



TOWN OF HUACHUCA CITY

The Sunset City

**MEETING MINUTES OF THE
HUACHUCA CITY TOWN COUNCIL
May 23rd, 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, Danielle Cardella, Cynthia Butterworth, Jeffrey Ferro, Town Manager Suzanne Harvey (Not voting), Town Clerk Brandye Thorpe (not voting), Town Attorney Thomas Benavidez (Not voting).

Absent: Christy Hirshberg, Debra Trate.

- 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 May 9, 2024.

C.2 Consider approval of the Payment Approval Report.

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

Motion: Approval of the 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.

E.1 Discussion and/or Action [Spencer Forsberg]: Mr. Forsberg will present the Town's financials for the month of March.

Motion: Mr. Forsberg will present the Town's financials for the month of March, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Cynthia Butterworth.

Mr. Forsberg greets the Council and informs them that they will be covering the financials through the month of March. The Town is 75% through its fiscal year. Revenue for the month of March was \$182,934 with expenses of \$146,053 for the General Fund. We are in the black for the General Fund.

The Water Fund had a revenue of \$29,550 compared to expenses of \$28,503. This fund is in the black with \$1,047 for the month of March and also in the black year-to-date.

The Sewer Fund had a revenue of \$15,949 and expenses of \$37,655. We are in the red. He called attention to the line item for insurance. There had been some reallocations of expenses that are still in the process of finalizing those allocations but that is why that number is so high because it had not been getting allocated there. A big hit for the month of March.

The Garbage Fund had a revenue of \$13,595 with expenses of \$14,639. We're slightly in the red there for the Garbage Fund for the month of March.

The Landfill Fund had a revenue of \$128,810 with expenses of \$118,132. This fund is in the black by \$10,879 for the month of March.

The Transit Fund had a revenue of \$24,289 compared to expenses of \$22,504. This fund is in the black \$1,785 and year-to-date is in the black. He asked the Council if there were any questions. Councilmember Butterworth asked, on the Garbage Fund are we in a deficient because people aren't paying bills or because people haven't transitioned from one month to the next Mr Forsberg answered that he would say that the allocations that they have been trying to focused or concentrated on, we're getting billed for what is still a problem on the financials He asked if Manager Harvey had anything to add on.

Manager Harvey answered that she did have something to add. She tells the Council that she does believe they have a problem with the Garbage Fund. She is less concerned about the \$1,000 this month and more concerned about \$35,000 year-to-date. We're looking into it. What she thinks might have happened is that a payment they made for Waste Management that was meant for another year but was credited to this year. that could be part of it . And then she thinks that we've always been running about \$14,000 off. We have to figure out why that is . She has reached out to Waste Management and asked them to send us some kind of spreadsheet so that then we can actually go in and do a better job of reconciling. Part of that though is because we're not charging ourselves for our trash. So, it will look like a deficient because we're not showing the services that the Town itself gets but it's being paid for out of somewhere. When she sees this amount that is so big she feels like there has to be a full payment that is off somewhere.

Mayor Wallace commented on the fact that any trash for the Town would be an enterprise thing. Our water, sewer, and landfill should be paying their trash bill. He can kind of understand from an admin position where there is an issue but still, we need to be able to show that this is an expense. The Town is spending this expense because if at some point in time we don't contract out for trash services we're going to have to pay a trash bill. We're not getting it free. He knows that we are still working on the budget and said we need to build that into the budget. To make sure that we can show our costs for our trash. He mentions how the trash was making a little bit of income, and he also believes that there must have been something that was miss posted or some things that were allocated incorrectly. That's what he believes is the biggest issue and we just need to be able to go back and track it.

Mayor Pro Tem Hirshberg asked if we are billing for the cans that are completely overfilled.

Manager Harvey answered yes and explained that they don't know until the Town gets the bill, so it won't match for month to month. If it is overfilled and the Town gets billed for it, we bill them so it shows up on their next bill.

Councilmember Trate asked about the people who have two trash cans and if they are paying for both cans.

Manager Harvey answered that we do bill them for it. That has happened in the past and it can happen. Which is why staff has to go through that large document that we get from Waste Management and check. There are 700 costumers. We have to check costumer by costumer because that was happening in the past. She explained to the Council a previous incident of how this misbilling can happen.

Councilmember Trate replied she just wanted to be sure they are being billed for it.

Mayor Wallace commented that everything else looks good. It sounds like they had a good month for the Landfill, which is nice. He asked if they had any WIFA loan payments post for Water or Sewer this go around.

Manager Harvey answered no. the WIFA payment has already been made for the year.

Mayor Wallace commented that he was just curious because of the smaller amount that we are in the black for Water this month.

Manager Harvey looked over the numbers and answered that the reason they aren't seeing a big number is probably due to allocations.

Mayor Wallace replied ok. He asked if Council had any other questions.

Council had no questions.

E.2 Discussion and/or Action [Chief Berry]: Approval of a budget line item realloctment and an extra payment to pay off the Police Department's Tahoe vehicles.

Motion: Approval of a budget line item realloctment and an extra payment to pay off the Police Department's Tahoe vehicles, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Chief Barry greets the Mayor and Council and informs them that since he's been with the Town he has started looking over the budget. Looking at some of their expenditures and some of their cost savings. He mentions how this year they have been working one Officer down so there are cost savings there. For the last six (6) months the Town was without a Chief so there were cost savings there. The department also has three (3) employees who do not take benefits from the Town so there are also cost savings in that line item. He tells the Council that with an Officer down and the hiring of a Chief, him, since he is retired, he doesn't pay as much into Public Safety so there is cost saving in the Public Safety line item as well. Over the last couple months, they have factored in about 67% of their year-to-date personnel services and they should be t about 84%. That difference is about 16% which is about \$60,000. In the employee benefits they are at about 48%. They should be at 84%. That is a 35% difference which is about \$45,000. In retirement they are at about 50% when they should be at 84%. Which is another 34% difference which is about \$25,000. This all said they have in the fleet two (2) Tahoe's that are 2020s. they have a 2023 Tahoe that was on the Stone Garden grant and a 2023 Tahoe on a DEMA grant. The stone garden one can only be used for stone garden purposes. The remaining three (3) vehicles in our fleet are a 2015 Explorer and two (2) 2012 Chargers. Unfortunately, we have been rotating through the Explorer and the Chargers because they have been in the shop more than we've been able to have them on patrol and this year we've spent about \$14,000 on maintenance and repairs on those vehicles. With that being said he believes that with the cost savings that they have if they reallocate that to go to pay off the lien early in this fiscal year. There is one payment left on the two (2) new Tahoe's of about \$27,298.85. it has been budgeted for in the next fiscal year but doing this would put them ahead of the game next year. He tells

the Council that with the supply chain the way it is and with how difficult it is to get to the vehicles they are going to need to be replacing 2012's pretty quick.

Mayor Pro Tem Hirshberg commented that they would save substantially on their interest payment.

Chief Barry replied that he had asked about that and the gentleman who gave him the information did not say that they would save. He couldn't tell Chief Barry that they would. He did say that it was the final payment. That is what it is if they go to pay it, it will be less than in August.

Mayor Wallace commented that it depends on the type of loan it is. If we pay this off now, then we no longer have a lease payment. Then we can start on getting new vehicles instead of paying for multiple maintenance costs. We'd be better off if we can actually position this. It looks good on their side since they have been down a person. The money is there. He thinks that the overall General Fund Revenue year-to-date is still looking good to be able to support that as well. It makes sense to him.

Councilmember Ferro commented that he likes it. Police vehicles don't live too long.

Mayor Wallace replied that fortunately the ones here in Town tend to live too long. It makes sense and he has no problems with it. He asked if there were any other questions.

Council had no other questions.

Motion: To go ahead and approve the budget item reallocation and an extra payment to pay off the Police Department's Tahoe vehicles no to exceed 28,000, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Motion passed unanimously.

E.3 Discussion and/or Action [Suzanne Harvey]: Approval of a contract with Tierra Water Management for wastewater services.

Motion: Approval of a contract with Tierra Water Management for wastewater services, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Manager Harvey explained that the Town has recently lost their Wastewater operator to retirement. It is a requirement of ADEQ that they have a certified Wastewater operator. We have not been able to find an individual who is willing to contract with us, so she has reached out to Tierra Water. Tierra Water is already providing water operating services to the Town, and they are willing to do the wastewater as well. She has to mention that the previous person was someone who was retired but maintained his certs and charged the Town very little. It was a great deal for us but it's not something that happens very often. So, this contract would be us changing our original contract with them to include both water and wastewater and they are charging significantly more. She doesn't think there is any way around it. They did try to locate other folks to provide the services. For wastewater, ADEQ is making changes and requiring more extensive reporting and it is then the responsibility of the operator to prepare those reports. Tierra Water has given us a quote and the updated contract and manager Harvey believes this is the best thing to do because right now we are out of compliance with ADEQ. We need to get someone on record to be our wastewater operator. She has talked to Mr. Juhl from Tierra Water about the price because every dollar matters to us and he included in the package deal for water and wastewater, that they will now start transporting our samples for us. So that will present

a little bit of savings for us on fuel costs because the samples go to Tucson and also our personnel cost because we pay our guys to take those samples to Tucson and back. She tells them that if they do have any questions about the contract or the services, she does have Mr. Juhl on the line.

Mayor Wallace asked if there were any questions.

The Council had no questions.

Mayor Wallace asked what grade wastewater folks they have.

Mr. Juhl answered that their operators are grade four (4) across the board. So, all 16 certifications.

Mayor Wallace commented on the difficulty it takes to get those certifications in Arizona. He mentions how not only ADEQ but also the Feds are starting to look a lot more at water and wastewater. You can see a lot of things in the news now about water quality and how the Feds are looking at pushing more water testing requirements. It's becoming a much bigger thing, and he thinks having somebody who is trained and certified in wastewater is very beneficial. The money is different, but we would be paying for the time and effort and the experience and knowledge of those operators. It saves our staff time. He thinks it equals out.

Mr. Juhl thanks Mayor Wallace and comments that they would also be pulling the samples for the Town. Which would help remove some liability.

Councilmember Butterworth commented that they had been lucky the past couple years for the low rate.

Councilmember Trate asked if they should ask the Public Works folks look into the certification and do it on site or is that not something they should do.

Mayor Wallace replied that he does think that is something they need to address as a Town. It isn't something that is related to this subject item, but it is something that they need to discuss, it just hasn't made it to Council yet. He asked if there were any other questions.

Council had no other questions.

Mayor Wallace asked Attorney Benavidez if he had any issues with the contract.

Attorney Benavidez answered that he did read through it and he doesn't have any problems with it.

Motion: Approve the contract with Tierra Water Management for wastewater services, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

E.4 Discussion and/or Action [Suzanne Harvey]: Approval of a bid to repair the roof on the bathrooms at Hunt Park.

Motion: Approval of a bid to repair the roof on the bathrooms at Hunt Park, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Manager Harvey reminded the Council that the renovation of the bathrooms at Hunt Park is one of the ARPA projects and they have received three (3) quotes from three (3) different companies. One of them is significantly cheaper than the others. All three (3) quotes are for a metal roof because Public Works felt that a metal roof would last longer. They are recommending the quote from Huachuca Plumbing. They came in significantly lower than the others. That includes the metal roof and the two (2) skylights. We have to have skylights because there is no electricity in that building. We will have to close the bathrooms at dusk because of

the lack of light in there. This is just the first of many things that we need to do down in Hunt Park and that we are going to be doing with our ARPA money.

Mayor Wallace commented that he likes seeing the servicing for the playground down there because he really thinks that we need to do something to make that equipment safer. He doesn't like the price, but he understands why it's that.

Manager Harvey replied that she understands and she's not coming for approval of that yet. If the ARPA money stretches that will come back.

Mayor Wallace clarifies that tonight they are just looking at the quotes.

Manager Harvey replied yes.

Mayor Wallace asked if there were any questions.

Councilmember Ferro commented that he likes the fact that it will be a painted roof so that roof will last more than about three (3) years.

Mayor Wallace commented that the roof will outlast him. He has no other questions.

Motion: Approve the submitted bid to repair the roof on the bathrooms in Hunt Park, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.
Motion passed unanimously.

E.5 Discussion and/or Action [Dr. Jim Johnson]: Presentation concerning typical types of work requiring building permits and typical types of work not requiring building permits.

Motion: Presentation concerning typical types of work requiring building permits and typical types of work not requiring building permits, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Mayor Wallace introduced this subject as something the Council had previously asked about. They are trying to find out more information on the types of things that do or do not require a building permit. He said that everyone should be calling our Building Inspector before any project, but he understands wanting to have a list or the knowledge.

Town Building Inspector Dr. Jim Johnson greeted everyone and said that he really didn't have anything to add unless they had questions. He hopes that what his office submitted was all understandable.

Mayor Wallace replied that it made sense to him.

Councilmember Ferro commented that he has numerous questions about the line items but would prefer to go after everyone else.

Councilmember Trate asked what about those people who, as when she purchased her house she was informed that there wasn't a permit for the addition they had put on. How can we get to the people of Town before they go and if they need to do work that's listed?

Councilmember Ferro asks several questions.

Mayor Wallace discusses his thoughts.

The decision is made to bring this back to Council for review at the second meeting of July, with the discussed changes and additions made.

E.6 Discussion and/or Action [Stephanie Fulton]: Approval of a grant agreement with the Legacy Foundation of Southeast Arizona to fund lunches for the children participating in the Town's Summer Splash program.

Motion: Approval of a grant agreement with the Legacy Foundation of Southeast Arizona to fund lunches for the children participating in the Town's Summer Splash program, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by Christy Hirshberg.**

Stephanie Fulton advises this is exactly that, it will fund the lunches provided to the Summer Splash participants.

Motion: The Grant agreement with the Legacy Foundation, Action: Approve Moved by Johann Wallace, **Seconded by Christy Hirshberg.**

E.7 Discussion and/or Action [Mayor Wallace]: Proclamation 2024-11 – Declaring the Month of June as “PTSD awareness month” in the Town of Huachuca City.

Motion: Proclamation 2024-11 – Declaring the Month of June as “PTSD awareness month” in the Town of Huachuca City, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by Christy Hirshberg .**

E.8 Discussion and/or Action [Mayor Wallace]: Proclamation 2024-12 – Declaring the Month of June as “Pollinators Month” in the Town of Huachuca City.

Motion: Proclamation 2024-12 – Declaring the Month of June as “Pollinators Month” in the Town of Huachuca City, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by Christy Hirshberg .**

F. Reports of Current Events by Council

Councilmember Butterworth -On the 16th she attended the Seago transportation meeting. ADOT accident reports were discussed at that meeting. Food distribution was last Friday. There were quite a few people. Attended the Mayor/Manager luncheon yesterday.

Councilmember Trate- No report

Mayor Pro Tem Hirshberg-Attended the Law Enforcement Appreciation day at Summit Baptist.

Mayor Wallace- Attended the Mayor/Managers luncheon yesterday. Was in a dunk tank at the school last Wednesday for their water day. Planted some trees at the school this past Monday. Will be attending the Memorial Day celebration at the Post Cemetery on Monday. Congressman Ciscomani will be down on the 29th, will be at that for a fireside chat. There is a ribbon cutting for the Sky Islands Regional Partnership at the Chamber. Pool opens this Saturday.

Councilmember Ferro- No report

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 June 13th, 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 May 23, 2024. I further certify that the meeting was duly called and a quorum was present.

Ms. Brandye Thorpe,
Town Clerk