



TOWN OF HUACHUCA CITY

The Sunset City

**MEETING MINUTES OF THE
HUACHUCA CITY TOWN COUNCIL
April 11th, 2024 AT 6:00 PM
COUNCIL CHAMBERS
500 N. GONZALES BLVD.
HUACHUCA CITY, AZ 85616**

A. Call to Order – Mayor

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

B. Roll Call.

Roll Call.

Present: Johann Wallace, Christy Hirshberg, Cynthia Butterworth, Danielle Cardella, Jeffrey Ferro, Debra Trate, Town Manager Suzanne Harvey (Not voting), Town Clerk Brandye Thorpe (not voting), Town Attorney Thomas Benavidez (Not voting).

Absent: Jean Smelt.

- a. 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.

C. 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.

D. 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 March 28, 2024.

C.2 Consider approval of the Payment Approval Report.

Motion: Approval of the items as on the Consent Agenda, **Action:** Open for Discussion and/or Action, **moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Mayor Wallace asked if there were any questions.
Council had no questions.

Motion: Approve items on the Consent Agenda, **Action:** Approve, **moved by** Johann Wallace, **Seconded by** Christy Hirshberg.
Motion passed unanimously.

E. 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.

Mayor Wallace informs the Council that items E.1 and E.2 must be tabled due to this meeting having had to be rescheduled. These items were not able to be scheduled for tonight's meeting and will be on the next agenda. They will be continuing to item E.3.

E.1 Discussion and/or Action [Mayor Wallace]: PROCLAMATION NO. 2024-08 A PROCLAMATION OF THE MAYOR OF THE TOWN OF HUACHUCA CITY, DECLARING THE WEEK OF APRIL 13-19, 2024, AS “WEEK OF THE YOUNG CHILD” IN THE TOWN OF HUACHUCA CITY.

Motion: Proclamation No. 2024-08 A Proclamation of the Mayor of the Town of Huachuca City, Declaring the week of April 13-19, 2024, as "Week of the Young Child" in the Town of Huachuca City, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Jeffery Ferro.

Mayor Wallace explains to the Council that they have a Representative with them tonight, Melissa, and he is going to take the Proclamation down there to read it and get a picture. They commented on how Huachuca City is doing and has always done amazing things for kids, from Community involvement and working with the school to awesome Library programs.

E.2 Discussion and/or Action [Suzanne Harvey]: Wells Fargo banking and investment options for Town funds.

Motion: Wells Fargo banking and investment options for Town funds, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Town Manager Harvey tells the Council that they have been looking at different options for investing the Town's money. The Town's current operating bud is out of Wells Fargo. She tells them that Peter Katz from Wells Fargo is going to talk to them about an option, not necessarily about investing the money but about a better way to use the operating funds. The Town has a very high balance right now, with the \$2 million balance for the road upgrade. It's probably going to be a year before they start drawing on that and there is no reason that they can't get some interest in that year. Manager Harvey gives the floor to Mr. Katz.

Mr. Katz greets the Council and explains that he is the Relationship Manager for Wells Fargo and so he also represents the Town of Huachuca City. He specializes in working with small government entities, all different pipes from Towns and Cities to Villages to Schools so he is very familiar with everything that has to do with small government entities. One of the big things, especially now that the Federal Reserve roughly for the last year and a half has been raising the interest rates to combat inflation. What's happened is rates across the board have gone up, but two (2) different things have been impacted. One is called the earnings allowance, which has gone up as well, got up to 1.65% on your balances and the nice thing about the earnings allowance is it is used to offset fees. So, you haven't been paying anything out of pocket. However, because you haven't been paying anything out of pocket because your earnings allowance is way higher than the fees that are actually assessed, so they've been completely offset. That being said, the 1.65%, can we do better? The answer is yes. There is a very conservative option that is called the Stagecoach Sweep. What happens with those funds; every single day, once a day funds are either transferred from the account to a Money Market Mutual Fund. It's an outside fund company or if debts come in and need to be paid you automatically transfer the funds back into the account, so you never have to worry about over drafting if the funds aren't specifically sitting in the checking account. That's the really nice thing about it. Wells Fargo will sweep the money for you whether it's into a fund or back into your checking account. That way you are always covered, as long as there are sufficient funds in the Money Market Mutual Fund. He asked if there were any questions at this point?

Mayor Wallace commented that basically this is just a constant loop from Operating to Money Market daily based off of need.

Mr. Katz answered that this was correct. Take advantage of this. Sweeps used to be much more popular back in the day. Even before the 2007-2008 recession. At that time that is when the Feds really started lowering rates among many, not just government entities but corporate entities as well. People just stopped using it because the rates went almost to zero (0). Now that the rates have come back up it's making a lot more sense again. Next, he shares the proposal that was sent over, to give the Council an idea of what it is. They had taken a look at what they could do. If the main account is the only one that they set up with the Sweep, when this proposal was created on March 27th it was about 3.9 million sitting in the account. If we were to put that money into the Sweep, on that day the rate of returning was 5.18%. If the rate stays exactly the same every day and it doesn't, but if it did, we would be looking at about \$16,000 in interest just for the one month. So, a pretty significant number. Can the rate fluctuate, yes it all depends on what's going on with Treasuries. Mr. Katz then showed the Council an insight sheet about A great way to maximize investment opportunity without sacrificing access to cash. Money market funds are a smart choice for any risk-averse organization. So, you can use the investment funds to cover potential shortfalls. It's very simple. We can choose from three (3) different Money Market funds. The one they choose is the Government Money Market Fund Institutional. There is normally a 10 million dollar minimum, but because Wells Fargo has so many clients there this one has been reduced down to 1 million as the minimum initial investment. Once it's in there if it goes below 1 million it's not a problem. As of today, the rate has dropped a little. Where it was 5.18% it is now 5.16%. The funds can be credited to the account, even a same day transaction. They are secured because they are invested in very high-quality short-term securities like U.S. Treasury Bills. There is no minimum or maximum downs requirement, there is a prospectus for this on the website so it's very easy to see exactly what they invest in, and then we can look at talking more about any questions the Council might have. He said that the one thing he did want to talk about here is a fact sheet. The fact sheet shows what they are investing in, this is also in the prospectus. In the section What do they do with the money. They are in high-quality short-term Money Market instrument that consists of U.S. Government obligations and purchase agreements collateralized by the U.S. Government obligations. Mr. Katz asked if the Council understood what collateralization is and how that works.

The Council answered yes, they understood.

Mr. Katz replied wonderful! So, the idea is in this because right now your collateral lies with your funds at Wells Fargo. So, anything over and above what the FEIC insures is covered in the State of Arizona by your collateral less. Wells Fargo has to set that money aside to put into U.S. Treasury obligations usually. They have a third party, the Bank of New York Mellon, and that's where the funds go, and they are the trustees who named us that money. So even if Wells Fargo were to fail the money would be safe. Your money is going to be there. These are collateralized as well. So even if All Spring were to fail, a mutual fund is its own little company. All Spring is just the money manager. They are the ones who decide what to invest in. Even if they were to go belly-up, they can't touch the money in the mutual fund and sell it. The fund would survive. That is why it is collateralized by those U.S. obligations.

Mayor Wallace asked if Council had any questions.

Councilmember Ferro asked if there was any information that would come from Mr. Katz or All Spring to us here, our Town staff, if the rate drops below a certain level or we start actually hemorrhaging money out of this fund.

Mr. Katz asked the Council that on performance when would they want to cancel this? He then shows the Council some documents and begins to talk about the cost. The cost of this would be

\$290 per month. \$250 for the Sweep and there is an Account Position Report that is \$40 a month that they highly recommend. The Account Position report lets you see what is going on with the fund every single day. Moneys moved in; moneys moved out. You can see how much interest you've earned. It's a very good report to have. So, the idea is that if we need to cancel the Sweep. It takes two (2) business days once we get the authorization and then they would cancel it when they know the interest is not sufficient enough to be covering this fee. That would be his recommendation. On the other hand, if you said "we really don't like this. We want out." We will cancel it. Again, it takes two (2) business days to cancel it. So yes, we would monitor that. As Soon as the Feds start lowering rates, we are going to be monitoring it a lot more. He tells the Council that with inflation and the reports from yesterday and today he is unsure if the Feds are going to start reducing rates anytime soon. They may later this year at some point. In the meantime, they can take advantage of the higher yield that are available.

Councilmember Ferro asked how often that report would come to the Town.

Mr. Katz answered that it would come every day. They would get a position report every day. It's online. It's available on what they call a vantage portal and everybody who has authorization would be able to see those reports.

Councilmember Butterworth asked if the interest was monthly, quarterly, or annually.

Mr. Katz answered that it was a daily rate that breaks down every single day. What happens is they calculate that on a daily basis because the yield on those investments changes every day. So as they get the interest in What they do is it accumulates and on that report it'll show what has accumulated for the whole month. The interest is then credited to the account. So, you can even recredit it right back into the money lender fund or you can have it post to the checking account. Most people have it posted to the checking account and then it's deposited and then it gets swept back into the fund anyway. But it gets credited on the first business day of the next month. For example, if we were to set it up today in April. Interest from today through the end of the month would accrue and then on the first business day in April you would see the interest post into the account.

Councilmember Butterworth replied okay and thanked Mr. Katz.

Mayor Wallace asked if there were any other questions.

Councilmember Trate commented that she knows that they are \$250,000 FDIC insured and with what happened last year with some banks fund filling up, being that we're going to have more money in the account. She asked if she was assuming that anything over the \$250,000 will not be insured. If that's the EFIC if any of the banks were to go belly-up.

Mr. Katz answered that she is correct. He asked them if they understood how public entities are collateralized, as this is all part of that. So, here's what it is there is a document that is called an Official Custodian Form. On the Official Custodian Form each entity tells us, tells Wells Fargo the titles of people. So, you might put treasurer or CFO or different people who have authority over the entity. How each title gets another \$250,000 of FDIC. So, if we have three (3) Official Custodians for example, you would have \$750,000 in FDIC insurance But if we only have \$750,000 insured but like right now, we have, say \$4 million in the account, what do we do with the difference. The difference is covered by that collateralization that he mentioned for public entities. In Arizona it's 102%, so Wells Fargo has to set aside its own money to cover the Town of Huachuca City to make sure that it is collateralized. So even if Wells Fargo were to fail the money would be covered. You have FDIC coverage plus the collateralization. the only time you wouldn't have that collateralization is if the U. S. Government were to fail.

Mayor Wallace commented that basically the easiest way to break it down into numbers is say that we had one custodian, their \$250,000 and we had \$1,250,000 in that account. So, we would be covered for the \$250,000 and that other million would have to be collateralized so that would actually go up the 102% and would actually be \$1,020,000. So, to answer Councilmember Trates question, yes, it's covered because of the collateralization. FDIC insurance is based on how many custodians we have multiple custodians in the town. He believes Manager Harvey is one, Town Clerk Thorpe is one, he is one, and Mayor Pro Tem Hirshberg is one.

Councilmember Ferro commented that plus if this is a T Build heavy investment vehicle, even if all these entities we just talked about go belly-up, those T Builds still exist. It might be a little difficult to track them down but even if those T Builds still exist you can always get back at least what you paid in to them at the purchase rate. So even *in extremis* we wouldn't really lose money we would just need to chase down T Builds.

Mayor Wallace commented that if the Federal Government fails then we're in a different situation.

Mr. Katz replied that everything is heck in a handbasket at that point.

Mayor Wallace asked the Council if there were any more questions.

Council had no other questions.

Mr. Katz tells the Council he doesn't really have anything more other than to say that he is not a security licensed person. He's allowed to talk about this because it's a money market mutual fund. What he would suggest is that if they decide they want to go forward with this, look into your investment policy. Make sure that it is covered and that you can do this. If you have additional questions and you want to seek the advice of an actually financial adviser, absolutely you can feel free to do this. He does let the Council know that the state has a State of Arizona treasurer but a state investment pool. Wells Fargo Sweep has a better rate of return the other advantage to using their Sweep, with the state pool the people running the funds, like Manager Harvey, would need to manually go into the system, they transfer the money over to the state pool to invest. When we need the money to spend it, they transfer it back to the checking account. Both times it takes several business days to do. So, the advantage with Wells Fargo is the ease of it because nobody needs to actually move the money themselves. It's automatic. You are automatically covered for any of the payments that are going out.

Manager Harvey tells the Council that her thoughts are that as soon as they feel comfortable, they should go ahead and do this.

Mayor Wallace replied that he agrees.

Manager Harvey reminds the Council that there is still the question of the Town's investment funds, which are still with another bank. She would like to bring that back to Council in two weeks, but this is not our investment money, and she thinks that they can look at it differently. She tells them that her take on it is that they are losing money every day that they don't do this. Mayor Wallace asked if there were any other questions for Manager Harvey or Mr. Katz.

Council had no other questions.

Motion: To direct staff to move forward with setting up this Sweep functionality and engaging with this, tracking the cost at \$3,600 a year which he thinks pays more than for itself and to come back to us in a couple week with more on the investment accounts, **Action:** Direct Staff, **Moved by** Johann Wallace, **Seconded by** Jeffery Ferro.

Motion passed unanimously.

28:16

E.3 Discussion and/or Action [Mayor Wallace]: Approval of a new official Town logo.

Motion: Approval of a new official Town logo, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Mayor Wallace tells the Council that all they really ever use is our Town Seal, that we really don't have a Town logo. So, he went ahead and made one. He used the mountain range that is to the west of Town Hall as the starting point to make it. What's good about this is that now they have something more effective if they want to put it on pins, if you want to wear it with the logo on it. Water marks. Just the whole nine. Trying to use the Town Seal is very cumbersome because of how it's made. This is basic, lines, very minimalistic. More modern.

Councilmember Trate commented that it is not professional. Her family member just did a college class on creating logos and he would have failed if he presented that as a graphic designer. She doesn't know why they didn't open this up to the public.

Mayor Wallace answered that it's because they can't afford it. He has been messing with Photoshop for a really long time. This is basically one on a white background, there is a transparent version as well. And it works. Basic lines. There are different iterations depending on the capability. A digital version. Some of the lines are raised coming out of the sun. Clothing is not going to be gradient just because of how it applies, and embroidery can do that.

Councilmember Ferro asked if they need to or if they even have an option to trademark this logo.

Town Attorney Benavidez answers that we did trademark our Town Seal. He tells them that he can't actually see the image that the Mayor is holding up but usually you can. He just can't say for sure as he can't see it. He can't guarantee but they can certainly apply. He was actually sitting here thinking that they would do that. We can at least try.

Councilmember Ferro tells Attorney Benavidez that they are going to be sharing the screen with him in a second, as Town Clerk Thorpe is currently working on it.

Attorney Benavidez tells the Council that he still can't see it but that's ok. When he is back in town he will get an official copy of it. If Town approves it tonight, he'll get an official copy and file to have it trademarked. He tells them that all they can do is say no if we can't.

Councilmember Ferro commented that he just didn't know if because we're a municipality we couldn't do something like that.

Mayor Wallace replied that they trademarked our Town Seal years ago.

Councilmember Cardella commented that on our Seal it says the Town of Huachuca City and we abbreviated down just to Huachuca City. Which is fine, it's still our legal name and we don't have to have "the Town of".

Councilmember Ferro commented that it's just a logo, not a full seal, so they can make it a little different.

Mayor Wallace replied that if you look at other ones, like the Sierra Vista one, it doesn't say the City of Sierra Vista. And the reason that we are "the Town of Huachuca City" is because we are technically a Town because of our population. That's why we have to specify so that's it really. He had taken a picture of the mountains over there and kind of traced them out. To actually do something relevant to the area instead of just some random A.I generated image.

Councilmember Butterworth commented that she was fine with it.

Motion: To go ahead and approve this as the Town's logo, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Cynthia Butterworth.

For: Councilmember Butterworth, Councilmember Cardella, Councilmember Ferro, Mayor Pro Tem Hirshberg.

Against: Councilmember Trate.

Motion passed.

E.4 Discussion and/or Action [Mayor Wallace]: Approval to purchase 6 new laptop computers, 4 new desktop computers, 1 new workstation, 20 new monitors and 2 new rugged laptop computers in the amount of \$24,703.26.

Motion: Approval to purchase 6 new laptop computers, 4 new desktop computers, 1 new workstation, 20 new monitors and 2 new rugged laptop computers in the amount of \$24,703.26,

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

Mayor Wallace tells the Council that this is a big purchase but it's getting a lot of stuff. Our current equipment for the admin side is old. To put it plainly they are not going to be able to support the current operating system that is out there or security and patches. We are also running out of desktops. So, those new laptops are actually going to allow our staff to be a little more mobile. They can literally take it home with them and work from home. Or if they go to a training, they can work while they're training. Whatever the case may be. That's where the laptops are going to provide some functionality. A couple areas are getting desktop computers. Like front desk, the front desk doesn't need a laptop and then a couple of the desktop computers that provides remote support to our accounting and our financial derivative basically. The big one in there is that workstation. So that workstation is going to be more force, it's going to be in chambers. It's going to be the beefiest machine so it can support actual streaming capability when we get to our actual cameras. It would support better audio and kind of upgrade us. They are gently trying to get some grant money for the upgrades. The two (2) rugged laptops, one is going to be for the landfill supervisor and the other will be for the landfill employees. They have a computer sitting out there right now but it is so dusty. With a regular computer you can get a lot of dust in it. With these rugged laptops they will be a lot more dust resistant. So that's what this is. There is money to move around in the I.T. budget to make this purchase. Because for one, we don't have I.T support that we're paying for right now. He is trying to get this in before later this year, actually early next year when basically windows won't be supported anymore based on what we're running. He asked the Council if they had any questions.

Councilmember Trate commented that she understands from working for a computer company in the past that every three (3) to four (4) years you should replace. How soon do you think you're going to want to replace these? To be able to keep up with the latest updates, patches, things like these.

Mayor Wallace answered that our current hardware is over ten (10) years old. The new stuff that we're getting based off the generational processor they're running are going to be good for another seven (7) or eight (8) years. Mayor Wallace comments that he won't be here, and we'll have another I.T. guy so it will be their problem then.

Councilmember Trate commented that she just wanted to know what his thoughts were.

Mayor Wallace replied that you want to look at typically a three (3) year life cycle. We can't afford a three (3) year life cycle unfortunately. The hardware and that stuff it has a good processor. It's a 12th gen, they just released a 13th gen processor. It's got plenty of memory and as we look at potential to move more things to the cloud what's actually sitting on your desk will become much smaller anyway.

Councilmember Trate asked if there would be a terabyte for the storage of each laptop.

Mayor Wallace answered no that it will be 512 mvne. We don't need that much storage because we do have, everybody has a terabyte of storage on the cloud. He asked if there were any other questions.

Council had no other questions.

Motion: Approve the purchase of the laptops, the desktop computers, workstation and monitors, and laptop computers for \$24,703.26, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Motion passed unanimously.

E.5 Discussion and/or Action [Suzanne Harvey]: Approval of a contract with Southwest Building Inspection Service for planning, zoning, and building code services.

Motion: Approval of a contract with Southwest Building Inspection Service for planning, zoning, and building code services, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Mayor Wallace tells the Council that this is actually coming back to them. He knows there has been some back and forth and asked Manager Harvey what the latest was on it.

Manager Harvey tells the Mayor and Council that they have taken into consideration some of the feedback that they had given the last time we addressed this at the Council meeting. They made some changes to the way that the contract is written to include more detail as far as who Doctor Johnson would answer to. As far as the services he has providing. Making it clear that Council sets the priorities and sets the direction. Another change that took place is that our insurance company will not cover contractors. They do not cover contract employees in any way, shape, or form. So, there was a bit of delay because now Doctor Johnson would not be covered by our insurer. We had to put that in the contract. We discovered this when we were looking for the prosecutor. So, Doctor Johnson did a lot of work to work with his insurance company to make sure that they would cover it and that they would cover it in the amount of two (2) million dollars. Those are the changes that have gone on. She asked if Doctor Johnson had anything he wanted to add.

Doctor Johnson answered no, unless the Council had questions.

Mayor Wallace asked if there were any questions.

Council had no questions.

Mayor Wallace asked Manager Harvey if she was good with the changes, she answered yes.

He then asked Doctor Johnson if he was good with the changes. Doctor Johnson answered yes.

He asked if Attorney Benavidez was good with the changes. Attorney Benavidez answered yes.

Motion: to approve the contract with Southwest Building Inspection Services, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Motion passed unanimously.

E.6 Discussion and/or Action [Mayor Wallace]: First reading of ORDINANCE NO. 2024-01 AMENDING THE TOWN CODE TITLE 5 “BUSINESS LICENSES AND REGULATIONS,” CHAPTER 5.05 “BUSINESS LICENSES,” TO ADOPT CHANGES TO THE REQUIREMENTS FOR ISSUANCE OF A BUSINESS LICENSE.

Motion: First Reading of ordinance No 2024-01 Amending the Town Code Title 5 “Business Licenses and Regulations,” Chapter 5.05 “Business Licenses,” to adopt changes to the requirements for issuance of a Business License, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Mayor Wallace reminds the Council that since this is a first reading there is no vote on it. He encourages the Council to all take a look at it so if there is any last minute changes, they can let staff know.

E.7 Discussion and/or Action [Suzanne Harvey]: RESOLUTION NO. 2024-02 AUTHORIZING THE TOWN TO ENTER INTO INTERGOVERNMENTAL AGREEMENTS WITH THE ARIZONA STATE FORESTER FOR COOPERATION IN FIGHTING FIRES AND ESTABLISHING REIMBURSEMENT RATES.

Motion: Resolution No. 2024-02 Authorizing the Town to enter into Intergovernmental Agreements with the Arizona State Forester for cooperation in fighting fires and establishing reimbursement rates, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Chisty Hirshberg.

Manager Harvey tells the Mayor and Council that this is an IGA that we need to have in place in order to participate in Wildland fires and we are hoping to with-in this year, be able to get our new Blastics Engine so that we can participate. It's a little bit different for us because we contract out for our fire support. The way that it would work for us is we have to have the IGA in place to participate in the forester. We have registered Chief Savage as our contact for that and he would be the one to file for reimbursement of any expenditures we had in participating. Our engines are registered, and the new engine will be registered as well. There is actually a fee schedule that should be available to the Council in their packets, that has been agreed upon for the cost of that. So should there be a wildfire and we go out there and we participate in fighting that wildfire there's two (2) different types of things that have to happen. One is Chief Savage will request reimbursement for the personnel for Fry Fire. Then he would request reimbursement for the use of the equipment on our behalf. That money would pass through Fry and then come back to us or in all likelihood we would credit it to our quarterly payment to them. This is something that has to be in place and Manager Harvey doesn't know if it was ever in place, perhaps we had one but it would have been long before now. We want to get that set up so then we can help pay for some of the costs for getting the new engine by going out and fighting fires and helping the communities that would also be helping us.

Mayor Wallace commented that he didn't have any issues. He asked if this was the second resolution or the fourth resolution. He's asking because on the agenda it says second but on the paper it says fourth.

Manager Harvey answered that Attorney Benavidez of Town Clerk Thorpe would have to answer that.

Mayor Wallace commented that he doesn't think that the specific resolution number is an issue, but they still notice that we're talking about a resolution and the timeline and content of the resolution is the same. That number is okay even if there is a mix match between the actual resolution number and the agenda. He asked Attorney Benavidez if this was correct.

Attorney Benavidez answered that this is correct. It is still fine to take action on it.

Mayor Wallace asked that before he sign it, they make sure that the correct number is on it. He asked if there were any questions.

Councilmember Trate commented that she had a question, and it was something she had already brought up to Manager Harvey. With her being in the finance department, she learned a few years ago that a municipality was going out, but they weren't getting reimbursed for some things. The fire chief didn't do the paperwork properly. She and Manager Harvey have discussed this, and she is comfortable, but she wanted to let the rest of the Council know that they really need somebody, like Chief Savage, to keep up with this so that we get our funds. What we had found was at this other place, this person who was the fire chief didn't and they were missing a lot of funds. Councilmember Trate is confident that he can do it as she is sure that he has done it many times before.

Motion: Approve the Resolution authorizing the Town to enter into an IGA with Arizona State Forrester for cooperation fighting fires and establishing reimbursement rates, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.
Motion passed unanimously.

E.8 Discussion and/or Action [Suzanne Harvey]: Selection and approval of projects to be funded with the Town's allocation of American Rescue Plan Act (ARPA) funds.

Motion: Selection and approval of projects to be funded with the Town's allocation of American Rescue Plan Act (ARPA) funds, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Manager Harvey reminds the Council that they had asked for her to come back with this. They had talked about this at a previous meeting, and they had asked that she come back with some better numbers. She now has those better numbers. She reminds them that they received \$579,000. \$112,000 has been earmarked for the fire protection. That is our match for the funding that they are getting for the Blastics engine and the Brush Hog. The rest of the money, with very few exceptions, can be used for any general fund expenditure. She shows them a list of the initial proposed projects, some of which she has marked out. She explained the during their initial conversation it was clear to her that they didn't have the money for or were not interested in allocating the money for the projects listed on the bottom. They were also on the bottom because staff put them there. The re-cabling of Town Hall, she moved that because she became aware of another possibility of doing that at no cost or low cost to the Town. So, she moved that off the list as well. In getting these quotes and some clarification, Attorney Benavidez provided some clarification, and she went back and looked at the agreement, she believes that they can use the money in Hunt Park. At worse they can use the money to reimburse ourselves for any General Fund expenditure. For instance, one of the fire payments

and then that creates some space in our budget to do these things. She did include some things for Hunt Park. Pool rehab at \$125, there was great consensus on that. \$11,000 for the fire alarm system, there was consensus on that. Now they are to the things they asked for numbers on. The parking lot paving at the Activity Center they did get a quote for \$38,000. They are still looking for more quotes, but this is just a number to start with so that Council can tell her if they want to invest the money. The parking lot at the Community Center is approximately the same, \$38,000, and we would be able to do that. Painting the Town buildings \$35,000 and that is an approximate and that is for interior and exterior of all of the Town buildings. It would be prioritized unless Mayor and Council decided differently. It would be the Activity Center, the Library, and the Community Center. Then if we still had money, they could do the Pool and the Snack Shack at Keeline Park. The priority would be those three buildings that are used. Next an A.V. system for Council Chambers, Manager Harvey came up with a number that is a guestimate and Mayor Wallace can tell them if it's a good one or not.

Mayor Wallace answered that it looked pretty accurate.

Manager Harvey continued that they are streaming, and they want people to be able to see and hear as well. Tennis Court and Basketball Court rehab, this was not something that we had thought about until she had gotten the numbers and saw that they had the money. We have had folks asking us to do this. We redid the Skate park, and it is beautiful but now you can really see how bad the Tennis and Basketball courts look. Those cracks are tripping hazards. That rehab would be \$94,000. It is a huge amount of money but that involves digging it all out and putting it all back in. Blinds, tables, and the refrigerator at the Community Center, that would come to \$4,000. Repairing the bathrooms at Hunt Park. She got a quote and she's mentioning Hunt Park as a possible project for this even though they also have some money in the General Fund. We estimated in the General Fund and put away \$50,000 for rehabbing Hunt Park. This included the Basketball Court and the bathrooms and water fountain. She got a quote for the Basketball Court that was \$25,000 so we'd be good on that. The bathrooms, the quote she got was \$46,000 and that providing that the plumbing is good, and the roof is good. We did meet with other contractors today and looking at it they actually snaked into our plumbing. It is not as bad as we thought so it is going to be cheaper than we thought to fix the plumbing. The thought that Manager Harvey had was, because the \$46,000 is just to buy the toilets, the sinks, the stalls. We may be able to rehab some of it, or we may be able to use some of what we pulled out of this one, or we may be able to purchase it directly ourselves. If we purchase it directly ourselves and our guys install it that cost goes down, and then that \$46,000 could cover the roof and the plumbing instead. She did include it as a place holder so that Council could see what the budget looks like. Repair and replace flooring in Town buildings as needed, about \$25,000. That would leave them with about \$40,790. He recommendation is that if the Council wants to approve these and they want to prioritize them that they could do that tonight so that she knows how far to go before the money runs out. That \$40,790 dollars would stay in there as sort of a contingency because again, these are rough quotes. Something that she didn't add to the slideshow but wants to mention is the ramp that would be going in at the Activity Center will be \$16,000 to put in. We could take that from the \$40,000 that is left over and just add it to the parking lot paving project because in fact we are going to move the handicap parking to the back of the building because of the slope in the front. It would cost us a lot more if we had to adjust the slope. We also need the slope for drainage, we need the water to run down there. So, those are our options, and she would like direction from Council as to what they would like her to do.

Mayor Wallace commented that for one, he likes everything on there but here's his recommended adjustment. The Bathroom at Hunt Park, move that about paint Town buildings. Tennis Courts, move that below the bathrooms. A.V. system for Council, move it to the very bottom. He thinks that is pretty much the only change because he wants to be able to handle everything that is for the public life safety. He thinks that is everything on the list that they need to prioritize. Painting, flooring, A.V. system. Everything else can be at the bottom of the list.

Manager Harvey asked if they could number the list.

Mayor Wallace replied fine. Fire is number one (1). Pool rehab is number two (2), Fire alarm is three (3). Activity Center parking lot is number four (4). Community Center parking lot is number five (5). Make the bathroom repairs number six (6). Make the Tennis Courts number seven (7). Make the blinds number eight (8). Town buildings number nine (9). Flooring number ten (10) and A.V. system number eleven (11). He asked if the Council thought this order was ok.

Council agreed to the order.

Councilmember Ferro commented that he liked the idea of contingency funds because A, prices are going up and B, he is worried about the repairing bathrooms at Hunt Park. Manager Harvey mentioned with the roof and the interior plumbing possibly isn't as bad as we thought, but he's got a bad feeling about this as an investment. The other thing he had a question about was the Basketball and Tennis Court rehabs. In the packets they saw what looked like a couple of different options for them so is that what they were or just the different stages.

Manager Harvey answered that no. She then finds what Councilmember Ferro is referencing and sees that they did do two (2) different ones. Then she realized that the Basketball one that this refers to is the one down in Hunt Park. So, one is for the Basketball Court in Hunt park, and one is for the Basketball and Tennis Court up here.

Mayor Wallace commented that the intention is to move the basketball court that is located in the parking lot of Hunt Park. As far as the tennis courts, some of the cracks that are there have been there since he was a kid. He asked if there were any other questions.

Councilmember Cardella commented that she thinks it is well known throughout the Council just how much time staff has put into this but input from everybody across the city was put into this and that is very much appreciated because although we're a small town that's an overwhelming task to pinpoint what is a priority and having everybody's input really brought that community together. She is really excited about this.

Councilmember Butterworth asked if we were going to do first one first and then second one second or can we have multiple going on.

Manager Harvey answered that she would like to have multiple going on.

Councilmember Cardella commented that they only have a couple years to spend it. They do have a timeline on it.

Manager Harvey replied that this is correct. We have to obligate everything by December. Which means enter into a contract. It does not have to be expended until December 2026.

Library and Community Services Director Fulton commented to remind the Council that she had submitted for an AARP grant to redo the tennis courts. The grant should be announced between the beginning and mid-May and hopefully we will get some money towards it that could save us some more money to put towards other projects.

Mayor Wallace asked if there were any other questions.

Council had no other questions.

Motion: Approve the list of project items for the ARPA funds with the adjustment in priority as discussed, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg. Motion passed unanimously.

F. Reports of Current Events by Council

Councilmember Butterworth said that she and Doctor Johnson attended the SVMPO tac and Board meeting. She attended as the SVMPO board member. It was very congenial meeting. They have the Food Distribution coming up on the third Friday. If anyone is in need of food, based on income level, if they are shy about it then they can go ahead and come get in line to get the application and eventually they will get approved.

Councilmember Cardella took her kids to the Town of Huachuca City Easter Egg Hunt at Leffingwell Park put on by the Masons and the Order of the Eastern Star. That was fantastic and the kids had a blast. It was so well organized and just a really great day. She will be going to the Chamber Mixer in Sierra Vista coming up.

Mayor Wallace mentions the Hispanic Chamber mixer on the 19th, that is a Friday. Mayor MaCaa is going to give a mini-State of City address for the City of Sierra Vista. So that should be good information. He also attended the Easter Egg Hunt put on by the Masons and Order of the Eastern Star. They had asked for some comments, but the pastor said pretty much everything, so he just said, "good job!". It was a good job and an awesome event. He is shaping up to have his quarterly meeting with Jason Boling SSVEC CEO, just trying to get an update on everything SSVEC. Just kind of touch base with him. Here next month they also have an invite to a couple show and tells, if you will. So, there is a new school that is being built in Sierra Vista, but the organization reached out and wants to kind of do a show and tell. Meet the resident CEO of that organization. Mayor Wallace feels this is good. Being an open type of county it's good to have a lot of educational opportunities for the kids. Last week he went ahead and attended the reception for the Moon-Shot thing that Sierra Vista does every year which was pretty neat. We should do a little more research on that and reach out to the Moon-Shot folks because it was making me say like "Where is Huachuca City in this. Well, that's a good question." Why isn't Huachuca City in this, or Tombstone. So, we should do some research and reach out to the educators and TUSD and make sure that they are aware of this program. Moon-Shot is basically a local version of Shark Tank. You pitch your ideas, and you can get funding. The money to carry your idea forward. He had the opportunity to talk with three (3) students over at Buena who had really good ideas and you know the future is bright in some respects. These kids have a lot of really great ideas from a business perspective. A lot of these kids aren't basing their future on YouTube videos or Tik Tok. So, there is still very good manual labor and a lot of good ideas out there. It's been very busy lately and it's going to be a very busy year. They have the MAC luncheon coming up and also Good morning Sierra Vista coming up in May.

G. Adjournment

Motion: To Adjourn, **Action:** Adjourn, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg. Motion passed unanimously.

Approved by Mayor Johann R. Wallace on April 25th, 2024.

Mr. Johann R. Wallace
Mayor

Attest: _____
Ms. Brandye Thorpe,
Town Clerk

Seal:

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 April 11, 2024. I further certify that the meeting was duly called and a quorum was present.

Ms. Brandye Thorpe,
Town Clerk