



TOWN OF HUACHUCA CITY

The Sunset City

**MEETING MINUTES OF THE
HUACHUCA CITY TOWN COUNCIL
SEPTEMBER 24, 2020 AT 7:00 PM
COUNCIL CHAMBERS
500 N. GONZALES BLVD.
HUACHUCA CITY, AZ 85616**

AGENDA

A. Call to Order – Mayor

- a. Pledge of Allegiance
- b. Roll Call and Ascertain Quorum
- c. Invocation

Any prayer/invocation that may be offered before the start of regular Council business shall be the voluntary offering of a private citizen, for the benefit of the Council and the citizens present. The views or beliefs expressed by the prayer/invocation speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the religious beliefs or views of this, or any other speaker. A list of volunteers is maintained by the Town Clerk's Office and interested persons should contact the Town Clerk's Office for further information.

The meeting was called to order at: 7:00pm

The Pledge of Allegiance was led by: Mayor Wallace

The invocation was offered by: Elder Thomas

Roll Call.

Present: Johann Wallace, Donna Johnson, Joy Banks, Cynthia Butterworth, Christy Hirshberg, Debbie Trate, Jean Post, Suzanne Harvey (Not voting), Brandye Thorpe (Not voting), Thomas Benavidez, Attorney (Not voting).

B. Call to the Public – Mayor

A.R.S. 38-431.01 states the Public Body may make an open call to the public during a public meeting, subject to reasonable time, place and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the Public Body. At the conclusion of an open call to the public, individual members of the Public Body may respond to criticism made by those who have addressed the Public Body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the Public Body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.

Mayor Wallace recognizes Keith Settlemyer of 103 Navajo and 116 S. Huachuca Blvd. Mr. Settlemyer states that Tracy Young passed away and left him the house. He states that he has seen the improvements in Town and is happy to see businesses springing up. He states that he has Tiny House, which he is going to launch after the first of the year. He states that it looks like there is a call from the Town for people to step up right now, and he is ready to step. Just give him a call if there is something he can do.

C. Consent Agenda - Mayor

All items listed in the Consent Agenda are considered routine matters and will be enacted by one motion of the Council. There will be no separate discussion of these items unless a Member of the Town Council requests that an item or items be removed for discussion. Council Members may ask questions without removal of the item from the Consent Agenda. Items removed from the Consent Agenda are considered in their normal sequence as listed on the agenda, unless called out of sequence.

- C.1** Consider approval of the minutes of the Regular Council meeting held on September 10, 2020, including the executive session, and the Special Council meeting held on September 16, 2020.
- C.2** Consider approval of the Payment Approval Report.
- C.3** Consider approval of the disposal of one 10 wheel dump truck VIN# 1HTSHADT1XH656945 through Public Surplus.
- C.4** Consider approval of the disposal of several desks through Public Surplus.

Motion: Consent Agenda, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Mayor Pro Tem Johnson asks that item C.2 be pulled. Councilmembers Trate and Banks ask about the duplicated names in the Special Meeting Minutes from the September 16th meeting.

Motion: Items C.1, C.3 and C.4 with the proper ammendment to rollcall from September 16th, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg. Motion passed unanimously.

Motion: Consider approval of the payment approval report, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Mayor Pro Tem Johnson sees that there are two things for telephones for the Police Department. There are several things that are for the same thing and separated like this. Why? Is it due to invoices? Mayor Wallace confirms that this is why. Mayor Pro Tem Johnson also doesn't understand why the phone bill is so high in long distance calls.

Ms. Harvey states that we are looking into the contracts because they may not be written in the best way for us. That is one of the things Brandye is looking into, however we can certainly look at the bill and review the numbers called and the dates and times.

Councilmember Trate states that this is different from the way we got them before, is it going to be like this from now on or is it going to go back to the other way? Before it was by account number and now it's by vendor. Mayor Wallace states that by vendor is fine, and the reason is that it is easier when he and Mayor Pro Tem Johnson are reviewing and approving checks. He would like to point out that the payment approval report has an amount of \$191,042.77 because we got the payment to Whetstone Fire, which is one of the bigger ones. He asks if the Seacom invoice has come in yet. Ms. Wenc states that it has not. Mayor Wallace states that it is coming up and will be soon.

Motion: Payment approval report, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Donna Johnson.
Motion passed unanimously.

D. Unfinished Business before the Council – Mayor

Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen, who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the Mayor at any time.

E. New Business Before Council - Mayor

Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen, who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the Mayor at any time.

E.1 Discussion and/or Action [Spenser Forsberg]: Mr. Forsberg will review the Town's finances for the months of July and August.

Motion: Item E.1, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Cynthia Butterworth.

Mayor Wallace recognizes Mr. Forsberg. Mr. Forsberg thanks Council for allowing flexibility these past couple months due to some family issues.

August financial shows that the savings continue to grow. This is continuing improvement to the Town's financials. The general fund looks really good. We received the grant money from the CARES Act, which was just about \$200,000.00 so for the month of August, revenues over expenses we were in the black just over \$200,000.00. With that in mind if we hadn't received the grant money, we were just about break even on the general fund. We are 17% through this fiscal year and we are about \$90,000.00 in the black. This includes the grant money received and the high quarterly payment to Whetstone Fire so we are still showing a profit. The water fund shows revenue of \$42,700.00 and \$25,794.00 which is a profit of \$16,900.00. The process for the savings accounts that have been established has in the past been that if we show a profit of \$16,900.00, then we take that \$16,900.00 and transfer it to the water savings account. I just want to bring to everyone's attention that what that doesn't account for is if there are any accounts receivable that never gets paid and so one way to look at that is that the water fund is getting 100% of everything and the general fund is getting left with whatever is left over. If we only collect 80% of that \$16,000.00, that's what the general fund gets while the water fund got credit for 100%. That is something to keep in mind, it would come into play to see our general fund balance not be as stable as we want it to be because we are transferring 100% of the proceeds even though we may not get paid for all of that. He states that he doesn't know if he explained it well.

Mayor Wallace states that the money for water isn't general fund money anyway so it's not the general fund that's not getting it, it's still the enterprise fund that isn't getting it. I understand that if we bill it out for \$1,000.00 and we only get paid \$800.00 that's \$200.00 left that we are still transferring over into the savings account as though we received it. Mr. Forsberg states that essentially it's an expense that isn't accounted for and the general fund is picking up that expense. He says it might be worthwhile to do a study comparing accounts receivable and what percentage is actually collectable compared to some bad debt.

Sewer fund had revenue of \$24,386.00 compared to expenses of \$15,218.00 leaving \$9,167.00 for the month of August. Year to date we are in the black \$6,800.00.

Garbage fund for August was a little strange, we had normal revenue of \$11,741.00 however the expenses to our subcontractor for July and August was all paid in August so our expenses were double in August but year to date we are right on track.

Landfill revenue of almost \$130,000.00 and expenses of \$113,000.00 so a profit of \$16,300.00 and year to date about \$45,838.00.

Outside of the financials, the auditors will be coming in the next month or so, so Laura and I are working to get things situated so we can send them information. They are going to do a lot of it remotely, and probably drop in a couple days in October too.

Mayor Wallace asks about the water/sewer. He confirms with Mr. Forsberg that we are reporting on what we billed, not what was received. He says that right now one of his Proclamations states that we are not going to attempt to collect those debts. He fully intends to change that proclamation so that we can begin collecting on those accounts. He asks Attorney Benavidez if he has to wait until he can redo the Proclamation or if he can direct staff to begin looking at that now. Attorney Benavidez states that this isn't on the Agenda and is going to be kind of a big deal. Mayor Wallace states he will just redo the Proclamation, not a problem. Councilmember Banks asks if we should put it on the next Agenda to discuss some of this too. Mayor Wallace states that he will just redo the Proclamation, but we can put something on the Agenda.

Councilmember Butterworth asks if on the water/sewer and the landfill if it would be possible to show actual revenue, what's actually been collected versus what is still pending to be received. Mr. Forsberg states that with Caselle it shouldn't be too difficult.

E.2 Discussion and/or Action [Mayor Wallace]: Mayor Wallace will seek Council approval to use funds received to complete upgrades to Hunt Park, that will not be covered in the Community Development Block Grant [CDBG] funding for parks.

Motion: Item E.2, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Mayor Wallace states that the CDBG funds can not be used on Hunt Park because it is in a flood plain. We were looking to spend around \$43,000.00, which we now have, due to the CARES grant. What I want to do is use around \$50,000.00 for Hunt Park. Councilmember Trate asks if we can use COVID money for that. Mayor Wallace advises that the COVID money is going to pay for the Police Department, which frees up \$199,000.00 from their budget to use how we want. Councilmember Post asks if we know what we are doing down there. Mayor Wallace states that yes we do, you weren't here for that meeting. Councilmember Butterworth asks if this will impact the Police Department. Mayor Wallace states that it will not, the money is just replacing money from the general fund that would have been used to cover their expenses.

Motion: Authorize the expenditure of up to \$50,000.00 to complete the upgrades to Hunt Park, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Donna Johnson. Motion passed unanimously.

E.3 Discussion and/or Action [Director Halterman]: Director Halterman will request approval for proceeds from future sale of surplus dump truck to be used for the purchase of new vehicle/vehicles for Public Works.

Motion: Item E.3, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Mayor Wallace asks if this is a Landfill vehicle. Director Halterman states that he and Director Howe have agreed that \$14,000.00 of the profit of the sale of the dump truck will be provided to Director Halterman to purchase new trucks, and the rest of the proceeds and two trucks currently owned by Public Works, will be given to the landfill. The starting bid for the dump truck will be \$19,000.00 because that is what was paid for it and it has not been driven since because no one has a Class A license. The two trucks that Public Works currently has are well suited for Landfill use, but not for what Public Works requires.

Councilmember Trate asks what Director Halterman thinks they can get out of the dump truck. He responds high would be around \$30,000.00. Doctor Johnson agrees that they could get \$30,000.00 out of it.

Mayor Wallace does a quick run down to make sure he understands properly. \$19,000.00 minimum bid, which is landfill money. Director Howe will then use \$14,000.00 to purchase Public Works two vehicles, in return Public Works and Landfill will do an equipment swap.

Motion: Approve the use of the proceeds of the future sale of the dump truck to be used to purchase new vehicles, **Action:** Adjourn, **Moved by** Johann Wallace, **Seconded by** Donna Johnson.

Motion passed unanimously.

E.4 Discussion and/or Action [Mayor Wallace]: The Council will establish the salary for the newly hired Town Clerk.

Motion: Item E.4, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Mayor Wallace reminds Council that the advertisement for the Town Clerk position showed a range of \$36,000.00 to \$60,000.00.

Motion: Town Clerk salary of \$36,000.00 and make it retroactive, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Donna Johnson.

Motion passed unanimously.

E.5 Discussion and/or Action [Chief Thies]: Chief Thies will seek approval for proceeds from sales of Police Department seized property to be placed into the Police Department savings account and for the savings account to be renamed to "Police Department Seized Property."

Motion: Item E.5, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Cynthia Butterworth.

Mayor Wallace recognizes Chief Thies. Chief Thies explains that in Town Code, it states that any proceeds from items surplus goes back into the general fund. He is requesting that proceeds from items belonging to the Police Department that are surplus go into the Police Department savings instead. He is also requesting that the name of the account be changed to " Police Equipment Savings Account". Mayor Pro Tem Johnson asks why the name should be changed to this. Chief Thies states that right now it is specifically for cars, however if it is changed, it opens up for other uses, such as other equipment upgrades which there is a grant for. The money for these items could come from the savings account, and be put back when the grant money is received. This way the money isn't coming out of the operating account. This allows for transparency.

Mayor Wallace states that they have discussed it and that in some ways it may look like the Police Department is being incentivized for certain actions, however that is in no way the case. With that being said, there will be a time limit on it when he makes his motion. Town Code is very specific and we have to be careful not to set a precedent. Chief Thies states that this is only

when the Police Department has followed all protocols and at the end of the day the Police Department ends up with said property and are governed by disposal. If the item is placed on Public Surplus and we get money for it, that the money then is placed into the Police Department Equipment Savings. Mayor Wallace asks for clarification of the terms seized and what else? Chief Thies says seized, abandoned, impounded, forfeiture. Any term that covers that the Police Department has the item, it is ours to dispose of per ARS.

Mayor Pro Tem Johnson asks don't we already do that? Don't you already get that money? Mayor Wallace advises that Town Code says that it goes into the general fund. That means the money is not just for the Police Department. The Code states that any department that surpluses something, that money goes into the general fund, for Town use. Those departments are funded from the general fund. We can identify the proceeds of sales from specific items go to a specific department.

Mayor Wallace asks what the actual term is when an item becomes our property. Chief Thies provides several thoughts, however Attorney Benavidez states that the term would be title. He further advises that legal title does not just mean a slip of paper, it involves ownership of items that have no paper showing their title, such as a pen.

Motion: The proceeds of the sale of Police Department legally titled property to be placed into the Police Department savings account and for the account to be renamed to the "Police Equipment Savings Account" up until June 30, 2021, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Motion passed unanimously.

E.6 Discussion and/or Action [Chief Thies]: Chief Thies will present a plan for entering into a data access and exchange agreement with the Arizona Department of Transportation to exchange information concerning vehicle crashes and related traffic matters. The Council might take action to approve the data access and exchange agreement and might also authorize procurement of necessary hardware and software through a grant.

Motion: Item E.6, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Cynthia Butterworth.

Chief Thies announces that Sergeant Thompson will be giving a presentation. Sergeant Thompson advises that this is all about doing the job faster and more safely. The TraCs program is new. This is a mobile reporting system that uses electronic ticketing and reporting. Information is delivered electronically to the courts. ADOT and the Governors Office of Highway Safety(GOHS) are key players in this system. GOHS is paying for the licensing, which is about \$75,000.00. ADOT will provide support for the program. There is a grant that will cover all additional equipment, the scanner(to scan id's and registrations to auto populate citations and forms) and printer(for forms and citations) and anything else to go with it. There are no charges for any of the systems. ADOT is dealing with all of this. The plan is for Spillman to eventually be able to receive all of the information from the TraCs system. This will help reduce paperwork times. It also has forms that will help speed up the process.

The first step was to send a letter of interest, which was already done, next is to get Council approval.

Councilmember Trate asks if someone were to get pulled over for speeding in Benson and then again as they get to Huachuca City, will this system pull up that the vehicle was just stopped? Sergeant Thompson advises not yet, however once it is linked with Spillman, yes it would.

Councilmember Trate also asks, since Arizona licenses don't have to be updated very often, if it has an old address even though you have changed it through DMV, what address will show? Sergeant Thompson advises that it will show the address on their license.

Mayor Pro Tem Johnson asks if they can change the address for citations if the address on the license is not correct. Sergeant Thompson says yes.

Councilmember Butterworth asks who has to pay for repairs if something is damaged by an angry person that has been pulled over? Sergeant Thompson advises the Town would be responsible, however the equipment is all located in the front of the Police vehicles.

Councilmember Butterworth asks if the system goes down, can you still provide a hardcopy citation? Sergeant Thompson advises that they will always be able to do a hard copy citation if necessary.

Mayor Wallace asks if this is a pilot program? Sergeant Thompson advises no, it is here to stay.

Mayor Wallace asks if there is a threshold for how many agencies can participate before there are fees for the program? Sergeant Thompson advises anything added to Spillman costs money, however grants and other funding are possible.

Mayor Wallace states that eventually there will be costs associated. Mayor Wallace asks if Attorney Benavidez had a chance to review the Interagency Agreement (IAA) and if there were any concerns with it. Attorney Benavidez has reviewed it and has no concerns.

Motion: Approve the IAA and authorize the expenditure of \$5,500.00 for the equipment., **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Cynthia Butterworth.
Motion passed unanimously.

E.7 Discussion and/or Action [Chief Thies]: Chief Thies will present newly designed Police Department stickers and a plan for their sale to the public through a third party. Proceeds may be donated back to the Police Department. The Chief will also request the Council to approve licensing the Town logo for these purposes.

Motion: Item E.7, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Chief Thies advises he would like to pull this item he is not ready for it yet.

E.8 Discussion and/or Action [Chief Thies]: Chief Thies will seek Council approval of a Master Equipment Lease Purchase Agreement, and related documents, to finance acquisition of the two new vehicles for the police department.

Motion: Item E.8, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Chief Thies states this is just to get the signatures and payment can then be sent and the process will start.

Motion: Master Equipment Lease Purchase Agreement and related documents, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Cynthia Butterworth.
Motion passed unanimously.

E.9 Discussion and/or Action [Director Howe]: Director Howe will ask for Council direction regarding an expansion of the landfill.

Motion: Item E.9, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Donna Johnson.

Mayor Wallace advises that Director Howe could not be here tonight but he would still like to get direction from council. Mayor Wallace goes through the possibilities and then states that Director Howe recommends proceeding with option 1 which is to move forward with the permit process for parcels 3 and 4 and the environmental study of parcel 5.

Mayor Wallace states that there is around 2.5 million dollars in the trust fund right now, and any closure activities will come out of that and then get reimbursed. It would be best to get the environmental study and the permit for now because it adds value to the landfill. I agree with Director Howes recommendation.

Motion: Acquire an expansion permit and an environmental study of parcel 5 this fiscal year, **Action:** Direct Staff, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.
Motion passed unanimously.

E.10 Discussion and/or Action [Mayor Wallace]: Mayor Wallace will seek approval for the renewal of the Town's email and office applications.

Motion: Item E.10, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Donna Johnson.

Mayor Wallace states this is the annual renewal for our email and office applications.

Motion: Renewal of the Town's email and Office applications, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Donna Johnson.
Motion passed unanimously.

F. Department Director reports

Director Halterman states that a topography survey was done on the sewer ponds and the preliminary result is that the dirt for the closing of the sewer ponds is nowhere near the amount that was previously estimated. ADEQ came down and did an inspection on the well sites and they were passed with flying colors.

Doctor Johnson states a lot of businesses have been calling with inquiries. Two new house blueprints have been submitted.

Director Harvey reminds that there will be free CO VID-19 testing on Sunday. We are working on a drive thru trunk or treat.

G. Items to be placed on future agendas

Councilmember Banks- discussing the water/sewer/trash Proclamation

Mayor Wallace- Process of allocating funds such as the water fund.

Mayor Wallace- Staff was to look into staff members not receiving benefits and possible compensation

H. Reports of Current Events by Council

Councilmember Banks- SVMPO long rang plan- we now have a representative Richard Searle

Councilmember Butterworth- training today for food distribution

Councilmember Banks- Whetstone signal is up-no pvc is available due to resin factories in Louisiana being hit by hurricanes

Councilmember Post asks about bicycles that were approved for Public Surplus in a prior meeting and if it wouldn't have been better to repair them and give to children in the community. Director Harvey states that there are some in the Senior Center right now for that purpose.

Mayor Wallace met with Mr. Devere regarding the easement between the Town and the school. Mr. Devere is going to go back to his Board and then we should see it back around January.

I. Adjournment

8:38pm

Motion: To Adjourn, Action: Adjourn, Moved by Johann Wallace, Seconded by Cynthia Butterworth.

Motion passed unanimously.

Approved by Mayor Johann R. Wallace on October 8, 2020.



Mr. Johann R. Wallace
Mayor

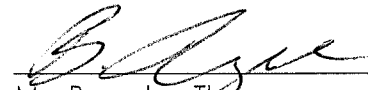
Attest: 

Ms. Brandy Thorpe,
Town Clerk



Certification

I hereby certify that the foregoing is a true and correct copy of the Minutes of the Meeting for the Huachuca City Town Council held on September 10, 2020. I further certify that the meeting was duly called and a quorum was present.



Ms. Brandy Thorpe,
Town Clerk