the statutory requirements regarding the sewer rate fee increase.

Council Member Huish commented that he was not opposed to the use of general funds for the payment of some of the sewage problems.

Carlos De La Torre stated that the request made during call to the public by the Chamber of Commerce for funding of their public relations campaign in the amount of \$4,144.96 was before Council for consideration and it could be funded from the council's special projects line item of \$20,000.

Council Member Shelton inquired if the Council's line item of \$20,000 would be reduced by the amount requested by the Chamber of Commerce.

Carlos De La Torre agreed.

Jorge Trevino stated that from the \$20,000, the \$4,000 could be earmarked essentially leaving a \$16,000 balance.

Mayor Gomez commented that it was a very important decision and expressed concern regarding a possible retraction in the final budget meeting in July.

Carlos De La Torre also explained that the money could be earmarked and with Council's direction, guidelines and requirements could be established on how the money would be disbursed and spent.

Mayor Gomez requested direction to accommodate the funding request from the Chamber of Commerce.

Information was provided by Juan Pablo Flores and Carlos De La Torre.

Council Member Fernandez declared a conflict of interest due to his status as Chamber of Commerce President and did not vote.

Council Member Lindemann requested consideration of a \$500 increase, as recommended by the Finance Committee, to the Senior Citizens fund from \$1,500 to \$2,000 due to the continued operation of the 8th Street pool, which would benefit the youth and that Council should also support the senior citizens.

Curtis Shook suggested that Council could pass the budget as presented and that due to the discussion it was clear to administration that the City would be earmarking \$4,144 for the Chamber and \$500 for the Senior Citizens.

Council Members agreed.

Motion by Council Member Shelton, **second** by Council Member Huish to approve Resolution No. 09-619, approving the Tentative Budget for Fiscal Year 2009/2010 and including special items as presented under General Government, LTAF, and Special Projects Funds and with directive to (Administration) as previously mentioned.

Roll Call: All members voted in favor. **MOTION PASSED**

18. DISCUSSION/DECISION ON APPROVAL OF RESOLUTION NO. 09-620, A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF DOUGLAS, ARIZONA, ESTABLISHING A PROGRAM COORDINATING COMMITTEE FOR THE CITY OF DOUGLAS PUBLIC HOUSING AUTHORITY'S FAMILY SELF SUFFICIENCY (FSS) PROGRAM.

Carlos De La Torre explained that HUD required the establishment of a committee to oversee the Family Self Sufficiency Program, adding that the Housing Director would be a member of the committee.

Mayor Gomez inquired if it was required to form a committee in order to participate.

Carlos De La Torre agreed.

Motion by Council Member Lindemann, **second** by Council Member Shelton to approve Resolution No. 09-620.

Roll Call: All members voted in favor. **MOTION PASSED**

19. DISCUSSION/DECISION ON APPROVAL OF RESOLUTION NO. 09-621, A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF DOUGLAS, ARIZONA, APPROVING THE APPLICATION BY THE CITY LIBRARY FOR GRANT FUNDS IN THE AMOUNT OF \$26,600 FROM THE TOHONO O'ODHAM NATION TO CONTINUE COMPUTER INSTRUCTION AND GED INSTRUCTIONAL COURSES THROUGH THE DOUGLAS PUBLIC LIBRARY FOR THE BENEFIT OF THE COMMUNITY.

Motion by Council Member Morales, **second** by Council Member Fernandez to approve Resolution No. 09-621.

Roll Call: All members voted in favor. **MOTION PASSED**

20. DISCUSSION/DECISION ON APPROVAL OF RESOLUTION NO. 09-622, A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF DOUGLAS, ARIZONA, AUTHORIZING THE CITY OF DOUGLAS TO SUBMIT A GRANT APPLICATION TO THE GOVERNOR'S OFFICE OF HIGHWAY SAFETY FOR A REIMBURSABLE GRANT IN THE AMOUNT OF \$50,967.16 FOR THE PURCHASE OF TWO MOTORCYCLES AND TRAINING IN THE OPERATION OF SAME.

Carlos De La Torre stated that the grant proposal for the two motorcycles and training had been written by Sgt. Carlos Trujillo in an attempt to improve the department.

Mayor Gomez inquired if it was a reimbursable grant and its source.

Sgt. Carlos Trujillo stated that it was a reimbursable grant from the Governor's Office of Highway Safety.

Council Member Shelton inquired what the probability was of obtaining the grant.

Sgt. Carlos Trujillo stated that although in the prior year he had been unsuccessful due to a missing education component, the probability of obtaining the grant was 95% to 100%.

Motion by Council Member Huish, **second** by Council Member Shelton to approve Resolution No. 09-622.

Roll Call: All members voted in favor. **MOTION PASSED**

21. DISCUSSION/DECISION ON APPROVAL OF RESOLUTION NO. 09-624, A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF DOUGLAS, ARIZONA, AUTHORIZING THE EXECUTION OF CONTRACT (JOB ORDER CONTRACT) BETWEEN THE CITY OF DOUGLAS AND CURRIER CONSTRUCTION INC., FOR CONSTRUCTION SERVICES TO BE PERFORMED AT THE CITY'S WASTEWATER TREATMENT PLANT TO CONFORM AND COMPLY WITH THE PENDING ADEQ CONSENT ORDER ON THAT FACILITY.

Carlos De La Torre explained that the job order contracting alternative delivery method on executing the projects at the Douglas Wastewater Treatment Plant was different from the typical approach. It gave the contractor the order to perform the services and established a guaranteed maximum price for each individual work order. The approach followed was due to two reasons: The timeframe to execute the improvements within 24 months. The City applied for Water Infrastructure Finance Authority (WIFA) money - the American Recovery and Reinvestment Act (ARRA) money and one of the conditions was for the City to self impose a condition of mobilizing and starting the work by June 15 (2009). The City hopes to complete the improvements within an 18-month period.

Council Member Huish inquired if the City would be in compliance with ADEQ regulation after the completion of the improvements.

Carlos De La Torre stated that the City would be in compliance.

Motion by Council Member Huish, **second** by Council Member Lindemann to approve Resolution No. 09-624, authorizing the City Manager to execute the Job Order Contract with Currier Construction, Inc. as recommended by Staff.

Roll Call: All members voted in favor. **MOTION PASSED**

22. DISCUSSION/DECISION ON APPROVAL OF RESOLUTION NO. 09-625, A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF DOUGLAS, ARIZONA, AUTHORIZING THE CITY OF DOUGLAS TO SUBMIT A GRANT APPLICATION TO THE DEPARTMENT OF JUSTICE, BUREAU OF JUSTICE ASSISTANCE AS PART OF THE RECOVERY ACT GRANT FOR A REIMBURSABLE GRANT IN THE AMOUNT OF \$15,923 FOR THE PURCHASE OF 35 IN-VEHICLE RIFLE LOCKS FOR USE BY THE CITY OF DOUGLAS POLICE DEPARTMENT.

Carlos De La Torre stated that there was opportunity to purchase needed equipment with grant funding and acknowledged Nick Jordan, Police Department Dispatcher, for writing the grant.

Mayor Gomez inquired where the locks would be placed.

Nick Jordan, Police Department Dispatcher, stated that the purpose of the grant was to purchase the rifle locks and recently the police department had acquired approximately 28 semi-automatic rifles, adding that the placement of the rifle locks would be in the front of the vehicle.

Mayor Gomez also inquired if it would be difficult to break the locks.

Alberto Melis, Police Chief, stated that it would be very difficult to break the locks.

Motion by Council Member Huish, **second** by Council Member Fernandez to approve Resolution No. 09-625.

Roll Call: All members voted in favor. **MOTION PASSED**

23. MAYOR'S REPORT.

- Speeding vehicles in various areas of the community.

24. COUNCIL MEMBERS' REPORTS.

Council Member Lindemann:

- Improvements needed at Applewhite Drive.
- Damaged sign at aquatic center.
- Development of Teen Night at the aquatic center.
- Thanked Police Chief, Alberto Melis; City Manager, Curtis Shook; and Carlos De La Torre for their support with Ward 2 issues.
- Review of spectator fees for the 8th Street pool

Council Member Fernandez:

- Complaint regarding loud fire department sirens.

Council Member Huish:

- Placing the aquatic center sign under glass might prevent further damage.
- Street improvements needed in the area of Apache Drive and Ho Ho Kam Drive

Council Member Acedo:

- Noise complaint previously addressed with City Manager continues to be a problem.

25. CITY MANAGER’S REPORT.

None

26. CITY ATTORNEY’S REPORT.

None

27. ADJOURNMENT.

Motion by Council Member Shelton, **second** by Council Member Huish to adjourn the meeting at 10:10 p.m. unanimously passed.

Prepared By:

Brenda Aguilar
City Clerk