

**MINUTES
MAYOR AND COUNCIL
SPECIAL MEETING - JANUARY 27, 2020**

The City of Douglas Mayor and Council met in a Special Meeting, on Monday, January 27, 2020, at 5:30 p.m. in the Council Chamber of City Hall, 425 Tenth Street. The Honorable Mayor Uribe called the meeting to order and Council Member Grijalva led the invocation after the Pledge of Allegiance.

2. ROLL CALL.

	<u>PRESENT</u>	<u>ABSENT</u>
MAYOR, ROBERT URIBE	X	
COUNCILMEMBER, MARGARET MORALES	X	
COUNCILMEMBER, MITCH LINDEMANN	X	
COUNCILMEMBER, DONALD HUISSH	X	
COUNCILMEMBER, RAY SHELTON	X	
COUNCILMEMBER, CESAR SOTO	X	
COUNCILMEMBER, JOSE GRIJALVA	X	
CITY MANAGER, JERENE WATSON	X	
CITY ATTORNEY, JUAN PABLO FLORES	X	
CITY TREASURER, LUIS PEDROZA	X	
ACTING CITY CLERK, ALMA ANDRADE	X	

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

(per addendum agenda of January 23, 2020).

None.

3. PRESENTATION OF AWARDS.

A. RECOGNITION by Councilmember Jose Grijalva, Ward 6, to Police Chief Kraig Fullen & Fire Chief Kevin Lomeli.

Council Member Grijalva stated that he wanted to congratulate both chiefs and to show appreciation for all they do for the community and their departments, and thanked them for their leadership.

4. DISCUSSION/DECISION on approval of the Union Local 2128 of the Professional Firefighters of Douglas to be DESIGNATED AS THE AUTHORIZED REPRESENTATIVE for the purpose of MEETING AND CONFERRING in accordance to the provisions in the Douglas Municipal Code (DMC) 2.68.

Jerene Watson provided background information.

Motion by Council Member Lindemann, **second** by Council Member Grijalva to recognized the union local 2128 of the Professional Firefighters of Douglas to be designated as the authorized representative for the purpose of meeting and conferring in accordance to the provisions in the Douglas Municipal Code DMC 2.68.

Council Member Huish inquired if the union recognition was what the Firefighters were needing the way it was presented.

Joel Gonzales, Douglas Firefighter responded that they reviewed the designation and it was a start. Additionally, Joel Gonzales expressed that everything they do was always a group decision.

Council Member Huish asked since when the union had been organized since.

Joel Gonzales added that the group had been in existence for approximately ten years, but stated that they did not meet and confer like the police department did as they were not recognized by the city.

Moreover, Joel Gonzales commented that it was good timing since the potential growing of the port of entry would attract more work and they needed to have a voice.

Council Member Huish additionally asked if firefighters felt they did not have a voice before.

Joel Gonzales stated that they ultimately worked together for twenty-four hours or more and represented twenty plus union members, therefore, it was important for them to represent and to support them and their leadership.

As a final comment, Council Member Huish expressed that he wanted the best for the firefighters and for them to know that the door was always open, and that council was always available to hear them.

Joel Gonzales commented that the fire department was not a business and was not in competition with each other, and that their families and kids were present, and that they were all united as family.

Council Member Huish commended the firefighters.

Council Member Lindemann commented that he was surprised that the union recognition was not done before. Additionally, Council Member Lindemann was pleased that council was able to recognize the union and thanked the firefighters for their service to the community.

Joel Gonzales commented that it was a perfect opportunity for the firefighters.

Council Member Grijalva commented that as Joel Gonzales stated it was a perfect opportunity for the firefighters and thanked Chief Lomeli for his leadership, and stated that the door was always open for firefighters.

Council Member Shelton thanked firefighters for their service.

Mayor Uribe thanked the firefighters and Mr. Gonzales for having the courage. Mayor Uribe commented that it was important to have a voice at the table, and that things in the past had not been done correctly where a certain voice was presented and it was not the case.

Lastly, Mayor Uribe congratulated firefighters for being recognized.

Joel Gonzales thanked Mayor and Council for their support towards the recognition.

Roll call: Voted in Favor: Mayor Uribe, Council Members: Margaret Morales, Mitch Lindemann, Donald Huish, Ray Shelton, Cesar Soto, and Jose Grijalva. **Voted against:** None.

Per Addendum Agenda of January 25, 2020.

- 1. DISCUSSION/DECISION on approval of LIQUOR LICENSE APPLICATION series #12, submitted by Francisco Javier Bojorquez-Almanza, for the BURRON RESTAURANT, located at 1008 Cochise Avenue in Douglas, AZ.**

Luis Pedroza provided background information.

Motion by Council Member Lindemann, **second** by Council Member Grijalva to approve the liquor license application series #12, submitted by Francisco Javier Bojorquez-Almanza, for the Burron Restaurant, located at 1008 Cochise Avenue in Douglas, AZ.

Council Member Huish inquired if there was any other liquor license in the area.

Luis Pedroza responded that Food City and Liquor store sell liquor, but there were not any others in the same area.

Council Member Morales asked if Mr. Bojorquez had liquor liability insurance.

Mr. Bojorquez-Almanza responded that once approved they would contract the insurance.

Council Member Grijalva commented that El Burron Restaurant had been in business for nine years and that they wanted to expand. Additionally, Council Member Grijalva stated that whenever they would host a game or fight and if people were overdrinking, that El Burron Restaurant would offer ride services.

Lastly, Council Member Grijalva commended El Burron Restaurant owner for their efforts.

Roll call: Voted in Favor: Mayor Uribe, Council Members: Margaret Morales, Mitch Lindemann, Donald Huish, Ray Shelton, Cesar Soto, and Jose Grijalva. **Voted against:** None.

- 5. DISCUSSION/DECISION on approval of RESOLUTION NO. 20-1393, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING RESTATED between the CITY OF DOUGLAS and THE DOUGLAS REGIONAL ECONOMIC DEVELOPMENT CORPORATION (DREDC) allowing DREDC TO PROVIDE AND ENGAGE PROFESSIONAL CONSULTANT(S) IN A reduced funding amount on a budget year basis to continue with the VARIOUS PROJECTS, INITIATIVES AND STRATEGIES that will be part of this fourth MOU for the Port of Entry Development Project for the City of Douglas, Arizona.**

Jerene Watson provided background information.

Motion by Council Member Morales, **second** by Council Member Shelton, to approve Resolution No. 20-1393 with the service option number 3.

Council Member Huish commented that he wished there was a 2.5 option something between option two and three. Council Member Huish added that \$68,400 was a little high, and did not know if DREDC had

to contribute to that amount. Moreover, Council Member Huish stated that his comfort level would be at the \$60,000 range, and did not know if the city was able to negotiate anymore with Mr. Ramirez.

Council Member Huish added that it was important what was listed in option three and utilized his relationship with GSA, his thoughts on option number three were very important on utilizing GSA relationships.

Moreover, Council Member Huish commented that what he did not like option one and two that it did not include the GSA portion.

Mayor Uribe requested clarification on the dollar amount for option three.

Jerene Watson responded that it was \$68,400. Additionally, Jerene Watson commented that the IDA had scheduled a meeting for January, but it was cancelled due to lack of quorum. Moreover, Jerene Watson stated that Mr. Scherden had scheduled a meeting for February 4, 2020, as they would be the only entity with funds that could contribute to the subject, as EDC does not have funds available.

Council Member Morales commented that it was crucial to have Mr. Ramirez and that she agreed with Council Member Huish that Mr. Ramirez has contact with General Services Administration (GSA), and thought about reducing the amount from \$68,400 to approximate \$60,000 as that was a viable option for them.

Mayor Uribe asked Council Member Morales if she was in the \$60,000-dollar amount.

Council Member Morales agreed.

Council Member Shelton also agreed that Mr. Ramirez was very knowledgeable and that he knows the people especially in Mexico. Council Member Shelton commented that council does not need to get rid of Mr. Ramirez as he can help with the port especially since things are moving.

Council Member Lindemann stated that he had spoken to Mr. Ramirez in the past and that he asked to provide a travel log referencing the meetings he attended, with whom, purpose or outcome of such meetings, however, the information was not provided. Additionally, Council Member Lindemann commented that he even followed up with Mr. Ramirez and asked about any letters from the officials he visited in Mexico in support of the endeavors, and Mr. Ramirez did not provide the information. Moreover, Council Member Lindemann stated that he was very distressed that there was no option zero.

Council Member Lindemann commented that if Mr. Ramirez wanted to continue with making contacts in Mexico, that he would understand and would choose option one. Council Member Lindemann stated that as far as GSA, that they were a government entity and that Mr. Ramirez may not have a say with the government, but may know the people.

Lastly, Council Member Lindemann added that he had thought that there was no need to go out and spend money on a lobbyist, and that they only received a booklet with recyclable information. Council Member Lindemann stated that even though he expressed his thoughts and if needed he would go with option one.

Council Member Grijalva stated that the city depended heavenly on GSA, but that the city moved quicker when a member of congress was present and were able to placed the city at the Appropriations by 2021.

Council Member Grijalva inquired if GSA had much influence in the process at the state the city was.

Jerene Watson responded that they had two processes in congress, one was at president's administration budget, where GSA would place their proposal up to the chain in command that would go up to the White House. Jerene Watson added that Congresswoman Kirkpatrick was able to place \$170.2 Mil designated in the 833 for all southern ports.

Jerene Watson included that GSA wanted to do what their planning horizon was, but that if congress appropriates the money sooner than that would change rankings. Jerene Watson included that that was why having lobbyist's in DC that worked with elected officials that are in DC as that was the way to pushed sooner then what administration would.

Moreover, Jerene Watson stated that they had two processes not necessarily contradict with each other as they could aligned with each other as well.

Mayor Uribe commented that it was the perfect timing for Douglas, AZ.

Council Member Grijalva commented that he felt uncomfortable to choose an option not knowing where the IDA or EDC might stand.

Council Member Shelton inquired on what Mexico said about the project.

Jerene Watson responded that Mexico had been at the table at different meetings.

Council Member Shelton further asked what the government of Mexico support status was.

Council Member Shelton suggested to keep Mr. Ramirez.

Jerene Watson added that the diplomatic note was due at any time.

Council Member Lindemann stated that Mr. Ramirez did what he needed to do in Mexico, but was not aware if Mr. Ramirez was the one to reached to GSA.

Council Member Shelton also agreed with Council Member Lindemann that Mr. Ramirez needed to report to council.

Mayor Uribe commented that he was under the impression that Ms. Watson made strong emphasis on the fact that the federal lobbyist was a priority and it was a must.

Jerene Watson responded that it was not necessarily a must, but when there was no visibility at the top of the list, lobbyist could be the city's voice and that it was an important thing to do.

Mayor Uribe stated that the public had been very skeptical about the direction of the project, because the city talked about it for many years, and people were asking, how far, and how close was the city with the project.

Mayor Uribe asked his council members on what they wanted to do as the city was very close with the project.

Mayor Uribe responded to Council Member Shelton's questions pertaining to where was Mexico with the project, and stated that the President of Mexico expressed to the Mayor that the project was a priority to them, and at the same time the Mayor of Agua Prieta also confirmed what the President of Mexico said during their meeting.

Mayor Uribe added that the city reached out to the White House and in fact the city has contacts in the White House, and they expressed priority towards the project, and their vision was for the project move forward.

Council Member Grijalva added that he respected Mr. Ramirez and that the city needed him for the process, and stated that the city was competing with other cities for him at the same time. Moreover, Council Member Grijalva commented that the lobbyist would only represent Douglas in those needs.

Council Member Grijalva commented that Mr. Ramirez was a very important figure and that he had contacts. Additionally, Council Member Grijalva expressed that he was supportive to keep both Mr. Ramirez and lobbyist.

Council Member Grijalva added that since the President of Mexico was in Agua Prieta and spoke to Mayor Uribe and also with Council Member Soto regarding the project, the President of Mexico reassured them that it was in the plans as well.

Council Member Grijalva asked the city attorney since council needed to select an option contingent for example option three if the IDA could fund up to \$40,000, and if they did not, then the city would keep option one.

Juan Pablo Flores responded that it was possible. Juan Pablo Flores added that there was a motion with option number three at \$68,000, plus the expenses, and an amendment could be made to reflect that council motioned to limit funds to \$40,000 or \$50,000, contingent on IDA to fund the rest.

Council Member Soto commented that if in fact council would go with an amendment and if IDA was not supportive, then council would have to meet at a later date and address the same issue with another option. Additionally, Council Member Soto suggested that if Mr. Ramirez could provide a different quote on services for example in a 2.5 option.

Juan Pablo Flores responded that it was possible, but that Mrs. Watson already had taken care of the options which were presented to council. Moreover, Juan Pablo Flores commented that on the motion it would have to be a contingency and Juan Pablo provided the following example: "I move to amend the motion to cover \$40,000 contingent on the IDA, EDC, Port Authority or some third-party entity to cover the rest."

Additionally, Juan Pablo Flores commented that if that would fall through, then council would go to options one and two, and \$40,000 reflected option one, \$48,000 option two, and that \$68,000 expenses to option three.

Council Member Lindemann commented that if council agreed the amendment could be withdrawn in order to do another motion.

Council Member Morales inquired since Mr. Scherden from the IDA was in the audience if he could provide any information to council.

Patrick Scherden, IDA Chair responded to council that in regards to funds No. Additionally, Mr. Scherden commented that he could not speak for the entire board, but he felt that when it comes to funds they were going to vote no.

Mayor Uribe asked that if the motion with contingencies does not go through that if Mr. Ramirez was automatically at \$68,000, or if council would come back to make it official that Mr. Ramirez was at \$68,000.

Juan Pablo Flores responded that it could be done in various ways, but that if council would go with option three, funding at \$40,000 or \$50,000 with third party to fund, and if no funding was available, then council would fall back to option one or option two.

Moreover, Juan Pablo Flores commented that Mr. Scherden stated they could consider, but they are not wanting to do heavy lifting on it.

Council Member Grijalva inquired if the amounts IDA could fund were \$5,000, \$15,000 or \$20,000.

Council Member Grijalva commented that he felt uncomfortable since council did not know and wanted to know if a member of the council could attend IDA meeting.

Juan Pablo Flores stated that the reason Mr. Scherden could not respond was due to IDA meeting requirements, however, Mr. Scherden could only provide his opinion in essence.

Mayor Uribe thanked Juan Pablo Flores for his responses.

Patrick Scherden commented that the amount could be \$40,000 or \$50,000. Additionally, Patrick Scherden stated that IDA in the year 2019-2020 subsidized \$15,000, and commented they could, but also added that he would be surprised if the board approved.

Council Member Grijalva inquired on the contingency for option three if council could fund \$40,000 and if IDA would fund \$20,000 to \$25,000, less than \$30,000, if that would be considered.

Juan Pablo Flores added that the motion would had to fund at \$40,000. Additionally, Juan Pablo Flores commented that the third party would fund up the \$40,000 plus the 8% for travel expenses.

Council Member Grijalva commented that he saw the travel expenses and stated that council did not know how Mr. Ramirez traveled and what he billed the city for, and if Mr. Ramirez was overspending on traveling.

Juan Pablo Flores stated that Mr. Pedroza was checking travel expenses. Juan Pablo Flores along with Mr. Scherden commented that travel expenses were at 5% of the contract amount, and that option three was \$68,000 plus travel expenses. Mr. Pedroza confirmed travel expenses were at 8%.

Council Member Shelton inquired on receiving a report on Mr. Ramirez' meetings and outcomes.

Patrick Scherden commented that he received reports from Mr. Ramirez.

Council Member Grijalva asked if council could direct administration to provide Mr. Ramirez' reports.

Mayor Uribe stated yes.

Juan Pablo Flores clarified to amend motion to reduce funding to \$40,000 with the contingency that a third-party entity would fund the rest.

Motion by Council Member Grijalva, **second** by Council Member Lindemann to reduce funding to \$40,000 with the contingency that a third-party entity would fund the remaining amount for option three.

Council Member Huish stated that he felt comfortable at \$48,000 range.

Council Member Shelton stated that he liked to fund at \$50,000.

Council Member Grijalva asked Mrs. Watson on how that would affect and if it would be a deal breaker for the lobbyist.

Luis Pedroza added that the city budgeted \$95,000 for the port of entry, and that the federal lobbyist would cap at \$70,000, therefore, the city could fund Mr. Ramirez but if in fact was \$40,000 the city would be over. Additionally, Mr. Pedroza stated that the city would need to find funds elsewhere and not in the port of entry budget.

Mayor Uribe requested the port of entry budgeted amount.

Luis Pedroza responded it was \$95,000 dollars.

Mayor Uribe stated that the city was trying to negotiate with Mr. Ramirez and at the same time with the federal lobbyist. Additionally, Mayor Uribe commented that as a governing body needed to determined how to fund the two positions.

Council Member Huish commented that he was referring to the level of services in the \$60,000, and expressed not wanting to pressure the IDA or EDC, therefore, he felt comfortable at \$40,000, and hoped that the third party could fund \$15,000.

Mayor Uribe stated that he felt uncomfortable not knowing what council was going to fund the lobbyist or Mr. Ramirez.

Council Member Huish commented that staff could come back and let council know cost amounts for the lobbyist and Mr. Ramirez. Additionally, Council Member Huish suggested going back to the strategic plan and to check priorities. Lastly, Council Member Huish added that trusted staff to come up with a solution based on hiring's that have not been made.

Mayor Uribe commented that lobbyist would not come to Douglas, Arizona for \$70,000.

Council Member Grijalva commented that the city was receiving revenue and asked if the monies had been allocated to a specific purpose.

Jerene Watson responded that other than the small capital items approved in the budget, but if the city had excess, then no, as it was a small amount.

Council Member Grijalva commented that it was possible to allocate \$15,000 to the topic and could have money for both.

Luis Pedroza stated that the city could draw money, and tentatively could have been used for match allocation for the construction of the runway, therefore, council would need to make that consideration as well.

Luis Pedroza added that options existed and staff could redirect funds from one project to the other, and at the same time was possible to look at salary savings by looking at different scenarios of where council would feel comfortable the available sources.

Motion by Council Member Grijalva to tabled item until administration could come with a solution on how council could fund the project.

Motion failed due to lack of a second.

Council Member Grijalva and Council Member Lindemann withdrew their motion of the \$40,000.

Motion by Council Member Huish to amend the motion (option three at full funding) to include a cap of \$48,000 dollars max with option three contingency on third party, **second** by Council Member Shelton.

Roll call: Voted in Favor: Mayor Uribe, Council Members: Margaret Morales, Mitch Lindemann, Donald Huish, Ray Shelton, Cesar Soto, and Jose Grijalva. **Voted against:** None.

Roll call on original motion to go with option three as amended:

Motion by Council Member Morales, **Second** by Council Member Shelton, to approve Resolution No. 20-1393 with the service option number 3.

Motion passed with an amendment to fund the consultant at a flat rate of \$48,000 per budget year for the offered service level #3, and the service level 3 would be contingent on a third-party entity (possibly the IDA) funding the difference.

Roll call: Voted in Favor: Mayor Uribe, Council Members: Margaret Morales, Mitch Lindemann, Donald Huish, Ray Shelton, Cesar Soto, and Jose Grijalva. **Voted against:** None.

6. DISCUSSION/DECISION to call for and conduct an executive session under the authority of ARS §38-431.03 A (7) for consultation with the City Attorney and Administrative staff in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property, as it relates to 1815 E. 9th Street, Parcel #409-17-046; and 902 H. Avenue with Parcel numbers 409-07-049 and 409-07-050, all in Douglas, Arizona.

Motion by Council Member Morales, **second** by Council Member Shelton to enter into executive session at 6:47 p.m.

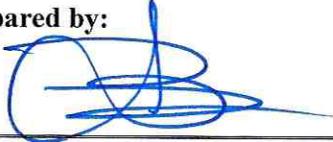
Motion by Council Member Morales, **second** by Council Member Shelton to adjourn the executive session at 7:11 p.m.

Roll call: Voted in Favor: Mayor Uribe, Council Members: Margaret Morales, Mitch Lindemann, Donald Huish, Ray Shelton, Cesar Soto, and Jose Grijalva. **Voted against:** None.

7. ADJOURNMENT.

Motion by Council Member Lindemann, **second** by Council Member Morales to adjourn the meeting at 7:11 p.m.

Prepared by:

A handwritten signature in blue ink, appearing to be 'Alma Andrade', written over a horizontal line.

Alma Andrade, Acting City Clerk