

Minutes of the Regular Agenda Meeting of the Mayor and Council of the City of South Tucson, Arizona, held Tuesday, November 21, 2023, at 6:00 p.m., at the City of South Tucson Council Chambers, 1601 S. 6th Avenue, South Tucson, Arizona.

Staff Present: Veronica Moreno, Interim City Manager
 Lourdes Aguirre, Finance Director
 Danny Denogean, Public Safety Director and Chief of Police
 Josue Licea, Planning Director
 Imelda Robles, Housing Authority Director
 Jon Paladini, City Attorney

Councilors Present: Mayor Paul Diaz
 Vice Mayor Herman Lopez
 Acting Mayor Rita Rogers
 Councilor Anita Romero (Excused)
 Councilor Cesar Aguirre
 Councilor Brian Flagg
 Councilor Roxanna Valenzuela

Mayor Diaz called the Regular Agenda Meeting of November 21, 2023, to order at 6:07 p.m. Please stand for the Pledge of Allegiance, and Land Acknowledgment and Mission Statements.

ITEM #03 – LAND ACKNOWLEDGMENT AND MISSION STATEMENT

Vice Mayor Lopez: On behalf of South Tucson residents, we honor the Tribal Nations who have served as caretakers of this land from time immemorial and respectfully acknowledge the ancestral homelands of the Tohono O’odham Nation and the multi-millennial presence of the Pascua Yaqui Tribe within South Tucson. Consistent with the City of South Tucson’s commitment to diversity and inclusion, we strive toward building equal-partner relationships with Arizona’s Tribal Nations.

Acting Mayor Rogers: The Mission Statement of the City of South Tucson is to build up this community through mutual cooperation between we, your public servants, and you our citizens so that jointly we can build a safe and stronger City. Amen.

Mayor Diaz: Thank you.

ITEM #04 – ROLL CALL (By City Manager Moreno):

Vice Mayor Lopez. Here.
Acting Mayor Rogers. Here.
Councilor Romero is excused.
Mayor Diaz. Here.
Councilor Flagg. Here.
Councilor Aguirre. Here.
Councilor Valenzuela. Here.

Mayor Diaz: We have a quorum.

ITEM #05 – APPROVAL OF MINUTES

Mayor Diaz: The next item is approval of minutes of Regular Meeting of November 7th.

Acting Mayor Rogers: Yes, Mr. Mayor, regarding those, I would like to, before it is moved, I would like to say something about it.

Mayor Diaz: You can, but move it first, then we can have discussion.

Acting Mayor Rogers: I've just got something to add. I will move. I want to speak to them when I can.

Councilor Flagg: What did you move, Rita?

Acting Mayor Rogers: Somebody needs to Second the Minutes.

Vice Mayor Lopez: Did she make a Move?

Acting Mayor Rogers: Yes.

Vice Mayor Lopez: Ok, I'll Second it.

Acting Mayor Rogers: Any discussion?

Councilor Aguirre: I'm sorry, what was the Motion?

Councilor Valenzuela: I didn't understand.

Ms. Moreno: Mayor, Acting Mayor Rogers made a Motion to Approve the Minutes and Vice Mayor Lopez Seconded the Motion, and this is the time for Mayor and Council to discuss.

Councilor Aguirre: Thank you.

Acting Mayor Rogers: Ok, we will discuss now. We don't vote until we discuss. What I want to bring up on the Minutes so these Minutes won't stay exactly as they are, in the Minutes it says that on the 21st of November this Council will bring in the person that they want for Judge. It's in the Minutes that it will happen on November 21st, and it's pages 8 and 9. When they're not true, I don't care to vote yes. Page 8 and 9.

Ms. Moreno: I don't know if I can answer that, Mayor, but just for purposes of clarity, these Minutes are done in verbatim, but that was a comment I made in anticipation for the Judge you just appointed recently here, Marylou Natividad, to be present here today. She's out of town so she's not here today, but that was my intent at the time. So that's what I said, that's what the verbatim Minutes indicate, so that's just an FYI.

Acting Mayor Rogers: So that will remain in this one if you vote for this one or remain that it will happen.

Councilor Aguirre: If I could,

City Attorney Paladini: The Minutes are what was said at the last meeting.

Acting Mayor Rogers: Right.

City Attorney Paladini: So that was stated that in the future we will bring in the new Judge in to be sworn in. While it doesn't mean the future actually happens, it's just that's a prediction of what we are going to do, but

it doesn't actually have to happen. So the Minutes are reflective of what was said, not necessarily what's going to happen, in fact.

Ms. Moreno: So everything we say will be in the Minutes, and that's just what the Minutes are. They are typed in the way in which we speak, so all the words we say are in these Minutes.

Mayor Diaz: Ok, I would suggest that we've got a Motion, and instead of saying the Motion, that we regroup and say, does anybody have any additions, subtractions to the Regular Meeting of November 7th, and then she will make the comments, and then we would accept those comments into the Minutes.

City Attorney Paladini: Well, only if the Minutes are incorrect as to what was said.

Councilor Flagg: Right.

Mayor Diaz: Right.

City Attorney Paladini: Now the fact that the Judge isn't here today shouldn't be reflected in the Minutes you're approving, but be reflected in today's Minutes, based on what we are saying right now. So the question before the Council is, are the Minutes accurate as to what was said. That's the only question.

Acting Mayor Rogers: But we didn't do what we said, that's a big deal.

City Attorney Paladini: Well, again, the Minutes are a transcript of what was said, so if I say today, hey, in two weeks when we have a meeting, I'm going to juggle bowling balls, and I don't do that at the next meeting, it doesn't mean that what I said wasn't said.

Acting Mayor Rogers: I want to know if the Judge has been sworn in.

Vice Mayor Lopez: No.

Acting Mayor Rogers: Ok.

Ms. Moreno: Only because you asked, Mayor and Attorney, she's off this week on vacation, ok, so she will not be sworn in until she comes back which is not until Monday, the 27th. I can swear her in because Mayor and Council already appointed her, but I will have a formal public swearing in for purposes of doing it in a setting at the next meeting after the 27th. So she can actually perform her duties, I will swear her in as City Clerk. We will have a public swearing in at the first meeting in December.

Councilor Flagg: Didn't we say that you should make sure that we agree on the terms of the contract, or something along those lines?

Ms. Moreno: Yes, we have already sent her a pre-offer and it's the (inaudible) for Mayor and Council appointing her. So, the terms of the contract have already been reviewed and she has accepted them.

Councilor Flagg: Did we see that?

Councilor Valenzuela: The contract is what we got with the offer and her responsibilities.

Ms. Moreno: So everything has been done. It's just a matter of I will swear her in and then there's another meeting that will take place. I'll take care of it.

Vice Mayor Lopez: Ok, so we make another Motion?

Mayor Diaz: So the Motion still stands in regards to accepting the Minutes of the Regular Meeting of November 7th. Roll Call.

Vice Mayor Lopez. Yes.

Acting Mayor Rogers. Abstain.

Mayor Diaz. Yes.

Councilor Flagg. Yes.

Councilor Aguirre. Yes.

Councilor Valenzuela. Yes.

Call to the Audience

Mayor Diaz: Does anybody in the public wish to address the Council? Seeing none, we will go to Item #06.

ITEM #06 - MAYOR AND COUNCIL MEMBERS: REPORTS OF CURRENT EVENTS

Mayor Diaz: Vice Mayor.

Vice Mayor Lopez: I've got on December 7th, the Tucson Metro Chamber is having their Christmas Holidays reception on December 7th from 4 - 6:30 at the Desert Diamond Casino. That's all I have, Mr. Mayor.

Mayor Diaz: Ok, anymore?

Councilor Flagg: On Thanksgiving Day, Casa Maria is going to be closed. We are closed two days of the year, Thanksgiving and Christmas, and we're suggesting to all our diners to go to the Salvation Army for a big, huge feast from 11:00 - 2:00, the Salvation Army next to Main and Speedway. And also, Santa Cruz is going to celebrate Mass at 10:00 a.m. that day. There's a 10:00 a.m. Mass.

Mayor Diaz: Ok, thank you. Is there any status on the retreat?

Ms. Moreno: Not as of yet, Mayor. I did reach out to the League for some recommendations and no response yet. I will follow up and I will have an answer for you by the next meeting.

Mayor Diaz: Thank you.

Councilor Flagg: We should kinda think after the New Year now, right?

Acting Mayor Rogers: Yeah, I know.

Mayor Diaz: We should what?

Councilor Flagg: Do it after the New Year sometime.

Councilor Aguirre: Preferred.

Acting Mayor Rogers: That's best. So put that in the Minutes.

Mayor Diaz: So the consensus is that we postpone the retreat until the New Year.

Councilor Flagg: After the New Year.

Mayor Diaz: After New Year, ok.

Acting Mayor Rogers: 2024.

Mayor Diaz: Ok.

ITEM #07 - CITY MANAGER AND DEPARTMENT HEADS: REPORTS TO MAYOR AND COUNCIL

Mayor Diaz: Planning and Zoning.

Ms. Moreno: Mayor, I do have one report prior to the Planning Director coming up. I was going to report what was already mentioned in your process of approving the Minutes. What I was going to report is that Ms. Marylou Natividad who accepted the appointment of the position of City Magistrate did accept the position based on the terms that I shared with you during the interviews, and that she will not be able to start until November 27th. She did provide her current employer a two-week notice, therefore being able to start on the 27th. I can personally conduct the oath of office so she can perform her duties then we can have a public swearing in at the first meeting in December. So that's the only report I have.

Acting Mayor Rogers: Thank you.

Mayor Diaz: So, are we going to change the start date then to December?

Ms. Moreno: No. Her start date will be November 27th.

Mayor Diaz: No, no, no, I mean, contractual date.

Ms. Moreno: Yes, it will be November 27th.

Mayor Diaz: November 27th.

Ms. Moreno: And that was part of the motion of the Council.

Mayor Diaz: Yeah, I understand that, ok, so in regard to the budget, that's going to be the item for consideration as regards to the budget, this November 27th start date? Ok, thank you. Now, Planning and Zoning.

Mr. Licea: Good evening, Mayor and Council. How are you guys doing tonight?

Acting Mayor Rogers: Good evening.

Councilor Flagg: Good.

Mr. Licea: Sounds good, thank you. I'll be brief but feel free to slow me down and ask me questions. First of all, I'll start with some PAG projects. Just to make it easy to follow what I'm talking about, I'll handout this PAG list of the 2022 to 2026 Transportation Improvement Projects. You've seen this here before already.

Councilor Flagg: Yeah.

Mr. Licea: Ok, let me see. Recently, just to kind of tell about these and where we are at on some of them, at least, the first Project, 16.10, is where we recently brought in the speed radar monitor sign project, so that

project was combined with an amendment recently and it's actually moving along pretty good, and recently this project is being assisted by PAG administration for the consultation, the design, and the analysis of improvement to happen, so recently Kimley-Horn was selected as consultant for this project so they are doing the design for the speed radar monitor signs, so we pre-identified upon direction here in past meetings, we identified six locations for the speed radar monitor signs. Those will be finalized and determined once we get an analysis of how many existing pole signs there are on the streets, you know, because it could save some money if we mount these solar speed radar signs on a pole rather than have to disturb ground. So we are waiting on that analysis at the approved locations, which will allow our boundaries at 29th Street and eastern and western 10th Avenue and 6th Avenue. So those are the six monitoring signs that are being considered for this. And then also the speed tables. The speed tables come along with this project. Those speed tables will go along 10th Avenue if you recall, so right now the experts are doing the traffic and all the stuff like that and have identified about three potential areas to put these speed tables and there along 10th Avenue there's already two sets of existing speed tables but the ones that are being recommended are closer to 27th and 28th, and then a little farther south closer to Mission Viejo Elementary between 36th and 37th, so those are the two high priorities where those speed tables will go.

Councilor Flagg: All on 10th Avenue?

Mr. Licea: All on 10th Avenue, yes, just the speed tables along 10th Avenue, yeah. But the speed radar monitor signs, those are on 6th Avenue, 10th Avenue, and 29th Street. So that's an update on that. The process is moving along with the design, we are working with PAG to get that procured and get that installed. On another project, 89.01, the 36th Street bike lane pathway. This is a project that there will be a pop-up event, I don't know if I mentioned in the past that we are collaborating with the City of Tucson's project and at the end of the day, the hope is to have a trail system that connects to the existing downtown end loop trail. So this would be an extension of that and the current relay ends at 36th Street and 6th Avenue, so this project would take this trail from 36th and 6th all the way to the train tracks for South Tucson's portion, then City of Tucson would take it from there from 36th and the train tracks all the way to the bridges, I believe. So the two pop-up events that are coming up in the near future are December 2nd, that's from 11 a.m. to 1 p.m., and that's going to be at the Pico de Gallo, 2618 S. 6th Avenue.

Councilor Flagg: When?

Mr. Licea: December 2nd.

Councilor Flagg: Who will be there?

Mr. Licea: I'll be there, we will have City of Tucson folks that are with the DTM, Department of Transportation Mobility, who are the project managers for this project for the Tucson side. So they'll be there, I'll be there.

Councilor Flagg: You know, there's already like a path that runs all along the dog track from 36th, from 4th Avenue to the train tracks.

Mr. Licea: There is, you are correct, but this project would make it a little better mainly for residents of South Tucson in connecting the loop, so this project is attempting to do, which was approved in the past, is to take away one lane of travel, vehicle travel, and it's going to make a dedicated bike and pedestrian walkway.

Councilor Flagg: I didn't know that.

Councilor Valenzuela: Isn't this, you're still in the design phase.

Mr. Licea: It's still in the design phase, so this is why I'm talking about the pop-up event, but good question. So this is where you could come and comment on the project. So right now the design is only at 15%, so there will be pictures, you know, and all those things for you to check out there.

Councilor Valenzuela: And there's \$150,000 that's designated for this project?

Mr. Licea: Yes, and that's not enough, too. That was another thing I was going to talk about in the near future, about trying to move monies of these approved projects over to that project to try to make it fundable.

Councilor Flagg: So that came out of the idea of some City of Tucson planner, because they were doing all that stuff about pedestrians and bike paths.

Councilor Valenzuela: No, it came from South Tucson.

Acting Mayor Rogers: Mr. Mayor.

Mr. Licea: Let me just, the angle of some of these projects when they were approved, you know, obviously transportation improvement projects and a lot of that goes into safety, you know, trying to create amendments for local residents so increasing the safety for somebody riding a vehicle, sorry, a bicycle or walking.

Mayor Diaz: Vice Mayor.

Vice Mayor Lopez: Yeah, I just want to explain to Mr. Flagg, that loop, it surrounds the whole County.

Councilor Flagg: Yeah, I've used it.

Vice Mayor Lopez: But our portion is the South Tucson area.

Councilor Flagg: Gotcha.

Vice Mayor Lopez: And now they want to finish it off from 36th Street all the way up to the railroad to where it will look like a bike path.

Councilor Flagg: Yeah. But what I didn't know is they are going to take away a whole lane of traffic to do that?

Mr. Licea: Right now is the time, that's what these pop-up events are for, for the public or yourself to come and make your voice heard. That's what these pop-up events are for. That's where we actually get comments as part of the process.

Councilor Flagg: I address this to my colleagues. Do you think the citizens of South Tucson would be for that, eliminating a lane of traffic on 36th?

Vice Mayor Lopez: I think they are going to bite off the sidewalks because there isn't that much pedestrian traffic.

Councilor Flagg: Yeah.

Vice Mayor Lopez: It's more vehicles but if they took a slice of the sidewalks and cut the sidewalks in half, maybe, I don't know, but the point is,

Councilor Valenzuela: I agree, take some of the City sidewalks instead of the road, but I guess that's why we need to participate in this thing.

Mr. Licea: Real quick, just let me add this. There's going to be two pop-up events, ok. I want to get that message out there. And then right there, there will be full schematics for you to check out.

City Attorney Paladini: This is a Report, not an opportunity for Council to design the project, so I think it's necessary you go to the pop-up events and give your opinion. We shouldn't be sort of debating the merits of the project on this particular agenda item. This is just a report.

Councilor Flagg: 11:00 - 1:00.

Mr. Licea: Yeah, that's the first one again. That's December 2nd, 2618 S. 6th Avenue at Pico de Gallo, that's at 11:00 a.m. to 1:00 p.m. The second pop-up is December 9th, at Hot Dogs El Manantial, 953 E. 36th Street. That's going to be again from 11:00 a.m. to 1:00 p.m., so December 9th. Be sure to come by and check out the design and schematics.

Councilor Valenzuela: Mayor, just to go back to one of the questions Brian had. He asked if this was a project that City of Tucson presented. Are these projects that the City of South Tucson presented and decided to move forward?

Mr. Licea: When these projects were approved back in the day, they had some type of description and this was their title, but the design is obviously recommendations based on site conditions and experts who deal with traffic, basically, so none of this one-lane that I was speaking about, the design that currently exists, I don't think anybody really anticipated back in the day when they approved this. Does that answer your question?

Councilor Valenzuela: The City of South Tucson that presented these projects?

Mr. Licea: Yeah.

Councilor Valenzuela: That was my question.

Mr. Licea: Yes, so all of these projects that have funding allocated to them have been vetted by South Tucson in the past.

Councilor Flagg: That would be your former Council.

Vice Mayor Lopez: Yeah, about 20 years ago, there was this group of people that came down and presented a class about the greenways and they had what they did. They said it was all County-wide and they wanted to make sure the City of South Tucson was buying into this bike lane that was going to surround the whole County. So at that time in the early 90's I think it was, is when they had that class at the Library and it went forward and got it approved.

Councilor Flagg: That's good he knows that.

Councilor Aguirre: Actually, I was part of the process. My kids were going to Ochoa and they had some public meetings at the school that we participated in, and there actually was a group of parents that were really upset because it was the City of Tucson kind of, and the County, it was more of a design brought from the outside to say this is what you guys need here to complete our projects rather, and so I remember there was a lot of parents that were upset with that, the way that whole thing went down because there wasn't the type of community input that I think should have gone into that, so thank you for letting us know about the pop-up events. This is a good opportunity for us to let our constituents know that they should come out to give their opinion on this. Thank you.

Mr. Licea: So I won't spend too much more time on the PAG projects, so I'll just add this, that project, the 89.01, that's just a Report.

Councilor Flagg: What were you going to say? I need to learn more.

Mr. Licea: One thing that is going to come down in the future that I was going to ask of the Council was to seek direction to possibly move funds over from Project 7.18 and 6.18, either one and/or both. There's \$1 million in each of those projects and I was going to ask to move that money into 89.01 since that's more at the forefront, and I know the other projects are quite contentious as far as I know, so I figure we could knock out 36th Street because we are doing a lot of collaborative work with the City of Tucson. They are actually helping a lot with the process, some of the framework that we currently don't have to carry out these projects and public input process, so we are piggybacking off that.

Councilor Flagg: Or get rid of the intersection of 6th and 40th, like, well, I'm not going to comment further on that, it's something that could be gotten rid of but why would it need to go into like making the greenway the bike path from 36th and 6th to the railroad tracks? There's already like a place to ride a bike the whole length of the dog park from 4th. The only part that hasn't got a sidewalk there to ride on, and I don't mean the sidewalk, it's like a bike lane, it's just like riding on the loop, is the part from 4th Avenue to 6th Avenue, so why pour a whole bunch of money that we could use on something else into it.

City Attorney Paladini: Again, just

Councilor Flagg: Ok, gotcha, gotcha.

Mr. Licea: Ok, we can save that for later. Next update recommended to the 2030 District, I think I mentioned that in the past, we are connected with this agency that does energy and water audits on public facilities, so they are going to be coming down, I believe on December 7th to complete a full energy and water audit of our facility here, so I can give you guys an update after that happens, and that will be nice because that will dovetail into another collaborative planning effort that South Tucson was invited to by Pima County. There's a grant at the federal level called Climate Pollution Reduction Grant, and it's basically assessing a multitude of ways of how particulates and hazardous emissions come out into play in the real world, so it's looking at wide factors of how to address this in the future, so I just wanted to let you know that if Pima County and this process is successful in their grant, we may be able to seek some funds to our facility based on what comes out of the 2030 District guide. So it may work hand in hand, so you know, to make some improvements here on

the property here if there's some deficiencies. So that's my report for the Planning Department. Do you guys have any questions? Thank you.

Acting Mayor Rogers: Thank you.

Mayor Diaz: Thank you. Excuse me?

Mr. Licea: I was just reminded of a minor, something we should address here in the near future. So you know we were going to speak today about the Planning and Zoning Commission, filling those vacancies. So I just want to report that on the other Board that's in the Planning and Zoning side is the Board of Adjustments. We have a current application to do a public hearing for a variance and as of right now we are having a difficult time actually even getting to speak to the Board of Adjustment Manager, so this may be another conversation for us to consider taking some action on the current members. It's a five-member Board. There's one current vacancy, so there's four members on board right now, officially, but again I am having a difficult time reaching out for holding these public processes. Thank you.

Mayor Diaz: Ok, so moving on, I need a Motion to have the City Council adjourn from Regular Session and convene itself to South Tucson Housing Governing Board Meeting.

Councilor Valenzuela: What about Item #07, Planning and Zoning Director?

Councilor Aguirre: This is still your part.

Councilor Valenzuela: Are we not appointing for Planning and Zoning?

Councilor Aguirre: That's after we reconvene.

Mayor Diaz: No, not yet.

Councilor Aguirre: It's right here, bro, it's #08.

City Attorney Paladini: It's Item #08.

Mayor Diaz: Ok, I need a Motion.

Councilor Aguirre: I move to adjourn from Regular Session and convene into South Tucson Housing Governing Board meeting.

Councilor Flagg: Second.

Mayor Diaz: It's been Moved and Seconded. Roll Call.

Ms. Moreno: We are going to start with the Housing Commissioner, with Adele Ochoa. You can stay there if you are more comfortable there.

Resident Commissioner Ochoa. Here.

Ms. Moreno: Commissioner Ochoa is present who is the Resident Commissioner member.

Commissioner Lopez. Yes.

Commissioner Rogers. Yes.

Chairman Diaz. Yes.

Commissioner Flagg. Yes.

Commissioner Aguirre. Yes.

Commissioner Valenzuela. Yes.

Chairman Diaz: The first order of business is the Call to Order. The Roll Call was done.

Commissioner Rogers: Anita is missing.

Chairman Diaz: Reports, Housing Stats, Item #03.

ITEM #03 - REPORTS - HOUSING STATS, COMPLIANCE UPDATE, AND ANNOUNCEMENTS

Ms. Robles: Good evening. So I am going to try to keep this very short. I have not too much but updates, so I am going to give you these handouts. I know that in the past I normally would send these, but I haven't had a chance and I barely ran with it at the end of today. Those are ones I already sent to you on Friday, but that way, they kind of go together so I wanted to bring another hard copy. This one is better to understand than the last one. I am kind of following Betty's formats. Hopefully I made it a little easier to understand. So, as you can see, on Friday I sent out the updated Corrective Action Plan which pretty much, it's this one, it's pretty much just explaining where we are at as far as leasing up the vacant units, so originally, the plan was to get everything fixed within three months but because of circumstances beyond our control, for example, we had a couple units ready to be leased out and the day we were going to have someone come see it, we had a backup of sewage that ended up like pouring down into three apartments, so those apartments had to be taken off line and we are dealing with redoing drywall, paint, flooring, cabinets, and just kind of just doing it all over again for those three units. That ended up affecting our numbers for September, and then also I was looking at in the beginning that we were going to end up going over the worst before we improved in the way if we lost any units as far as people moving out or evictions, that we are not leasing up as quickly as they are moving out. So right now we are kind of at a balance where we haven't gone anywhere in the last two months because of people moving out, so our numbers are still showing a substandard. But, according to this plan, now that we are starting to really open up our units that are complete, so now we are starting to lease them up starting as of like this week. So it's been, you know, I requested HUD to just give us three more months. To be more realistic three months is not enough time. It has taken us years to get to where we are. We are not going to be able to fix it in three months, we really need six months to a year, in my professional opinion. So, you know, hopefully with the plan, I gave them the update letting them know our fire units, which if you could see on this one, the fire units, which we have a total of 11, are all going to be done next week. We've got 12 units right there that are ready to be leased up in December. The ones in blue, which are current units, in dark blue I put the ones that are already leased, but because they are the ones that were originally in the Corrective Action Plan, I haven't removed them so if I wanted to keep track of them showing when it would be leased up, and where the other 11 are coming. So where it says ETC, that means Estimated Time of Completion, those are the dates that those units are going to be ready and the majority of them are going to be at the end of this month. So we really are going to be more proactive in leasing up these units. Like I said, it's going to take November/December to really get going with it. Staff is working diligently to get this done, but like I said, those types of issues happen, you know, where we are having people move out and those units need to be taken offline immediately because they are going to need just like a whole complete, pretty much modernization of that unit, walls, cabinets, bathroom, appliances, everything. So we are working on it, you know, we've got a good system in place now so that's not going to be as time-consuming as it was before and

I've got a pretty good tracking system now to be able to know where everything is at, and I'm sharing it with staff so our maintenance staff knows what's going on and we are working on getting the rest of our vacancies filled, and we are training people so the findings we had in the past aren't going to be happening anymore. We are having quality control mechanisms in place, you know, we have a second set of eyes checking everything, making sure our rent calculations are accurate, making sure we don't get caught with mistakes later on when we do have audits. So like I said, our vacant term units are the ones in the blue, the fire units are the ones in the tan, and if you look at the second page we have our modernization units. These are the units that are all offline. We have a scope of work completed for all those modernization units as well as the UFAS units and we are ready to go into our next phase of requesting for bids. So, that process I am planning on starting in January where we are actually going out, go public notice and do requests for bids and do the formalities because these are going to be costs that are going to likely be over \$100,000, so we do have to go following the procurement process for all those. I have it printed on here so it's pretty easy to understand and you know, like I said, we are going to be able to keep better track of it, and so these two go together as far as the Corrective Action Plan. Now, there's another Corrective Action Plan that is coming that is going to be submitted tomorrow. This one is the one, the Corrective Action Plan, that is for Public Housing. The one that I am working on now that will be submitted tomorrow, which you will be receiving a copy, is called SEMAP, the Section 8 Management Assessment Program, so that would, we're troubled on that one, too, and we were found to be substandard on it but again it's based on fiscal year '21-'22, so you know, we've just got to fix stuff from before and have a plan of what we are doing going forward so that this kind of thing doesn't happen anymore. And we're on it, you know, there was a lot of quality control that Staff never even heard of, like I had mentioned before, HUD seems to be really getting to work on compliance, now that it looks like a lot of HUD staff are going to be retiring or they are trying to kind of, you know, get things caught up on their end, but there's a lot of us that are kind of seeing the sour end of the stick, so to speak, trying to get things done and fix things. For those of us who are new, fixing things from more than a year ago, two years ago, you know it's kind of hard, but all I can do is promise what we can do going forward so this kind of thing doesn't happen again. Actually, we are seeing light at the end of the tunnel. There's a lot of promising things that are happening as far as Staff, as far as the work coming along. We're starting to see things, people are coming in, they're moving in and people are excited and these units are coming out beautifully, beautifully. We are planning on having a little tour of the fire units right before we start housing them in the next two weeks, so I'll be sending out an invitation if anybody wants to come see these units, because they are beautiful units. I'm so proud of them, they are really looking good. But with that comes a couple other details where they are painting the exterior of the building, but only the fire units, so then we have half of the building that looks old and it needs work, so now we come in on our side and just get the rest of it done. We have kind of been going back and forth with insurance adjustors, trying to get them to do the whole thing but it doesn't look like it is going to work. But it is going to happen, it is going to happen and there's just a couple little details left, but like I said before those fire units were scheduled to be completed by the end of October but due to parts that were back ordered from June, they weren't going to come in until November, so then we had to push that out to the end of December. That's the delay with those. Pretty much it's happening and I'm really proud to say that things are looking really good. Does anybody have any questions on that part of it? Great, great, great. The rest of my report is pretty much just updates and many of you all know that we are in compliance with all other forms that are required by HUD, starting with the Board Resolution approving our operational funds that were approved in June. Now there's a new way that HUD is keeping track of these approvals. We are up to date with everything. The only one, like I said, is that SEMAP that is going to be turned in tomorrow but should have been turned in Friday before, but we can only do what we can do. So we did have a tenant

community meeting last Friday. We had a total of 25 attendees. During this meeting, it was a successful meeting, we talked about the Salvation Toy Drive, so tenants could participate in that because we weren't able to get families adopted. Time just went by so fast that it just became impossible. At least we got them the information, we gave them flyers for the Thanksgiving gift card giveaway that just happened this last Saturday, sponsored by Arizona Bilingual and Company that was given out to over 1,000 residents who turned out over on Ajo and 16th. So we gave them that information, the toy drive by Ramon's Miracle on 31st Street at the Greyhound Park, I also gave them flyers for that, and then the Salvation Army one like I just said. Then also, today we had our Senior's Thanksgiving meal, so that's why I look a little beat up because we were serving from 3-5:00, and it was a successful event. We had over 46 participants show up. Galeria Mitotera and the South Tucson Outreach Committee were the sponsors for that, and this year they only opened up for seniors and our disabled tenants, but they provided 80 meals. Our Staff set up, they decorated, Maria and I helped with the serving, they provided drinks, lemonade, and tea. It was really nice, pumpkin pie and all the hot to-go containers, they were able to take extras. It was really nice and I think that the tenants really like that, you know, coming out, even if it's just for an hour or two, having that company and conversation. We had music for them so it was really, really nice, and sometimes physical work is more tiring than brain work. So that turned out to be really successful. In December we are going to do the same thing, December 19th, again, it's going to be a hot meal provided for the tenants, sponsored again by Galeria Mitotera and South Tucson Outreach. And last but not least, we did have a couple of trainings for Staff that we are going to be opening up to residents, but I wanted to see what it was like and see what the amount of interest is. We did have active-shooter training on the 13th of November. It was really good, it pretty much talks about what you are supposed to do nowadays, you know. I hadn't participated in a training like this in a long time but because of what's happening in the world and you know, a lot of things happening internationally, we're starting to see a lot of things happen here. Crime is going up, people are becoming more violent, so we just wanted to know what to do as far as safety for Staff, you know, like I mentioned before, I have an all-Staff meeting at 5:00 and meeting together, just being more careful with their surroundings, making sure that nobody feels worried or threatened or scared, and everybody pretty much is at ease with what is going on, and I really recommend the active-shooter training. It was really good. They help you look at things that you wouldn't look at in the past, because we have an exit door in the back but when we did our little scenario, we were all going to get stuck in the courtyard and not be able to, you know, because nobody carries their exterior door keys in your hand all the time. You know, just little things like that, and also, it was Pima County Facilities that sent their Risk Management people to do this for us, and they are also helping us with an evacuation emergency plan, so he already sent me a template that all I have to do is just kind of change their name for our name and just kind of tweak it so that it's going to be conformed to South Tucson Housing Authority. That was really appreciated, a lot of help, and I thank them for that, and we also had Sentinel 360 training. That was on the 16th of November, and again, it was just for Staff. That was a big eye-opener because there was so much of new drugs that a lot of us had no idea about, what things smell like, what to look out for, what are the symptoms, what people look like, how you can tell what different people are on, so it was really interesting. It was a quick two hours and everybody had so many questions and so many comments, so it was really good. We are going to have one more in December for mental health and then once I get all of these together then I'm going to have a tenant meeting. I want to do it like a health fair then have these three classes inside so that everybody could give themselves that time to pay really pay attention and listen to this, and we learned how to use those narcans. I had no idea even what it looked like, much less how to administer it, and these are the kinds of things people end up usually using on their own family because you don't even know what the kids are doing nowadays. Or an interesting fact that fentanyl is the number one killer for people under 17. It's

being found in everything, it's in the marijuana, including all of the other what were known to be safe drugs on the streets before. So it has become a national epidemic and so we really need to be paying attention to that.

Commissioner Flagg: Who did the fentanyl training for you?

Ms. Robles: The fentanyl training was actually done by, it's called Project PPEP, the STOPit Program. They're really good, they're really, really good. And they can tailor any type of training to anything you need. This one was supposed to be like drugs-360 but because fentanyl use is so common, they even showed us how to track changes under Arizona Department of Health Services. You can go in their daily and it updates daily, like what the statistics are, how many people they are saving, whether it's medics saving people or just bystanders saving people, they track all that. It was really fascinating and a really good, useful tool to have. But I really, really recommend these trainings, and I will invite you all when we do open it up to the tenant meetings because I think that this is something so useful and I think everybody should know, especially the youth.

Commissioner Flagg: So is Project PPEP the lead agency for STOPit?

Ms. Robles: Yes.

Commissioner Flagg: Is that how that works?

Ms. Robles: Yes. And STOPit [South Tucson Operation Prevention, Intervention and Treatment], I forgot the abbreviations, I'm awful with abbreviations, that has something to do with stopping drugs, but it was really good. I would so recommend it and it was fascinating to learn all of this stuff and to hear about what's really happening in the world, because we get to see just a little piece of it here. This is happening nationally and little did we know that these people that are getting run over, you know, getting hit as pedestrians, this is why and so, it was really interesting, and I am hoping to be able to provide this for our tenants. I think that they are really going to get a lot out of it and I think a lot of us are in the dark as to what is happening nowadays, so last but not least, we are going to start closing our office on Fridays beginning December 1st. This was a recommendation by HUD just to help us get caught up with our work, maybe because we have been short staffed that we are all over the place and haven't been able to train properly our new Section 8 Staff. She's been on since September, but she can't leave the front desk yet. Our front desk is just so active and phone calls and rent payments and questions and complaints and work orders and it just keeps on and on and on. So we are going to be able to close on Fridays. We are going to give it a shot for a couple months and see how that works. We're still going to be there but the office, we are just going to close the door on Fridays and have our office hours be from Monday through Thursday, from 9-4:00, and we're going to be putting this in writing; we're not going to be giving any late fees for people whose date lands on that Friday, so that they are not affected in a negative way in that case. Yes, Sir, did you have a question? Ok, so that's pretty much it on my part as far as updates and announcements. Does anybody have any questions for me? Yes, Sir.

Commissioner Flagg: I'd like to go to see the fire damaged units that aren't damaged anymore when you do that tour.

Ms. Robles: Yes, I'll let you all know. We do want to have a little, what do you call it?

Commissioner Valenzuela: Health fair?

Ms. Robles: A tour, a little tour for Staff because I haven't seen the units in like a month.

Commissioner Flagg: If you could do it after 1:00 p.m., that makes it so I can come because I'm working.

Ms. Robles: Definitely, definitely, because it looks like those are going to start being ready to lease up as of December 5th, so we have a new target date. We gave them until the 31st of December just to give ourselves that, you know, a safe area for HUD because HUD will hold me to it. If I told them on the 17th, they are calling me on the 17th to make sure I didn't forget that I was supposed to submit something. Oh yeah, it's a lot more than what it seems. They aren't requesting just for little things, they want details and they want to make sure I know what I am doing. So that's fair, valid, so we are working with it and like I said, things are looking positive and there's light at the end of the tunnel and I am feeling very confident now in the position, you know, and just a real quick shout out to the South Tucson Housing Authority Staff. They are amazing people, super dedicated, and I have heard nothing but praise from our tenants in these last two meetings that I had in these very recent days.

Commissioner Rogers: That's great.

Ms. Robles: So thanks for giving me this time and I hope I kept it very short this time. Thank you very much.

Commissioner Rogers: Thank you.

Chairman Diaz: Thank you. Lourdes.

Ms. Aguirre: Mr. Mayor, Members of the Council, I briefly want to share with you all the financial reports of the Housing Authority for October. So these are as of October 31st. I have already provided the reports with the cover on top. So very briefly, you can see right there starting at the top on the summary sheet, Section 8. Year-to-date, deficit of \$10,000 but that's because there's always port-ins from the City of Tucson, so once City of Tucson sends over the administrative fees related to those port-ins, you will see that deficit go down. With regards to the Low Rent, year-to-date deficit, \$266,000. Now this is related to that big lapse in time waiting for HUD to set up our new Housing Director with access to the electronic line of credit control system. Now, we have just received that access and as of today, the Housing Director was able to draw down \$112,000. The system has limits on how much you can draw down at once, so we will be going back probably next week to continue to draw down more. So eventually what you are going to do, what you are going to see is this deficit decrease. You are going to see a big chunk of money come in. That whole process did have an impact on their cash flow, though. They had enough cash flow to carry them through basically this week, I mean, we are really going to be diminishing that, so the fact that the Housing Director was able to draw down funds was really good because we have a little more money to work with. But that, I just want to mention, does not affect any payments related to utility assistance or housing assistance nothing of that matter. With regards to the CFP, the Capital Funds Programs, I list all of them and you have utility reports in the back. You've got them for 2019, 2020, 2021 and 2022, but in summary, year to date, it's just basically just a cash deficit in that program. Once we were able to access online and perform the obligations reports, basically we say to HUD, this is how much we actually spent, how much we obligated in expenditures. We will be able to draw that money down as well, so it will be looking better from now on. And that is pretty much it. If you have any questions about any of the detailed reports, as always, feel free to swing by.

Commissioner Rogers: That's all, the yellow is all? Thank you.

Ms. Moreno: That concludes the reports for the Housing Authority, Mayor.

ITEM #04 - ADJOURNMENT

Commissioner Aguirre: If I could, Mayor, I'd like to make a Motion to Adjourn from the Housing meeting and reconvene into Regular Session.

Commissioner Lopez: Second.

Chairman Diaz: It's been Moved and Seconded. Roll Call.

Commissioner Lopez. Yes.

Commissioner Adele Ochoa. Aye.

Commissioner Rogers. Aye.

Chairman Diaz. Aye.

Commissioner Flagg. Yes.

Commissioner Aguirre. Aye.

Commissioner Valenzuela. Aye.

Council exits Housing Governing Board Meeting and Reconvenes into Regular Session, 7:01 p.m.

Mayor Diaz: The next is Agenda Item #08.

ITEM #08 - APPOINTMENT TO THE PLANNING AND ZONING COMMISSION

Mayor Diaz: City Manager, would you like to -

Ms. Moreno: The Planning Director will address this.

Mr. Licea: Hello everybody, again. So we are touching on this item today to fill three vacancies as directed previously. So basically, you know we are considering this item because we have been having some issues with the Planning and Zoning Commission convening meetings and public hearings. So upon my recommendation, we listed the four current members that are on the Commission and then obviously we have three vacancies of the seven-member Board to fill. So upon direction we did put out an application on the City of South Tucson website. We received a total of four applications to consider. I believe you guys all got those in your packets, right?

Acting Mayor Rogers: Yes.

Mr. Licea: So this would be the time for you to consider any members that you want to appoint or not appoint, I guess this would be the time.

Mayor Diaz: Ok, at this point I would move to appoint Melissa Brown Dominguez to fill vacancy #5.

Acting Mayor Rogers: Second.

Mayor Diaz: Roll Call.

Ms. Moreno: Do you want to do them one at a time?

Mayor Diaz: Ok, thank you.

Vice Mayor Lopez. Yes.

Acting Mayor Rogers. Aye.

Mayor Diaz. Yes.

Councilor Flagg. No.

Councilor Aguirre. No.

Councilor Valenzuela. No.

Acting Mayor Rogers: Oh, that's terrible.

Mayor Diaz: So, at this point in time the Motion does not pass. We will go ahead. Is there a Motion?

Ms. Moreno: Do you want to do that one more time, or are you good with that, Mayor?

Mr. Licea: That's not on me, you have more to consider.

Mayor Diaz: Ok.

Councilor Valenzuela: So, Mayor, I would like to move to appoint Dulce Jimenez to fill the vacancy #5 to the Planning and Zoning Committee.

Councilor Aguirre: I'll Second that.

Mayor Diaz: Ok, Roll Call.

Vice Mayor Lopez. Yes.

Acting Mayor Rogers. No.

Mayor Diaz. No.

Councilor Flagg. Yes.

Councilor Aguirre. Yes.

Councilor Valenzuela. Yes.

Ms. Moreno: Motion passes.

Councilor Aguirre: Mayor, if I could, I would like to move that we appoint Dwight Metzger for position #6 on the Zoning Commission.

Councilor Valenzuela: Second.

Ms. Moreno: Roll Call.

Vice Mayor Lopez. Yes.

Acting Mayor Rogers. Aye.

Mayor Diaz. No.

Councilor Flagg. Yes.

Councilor Aguirre. Yes.

Councilor Valenzuela. Yes.

Ms. Moreno: Motion passes.

Mayor Diaz: Is that three, or two?

Mr. Licea: Two, there's a third, Scott Sears, or a fourth one.

Mayor Diaz: I move to appoint Melissa Brown Dominguez.

City Attorney Paladini: It's already been made.

Ms. Moreno: There was a tie, Mayor, for that one.

Councilor Flagg: We already voted on that one.

Mayor Diaz: I understand that but it was tied at three, so if someone changes their mind, so they got their appointees already.

Councilor Flagg: Seriously?

Acting Mayor Rogers: We're really not talking about the Motion, which we would like to.

Councilor Aguirre: If there's not a Motion on the table, I'd like to move to appoint Scott Sears for the final position.

Councilor Valenzuela: I'll Second that.

Ms. Moreno: Roll Call.

Vice Mayor Lopez. No.

Acting Mayor Rogers. No.

Mayor Diaz. No.

Councilor Flagg. Yes.

Councilor Aguirre. Yes.

Councilor Valenzuela. Yes.

Ms. Moreno: There is a tie on this one.

Mayor Diaz: We have appointed two, that's enough for a quorum.

Ms. Moreno: If the Mayor and Council wishes to select from the current members for the other two, we can just -

Mr. Paladini: They are already members.

Councilor Flagg: Yeah.

City Attorney Paladini: So we have six seats out of the seven filled.

Mr. Licea: Thank you.

Councilor Flagg: That's good, isn't it?

Acting Mayor Rogers: That's enough, we've got two.

Councilor Flagg: So we've got two more.

Councilor Aguirre: If I could, are you, never mind, sorry.

Mayor Diaz: The next item is Item #09.

ITEM #09 - RESOLUTION NO. 23-32 OF THE MAYOR AND COUNCIL OF THE CITY OF SOUTH TUCSON, ARIZONA, AUTHORIZING, RATIFYING AND APPROVING THE GRANT-IN-AID AGREEMENT BETWEEN THE CITY OF SOUTH TUCSON, ARIZONA ("GRANTEE") AND THE TOHONO O'ODHAM NATION ("NATION")

Mayor Diaz: Ms. Moreno:

Ms. Moreno: Yes, Mayor, thank you. As you read out loud, this is the item where Mayor and Council would accept the award as we are so lucky, so to speak, for the purchase of the street sweeper, very much needed, so this is the time and place for Mayor and Council to accept the award on behalf of the Tohono O'odham Nation, which includes hand-held radio. The total amount is \$281,500. The street sweeper is a total of \$250,000 and the difference of \$31,500 is for police radios.

Vice Mayor Lopez: Mr. Mayor, I would like to make a Motion that we approve Resolution No. 23-32.

Councilor Aguirre: I'll Second.

Mayor Diaz: It's been Moved and Seconded. Is there any more discussion regarding this Motion?

Councilor Valenzuela: I have a question. I'm very grateful for the grant, but I just wanted help with the process. Did we request this grant or, I know this is the second time we have seen this on our Agenda, or is it just offered?

Ms. Moreno: If I may, Mayor and Councilor Valenzuela, I can have the Finance Director answer. She knows more of the intricacies surrounding the application process.

Ms. Aguirre: Thank you, City Manager. Mayor and Councilor Valenzuela, there are certain times of the year when it becomes available for not only the City but also non-profits throughout the State to submit for their asks, so to say. So during that time is when we have people in various Departments, Police, Public Works, really compile a list of their needs and that's how basically we ask or the application is formulated and submitted. Every Department asks for their own. But then again, Tohono O'odham Nation as well as the Pascua Yaqui Tribe, they pick and choose whoever they want to pick. So we really don't have any say in what we get but we do submit for a variety of things that the City needs.

Councilor Valenzuela: So, it never comes to Council for approval of what we want? Not that I don't appreciate the sweeper, but there's a lot of urgency in the Public Safety Department, so do we have a say in what we would like to request?

Ms. Aguirre: Mr. Mayor and Councilor Valenzuela, absolutely, absolutely, and if I am not mistaken, I think that Fire Department has submitted for a fire truck more than once, a few times.

Councilor Flagg: Can we use it to say like we need more cops, for instance, or does it have to be like for hardware?

Ms. Aguirre: Yes, Mr. Mayor, Councilor Flagg, I've never seen it be for personnel; it's always been for equipment.

City Attorney Paladini: Yeah, you can only use one-time money for new employees because that year runs out and you have it on your budget.

Councilor Flagg: Yeah, ok.

Councilor Aguirre: So different Departments apply from the City and then get accepted?

Ms. Aguirre: Yes.

Councilor Valenzuela: So before we apply, does it come to City Council?

Ms. Aguirre: Mr. Mayor and Councilor Valenzuela, typically it hasn't, but that doesn't mean that it can't.

Councilor Valenzuela: Ok.

Ms. Aguirre: Even in the form of a report, as well.

Mayor Diaz: I would like to add to the fact that during the budget that we have talked about at the very beginning, the Council was asked what they needed or what they would like to have, and I mentioned the street sweeper at that particular time, so they took that out of our budget and went for a grant from Tohono O'odham. So that was really good.

Councilor Flagg: I would, maybe this goes to City Manager, we would like to be apprised that this is going to happen and you know, weigh in on it.

Ms. Moreno: Ok. Mayor and Councilor Flagg, I will make sure that once we receive the formal application, notification on behalf of both Tribal entities, we will let you know and I will put them on an Agenda item, and then share with you what the Department requests their needs are and we can take it from there.

Councilor Flagg: Right.

Ms. Aguirre: Thank you.

Councilor Aguirre: Thank you.

Ms. Aguirre: Just to add briefly what Mr. Mayor Diaz had mentioned, the award for these items is completely in line with what we would do during the budget, our study session, the needs in Public Works and the radios, which are very expensive. I just wanted to piggyback on that.

Councilor Valenzuela: Thank you.

Mayor Diaz: Is there any more discussion with regards to Resolution No. 23-32? (No response). Roll Call.

Vice Mayor Lopez. Yes.

Acting Mayor Rogers. Aye.

Mayor Diaz. Yes.

Councilor Flagg. Yes.

Councilor Aguirre. Yes.

Councilor Valenzuela. Yes.

Ms. Moreno: Motion passes.

ITEM #10 - RESOLUTION NO. 23-33 OF THE CITY/TOWN COUNCIL OF THE CITY OF SOUTH TUCSON, ARIZONA, APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT (IGA) BETWEEN THE CITY OF SOUTH TUCSON AND THE STATE OF ARIZONA DEPARTMENT OF REVENUE FOR THE ADMINISTRATION, COLLECTION, AUDIT, AND LICENSING OF TRANSACTION

PRIVILEGE TAXES, USE TAXES, SEVERANCE TAXES, JET FUEL EXCISE AND USE TAXES AND RENTAL
OCCUPANCY TAXES IMPOSED BY THE STATE, CITIES OR TOWNS

Mayor Diaz read aloud the above Resolution.

Ms. Moreno: Thank you, Mayor. Finance Director, Lourdes Aguirre.

Ms. Aguirre: Thank you, Manager. As you may have read in the Summary, this is basically establishing the goals, the relationship, protocol, guidelines all supported by State Statute for the relationship between all Cities and the Department of Revenue. The Department of Revenue performs all the auditing, all the related duties for Cities and Towns, so it basically establishes how the relationship and the communication, how that goes. At this point, this specific IGA is a renewal from 2019. The summary indicates the various areas where there was improvements and modifications to the IGA. And this was worked on in collaboration between the Department of Revenue, the Attorney General's Office, and the League of Cities and Towns. But again, this specific IGA is being adopted by all 91 cities and towns.

Mayor Diaz: Ok, are there any questions?

Councilor Valenzuela: I have a question. I had brought up in one of our previous meetings about doing an audit on the businesses and making sure that they are paying their taxes, so I would just like to put that on the next Agenda that we look into the possibility of doing an audit for sales tax. What is it called? TPT?

Ms. Aguirre: TPT - Transaction Privilege Tax.

Councilor Aguirre: Yes. Mr. Mayor, Councilor Valenzuela, thank you very much. This is a point of reference, those guidelines do begin on page 11 of 39, so just keep that in mind as we continue discussion. The discussion will begin as to who would be eligible for audits and so on and so forth. It's all out there.

City Attorney Paladini: And just to make clear that the City can't do any audits, so the City, in Section 53, can ask and request that the Department conduct an audit. I take that back. The City may conduct an audit as long as the business is only operating in the City. For instance, if you have Food City, you can't do an audit, or a Circle K or Walgreens. But let's say, if it is a business that is strictly located in the City, so basically one bought off, then the City may do an audit, but you have to request that the Department of Revenue allow your approval.

Ms. Aguirre: Correct.

Councilor Valenzuela: And is there a fee associated to doing an audit? Does the City of Phoenix have to do that?

Ms. Aguirre: There is not a fee, per se, per audit, but the City does pay an up front cost, kind of like an administrative fee. You will see it in the budget, it's towards the end of your budget, general funds, for like \$14,000 or so and that is basically related to our size, by population that's our share.

Councilor Valenzuela: (Inaudible).

Ms. Aguirre: Yes, it does indicate, however though, that depending on the types of audits that are requested, should additional staff be required the City may have to pay additional funds to cover those costs.

Councilor Valenzuela: But Jon, you said the City can perform its own audit as long as the business is doing business within the City only?

City Attorney Paladini: The City can request permission from the Department of Revenue to conduct an audit of businesses that are only doing business in South Tucson. Like I said, it couldn't be a Walgreens McDonalds, what have you, it has to be strictly like a Mom and Pop. Even if it's a Mom and Pop, and one store here and one store in Tucson, that's enough. You can request the Department of Revenue do that one, but you still have to request approval from DOR if we want to do it ourselves, but we can only do it ourselves on local only.

Councilor Valenzuela: Ok, thank you.

Councilor Flagg: Can I ask something? Are you confident that the businesses pay their sales tax or can you even weigh in on that?

Ms. Aguirre: Well, Mr. Mayor, Councilor Flagg, I have signed a Confidentiality Agreement so I can't say any specifics, but in reviewing Sales Tax collection information, I really haven't seen any anomalies but what I do notice, or have noticed over time, is a tendency where a business may not just pay one month or two, but they will make it up. So I have just gotten used to any, our businesses face the same challenges, so I am not going to go knock on their door and say where is last month when I know basically what their trend is for their operations. I'm sure they struggle with cashflow as well, but you know, of course, if there were cases where, yes, there was a lack of payment for a large amount of time, well, yes, the flags on that would be cause for an audit.

Councilor Valenzuela: Ok, I'll save it for the next meeting. Thank you.

Mayor Diaz: Is there any more discussion? I accept the move to accept Resolution No. 23-33 of the City/Town Council of South Tucson, approving and authorizing the Mayor to execute an Intergovernmental Agreement between the City of South Tucson and the State of Arizona Department of Revenue for the administration, collection, audit and licensing of Transaction Privilege Taxes, Use Taxes, Severance Taxes, Jet Fuel Excise and Use Taxes, and Rental Occupancy Taxes imposed by the State, Cities or Towns.

Councilor Aguirre: So Moved.

Vice Mayor Lopez: Second.

Mayor Diaz: Moved and Seconded. Roll Call.

Vice Mayor Lopez. Yes.

Acting Mayor Rogers. Aye.

Mayor Diaz. Aye.

Councilor Flagg. Aye.

Councilor Aguirre. Aye.

Councilor Valenzuela. Aye.

ITEM #11 - RESOLUTION NO. 23-34 OF THE MAYOR AND COUNCIL OF THE CITY OF SOUTH TUCSON, ARIZONA, APPROVING, RATIFYING AND ADOPTING THE CONTRACT BETWEEN THE CITY OF SOUTH TUCSON ("CITY") AND PIERCE COLEMAN PLLC ("ATTORNEY"), AUTHORIZING THE MAYOR AND/OR THE INTERIM CITY MANAGER TO EXECUTE THE AGREEMENT

Ms. Moreno: Mr. Mayor, Members of the Council, it is getting towards the end of another year, so this is the time to renew the contract for Pierce Coleman as referred to in your Agenda item. Right now I will turn it over to our Finance Director to review.

Ms. Aguirre: Thank you, Manager. I failed to include the cost put down with this Item, but I do have it in the next Item. So, if you guys want to go on to the next Item, Item #12, behind the actual summary, we will go over some of the cost breakdown. So essentially, you all may recall we signed on with our attorney, this was back in January. The cost for that service for January through June was \$80,000 and at that point the anticipation was that there may have to be an adjustment to slightly increase it, right, because there was a lot of work involved, and backlog, related to Prosecutor in the Courts. So we knew that there was an increase coming. Then July through December, back in July when we approved the budget, you also approved a six-month contract for \$108,000, so that was the increase. It went from \$80,000, we knew there was going to be an increase, to \$108,000. At that point they started working on the workload, actually streamlining the process. Now there is a better handle on operations, so we have been able to reduce the cost for the next six months from \$108,000 to \$90,000. Second page, page two of that Item, Resolution No. 23-35, Item #12. There's a table here and it shows you that essentially what we budgeted for, and that line item was \$139,000, and I am rounding, ok. We expect that item, Prosecutor and City Attorney, because remember, it is both services, to go over budget by about \$58,000. In contingency, after we have done those various modifications, budget modifications, there is \$35,000 to cover that. So I am actually going to walk around to show you what page I am referring to. So essentially, you would have to perform a budget modification to increase the cap in general fund, and that is what Item #12 is about. But other than that, as you will see the City does have funding for that, we just need to raise the cap in the budget, in the general fund budget.

Vice Mayor Lopez: So the adjustment would be for the \$58,062.62?

Ms. Aguirre: Vice Mayor, the adjustment would be for \$35,000 out of contingency which is already in the budget.

Vice Mayor Lopez: Right.

Ms. Aguirre: And \$22,000 to increase the general fund cap. It just basically, it's budget capacity so we would bring that from another fund.

Councilor Aguirre: Because it wasn't in our budget that we approved.

Vice Mayor Lopez: Thank you.

Ms. Aguirre: You're welcome.

Councilor Flagg: So is it paying Pierce Coleman more than we originally said we would?

Ms. Aguirre: Yes. Well, I don't think there was discussion as to how much you all thought, or how much you would pay, we appropriated it in this fiscal year the same amount that was appropriated in the budget last year. We brought that forward. We knew that there was going to be some challenges with streamlining, backlog and all that in the Courts. Right now, we have reviewed the actual time logs for Pierce Coleman, and it looks like 2/3 or so of their time is being spent in Prosecution, and I believe that has actually gone down from what it was the first six months.

Councilor Flagg: I thought we talked about a flat fee in there.

Acting Mayor Rogers: Yeah.

Councilor Valenzuela: I think that was for the attorney but not for the prosecutor.

Ms. Moreno: If I may, Mayor, yes, and Councilor Flagg, Councilor Aguirre, Councilor Valenzuela, so this is a unique situation we have with this law firm, not because of anything they do, but because the City of South Tucson has always had an in-person prosecutor. We were challenged with trying to find someone to fit that role. So, what the City decided to do was to request that service by Pierce Coleman. Separate from what the City Attorney does, we have another fee that we pay to the Prosecutor, so the new service that we are receiving from this method, especially because they are not physically located here, there was that, I guess, change in model for Court staff as well as for getting everything that was backlogged up-to-date. So that was the reason why there was that fee for the first installment for the first part of last year, and then it wasn't as much for the second half of the year, but now it is starting to get streamlined. It has gone down, but a major portion of this renewal goes towards Prosecutor versus City Attorney.

Mayor Diaz: Ok.

Councilor Valenzuela: Do you have a difference in that?

Ms. Moreno: Not specifically, well, 2/3.

Councilor Aguirre: Mr. Mayor.

Mayor Diaz: Mr. Aguirre.

Councilor Aguirre: So if I could, Mr. Mayor, the way I remember, and you can correct me if I am wrong, originally when you were asked to come on it was for what we had a certain amount for six months but it wasn't for a full year. It was \$80,000, if I am not mistaken, right.

Acting Mayor Rogers: Yeah.

Councilor Aguirre: Then when those six months were up, they went back and looked at their books and said, oh, we really can't do it for this cost, this is how much it is going to be. So, then we followed for another six months for \$108,000, correct? They made their adjustments, and now it looks like they adjusted that again, and now it's down to \$90,000 for the six months, is about what their cost is now. It's still a flat rate, it's always been a flat rate, but they came back and made that adjustment at that six-month period. Am I correct? Ok. That's how I remember it exactly.

Mayor Diaz: Any more questions? So the Motion is only on Resolution No. 23-34 to approve, ratify and adopt the contract between the City of South Tucson and Pierce Coleman, authorizing the Mayor and/or Interim City Manager to execute the Agreement.

Councilor Flagg: And what's the dollar amount?

Councilor Aguirre: \$180,000 for the whole year.

Councilor Flagg: So it should stay at \$180,000 and not go up, right?

Councilor Valenzuela: Well, it might come down if the Prosecutor has less work because it seems like that's what's happening, right, then it would come down.

Councilor Aguirre: It could come down.

Councilor Valenzuela: Especially with the new Magistrate being there.

Councilor Aguirre: If I could, Mayor, if this answers your question. We are approving a flat rate, but at the end of the contract they can go back and look at it and say, hey, if you want us for another six months it is going to go up or down, depending on what they see, and that's kind of where we are at again right now. We've done this twice now.

Mayor Diaz: Ok, may I have a Motion to that effect?

Vice Mayor Lopez: Mr. Mayor.

Councilor Valenzuela: For six months?

Councilor Aguirre: Yes, that is a question I have, too. Is this for another six months, or is this for the full year?

Acting Mayor Rogers: Six months.

Councilor Valenzuela: Six months.

Vice Mayor Lopez: Mr. Mayor, I would like to make a Motion that we approve Resolution No. 23-34 of the Mayor and Council of the City of South Tucson, approving, ratifying and adopting the contract between the City of South Tucson and Pierce Coleman, PLLC, and authorizing the Mayor or Interim City Manager to execute the agreement.

Councilor Valenzuela: Second.

Mayor Diaz: It's been Moved and Seconded. Roll Call.

Vice Mayor Lopez: Yes.

Acting Mayor Rogers: Aye.

Mayor Diaz: Aye.

Councilor Flagg: Yes.

Councilor Aguirre: Yes.

Councilor Valenzuela: Yes.

Ms. Moreno: Motion passes.

ITEM #12 - RESOLUTION NO. 23-35 OF THE MAYOR AND COUNCIL OF THE CITY OF SOUTH TUCSON, ARIZONA, APPROVING, RATIFYING AND ADOPTING A FISCAL YEAR 2023-2024 BUDGET MODIFICATION WITHIN ESTIMATED REVENUE AND APPROPRIATIONS FOR FISCAL YEAR 2023-2024

Mayor Diaz: Ok, do we still need more explanation in regards to Resolution No. 23-35? Anymore? No questions?

Vice Mayor Lopez: Mr. Mayor, I'd like to make a Motion that we approve Resolution No. 23-35 of the Mayor and City Council of South Tucson, ratify, approve and adopt fiscal year 2023-2024 budget modification within the estimated revenue and appropriations for fiscal year 2023-2024.

Mayor Diaz: It's been moved. Is there a Second?

Councilor Valenzuela: Second.

Mayor Diaz: It's been Moved and Seconded. Roll Call.

Vice Mayor Lopez. Yes.

Acting Mayor Rogers. Aye.

Mayor Diaz. Yes.

Councilor Flagg. Yes.

Councilor Aguirre. Yes.

Councilor Valenzuela. Yes.

Ms. Moreno: Motion passes.

ITEM #13 - FINANCE DIRECTOR'S REPORT & UPDATE: GENERAL FUND OVERVIEW

Ms. Aguirre: Mr. Mayor, so we will get started on this Item now, Item #13. It's just going to be a brief update. The reason why I didn't include anything in your packets is because all the stuff you are going to receive you have already received. I updated the top report. So just for reference, on most of the reports that I provide you guys, I do list on the upper right-hand corner when the item was presented and/or updated which helps when going through your paperwork or if it's posted online, and everything else what version it is. So, it was last month when I actually went through and decided to update this five-year model. So you will notice all the reports that are attached to it are reports that you all have received. In fact, two of the reports I gave to you on October 3rd, and what those went over were essentially the financials for June 30th, so last fiscal year 2023, and then I also gave you an update for the first quarter of this fiscal year, fiscal year 2024. We're in 2024 now, so first quarter ending September 30th. I included a copy of our audited financials.

Acting Mayor Rogers: Oh, good.

Ms. Aguirre: So remember, some of the reports I gave you throughout the year are not audited yet, the preliminary unaudited. Nonetheless, you have received all of these. Taking that information into consideration, I updated this front report, this five-year model. It is based on our projections of our revenues and our expenditures. It projects from fiscal year 2024 all the way out to fiscal year 2028. You will notice, and I added a column here for line number just so you guys can track along with this report. Go down to line #13. Line #13, you will notice that I have updated the revenues for last year and for this fiscal year. I've updated the estimates. I also updated the projection in City Sales Tax going from this fiscal year out. And the reason why I updated that from the previous version that you had received of this report in May, is because we ended last fiscal year with a little more revenue in City Sales Tax, so I found it appropriate to include that with this projection. The same thing goes for Intergovernmental Revenues, so that is State Shared Revenues. Next, line #14, and we are just going to go through these main areas here because they are important. So line #14, I want to draw your attention to this because in fiscal year 2025, that's next fiscal year, our bond payment goes up from \$400,000 to \$600,000.

Councilor Flagg: Damn.

Ms. Aguirre: And \$600,000 had always been the payment for years and years and years, decades, until we refinanced our bond in 2019. We reduced the interest rate from 6% to 3% and we were able to obtain a reduced payment of \$400,000 from 2019 to 2024, just about five years. But now it is going to go back to the old rate. I wanted to draw your attention to that. Another thing that I wanted to draw your attention to is

line #27. It is also highlighted in yellow. That is important because in fiscal year 2027 we anticipate our pension rates to go up. This is a part of pension reform, it's a part of everything we have been talking about, and that's why as soon as we have an opportunity to issue bonds to pay off that debt and get stable payment year to year, we want to do that as soon as interest rates come down.

Councilor Flagg: Can you tell, how come that bond went up by \$200,00 bucks?

Ms. Aguirre: Mayor and Councilor Flagg, that was the original payment. It's similar to your mortgage, except that in this case, let's say that they were able to give us a break for five years on our mortgage payment, but then it went back up to the normal payment. Of course, it gets tacked on probably to the end because you owe what you owe. Nonetheless, those \$200,000 came in handy.

Acting Mayor Rogers: Yeah.

Ms. Aguirre: So maybe that raises a question for some of you, can we do this again. Maybe, if we could reduce the interest rate from 3% to anything lower than that, but the cost of issuing bonds is expensive as well. So these are all things we take into consideration.

Councilor Aguirre: Just a question. If during those years that we had a reduced interest rate, if we were to overpay it, if we were to continue to pay the \$600,000 every year, would that have brought down our overall principal on the bond faster, and then would we have had a lower payment now if we were to have done that?

Ms. Aguirre: Mr. Mayor, Councilor Aguirre, of course, yes. We would have had to have worked that into the terms of the bond.

Councilor Aguirre: Right.

Mayor Diaz: And also our budget, we needed that money.

City Attorney Paladini: Your payment terms would most likely stay the same if pre-paying the principal. It just shortens the length of bond timeframe, and as Finance Director said, you would have to make sure that the bond doesn't have, that allows for early or pre-payment without a penalty.

Councilor Aguirre: What about a penalty?

City Attorney Paladini: Some do, yes.

Councilor Aguirre: Thank you.

Mayor Diaz: Again, we needed that money in regards to balancing the budget.

Councilor Aguirre: It wasn't a critique on that, I was just trying to think through for future scenarios.

Vice Mayor Lopez: I've got a question. On #29 in the years '27 and '28, they are blank, so does that mean that the ARPA money stops in 2026?

Ms. Aguirre: Yes. Mr. Mayor, Vice Mayor Lopez, we received about \$1.8 million from ARPA. Now the way that that has been used for the last two years, and there was an installment from ARPA prior to this. It was called the CARES Act. It's all been dedicated to Public Safety, and it was one of the ways that the Treasury allowed for municipalities to utilize the funds. But yes, if we continue to use it in equal installments the way

we have, of course it helps the general fund, but it has to be spent by 2026. In fact, I just received an email today from the Treasury that all these funds need to be obligated by December 2024. So, in December 2024, we will make a report and say, yes, we are going to use the other \$900,000 by the end of 2026. And just so you all know, just a point of reference, \$100,000, that's barely enough to cover one quarter of payroll, but it has helped tremendously. Just letting you know it is going to go away, fiscal 2027. Line item #31, it's not highlighted in yellow, but I want to draw your attention to it because in order to make the bottom line work the way this plan is drawn out, we are only planning for \$200,000 for equipment and improvements. You will see this year we accounted for \$409,000 and you all helped me work through the budget because the street striper which was purchased, and it will be delivered here soon. That was a big-ticket item so about half of that \$409,000 was for the striper. It goes back down but that assumes that there is no increase in that line item for other equipment. That's all we've got to work with as this report stands. You know, finances and reports are fluid, we update them as we go, but as of right now, this is what we are looking at. Let's go to page #2. On page #2, Contingency, line #34. Again, as it stands right now, this means we leave the contingency at \$130,000. I think Mayor and Council have done a good job of allocating where there is need and you know, addressing some of the one-time ticket items, one-time purchases. So you will be able to continue to have at least \$130,000 year over year after this year. Now, line item #43, Revised Expenditures. For last fiscal year we originally thought, back in May, that we were going to have \$5.7 million in expenditures for the general fund. Fast forward to now, it's looking more like \$5.6 million, so about \$100,000 less. But, for this fiscal year, back in May we thought we were going to have \$6.8 million, but the budget over last year was \$7.5 million. We did some budget modifications there, we increased, it's all in your budget. So now you look at your net position for last year and this year, line #45, last year the preliminary unaudited financials show \$1 million in that position, just for last fiscal year. Now look at this fiscal. We adopted it with a deficit because we knew that we were bringing over some expenditures from last year to this year. So in reality, the real gain was about \$300,000. Now, in lines #48 and 49, I'm sorry, line #49, what I account for is any shifts in fund balance policy. Mayor and Council adopted a fund balance policy of 20%. What that means is that in any given year when you adopt your budget, you have got to make sure you have 20% of that budget in your fund balance, in your rainy-day fund. So as you can see, the expenditures budget, theoretical budget, it fluctuates, so line #49 also fluctuates. It goes up and down adjusting that fund balance policy. That's why sometimes you might see it be higher or lower. That is made to insure that year over year you have at least 20% of your budget in fund balance policy. Now with that said, we are anticipating to finish this fiscal year, actually, let me back up. That said, in line #50, you will see that for fiscal year 2023 we anticipated having a fund balance of \$3.1 million. Fund balance of \$3.1 million, and the fund balance policy for this year is \$1.5 million. So what does this mean? This means that Mayor and Council have basically grown your savings, so you have fund balance, that 20% of your budget, and then some. If you look at that same line, line #50, for this fiscal year we are looking at ending up with \$900,000 on top of your fund balance policy.

Acting Mayor Rogers: That's good.

Ms. Aguirre: It's really good.

Acting Mayor Rogers: Yeah.

Councilor Flagg: That's all because of the ARPA money that came in, right?

Ms. Aguirre: Well, Mr. Mayor and Councilor Flagg, that's one way to see it, that's one way to see it.

Acting Mayor Rogers: What are the obvious cute little red ABC symbols?

Ms. Aguirre: Very good question, Acting Mayor. As you can see on this page #2, we have some references, A, B and C, so I basically guide you to where I got these numbers from.

Acting Mayor Rogers: Ok.

Ms. Aguirre: So, A is talking about cumulative net position for fiscal year '23. So let's look for A in the reports that follow. So back in October I gave you a report for the first quarter and that's where it comes from, that \$1 million, cumulative net position. Now you go to B, and you will see that is our audited financials for fiscal year '22. So our audited financials for fiscal year '22 indicate that as of fiscal year '22, there's \$2.1 million in fund balance. This is audited. So I give you all the information so you have it and you can track along and you know what is audited, what's an estimate, and then C pertains to the first quarter, the first quarter in our budget that was adopted. So I give you all this information so you can track along and cross-reference. Now, back to page 2. Based on these projections, go on all the way on up to fiscal year 2028. This gives us an idea of where we might stand at the end of fiscal year 2028. We have already gone over where we think our discretionary spending, our personnel, our fixed costs are going to be year over year based on trends so by fiscal year 2028, we might have almost \$1.2 million above your fund balance policy.

Acting Mayor Rogers: That's good.

Ms. Aguirre: It's very good. It is something you all need to keep in mind because I know Mayor and Council has some huge priorities and so you need to know how much money you have at hand or can anticipate having on hand from now until a few years out.

Ms. Moreno: May I add something, Mayor. For point of reference I know we are projecting, but this is all taking into consideration that our staffing levels remain the same, that Police remain the same, that what we pay in '23 remains the same, so it will remain status quo City wide basically, in light of, I always say have the lowest staffing level on record, but that's if that stays status quo, nothing changes, despite all of our challenges that we know we have in operational day-to-day. I know it is way far out, but who is to say that next year or the year after or year after, I don't know. None of us know, but this is just like putting into perspective what it would look like if the City were to remain status quo. Let's say there was no development, let's say there was no increase in staffing, let's say, you know, that we didn't increase, we know the Police Department has its own issues with challenges and retention. I'm just putting it out there so to be mindful that it would have to remain status quo to look like this that far down the line.

Ms. Aguirre: Correct. Thank you, City Manager, thank you for pointing that out.

Councilor Flagg: Do all or most jurisdictions do five-year models so they are trying to think what it might be like in 2028?

Ms. Aguirre: As a matter of fact, Mayor and Councilor Flagg, whenever you want to finance bonds, you have to put together a model so you can increase some of that confidence with your investors, you know.

Councilor Flagg: Like Trump, yeah, that's a good one.

Councilor Valenzuela: I just would like to get a more report on the expenses, like as just for an example, non-departmental, I mean, what does that go to, or governmental services?

Ms. Aguirre: Ok.

Councilor Valenzuela: Can you break it down for me?

Ms. Aguirre: Absolutely, and Mr. Mayor, Councilor Valenzuela, actually, when I give you guys the detailed reports just like I did for Housing, when I give you the ones for general fund, everything is in there, and so if there is any one line item that any of you are ever interested in, what's in this one, I have no objection. I will print out a detailed ledger report for you. So that actually shows you all expenditures, every line item in there, we can do that. One of the things that I wanted to mention was, I want to make sure I include the budget modifications on the report in the system. Now that I got this one now, the most recent one, you guys can have the most up-to-date and current financial report, because the financial report shows where you adopted your budget and where the expenditures are. But it also includes the budget modification, so I want you guys to have a current version of that.

Councilor Flagg: Is it in here how we are going to pay the cops after the ARPA money runs out in '26? Is that in here?

Ms. Aguirre: Yes, Mr. Mayor, Councilor Flagg, it assumes that general fund continues to pay for it.

Councilor Flagg: So general fund has to come up with another half million bucks?

Ms. Aguirre: Yep, it's already in there, and the purpose for giving you guys this, this is high-level. You are focusing on our cash reserves and where we might be in five years, what it might look like, so that's the purpose for giving you all a semi-summary. If I give you a detailed, we will get buried in the weeds. One of the things I do want to mention to you all, though, is that given some of the things that the Manager mentioned that are of concern relating to staffing levels, retention, one of the things I will be looking into and bringing back to you all in a study session so we can start conversations, is looking at our sales tax. Now, I would never recommend increasing our sales tax rates, but I certainly want to entertain the idea of looking at, what is it that we are not taxing for? So that is something that I am currently working on, and I actually have a call with one of the tax experts that works for the League, Mr. Lee Grafstrom, in about a week and a half or so to pick his brain because he is a specialist in policy. Anything that we implement in our City Code related to taxing has to be an approved policy that is authorized by State statute and everything, so that's actually one of the things that was highlighted in the IGA as well. It's how the Department of Revenue considers it the City's responsibility to make sure it stays on top of all the policies and making sure the tax rates and everything, that they reflect that they are up to par, but I just wanted to bring that to your attention. That's one of the things I'll be looking for and hopefully, you know, if there's an opportunity, maybe there's revenue enhancing options we can consider for tax line items that we do not tax for right now. We are going to look for new ones, see if there is any room for new ones.

Councilor Flagg: But raising everybody's water bill to pay for something else, that's like a new tax, right, or is it, or is it just like semantics?

Ms. Aguirre: No, Mr. Mayor and Councilor Flagg, the Statutes, those identify the difference between taxes and fees, and they shouldn't be confused with one another. I don't know if Jon wants to piggyback on that.

City Attorney Paladini: Fees are for services and taxes are for general benefit, so typically when you pay a fee, it's for a specific service, so if there's like a fire service fee, it's going to be based on, is it a single-family home, is it commercial, so the theory is the fee would go up or down depending on who is paying it.

Councilor Flagg: Yeah.

City Attorney Paladini: Whereas taxes, it's across the board.

Mayor Diaz: I have a question. I guess we had a discussion regarding a \$75,000 IGA from the PAG RTA. Where would that go in to?

Ms. Aguirre: So Mr. Mayor, that would actually be in another fund, because everything we are reviewing is for the general fund, so that would be Fund 242, RTA.

Mayor Diaz: Ok.

Ms. Aguirre: So here after December is when I bring to you all, because I generally like to bring you reports quarterly. So I will give you the quarterly report in January for the first six months of the general fund, and at that point, I will also give you the financials for the individual funds, so you can start looking at those and preparing, because that's what I am going to use to start the budget process again, late February/March.

Mayor Diaz: Ok.

Councilor Flagg: But the RTA is just totally not in this.

Ms. Aguirre: It's not in that, no.

Mayor Diaz: How about the Opioid Settlement, the drug stuff that happened last week?

Ms. Aguirre: Oh, ok. Mr. Mayor, I'm not sure if there is an update on it.

City Attorney Paladini: I'm trying to remember if the City entered into, I think the City entered into an IGA where the money is shared, so it goes to the County, from the State to the County, then the County cobbles together its money, South Tucson's money, you know, maybe Oro Valley, Marana, and then distributes it out for specific drug-related expenses, it's supposed to go law enforcement, education and things like that. So I don't know how it is budgeted, if it's considered a brand or something. It's not a direct payment to the City.

Councilor Flagg: So that is something we need to keep our eye on the ball to make sure we get ours, right, because otherwise they won't give it up to us.

City Attorney Paladini: Oftentimes the money is spent regionally, for instance, on drug task force, it doesn't know city/town borders, you know, for lack of a better way to describe it. So if you are going to fight the fentanyl issue, it doesn't start or stop at the City's border. So a lot of times that money is spent regionally on task force, or whether it's a Drug Enforcement Task Force or whether it's a regional training, or if the Chief has any other thoughts.

Councilor Valenzuela: Mayor, we can advocate for specific money. That was one of the directions we gave to City Manager was to reach out to, what is her name, Dr. Cullen, to advocate for more money because we are so concentrated with crime and fentanyl use, so can you give us an update on that at the next meeting?

Ms. Moreno: Yes.

Councilor Flagg: Yeah, because our needs are way bigger than Marana or Oro Valley, or Sahuarita, I would think, you know, so we should be demanding to get ours, you know, our part.

Councilor Valenzuela: When we signed that IGA, so we basically signed over our right to negotiate, but we can advocate.

Ms. Moreno: Correct.

Mayor Diaz: Any more questions? Rita?

Acting Mayor Rogers: No.

Mayor Diaz: Do we have any questions on the budget overview? (No response). Ok. The next item is #14. I'll need a Motion, please.

Vice Mayor Lopez: Mr. Mayor, I make a Motion that we leave Council Meeting and go into Executive Session.

Acting Mayor Rogers: So Moved. Second.

Mayor Diaz: All in favor, signify by saying Aye.

Council Members: Unanimous Ayes.

City Council Exits Regular Meeting and Convenes in Executive Session at 8:05 p.m.

ITEM #14 - EXECUTIVE SESSION - A.R.S. 38-431.03A.3 AND 1.4, DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE ATTORNEY OR ATTORNEYS OF THE PUBLIC BODY; DISCUSSION OR CONSULTATION WITH THE CITY'S ATTORNEYS REGARDING THE CITY'S POSITION REGARDING CONTRACTS THAT ARE THE SUBJECT OF NEGOTIATIONS

NEGOTIATIONS OF CONTRACT FOR FIRE AND EMERGENCY MEDICAL SERVICES

REDEVELOPMENT OF SLUM AND BLIGHTED PROPERTIES IN SOUTHERN PART OF THE CITY

City Council Exits Executive Session and Reconvenes in Regular Session at 9:45 p.m.

ITEM #15 - ADJOURNMENT

Mayor Diaz: It is time to Adjourn Executive Session and Reconvene into Regular Session.

Councilor Flagg: So moved.

Councilor Aguirre: Second.

Mayor Diaz: All in favor, signify by saying Aye.

Council Members: Unanimous Ayes.

The meeting adjourned at 9:45 p.m.

Mayor

ATTEST:

Veronica Moreno, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Agenda Meeting of the City Council of South Tucson, Arizona, held on the 21st day of November, 2023. I further certify the meeting was duly called and a quorum was present.

Dated this _____ day of _____, 2023.

Veronica Moreno, City Clerk