

Minutes of the Regular Meeting of the Mayor and Council of the City of South Tucson, Arizona, held Monday, July 8, 2013, at 6:00 p.m. at the City of South Tucson Council Chambers, 1601 South 6th Avenue, South Tucson, Arizona.

Council Present: Paul Diaz
Anita Romero
Miguel Rojas
Ildefonso Green
Vanessa Mendoza
Oscar Patino
Mary Soltero

Staff Present: Luis Gonzales, Interim City Manager
Ruben Villa, Finance Director
Denise Valencia, Admin.
William Lackey, Police Chief
Jeff Inorio, Police Dept.
Marilyn Chico, Housing Director
Larry Anderson, Fire Chief
Joel Gastelum, Planner
Dennis Rankin, Police Dept.
Patrick Moran, City Attorney

Mayor Diaz called the meeting to order and led the Pledge of Allegiance. Councilman Patino led the Invocation.

ITEM #04 – ROLL CALL – All members of the Council were present.

ITEM #05 - APPROVAL OF MINUTES

REGULAR MEETING, JUNE 10, 2013 – Motion by Councilman Rojas to approve the minutes of the Regular Meeting of June 10, 2013. Seconded by Councilwoman Soltero. Motion passed unanimously.

SPECIAL MEETING, JUNE 11, 2013 - Motion by Councilwoman Mendoza to approve the minutes of the Special Meeting of June 11, 2013. Seconded by Councilman Green. Motion passed unanimously.

STUDY SESSION, JUNE 26, 2013 - Motion by Councilman Green to approve the minutes of the Study Session of June 26, 2013. Seconded by Councilwoman Soltero. Motion passed unanimously.

ITEM #06 – RESOLUTION NO. 13-20 OF THE MAYOR AND COUNCIL OF THE CITY OF SOUTH TUCSON, ARIZONA, APPROVING, RATIFYING AND ADOPTING THE AGREEMENT BETWEEN THE CITY OF SOUTH TUCSON AND TRS AIR CONDITIONING SERVICES AND CONSTRUCTION, INC. FOR REPLACEMENT OF WATER HEATERS AND RELATED SYSTEM UPGRADES

AT THE EL SENIORAL AND CASA DE BERNIE SEDLEY HOUSING PROJECTS MAINTAINED BY THE SOUTH TUCSON HOUSING AUTHORITY, AUTHORIZING THE MAYOR AND/OR THE CITY MANAGER TO EXECUTE THE AGREEMENT AND DECLARING AN EMERGENCY TO EXIST – Mr.

Mr. Gonzales addressed the Council and explained this resolution allows for the replacement of two water heaters. He asked Mr. Moran for clarification within the City Code as to whether or not it is appropriate to vote, at this time, on the agreement. Mr. Moran stated he had reviewed the City Code as far as authority to enter into a contract for the amount listed without Council approval. Section 2-9(1) of the South Tucson City Code deals with purchases and contracts, and states essentially what needs to be approved by Council, which is anything over \$5,000 in a contract situation, and \$10,000 for purchases for contracts, without having to receive a formal bid. This situation did not go out to bid as it was an emergency situation. Mr. Moran stated that the Housing Director, Ms. Chico, received approval from HUD to go forward with the replacement of the two water heaters. Mr. Moran explained that at the time the contract was entered into, June 24th, the City was in a transition period with the new Council being seated, the City Manager resigning, and so Mr. Moran does not believe the process happened as it should have with the City Manager authorizing and then it being brought before the Council. Mr. Moran stated the company is a reputable one and the work is being done properly. Mr. Moran stated it is okay for the Council to take action tonight, but can also choose to take more time and postpone the item until a later date. Councilman Rojas stated he would like an extra week to make sure everything is in order and to allow the City Manager time to present a well-documented representation of the events. Motion by Councilman Rojas to table the item for a future meeting. Mr. Moran informed the Council of their options for motions and discussion. Councilman Rojas withdrew his motion to table the item. Ms. Chico informed the Council the boilers were original boilers and approved by the previous Mayor and Council in the annual PHA Plan. When staff looked into the work of replacing the water heaters, it became apparent there were health and safety issues because of the venting. Ms. Chico contacted HUD. She informed TRS, the contractor, is on a GSA list, which means she did not need to seek bids, which saved time and money. Ms. Chico was informed by HUD to approve as soon as possible. Councilman Green asked if the previous Mayor and Council had approved this item a couple of years ago. Ms. Chico responded it was for different boilers. She explained there are heat boilers and water boilers. Councilwoman Mendoza asked if the amount listed in the agreement is only for the vents to which Ms. Chico responded the amount includes the boilers and venting. Councilman Green asked if the tenants are without hot water at the present time, and Ms. Chico answered the residents do have hot water. Motion by Councilman Green to table the item until next week. Seconded by Councilman Rojas. Motion passed unanimously.

ITEM #07 - RESOLUTION NO. 13-21 OF THE MAYOR AND COUNCIL OF THE CITY OF SOUTH TUCSON, ARIZONA, APPROVING, RATIFYING AND ADOPTING THE AGREEMENT BETWEEN THE CITY OF SOUTH TUCSON AND CLIMATIC FOR REPLACEMENT OF SECURITY CAMERAS AND

RELATED SYSTEM UPGRADES AT THE EL SENIORAL AND CASA DE BERNIE SEDLEY HOUSING PROJECTS MAINTAINED BY THE SOUTH TUCSON HOUSING AUTHORITY, AUTHORIZING THE MAYOR AND/OR CITY MANAGER TO EXECUTE THE AGREEMENT AND DECLARING AN EMERGENCY TO EXIST – Mr. Gonzales stated this resolution gives the Housing Director the authority to have the security cameras at El Senioral and Casa de Bernie Sedley replaced at a cost of \$62,902. Motion by Councilman Rojas to approve the purchasing or contracting for the security cameras for both housing projects, as presented by Ms. Chico. Seconded by Councilman Patino. Motion passed unanimously.

ITEM #08 – RESOLUTION NO. 13-22 OF THE CITY OF SOUTH TUCSON, ARIZONA, APPROVING THE CONFIDENTIALITY AGREEMENT BETWEEN THE CITY OF SOUTH TUCSON AND GEM AND BEAD MALL TUCSON, LLC, AND AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION FOR THE PURPOSE OF AUTHORIZING THE MAYOR AND/OR CITY MANAGER TO EXECUTE THE AGREEMENT – Mr. Gonzales provided a brief summary of the presentation given to Council by representatives of the Gem and Bead Mall, LLC, a few weeks ago. As a result of that presentation, the City Manager has compiled a Confidentiality Agreement, which basically does not bind the City of South Tucson to any agreement, but allows staff an opportunity to see what the arrangement might look like, and the Gem and Bead Mall time to seek possible investors for this venture. Mr. Gonzales informed the Council that Mr. Moran made a couple of changes to the Confidentiality Agreement and the final document is being presented to the Council tonight. Motion by Councilman Rojas to approve Resolution No. 13-22. Seconded by Councilman Patino. Motion passed unanimously.

ITEM #09 – RESOLUTION NO. 13-23 OF THE MAYOR AND COUNCIL OF THE CITY OF SOUTH TUCSON, AUTHORIZING EXECUTION OF AN INTERGOVERNMENTAL COOPERATIVE AGREEMENT BETWEEN PIMA COUNTY AND THE CITY OF SOUTH TUCSON FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM AND HOME INVESTMENT PARTNERSHIP PROGRAM AUTHORIZING THE MAYOR AND/OR THE CITY MANAGER TO EXECUTE THE AGREEMENT AND DECLARING AN EMERGENCY TO EXIST – Mr. Gonzales stated this item is a request from Pima County to enter into an agreement covering three fiscal years (2014, 2015, and 2016) of CDBG funding under the consolidation plan. Mr. Gonzales stated that although there is an emergency clause, this resolution is not an emergency. There is current funding that does not expire until September. The agreement has two items which Mr. Gonzales stated he is concerned about, and requested the item be tabled to allow staff an opportunity to research the agreement. The following is the transcript of the discussion of Item #09:

Councilman Green: I have a question for the City Manager. Is this the Home Investment Partnership Program, is that the homes that they're putting up right now, those modular homes?

Mr. Gonzales: Let me defer to the Finance Director who is working on all the CDBG projects at this point to see if he can answer that question for us.

Mr. Villa: Mr. Mayor, members of the Council, CDBG has two different funding sources and they are divided into several other programmatic departments. The Home deals with anything related to construction, to remodeling. The portion that they're discussing in this particular item would be only those funds that come directly to the City, not any other funding that is spent within the jurisdiction spent by another agency. It only deals with specific funds that we would receive here. As an example, home funds are used for demolition projects. So if we would receive a demolition project, a portion of those dollars come from home funds. And that's why it's listed.

Councilman Green: Okay. Maybe I didn't make it clear. Who's taking care of it? Who's doing the demo?

Mr. Villa: The City receives funding through our own home repair and our own demolition. If you're referring to Primavera, for example, they do receive funds through the same funding source.

Councilman Green: This one here.

Mr. Villa: Well, it could be very well from that source. But the County manages those funds and distributes those funds to different agencies depending on the application. Primavera, for example, receives funding from the County. I'm not positive if they are receiving funding from that particular source. But they do receive funds similar to the ones we receive and they spend it within the jurisdiction or any other.

Councilman Green: Okay. These funds, typically, historically, have gone to the County?

Mr. Villa: The County is the primary agency that applies to HUD and we apply to the County. The County administers the program. We do our individual administration for the individual programs that we're funded for. But the County will, it's not just Primavera and South Tucson. There's several other agencies that are funded within what's called the County urban area.

Councilman Green: Okay. One more question. On these funds and everything else, can you show, historically, with the, you know, when they, the proposal comes back to us, exactly, you know, how many houses or properties were demoed, and what cost per property versus how much money we've actually turned over to them?

Mr. Villa: We have not turned any money over to Primavera.

Councilman Green: No, no, not to Primavera but to the County.

Mr. Villa: Okay. We ...

Councilman Green: Because ...

Mr. Villa: ... can prepare a report that shows the money that we have received and where it's been spent.

Councilman Green: Okay. Thank you.

Councilman Patino: And this is for three years?

Mayor Diaz: Okay. That, Mr. Gonzales?

Mr. Gonzales: Mr. Mayor, Council member Patino, the agreement calls for additional three years starting in 2014, 2015, 2016.

Mayor Diaz: Council member Vanessa, do you have a question?

Councilwoman Mendoza: That was sort of my question whether it was, 'cause it says fiscal year, so does that, you have 2014 included in here but does that include 2013-2014 or '14-'15?

Mr. Gonzales: It would be '14, '15, and '16.

Councilwoman Mendoza: And then, so '14-'15, '15-'16, '16-'17?

Mr. Gonzales: That's correct.

Councilwoman Mendoza: Okay.

Councilman Rojas: Mr. Mayor, so we have a year? Until September of '14?

Mr. Gonzales: Is that September of, of this year, isn't it?

Mr. Villa: Yes, September of this year.

Councilman Rojas: Or September of '13?

Mr. Gonzales: Mr. Mayor, Mr. Rojas, we're funded now till September of '13. The next one would be '14, fiscal year '14. So we have some period of time before you need to actually agree to the agreement. Normally these have been for one year. And I'm not sure why they're trying to lock in three years and that's another question to add.

Mr. Villa: Just a point in clarification. Fiscal year that the contract refers to is a federal fiscal year. The City has a fiscal year running from July through June. The federal fiscal year is October through September. So the fiscal year that they refer there, '14-'15, would be the funding, '13-'14, actually would be the first year ...

Councilwoman Mendoza: Right. So ...

Mr. Villa: ... (inaudible).

Councilwoman Mendoza: ... it would be this year. Okay. That was my question.

Councilman Patino: And repairs? Is this like for small repairs or is this like for big repairs on homes?

Mr. Villa: Council member Patino, the amount that we had been receiving throughout the year was called, the program was called Emergency Home Repair. Over the year (inaudible) small emergency home repair became big (inaudible). So the program still exists but it's being redefined as a different program which we will present. When the funding is finally released, we will present the amount of money that is available for the Council's wishes. We believe that the amount of money that has been reserved for Emergency Home Repair over the years is not sufficient to repair the number of homes in the area. Primavera's participation in this is completely separate and different. This money was set aside for a window repair, a roof repair.

Councilman Patino: Okay. So it's minor repair.

Mr. Villa: Minor repair.

Councilman Patino: Because I understand through the Primavera Foundation that if they're going to help you out, it's, you either go through the loan or you have to give them half of your lot. Because I had to go through one of those schoolings that they had there. Is that beneficial, actually, to the homeowner?

Mr. Villa: I'm not the person to qualify that it's beneficial or not because I'm not really familiar with the program itself. I do know that over the course of several years housing stock has improved. Therefore, property values have improved. The people that qualify sometimes wouldn't qualify elsewhere. And that's what I've been told. Joel, who has been a member of the board, can offer a little bit more information. As far as I'm concerned, I don't know enough to give an opinion.

Councilman Patino: Okay. No, I was just saying because during that time, there was, you know, you had people that were 70, 75 years of age and they had to go to budgeting classes because of things that happened. Is this worth it? Is it really worth it?

(Conversation in background)

Mr. Villa: It could very well have been that the restrictions or the requirements of their funding (inaudible).

(Conversation in background)

Councilman Patino: Just 'cause I'm saying is that 70 years of age, you can no longer take out insurance out on a loan.

Mayor Diaz: Mr. Gonzales, I hear a couple of questions here that, in regards to the programs. I think we need some clarification regarding, you know, the partnership that we have with Primavera and the separation we have with South Tucson and Pima County and all the players involved. If, you know, we can set something up as, an explanation for, maybe not right away, but within the period that we're going to do the resolution for this, for this particular resolution. The other thing is that would the first regular meeting in September be sufficient time for you to be able to compile all your information?

Mr. Gonzales: Mr. Mayor, members of the Council, yes, I believe that would be enough time to come up with a, research information that we need to come back to Council. I believe that a presentation can also be made to Council during the Study Session when you're doing budgets. So we'll work on that, to get that information back to present to you about how that program works.

Councilwoman Mendoza: Can I just ask Mayor, you, a question, or whoever can answer this, if we do, if we table it until the first regular meeting in September, when does this contract need to be, is that sufficient time enough to, 'cause if the fiscal year, the federal fiscal year starts in October, is that sufficient time for that contract?

Mr. Gonzales: Mr. Mayor, Ms. Mendoza, yes, I would anticipate bringing it back probably in August.

Mayor Diaz: Just to make sure that we do get it, we'll do September, the first meeting in September. Is that okay? Okay. So let's see here. For agenda Item #09, Resolution No. 13-23, it's been recommended that we table it until the first regular meeting in September. Do I have a motion for that?

Councilman Rojas: Or sooner. Or sooner if the City Manager gets the information sooner. Is that good?

Mr. Gonzales: Mr. Mayor, the motion basically should give the City Manager the ability ...

Councilman Rojas: Leeway.

Mr. Gonzales: ... to bring it back ...

Councilman Rojas: Yeah.

Mr. Gonzales: ... any time between now and September.

Councilman Rojas: Around August. So moved.

Mayor Diaz: So moved?

Councilman Rojas: Yeah.

Mayor Diaz: Is there a second?

Councilwoman Mendoza: Second.

Motion passed unanimously.

ITEM #10 – RESOLUTION NO. 13-24 OF THE MAYOR AND COUNCIL OF THE CITY OF SOUTH TUCSON, ARIZONA, APPROVING AND ADOPTING AN EXTENSION OF AGREEMENT NO: 01-11-0-140770-0408 AMONG THE PIMA COUNTY REGIONAL SPECIAL WEAPONS AND TACTICS TEAM TO EXTEND THE CONTRACT TERM AND TO AUTHORIZE THE MAYOR TO EXECUTE THE AMENDMENT – Mr. Gonzales stated this resolution pertains to the SWAT Team agreement, and would add an additional five years to the agreement. Councilman Green asked the Police Chief if there is anyone on the team. Chief Lackey replied there is no one there now, but there is a slot to have someone there. Councilman Rojas asked if the slot will be filled with the passage of this resolution. Chief Lackey replied that the police department is authorized to assign an officer to SWAT, but at this time, it is not necessary to do so, and the department does not have the manpower. Lt. Inorio and Chief Lackey provided details of the jurisdictions involved in the SWAT and how the agreement operates. Lt. Inorio answered questions from Councilwoman Mendoza regarding the date of the prior amendment of the agreement. He explained there were some typographical errors with the IGA that was sent to several agencies and some cities approved them. The agreements had to be redone, but service was not stopped. Motion by Councilman Rojas to approve Resolution No. 13-24 as presented. Seconded by Councilwoman Soltero.

Mr. Gonzales stated the Executive Session might last about one hour and recommended the Call to the Audience be held prior to the Executive Session.

ITEM #12 – CALL TO THE AUDIENCE

Kevin Keene: Good evening. My name is Kevin Keene and I'm a reporter for KGUN 9. Earlier this year, I'm coming on behalf of dozens if not hundreds of our viewers that we've heard from over the past few months. It was earlier this year that we did a story on the Spanish Trail Hotel, which came up earlier this evening about what many call an eyesore and has been for many, many years. And I've got copies of the story here if anyone needs a copy. And what brings me here tonight is that I know that there's a lot of new faces in leadership, including people on the Council here. And I've reached out to people just three months ago who are no longer here, so I thought this might be an efficient way just to put out a request. If anyone is interested in sitting down at a later date, not here right now, of course, to sit down and share your perspective, to address people's concerns. I know not everyone lives in South Tucson, but they drive by and they feel like they have a say. And that's part of what our station does is just bringing people's concerns if they feel they're not being addressed quickly enough to the attention of the appropriate party. And so I can leave my business card here with some copies of the stories if you're not familiar with it. And if at any time you can just give my cell phone a call. Thank you so much for your time. I appreciate it.

ITEM #11 – EXECUTIVE SESSION PURSUANT TO A.R.S. SECTIONS 38-431.03(A)(1) – Motion by Councilman Green to adjourn the Regular Meeting and convene into Executive Session. Seconded by Councilwoman Soltero. Motion passed unanimously.

Motion by Councilman Rojas to adjourn Executive Session and convene into Regular Meeting. Seconded by Councilwoman Mendoza. Motion passed unanimously.

ITEM #13 – ADJOURNMENT - Motion by Councilman Green to adjourn the Regular Meeting. Seconded by Councilwoman Mendoza. Motion passed. The meeting adjourned at 8:50 p.m.

Paul Diaz, 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 Meeting of the City Council of South Tucson, Arizona, held on the 8th day of July, 2013. I further certify the meeting was duly called and a quorum was present.

Dated this _____ day of _____, 2013.

Veronica Moreno, City Clerk