



Sierra Vista City Council
Work Session Minutes
June 23, 2020

1. Call to Order

Mayor Mueller called the June 23, 2020 City Council Work Session to order at 3:00 p.m., Council Chambers, City Hall, 1011 N. Coronado Drive, Sierra Vista, Arizona.

Mayor Rick Mueller – present
Mayor Pro Tem Rachel Gray – present
Council Member William Benning – present
Council Member Gwen Calhoun – present
Council Member Sarah Pacheco – present
Council Member Carolyn Umphrey - present
Council Member Kristine Wolfe – present

Others Present:

Chuck Potucek, City Manager
Victoria Yarbrough, Assistant City Manager
Adam Thrasher, Police Chief
Brian Jones, Fire Chief
Laura Wilson, Leisure and Library Services Director
Sharon Flissar, Public Works Director
Matt McLachlan, Community Development Director
Jeff Pregler, Planner
Tony Boone, Economic Development Manager
David Felix, Finance Manager
Jennifer Osborn, Interim Budget Officer
Jill Adams, City Clerk
Nathan Williams, City Attorney

2. Presentation and Discussion:

A. June 25, 2020 Council Meeting Agenda Items ([agenda attached](#))

Mayor Mueller stated that the Council Meeting for June 25, 2020 starts at 5:00 p.m. with roll call, invocation, Pledge of Allegiance, and the acceptance of the agenda.

There were no additions/deletions to the agenda.

Item 2, public hearing, Resolution 2020-032, Interim Permit, new license, limited liability-type of

ownership for a Series 12 Liquor License for Maria Guadalupe Ramos on behalf of Ramos Brothers SV LLC dba Taco Giro – Ms. Adams stated that this is a for an interim and new liquor license for a Series 12 for Taco Giro on Fry Boulevard. The application was posted on the premises over the required 20 days and to-date no comments have been received from the public. The Police Department has done their background check on the applicant and has no objection to the application moving forward. If Council approves the application on Thursday, June 25, 2020, the application will be returned to the State for final action and issuance.

Council Member Wolfe asked if the application is for a change in ownership. Ms. Adams stated that it is a new license. The restaurant liquor licenses are not transferrable. They changed owners within the family.

Item 3 Resolution 2020-033, Approval of the Tentative Budget – Ms. Osburn presented Council with the proposed Fiscal Year 20-21 Tentative Budget in the amount of \$86,748,629. Pursuant to ARS 42-171.05 the Fiscal Year 20-21 budget will be effectively capped through the Council adoption of the proposed resolution. The final budget may be less than or equal to the Tentative Budget amount; however, it may not exceed it. The State budget forms are provided with the resolution. Changes were summarized during the June 16, 2020 Council Work Session that are outlined in the staff memo. To-date there has only been one public comment asking the City to consider the possibility of adding solar power. Approval of the final budget is scheduled for July 23, 2020 and the resolution to adopt the property tax levy is scheduled for August 13, 2020.

Mayor Mueller asked if the public comment requesting solar power was for everything because the City already does solar power at some places. Ms. Osburn stated that the request was to add solar powered covered parking.

Council Member Calhoun asked about special revenues. Ms. Osburn stated that the special revenue funds are HURF, transit, and police. She added that there are several special revenue funds.

In response to Council Member Calhoun, Mr. Potucek stated that HURF is from the State. Mr. Felix explained that the special revenues funds are simply revenues that are restricted under state or federal rules. An example of HURF is gas tax and some BLT money that can only be used for street maintenance as set by State Law. The Police special revenue fund accounts for RICO money, abandoned property money, and any other specially restricted police use items. Airport is restricted due to the deed restrictions and impact fees, which are special revenue funds.

Council Member Calhoun asked about donations. Mr. Felix explained that donations are actual dollar donations from citizens or groups. He further explained that Ms. Brua's estate donated a sizeable chunk of money towards the City that was cash. Some donations are a description but not monetary, i.e. new books for the library or a painting. Donations are monies that the departments can spend.

Council Member Calhoun asked if all those things become City assets and are just there. Mr. Felix stated that they are there for public use because the City is not a nonprofit organization. There is a special provision in the IRS Code that allows for the donation to a municipality if it is not for their benefit and is for the public good and they can then write it off on their taxes.

Council Member Pacheco asked if the budget includes the increase in HURF for the Fry Boulevard and North Garden Avenue Project. Mayor Mueller stated that it does. Mr. Potucek

explained that the money flowed through the MPO and was then budgeted in the HURF. Mayor Mueller noted that it is not considered a gift, it is regular government funding.

Council Member Benning asked if the Fiscal Year 20-21 Tentative Budget in the amount of \$86,748,629 reflect an increase since the last budget presentation. Ms. Osburn stated that the only change made since the last meeting was in the MPO fund due to the receipt of more federal funding.

Item 4 Approval of the City Council Regular Meeting Minutes of June 11, 2020 – There were no changes.

Item 5 Resolution 2020-034, Intergovernmental Agreement with Cochise County for Election Supplies and Services – Ms. Adams stated that the intergovernmental agreement before Council is an administrative agreement. The City has a long standing relationship with the Cochise County Elections Department, whereby they perform all the election day and pre-election day services to run the City's elections outside of the candidate filings, which are taken care of at City Hall. It has been an excellent relationship with some bumps along the way, but they have made great strides in their technology and processes. The cost originally budgeted was overstated by accident. The fees for the election run seventy-five cents per voter and there are roughly 26,200 voters in the City. Generally, extra money is budgeted on the outside chance of a question placed on the ballot, which would require a publicity pamphlet. The City also must pay for advertisement of a financial statement by Statute. Lastly, she explained that this is an annual agreement for the election cycle.

Council Member Wolfe asked if there will be additional voter machines to the precincts. She added that she had to wait in line for an hour or so during the last election. Ms. Adams stated that she is not aware of additional machines but can investigate that and report back on Thursday, June 25, 2020 Council Meeting.

Mayor Mueller stated that the booths are manned by older individuals, who may be sensitive to COVID-19, and suggested asking the County what their contingency plan is for that.

Council Member Calhoun asked where the election funds are budgeted. Ms. Adams stated that the funds are in the City Clerk's budget.

Council Member Calhoun asked if the City has control over voting centers in the City. Ms. Adams stated that it is setup by the County when they switched over to vote centers. Technically any Cochise County voter may vote at any vote center anywhere in the County. They did an evaluation of the number of voters, taking into consideration the mail-in ballots because that number increases every year. She further stated that she is hoping that this year due to the Coronavirus that people have taken advantage of the mail-in ballot options.

Council Member Calhoun asked the City has a say in making a difference if there is a change in the number of voting sites. Mayor Mueller stated that the City would have to show that three within the immediate area are inadequate, but that should have been done during the last election in order to go back to the County and request a change for more effective coverage.

In response to Council Member Wolfe, Mayor Mueller directed Ms. Adams to look for additional machines where they are underutilized versus additional polling locations.

Council Member Benning stated that he spoke to the County Recorder, who told him that they

are looking for poll workers for the election, long strenuous 16-hour day.

Council Member Pacheco stated that if the City is signing an agreement and paying for its part in the elections, then the City should have a say in providing feedback to the County. She stated that her friends during the last election ordered pizza while they were waiting in line to vote for four to five hours, which is unacceptable.

Mayor Mueller stated that he went to each of the voting areas to see which one had a shorter line, went back to the first location that took him 45 minutes to get in and vote.

Item 6 Resolution 2020-035, Amendment to the City Board and Commission Guidelines – Ms. Adams stated that she has pulled out from the regulatory commissions' section the general rules that apply towards the commissions that are now considered nonregulatory and will be attached to the City Manager's Office and City departments. They are purposely less than specific because these commissions are going to be feeling their way initially through their meeting times, days and how often they meet, which can be figured out at a future time and addressed in the Administrative Directive. This provides some starting off points as far as how they will run their meetings and the fact that they do not have to comply by the Open Meeting Law, but that the City is encouraging transparency regardless.

Council Member Pacheco stated that she is aware that they have discussed this ad nauseum, but in looking over the portion about the nonregulatory commissions, Council did not list what departments they are attached to. Ms. Adams stated that it is in the Administrative Directive. Mayor Mueller asked if it is worthwhile to repeat it.

Council Member Pacheco stated that she believes that it is worthwhile to list them because the Administrative Directive is not set by Council. Mayor Mueller noted that Council approved the Administrative Directive in this case.

Council Member Pacheco asked if the Administrative Directive could change at any time without bringing it before Council. Mr. Potucek stated that Council set broad guidance in terms of directing the City Manager to put together the Administrative Directive and he tries to follow existing Council Policy to the greatest extent possible. Administrative Directives are procedural and at the operational level of the City. Once Council established policy to make these nonregulatory commissions, then the City Manager has the authority to place them. Theoretically, the City Manager could establish a new one without necessarily having Council direction to do so.

Council Member Pacheco stated that she would feel more comfortable stating what the nonregulatory commissions are. Mayor Mueller directed Ms. Adams to put together a list to add to the document. Ms. Adams pointed out that language was inserted in the previous resolution with the Administrative Directive that strictly specified that the changes to missions and other things would be with the guidance of Council.

Council Member Pacheco suggested that the Cultural Diversity Commission be attached to the Police Department. Council Member Calhoun did not agree, and Mayor Mueller noted that it does not meet the mission.

Council Member Pacheco noted that the mission of the Cultural Diversity Commission is to hear diverse news and make sure that they are being heard and not to make events. Mayor Mueller stated that in a cultural sense, yes, it is correct, but he disagrees in a police enforcement sense.

If discussion needs to take place, it can be done sometime after Thursday, June 25, 2020. Two days before item approval, is too late for a Council consensus on a new subject. He added that he would like to wait until after there is discussion with the Police Chief on July 14, 2020 work session.

Council Member Pacheco stated that she believes that it is pointless to have four commissions tied to the Parks and Recreation Department. There is already a Parks and Recreation Commission and there is no need for four more to all weigh in on parks and recreation. Mayor Mueller suggested that she become familiar with each commission's mission. Mayor Mueller stated that it sounds like an argument for consolidation.

Council Member Calhoun stated that things can change. Mayor Mueller stated that she is correct because it is not carved in stone.

Council Member Umphrey asked if both documents must be approved if a list is added. Mayor Mueller stated that the list would apply only to the current document because the other document was already approved with the current list.

Council Member Calhoun asked if it is possible to have Council notified when the regulatory and nonregulatory commission meet. She added that the nonregulatory commission meetings are not going to be on a set schedule. Mayor Mueller directed Ms. Adams to have Council notified of the meetings in addition to the public notice requirements. Ms. Adams stated that the public meeting calendar can still be put out. The intent is to have them on the web site with the agenda, but they will have to notify the City Clerk's Office to put them on the website and maintain a meeting calendar. She noted that it will be shorter if they end up meeting quarterly.

Mr. Potucek stated that they can also be posted on the Executive Report.

Council Member Calhoun asked about the MPO and IDA. Mayor Mueller noted that those are not City Commissions. They are separate organizations and set their own meetings. Ms. Adams stated that if she has advance notice, staff can get them on the calendar. A lot of times the IDA schedules last minutes and the MPC generally meets once a year.

Mayor Mueller stated that the MPO usual meets once every other month. Mayor Pro Tem Gray state that the IDA set a scheduled to meet on the second Tuesday or Wednesday of every other month, but due to COVID they have not been meeting.

In response to Council Member Calhoun, Mayor Mueller stated that the only responsibility that the City has toward the IDA is to appoint the members and approve bonds.

Council Member Calhoun stated that the document does not indicate how the members will be solicited, particularly the nonregulatory commissions. Mr. Potucek stated that when this was put together, his direction was to make this as seamless as possible and to do it in similar fashion as to how it has been done in the past.

Council Member Calhoun stated that if Council is aware of the need, Council can inform citizens. Mayor Mueller stated that Mr. Potucek can make Council aware if there are vacancies through the Executive Report. Mr. Potucek stated that he can report on vacancies, what is happening at the meetings and effectiveness or if there is trouble with membership and make recommendations.

Item 7 Resolution 2020-036, Final Plat, Holiday at Pueblo Del Sol, Phase 5A, Lots 1-29 – Mr. Pregler stated that this is a request for approval of the Holiday PDS Phase 5A Final Plat submitted by Castle and Cooke, located with the other phases towards the Highway and north of the McDonalds and the commercial Canyon de Flores Subdivision. The number of lots in this phase is going to be 29. Council approved the preliminary plat that had a total of 59 lots last year, but Castle and Cooke are going to break them up into two separate phases. The zoning on the property is multi-family residences and the developers are proposing to construct single family residences with a minimum lot size of 4,100 square feet that meets the requirements of the City's minimum lot requirements in that zoning district.

All roadways are going to be private and the developer did receive a designation of adequate water supply from ADWR on May 17, 2013 and they are meeting that requirement as stated in the Development Code. Council approved the preliminary plat on October 10, 2019 and DRC approved the Phase 5A on June 17, 2020.

Council Member Calhoun asked if the whole area comprised of private streets. Mr. Pregler stated that all of Holiday and Retreat, the area to the southeast of the subdivision are all private roadways and will be maintained by the Homeowners Associations. The difference is that they have a reversed crown with drainage running off to the center of the roadway and then out to the washes/basin rather than having roadways arch upward and the drainage running off to the sides. The roadway widths are less than what is required for a public roadway.

Council Member Calhoun asked if these roadways are within the requirements of the Fire Department. Mr. Pregler stated that she is correct. The Development Code requires for a minimum of 28 feet and width for private roadways.

Council Member Umphrey asked about the specifics of the improvement security and the subdivider agreement. She also asked if the certificate by ADWR will be affected by the changes being made by the developer. Mr. Pregler stated that if the developer does not increase density based on their original water adequacy, they would be following the existing letter. He further stated that developers are required to construct public improvements, curb, water, sidewalks, sewer lines and etc. and to ensure that these are built to City standards, they are required to provide a monetary security and in some cases a third party trust. In this case, the only public improvement will be the sewer lines. They provided the City with a bond to cover the cost of the sewer lines and once they are constructed, the Public Works Department goes out to inspect to make sure that they meet City Code requirements. At that point, the City then accepts those sewer lines as public improvements and accepts the maintenance of those sewer lines; however, the applicant is required to provide warranty for defects. Then there is a separate security for the two-year warranty period. After the two years is up, there is another final inspection by Public Works and if everything looks satisfactory, the City will release the final security and maintains them at that point.

In response to Council Member Calhoun, Mr. Pregler stated that are several inspections as the sewer lines are placed. It is a long process and if they are installed wrong, they must go back and do it correctly. Mayor Mueller stated that he watched a development go in next to his property, that installed things incorrectly that was caught by the contracting supervisor, who was not happy because that is big bucks.

Council Member Pacheco asked if the developer is intending on having a roadway that will connect into Resort Drive. Mr. Pregler stated that they are not. Great Basin Lane and Resort Drive are the two existing accesses into the entire subdivision. There is currently an

emergency access off Highway 92 that will be eliminated because when the original phases of Holiday were put in there was only one access prior to Great Basin Lane being constructed.

Council Member Pacheco asked if in Phase 5A or 5B there will be growth to connect to Resort Drive. She added that driving through the neighborhood with current traffic is already bad. Mr. Pregler stated that there will be additional connectivity for this phase of Holiday. The roadways do connect.

Item 8 Resolution 2020-037, Approval of the Fry Boulevard and North Garden Avenue Intergovernmental Agreement – Ms. Flissar stated that this item will approve Amendment number two of the intergovernmental agreement between the City and the Arizona Department of Transportation for the Fry Boulevard and North Garden Avenue Project. The major change is to extend the project timeframe by six months due largely to COVID-19 impacts. COVID has resulted in a variety of delays and the full scopes in impacts to those delays are not yet known. The other change is a modest amount of additional funding from unobligated funding sources, notably HURF exchange and Surface Transportation Block Grant.

Council Member Calhoun asked if the Surface Transportation Block Grant available because it is roadway. Ms. Flissar stated that she is correct. It is another funding source available and all of the funding sources are programmed differently, but if the project is eligible for that type of funding and if all the money does not end up being utilized on another project, it can then be shifted over and that is what happened in this case.

Council Member Calhoun thanked Ms. Flissar and stated that she knows that staff works hard to find the extra dollars. Mayor Mueller noted that there are safety funds etc. that may qualify for the project.

Item 9 Resolution 2020-038, Amendment to the Development Agreement with Castle and Cooke for the Avenida Del Sol Interceptor – Mr. Felix stated that back in 1999 Castel and Cooke came to the City and a development agreement was put together for both the annexation and construction of the area. Normally at that time the developer would construct the sewer; however, the City and Castle and Cooke agreed that the City would construct the line and that there would be a note from Castle and Cooke charged to the prime rate set every year. They guarantee that after 20 years if the amount were not paid back to the connection fees for that area, a surcharge would be added and that they would pay that off in full. Currently the balance as of next month will be \$1.6 Million. The original line construction was under \$800,000. The development fees have not come in because there is no development there to do it.

Castle and Cooke is interested in renegotiating and reworking some of the development agreement. The City Manager and staff see some benefits in renegotiating and would like to extend the payoff date for six months to allow for the negotiations to continue. There could be benefit on this amount of money owed to the City as well as other exchanges that would be beneficial to the City. The final payment due date would be extended until December 20, 2020 to allow for renegotiations to occur. All the renegotiated items would come before Council in another complete amendment.

Mr. Potucek stated that staff is currently negotiating with Castle and Cooke changes to the development agreement and the Tribute Master Plan, which is in the Strategic Plan. He added that he believes that it will take another six months to a year to finish those negotiations and longer for the specific plan. Interest keeps accruing during that time and Castel and Cooke is relatively anxious about the amount of money that they owe the City, but he finds this to be

beneficial in their discussions. It is a benefit to both parties to do this. Discussions have taken place about several ways that this can be refinanced and paid off over time. There are some things that the City is interested in that Castle and Cooke holds in the existing agreement.

Council Member Calhoun asked if the sewer line has been built. She asked if this is tied to the way the water is going to be used. Mr. Potucek stated that it is complex and explained that the line was built to also address Golden Acres at the time but that was decommissioned, which is one of the impetus for doing this agreement. Golden Acres had its own sewer ponds at the time, and they needed to be decommissioned and the extension of the sewer line allowed for that to occur. There are separate agreements with Golden Acres on that. The current plan calls for a package treatment plant on Castle and Cooke's property. It also called for treated effluent to be pumped up hill and used on the golf course to sub plant the groundwater usage for watering the golf course. Through the years, Castle and Cooke has done a much better job in working with entities like the Cochise Water Project to put in sensors and cut down the amount of water that they are using from groundwater to water the golf course and in looking at the numbers, it does not makes sense to have the expense of an added sewer plant on that property when it appears that the future expansion of the current plant would be sufficient to handle the effluent generated from the Tribute. There is a lot involved in this and those are types of things that are being discussed with Castle and Cooke.

Council Member Calhoun asked if in addition to supporting Golden Acres, it will also support Tribute. Mr. Potucek stated that she is correct.

Item 10 Resolution 2020-039, Second Amendment to the Intergovernmental Agreement with the Sierra Vista Metropolitan Planning Organization – Ms. Yarbrough stated that back in 2019 it was determined by mutual agreement between the City and the MPO that the City could improve upon the existing intergovernmental agreement by better specifying some terms and conditions by improving some of the practices in place. There are a lot of changes overall, but there are three major changes.

Previously the City was contributing \$30,000 a year to the MPO as an in-kind match for MPO projects. This required closely tracking the staff time that could be attributed to various services regarding MPO work. It also included the value of some of the site services, i.e. providing office space and some other services, but those services were not clearly defined in some cases and the value of those services were also not clearly defined. In some years that \$30,000 for projects exceeded the amount needed for the match on some of the projects, but because the value was in-kind, if there was any excess value in some years, that excess value was lost. One of the proposed amendments is the City's contribution to a match paid in cash to the MPO based on the specific projects that are in the MPO's work plan for the following year. It should be an exact amount based on the actual projects, but if there is any excess at the end of the year due to any number of variables, then the excess could then carry over to the next year and be used to be applied to match a following year that would not happen under the current agreement.

Along the lines of being more specific about what is being paid for the other amendment is the cost of the office rental paid to the City of Sierra Vista since the City is no longer including that an in-kind match. Economic Development evaluated what the average cost per square foot was of commercial real estate in Sierra Vista and the average per square foot per year cost for Class B space in Sierra Vista was determined to be \$14 a year per square foot. This is what was applied to the cost of square footage used by the MPO and they are using 340 square feet in the Public Works Administrative Building, which worked out to an annual rate of \$4,760.

Council Member Calhoun asked about a Class B rental. Mayor Pro Tem Gray stated that it is real estate terms. Class A would be in Phoenix for skyscrapers.

Ms. Yarbrough stated that the City staff still provides many services to the MPO and since it was no longer under an in-kind match, the method for calculating the cost of providing administrative services is being changed to a 10 percent indirect cost de minimis method, a federally accepted method for assessing appropriate administrative costs. The City gets to stop tracking every hour specifically that staff spends and assessing an hourly rate for all staff time. This method saves times and is much more efficient. The City has budgeted \$50,345 for its cash match for next year and the revenue for the 10 percent de minimis site services will be \$68,663 and rental income will be \$4,760.

Mayor Mueller stated that the other change is that the next calendar year is the first year that the County and Huachuca City will be paying their share. Huachuca City recently joined, and it took about a year to figure out the appropriate mix and get that into the rules and regulations of the MPO. Huachuca City has already approved their agreement and once the City's agreement is passed by Council, it will go to the MPO for concurrence, leaving the County to provide their numbers and draft. The City is not carrying the entire cost of the MPO, which is what was being done during the first two plus years and now there is really a partnership.

B. Report on Recent Trips, Meetings and Future Meetings

Mayor Mueller reported on the MPO meeting and the Rural Transportation Advisory Council meeting.

Council Member Pacheco shared with Council that the first SVMPO project, emergency signal across the highway, for Huachuca City is under way.

C. Future Discussion Items and Council Requests

Mayor Mueller announced the July 14, 2020 Work Session with Police Chief Thrasher on police issues.

Council Member Calhoun asked for an update on the distribution of CARES Act funds by United Way.

Mr. Potucek reported that improvements were made at Big O Tires for the City's fulfillment of the annexation agreement. A public hearing is scheduled for July 9, 2020 for a final vote on the annexation.

In response to Mayor Mueller, Ms. Flissar stated that the one-way sign is up.

Mayor Mueller stated that he noticed that most Daisy Maes was gone on the West End because a new restaurant/brewery operation is planned in its place.

D. Council Discussion (COVID-19 Status)

Mr. Potucek reported that he signed nine contracts with businesses for the CDBG funds. Checks will be cut for those businesses and the City will be reimbursed by CDBG. About \$20,000 or so was left that will need to be reprogrammed.

In response to Mayor Pro Tem Gray, Mr. Potucek stated that he believes that there were seven micro and two for economic grants. Mr. Boone stated that there nine were micro and two were special economic grants. The total was under \$87,000.

Mr. Potucek stated that the City has not yet receive a report by United Way Program on the disposition of those funds.

Council Member Calhoun asked if the City provided guidelines to United Way on the distribution of the funds. Mr. Potucek stated that the City has an agreement with United Way. Mr. McLachlan explained that through the agreement, the City is going to be distributing the funds in four equal installments. The first performance report is due on July 15, 2020 and that will detail how the money was spent.

Council Member Pacheco asked about reprogramming the funds. Mr. Potucek stated that he is waiting on the report by United Way to find out the effect of that program. Council can either reprogram the funds and put it out to more businesses, which would require having to re-advertise to get more applications in for those funds for either businesses or micro businesses. The Council could choose to reprogram the funds towards United Way.

Mayor Pro Tem Gray asked Mr. Potucek to find out how United Way is advertising the services. Mayor Mueller noted that perhaps that is something the City needs to do as well.

Council Member Calhoun asked about the two types of grants. Mr. Boone explained that in the CDBG there is standard for micro enterprise, five employees to include the owner that meets the low to moderate income and this has always been a part of CDBG. With the CARES Act they put in a special economic development grant and in this case, the owner either has too many employees or does not meet the low to moderate income standard. In the City's case, the two have agreed to maintain two employees that are at the low to moderate income and there are four jobs associated with those two.

In response to Council Member Calhoun, Mr. Boone stated that the businesses must report back. The micro enterprises are different in that the reporting requirements are far less. The other have six months to come back with payroll from June to show that they maintained those two employees.

Mr. Potucek stated that the City was initially looking at about a \$2 Million application for Arizona CARES Act funding that would be put in to cover for the remainder of the fiscal year from March, but based on how well the sales tax revenues have performed and the reductions particularly in personnel cost during the pandemic, it appears that the budget performance so far indicates that it may not be needed. Therefore, the City would be able to apply \$4.9 Million to next fiscal year that will be a benefit to the City budget. It also still looks like the City may be able to add to its reserves by year end.

Mayor Mueller asked if the plan was to spend some of that money to repay this year's budget and now that money is going to be available for next year's budget. He asked how that is going to affect the City's ability to set the top. Mr. Potucek stated that it is already accounted for.

Mr. Potucek stated that the City opened its lobbies on June 15, 2020, prior to the Governor's Executive Order. The City was also able to open the Cove, but a water main broke that supplies

water to the Cove and so the Cove had to be closed for repairs. The City's insurance will cover that repair. The Library is still closed as well as the main buildings with many employees still working from home that will probably continue for the foreseeable future.

Cochise County is now updating the zip code information on Mondays and as of June 22, 2020 there are 425 confirmed cases, 139 recovered with six deaths and 280 active cases. The total case count went up to 435. The 85635-zip code has 19 active cases and the 85650-zip code has 14 cases, which indicates that those numbers have gone down in terms of active cases in the City. The Douglas area has seen a surge in cases over the past few weeks that seems to be continuing. The age demographic appears to be in the under 40 age group in the Douglas area.

Mayor Mueller stated that he has talked to people who are concerned about capacity of the medical facilities. He has talked to the hospital, several independent doctors and not only is there still capability and surge capability at local facilities, but they have not even touched on the contingency surge facilities of Cochise College, old hospital. Locally, the City is safe as far as surge capacity, but people are listening to the Phoenix areas news and assuming that what is going on in Phoenix is also occurring in Sierra Vista and that is a challenge.

In response to Mayor Mueller, Mr. Potucek stated that staff will watch the numbers and certainly, if there are any other issues concerning the local situation, the City could move to shutting down the buildings again. The City has had two employees that have tested positive throughout the whole event and neither one of them were public safety, and out of precaution the City buildings were shut down for the safety of the employees. One employee has recovered and the other is in recovery and there have been no other incidents to-date.

In response to Council Member Calhoun, Mayor Mueller stated that he is hearing a mixture of things. One is that people are glad that the City is allowing them to have the option of wearing masks. He added that all the restaurants that he has gone to have been wearing masks and gloves for the patrons. However, he received notice that one of the fast food restaurants did not have on a mask nor gloves. For the most part, the businesses, grocery stores, hardware stores, essential stores they are taking this seriously, but each one has their own enforcement/rules.

Mayor Pro Tem Gray asked about the transit operations. Mr. Potucek stated that transit has been an issue since the start of the pandemic. Early on it was closed for a week to make sure that all cleaning supplies were available to operate in a safe fashion. There have not been any issues or cases that have come out of operating the transit system.

In response to Mayor Pro Tem Gray, Mr. Potucek stated that social distancing has been a practice by the entire City employment base. There are employees working from home and City Hall population has been sparse.

Mayor Pro Tem Gray stated that there is a lot of confusion in the community about the emergency declaration and thinking that it is the Council who makes the decision on the wearing of masks. Mayor Mueller stated that there is confusion and that is in part due to the Governor, who said that the mayors and supervisors are the ones that make the decisions, but when he did his Executive Order 2020-40, paragraph four reads, "Notwithstanding directives of Executive Order 2020-36, Stay Healthy, Return Smarter, Return Stronger regarding Arizona Revised Statute 26-203, a county, city or town may, based on conditions in its jurisdiction, adopt policies regarding the wearing of face coverings in public for the purposes of mitigating the spread of COVID-19. The Governor does not specifically say mayors or county supervisors, but the assumption is since the

Governor said mayors, he is talking about mayors.

Mayor Pro Tem Gray asked if it is the mayor in an emergency declaration situation. Mayor Mueller stated that she is correct. Mr. Potucek added that the City has been operating under the State Executive Order declaring an emergency and so the City and Mayor has been operating under the Governor's orders. This is the first one that varies from the statewide approach and that is why being seen in the news is the various mayors making decisions or city councils meeting. Sierra Vista does not have that in its Code of Ordinances and that needs to be cleaned up.

Mayor Mueller stated that the City's Emergency Plan needs to be looked at and have staff come up with recommendations where these points can be clarified because the Governor does not take the time to read everyone's emergency plan at the State. Mr. Potucek stated that the situation has created a lot of confusion locally and statewide because everyone is doing different things and the public is rightfully confused.

Council Member Wolfe stated that she understands that the health department is housed in the County and the City of Sierra Vista has zero to do with that, but she would like to know if the City can put some pressure on them to get that stats out at least twice a week. Mayor Mueller stated that it is his understanding that people can go on to the State's web site. Police Chief Thrasher stated that the State's site only has the total confirmed cases of COVID-19 from the beginning by zip code. Cochise County recently put out a map by zip code and it is only being updated once per week because it is hard to keep track of everything. The total recovery number and active number of cases for the County are updated daily. The zip code data is updated once a week.

Council Member Calhoun stated that Chiricahua has run out of money to do anymore testing. Mayor Mueller stated that people need to understand that the reason Chiricahua had the money for the blitz was because it was just that – a blitz. The intent was to cover the time where there was not testing capability and almost no tests. The idea was to catch up on that and by the time that they finish, just recently, there should be adequate number of tests and testing facilities for people to get through their normal medical channels, whether it is a clinic, hospital or their doctor's office. The only time that the State would put up more money for testing blitz is if there was a large problem in getting people tested.

Council Member Calhoun asked about the different testing sites. Mayor Mueller stated that the primary care doctor/clinics would be able to test. Testing is also available at the emergency room.

Mayor Pro Tem Gray stated that Chiricahua is still advertising that people are welcome, but they are no longer doing the blitz. She asked that information from reliable sources to be put out so that the community can understand what is going on because there is a lot of information. Mayor Mueller stated that the County has committed to doing other PSA campaign around this issue and other things as well as providing updates. Mr. Potucek added that it is a good idea to put out some more PSA's once updated information is available.

Mayor Mueller announced that the press release on the July 4th fireworks, which is going to be an aerial show only. People are working on getting the show televised and broadcasted. The traditional, in the park, 50-gun salute and the fly over by the aircraft will not occur.

Council Member Pacheco stated that she wants to clarify that it is the mayor's position that any mandate of face masks will come from an executive order by the mayor and it will not be a decision of council. Mayor Mueller stated that she is correct. It is his understanding that this is what the

Governor intended. He added that he is open to advice from Council at any time.

Council Member Pacheco stated that she thinks that Council should be prepared but has no idea how a mandated mask order would be enforced. However, that could be needed soon, and the City should have a plan. Council Member Calhoun agreed with Council Member Pacheco. Mayor Pro Tem Gray stated she and others have let the Mayor know how they feel.

Mayor Mueller stated that he shares comments with Council so that they can see the diverse opinion of the public and the different focus. There are a lot of factors to consider but he will try and make the best possible decision for the City on the information provided. Lastly, he stated that he is not stuck in one position as he is considering everything on a routine basis, daily and for when situations change.

Council Member Umphrey stated that the metrics for predicting when the City should act is difficult, but she agrees with Council Member Pacheco in that a plan needs to be developed if the City needs to do something else.

3. Adjourn Mayor Mueller adjourned the June 23, 2020 work session of the Sierra Vista City Council at 4:30 p.m.

Frederick W. Mueller, Mayor

Minutes prepared by:

Attest:

Maria G. Marsh, Deputy Clerk

Jill Adams, City Clerk