

Minutes

The City of Douglas Mayor and Council met in a Regular Meeting on Wednesday, May 13, 2026, at 6:00 p.m., at City Hall Council Chamber, 425 10th Street. The Ho

1. **CALL TO ORDER.** 6:10 p.m.
2. **PLEDGE OF ALLEGIANCE.** By Council.
3. **INVOCATION:** by Pastor Luis Aguilar, Iglesia Bautista Amistad
4. **ROLL CALL.**

	<u>PRESENT</u>	<u>ABSENT</u>
MAYOR, JOSE GRIJALVA	X	
COUNCILMEMBER, IDA PEDREGO	X	
COUNCILMEMBER, JOSE MONTANO	X	
COUNCILMEMBER, GUSTAVO DURAZO JR.	X	
COUNCILMEMBER, RAY SHELTON	X (telephonically)	
COUNCILMEMBER, MARIA DILLMAN	X	
COUNCILMEMBER, RICHARD C. ACOSTA	X (6:13 p.m.)	
CITY MANAGER, ANA URQUIJO	X	
CITY ATTORNEY, DENIS FITZGIBBONS	X	
CITY TREASURER, ALEJANDRO MARTINEZ	X	
CITY CLERK, ALMA ANDRADE	X	

5. **EVENTS UPDATE.**

A representative of the City of Douglas Recreation Department provided an events update which highlighted the upcoming eleventh annual Douglas Days celebration, themed "Celebrating America 250 and Douglas 125," scheduled for May 15 and 16 in Downtown Douglas and Raul Castro Park. This included information on live entertainment, food and craft vendors, a community parade, and guided transportation tours to the historic Slaughter Ranch Museum. Community members were encouraged to register for parade participation and vendor booths through Civic Rec.

Also, the summer 2026 aquatics program schedule for both the City of Douglas Aquatic Center and the Eighth Street Pool. Details were provided regarding open swim hours, lap swim and therapy pool schedules, water aerobics classes, the Douglas Dolphins competitive swim club, and swim lesson registration, with the first session beginning June 1, 2026. The department noted that the Aquatic Center would be closed for afternoon lap swim on May 13 for the DHS track team banquet and on May 22 in honor of the Douglas High School graduating class of 2026.

Mayor Grijalva directed the public's attention to the Last Supper Museum on G Avenue as an additional stop during the Douglas Days Parade, acknowledging the presence of museum representative Mr. Braverman.

Mayor Grijalva noted for the record that Council Member Acosta joined the meeting at 6:13 PM.

Diana LaMar, representing Douglas Indivisible, addressed the Council to announce a community diaper drive to be held at the Douglas Indivisible table during Douglas Days, both Friday evening and throughout the day on Saturday. She noted that diapers of any size and for any age were welcome and that collected diapers would be given away free of charge to community members in need.

6. **MAYOR AND COUNCIL MEMBER UPDATES AND/OR REPORTS.**

Council Member Pedrego reported that she attended the Mayor and Manager luncheon in Benson, accompanied by Ms. Urquijo and Ms. Smith. She also reported viewing an educational video with the mayor

pertaining to water loss accounting and leakage monitoring. Additionally, she accompanied Ms. Urquijo and Mr. Pedroza on a drive-through of Ward 1, which gave her a different perspective on the ward's layout than she had previously understood. She expressed gratitude for the welcoming environment since joining the team.

Council Member Montañó reported meeting with several constituents throughout the past month and addressing their concerns. He attended the Fire Department awards ceremony and congratulated all recipients, thanking Fire Department employees for their service to the community. He also attended an Opportunity Zones online briefing, which he described as very informative, and attended the employee appreciation luncheon, during which he extended thanks to all city employees for their hard work. He concluded by congratulating all Douglas High School 2026 graduates.

Council Member Durazo reported having discussions with aviators regarding the Douglas Municipal Airport, specifically addressing operational concerns about runway lights that intermittently fail to activate, as well as general safety improvements. He met with community members regarding the annual local baseball and softball tournament held in August, noting concerns from participants about the desire to relocate the entire tournament back to 8th Street Park rather than splitting it between 8th Street Park and Airport Park. He characterized the tournament as an eight-year tradition that brings visitors and families together and generates significant fundraising. He also reported speaking with museum representative Mr. Braverman about future opportunities to promote tourism and recreation in Douglas.

Council Member Shelton (attending telephonically) reported that significant progress was being made on the new port of entry project, as had been discussed at the meeting. He noted that he and Council Member Pedrego had the opportunity to cross the border and observe the work on the Mexican side of the port, describing it as a productive visit. He expressed that the city was accomplishing things that had been needed for many years.

Council Member Dillman reported attending numerous community events, which she described as a consistent personal commitment. She specifically highlighted the city charter education sessions hosted by Cochise College, facilitated by Abe Villareal, praising the presentation style and noting that it helped her better understand the charter and how to approach voting on ballot measures. She encouraged all residents to vote at the upcoming election, emphasizing that every vote matters. She also recognized Diana Pacheco and sponsors of the Grand Fiesta Del Día del Niño at Tenth Street Park, commending the musical performances, folklórico groups, and community turnout. She praised Thunder Mountain Wrestling as a free, family-friendly event with growing community attendance. She recognized the Boys and Girls Club family night community potluck as an opportunity to gather parental feedback. She commended Gemma German and her staff for the Paul Huber Middle School Folklórico Dance Recital, noting the addition of the Immaculate Conception Folklórico group. She attended the Public Works recognition luncheon and echoed appreciation for employees who work beyond standard hours to address water issues and other needs. She praised the Mariachi Festival, recognizing Sergeant Davidson and the Cochise County Sheriff's Department for its organization. She closed by encouraging the community to attend the "Moments That Made Us: America 250 and Douglas 125" exhibition at the Grand Theatre, reflecting Douglas's rich history in railroads, smelting, and aviation.

Council Member Acosta reported that the school year was winding down, keeping him busy with award ceremonies, and that his baseball season had just concluded. He read into the record a letter from Martha Alonso, Bioscience HOSA adviser at Douglas High School, reporting on the chapter's accomplishments for the year. These included recruiting over 120 new potential stem cell donors through the National Marrow Donor Program, with one recruited donor identified as a match and going on to help save a life. The chapter hosted three American Red Cross community blood drives collecting over 100 pints of blood. With 67 members, 50 students attended the Arizona HOSA State Leadership Conference in Tucson, and 21 students qualified to represent Douglas and Arizona at the international leadership conference in Indianapolis. Yahir Grijalva was selected as the 2026–2027 Arizona HOSA President-Elect. Forty-five members earned Arizona HOSA Pulse Awards, 48 students became certified health literacy ambassadors, and Maria Belen Franco earned a prestigious Arizona HOSA State scholarship of \$2,000. Students

accumulated nearly 3,000 hours of community service for the year. Council Member Acosta elaborated on his motivation for sharing the report, connecting the students' accomplishments to the broader goal of developing the infrastructure needed to attract these young professionals back to Douglas after completing their education.

Council Member Acosta also reported on the previous night's DHS awards assembly, noting students received scholarship offers from multiple universities, including the University of Arizona (17), ASU (35), NAU (41), GCU (8), New Mexico State University (32), and Cochise College (148), totaling 281 scholarships, in addition to 117 local scholarships, for a combined total of 398 scholarships and over one million dollars in scholarship funding.

Martha Alonso expressed pride in the students and confirmed the chapter had earned Platinum Chapter status. She noted the challenge of providing sufficient volunteer hours for 67 members and extended an open invitation to any organization in need of community volunteers to contact her.

Mayor Jose Grijalva offered various updates. He commented on the strong attendance at Thunder Mountain Wrestling, noting that over 200 attendees were present, the majority from outside Douglas, and expressed his intention to leverage the event to attract hotel and hospitality investments. He echoed thanks to city employees and encouraged council members and administration to sit with employees at appreciation events to maintain a human connection with staff.

He noted a concern brought to his attention via photograph of a person in an electric wheelchair traveling in the roadway on Ninth Street behind the Boys and Girls Club, stating that a sidewalk in that area was needed and that public funds should be used to address infrastructure gaps that property owners may not be able to afford.

He reported participating in a regional public transit summit, where he raised concerns about equitable cost-sharing among jurisdictions and institutions that benefit from transit services, specifically noting that Cochise College, Bisbee, and regional hospitals receive the benefit of Douglas transit funding without contributing proportionally. He reported hearing from transit riders, the majority of whom were seniors, and noted their expressed desire for a senior center offering activities such as karaoke, dancing, and yoga rather than traditional programming.

He reported attending the Arizona Commerce Authority meeting held in partnership with the county, where Opportunity Zones 2.0 was discussed. He emphasized Douglas's beneficial position due to its economic distress status as measured by 2020 census data and urged all Douglas representatives to speak up at state-level meetings rather than accepting the historic pattern of economic development being steered toward Maricopa and Pima counties.

He reported attending a luncheon hosted by the Food Bank for volunteers and attending a lunch arranged by Mark Adams with the moderator of the Presbyterian Church and encouraged the public to attend their potluck events.

He reported that the Consulado visited and discussed the State of Oaxaca's interest in establishing a mezcal distribution center in Douglas, as well as bringing artisan goods for sale, noting that Douglas is being talked about deep into Mexico. He also reported a contact expressing interest in hosting a Colombian cultural event in Douglas.

He congratulated Knuckleheads Boxing Gym on passing their inspection and invited all new businesses to extend invitations at the inspection stage so the city can assist with advertising and marketing.

He thanked Jesus Davidson for organizing the Mariachi Festival largely on his own and noted Davidson's wish to continue it under the Sheriff's Department, leaving the city free to explore other festival genres to attract new audiences.

He reported receiving concern from a resident about street racing on Tenth Street between Washington and Van Buren, noting the risk to pedestrians and children.

He announced upcoming attendance at the ICSC national retail convention in Las Vegas, accompanied by Council Member Pedrego and Ms. Urquijo, with scheduled meetings with two businesses. He publicly invited the Council to hold him accountable at the next meeting for results and stated his desire to be transparent about the travel.

As a last comment, Mayor Grijalva acknowledges National Police Week, May 10–16 and extending gratitude to law enforcement for their service and protection.

7. PRESENTATION OF AWARDS.

A. PUBLIC ENTITY PROTECTION PROGRAM (PEPP) 2026 SMALL EMPLOYER of the YEAR AWARD to the CITY of DOUGLAS.

Ms. Urquijo presented the Public Entity Protection Program (PEPP) 2026 Small Employer of the Year Award, given by the Industrial Commission of Arizona and the Office of the Governor. She explained that the city has been a member of the PEPP program for approximately ten years, working closely with the Arizona Division of Occupational Safety and Health (ADOSH) through both its enforcement and consulting sections. She noted that the program has guided the city through a comprehensive safety overhaul, resulting in approximately a fifty percent reduction in injuries and loss control incidents. She recognized members of the city's loss control committee who were present to receive the award once more.

8. READING OF PROCLAMATIONS.

A. EMERGENCY MEDICAL SERVICES WEEK.

Mayor Grijalva read the proclamation declaring the week of May 17 through May 23, 2026, as Emergency Medical Services Week in the City of Douglas. The proclamation recognized the vital public service provided by EMS professionals, including first responders, EMTs, paramedics, dispatchers, firefighters, police officers, nurses, physicians, and trained members of the public, and encouraged the community to honor the profession with appropriate programs and activities. Mayor Grijalva expressed that EMS personnel are often taken for granted and are only thought of in times of need and extended the city's sincere appreciation for their daily commitment.

B. NATIONAL PUBLIC WORKS WEEK.

Mayor Grijalva read the proclamation declaring the week of May 17 through May 23, 2026, as National Public Works Week in the City of Douglas, coinciding with the 66th annual national observance sponsored by the American Public Works Association. The proclamation recognized public works professionals for their essential contributions to transportation, water supply, water treatment, solid waste systems, and public buildings, and urged citizens to join in activities paying tribute to these professionals. Mayor Grijalva acknowledged that public works employees work beyond standard hours, including on weekends, to maintain city services that residents often do not see.

9. GOVERNMENTAL UPDATES.

Cochise County Supervisor Gomez provided an extensive update to the Mayor and Council on several regional initiatives.

Regarding public transit, Supervisor Gomez agreed with Mayor Grijalva's earlier comments that Cochise College and hospitals in Sierra Vista should contribute more proportionally to regional transit funding, noting that the original ask of \$1.3 million had been significantly reduced through negotiations and that all stakeholders needed to have skin in the game.

She announced a Cochise County Affordable Housing Plan Summit scheduled for June 11, 2026, at 5:30 PM in the Board of Supervisors hearing room in Bisbee. She described the plan as the first fully grant-funded housing study for the county, examining workforce needs, development barriers, and unique local conditions. She encouraged all members and the public to attend and noted that the resulting data would be valuable to potential investors reviewing Opportunity Zone prospects.

Supervisor Gomez reported that the bylaws and articles of incorporation for the Commercial Port Authority Board were being finalized, with a vote expected the following Monday. She described the board as a transparent, private, member-based entity that would include a seat for the City of Douglas and a seat for the County as co-founders. Committee representation would span agriculture and cattle, mining, manufacturing, medical, transportation and infrastructure, tourism, and small business. She noted her intention to seek a seed fund contribution from the city and the county, with the County considering \$75,000, to support the hiring of a director. She described the board's purpose as bridging the gap between federal inspection agencies, local businesses, and regional transportation networks to facilitate efficient trade and commerce at the new commercial port of entry, calling it something Douglas has never had before.

She announced that the contract with the Natelson Dale Group for a comprehensive economic development strategic study for Cochise County was being finalized. She noted this would be the first such study in the county's history, with the new commercial port of entry as the key starting point. The study, expected to be completed in approximately ten months after initiation, would include a feasibility study for a hospital in Douglas and cover workforce, housing, and development data needed to attract investors. She emphasized the value of having this data ready so that outside investors would not need to commission their own studies.

Supervisor Gomez turned to Opportunity Zones 2.0, noting that Cochise County is allocated four zones out of fifteen eligible areas. She stated her confidence in selecting the zone surrounding the port of entry and extending half-circle from the port up through Pirtleville and along SR 80, as it includes available land, existing infrastructure, Cochise College, and a future workforce. She indicated the county must submit its selections by July 1 and expressed optimism about securing a second zone for Douglas, while advocating for three. She noted that Douglas is uniquely positioned due to its classification as both an Opportunity Zone and a New Markets Tax Credit area, making it especially attractive to investors.

She reported attending a University of Arizona local leaders' summit where she connected with a bio lab developing plants that can extract toxins from soil and tailings. She described inviting them to study the slag remaining from the Douglas smelter as a potential pilot site.

She reported her intention to bring forward at the next Board of Supervisors meeting enhancement fund allocations of approximately \$5,000 for the Mundo youth basketball program and approximately \$5,000 for a veteran claims and resource fair to be held in Douglas.

She revisited the topic of senior citizen services, acknowledging that prior programming was offered at inconvenient hours and noting that residents have been traveling to Bisbee for senior center activities. She stated her intent to engage SEAGO's Department of Aging to explore grant funding for a senior center in Douglas that offers programming such as karaoke, yoga, and social activities.

She closed by encouraging community members with questions about Opportunity Zones to contact her directly rather than relying on secondhand information and directed them to the Arizona Commerce Authority as the primary authority on the program.

In response to a question from Mayor Grijalva about whether Douglas could secure all four Opportunity Zone designations, Supervisor Gomez clarified that the county is limited to four total, and that other supervisors wished to have designations in their own districts. She expressed confidence in securing two for Douglas and hope for three.

10. PERSONS WISHING TO ADDRESS THE COUNCIL IN WRITING OR VERBALLY ON ANY ITEM NOT ON THE AGENDA.

Diana LaMar of 1303 F Avenue addressed the Council on several topics. She expressed appreciation for Mayor Grijalva's commitment to transparency and accountability. Regarding nondisclosure agreements, she raised concerns about the frequency and appropriateness of NDA use by council members and suggested they should be reserved for situations involving serious proprietary reasons. She requested greater specificity in executive session descriptions so the public can understand, in general terms, what is being discussed. She referenced prior public records requests indicating that conversations with entities interested in locating a data center near the airport were documented as recently as January 2024 and questioned how those discussions appeared to conclude abruptly. She asked for a commitment to transparency on that matter and suggested consideration of a moratorium on data centers, citing concerns about water usage, power demands, lack of promised jobs, and impacts on local land. She also raised questions about the disposition of existing Flock camera infrastructure and data following the termination of that contract and asked whether replacement systems were being considered.

Mayor Grijalva stated for the record that he had not signed any NDAs and had not engaged with any data center discussions personally. He directed City Attorney Denis Fitzgibbons to respond to Ms. LaMar's specific questions via email or to address them at the next meeting.

Michael Arevalo of 1331 Bonita Avenue addressed the Council with a suggestion to convert traffic signals in lower-traffic areas of Douglas to flashing red or four-way stop configurations during periods of minimal traffic, rather than running full signal cycles when no other vehicles or pedestrians are present. He recalled that as a child, traffic signals in Douglas operated in a blinking mode on Sundays and expressed that residents frequently encounter unnecessary red lights when traveling through town. Mayor Grijalva thanked Mr. Arevalo and directed staff to consider scheduling a study session on the concept.

Harrod Blank, of 450 E 8th Street, announced that the umbrella art walk he had been developing was nearing completion and would be ready in time for Douglas Days. He announced a free ice cream and popsicle giveaway in partnership with La Nueva Michoacana ice cream store, to be held on Friday and Saturday evenings from 7:00 PM to 9:00 PM, with 100 popsicles available each night on a first-come, first-served basis, to draw residents out to experience the new art walk. He also provided an update on the Art Car World monument, which the art walk is to the monument. He announced that HVAC would be installed in the museum and encouraged the public to attend an upcoming delegation visit in late June to discuss Douglas's future and downtown revitalization.

He called on the Council and staff to develop a liaison program to help business owners and homeowners navigate the permitting, engineering, and grant application processes needed to revitalize their properties, identifying the permitting process as difficult and burdensome. Encouraged to help with grant writing and having a liaison to help write grants. Encouraged property owners to do something to beautify the area as well. He advocated for prioritizing roof repairs for struggling generational business owners downtown to prevent further structural deterioration. Need more housing and hotels for people to stay. He also encouraged the city to incentivize the beautification of abandoned lots and vacant properties downtown with public art, shade structures, benches, and trees to prepare for anticipated growth in tourism. He expressed his belief that Douglas was positioned for significant growth and that the museum, along with broader community efforts, would help attract visitors.

Mayor Grijalva directed staff to assist with advertising Mr. Blank's Douglas Days events and scheduled a follow-up meeting to discuss Mr. Blank's broader suggestions for downtown revitalization.

Eric Braverman of 1101 G Avenue representing the Last Supper Museum, thanked city employees for the work they do at the parks and take care of the trash, they are the best. Mr. Braverman addressed the Council with pointed criticism regarding the city's approach to tourism promotion and economic development. He presented printed publications including the Sky Island Alliance magazine and the Arizona Office of Tourism magazine, noting that Douglas was absent from both. He stated that the city was not a

member of the Arizona Office of Tourism and that no meaningful investment was being made in promoting Douglas to outside visitors. He expressed frustration that the city's economic development staff had been unresponsive to outreach from the Herald Review, the city's primary local publication. He criticized the decision to remove descriptions of local restaurants from a Douglas tourism document in favor of listing national fast-food chains, stating that both McDonald's and Pizza Hut had advised against that approach. He expressed concern that tens of thousands of dollars were being given annually to the Cochise County Tourism and Economic Development board in Sierra Vista with no visible benefit to Douglas. He argued that the proposed expenditure of \$33,000 to pay off taxes on the Mehan property was unjustifiable given the lack of investment in city promotion. Mr. Braverman stated "I'd like you people, unless you'd like to resign—and some of you city employees, if you'd like to resign and retain a shard of dignity, that would be fantastic—or stay here all night and tell me where you're going to give me the money for the Day in Douglas, which I've given to the economic development person. I've given to the mayor." He called for immediate change in approach and a dedicated commitment to marketing Douglas from El Paso to Tucson and into Mexico, noting that Douglas was being discussed internationally but that nothing was being done to capitalize on that interest.

11. DISCUSSION/DECISION on APPROVAL of CONSENT AGENDA ITEMS:

- A. **EXPENDITURES** for the month of **APRIL 2026** totaling **\$3,863,739.10**.
- B. **MEETING MINUTES** for **APRIL 8, APRIL 15** and **APRIL 22, 2026**.
- C. **DOUGLAS AIRPORT AUTHORITY BOARD APPOINTMENT** of **JOSE MONTAÑO**.
- D. **RESOLUTION NO. 26-1733**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** the City of Douglas to **ACCEPT GRANT FUNDING** and **ENTER** into a **SUBGRANTEE AGREEMENT** with the **STATE OF ARIZONA DEPARTMENT OF HOMELAND SECURITY** for a **REIMBURSABLE GRANT FUND** allocation in the amount of **\$289,500** for **PERSONNEL OVERTIME COST, MILEAGE** and **EQUIPMENT** under Operation Stonegarden fiscal year 2025 grant program award – allocation.
- E. **RESOLUTION NO. 26-1734**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** the **EXECUTION** of an **INTERGOVERNMENTAL AGREEMENT** between the City of Douglas and **COCHISE COUNTY HEALTH** and **SOCIAL SERVICES** Department regarding the **DISBURSEMENT** of **OPIOID SETTLEMENT FUNDS**.
- F. **EMPLOYEE HEALTH INSURANCE CONTRACTS**.

Motion by Council Member Montaña, second by Council Member Durazo to approve the consent agenda items as presented.

Motion by Council Member Montaña, second by Council Member Durazo to amend the motion and pull item D to be discussed.

Item D: Resolution No. 26-1733 — Operation Stone Garden Grant

Item D was then taken up separately. Diana LaMar addressed the Council, explaining that her request to pull the item stemmed from concern about what equipment was being purchased under the grant, given the association of a prior Flock camera system with the Operation Stone Garden grant program. She expressed elevated concern about surveillance and asked for clarification on the specific equipment expenditure.

Ms. Urquijo noted that the Stone Garden program was used for officer overtime. Sergeant Gamez addressed the Council and clarified that the equipment component of this grant allocation was approximately \$1,500 for vehicle restriping to apply police markings to a patrol vehicle that had been

provided under the Stone Garden Grant, and that the Flock camera system was not part of the Stone Garden Grant in any capacity.

Motion PASSED by a vote of 6-1 for consent items A through F. Roll call: Voted in Favor: Mayor Jose Grijalva, Council Members: Ida Pedrego, Jose Montaño, Gustavo Durazo, Maria Dillman, and Richard Acosta. Voted Against: Ray Shelton.

Motion PASSED by a vote of 7-0 for item D. Roll call: Voted in Favor: Mayor Jose Grijalva, Council Members: Ida Pedrego, Jose Montaño, Gustavo Durazo, Ray Shelton, Maria Dillman, and Richard Acosta. Voted Against: None.

12. DISCUSSION/DECISION on APPROVALS.

A. **SECOND READING OF ORDINANCE NO. 26-1230**, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING the ACCEPTANCE of DONATED VACANT UNIMPROVED REAL PROPERTY** from Ray Mehan consisting of a 6.35 acre parcel with assessor's parcel number 410-12-035 in the City of Douglas, Cochise County, Arizona, establishing severability of components of ordinance; and establishing an effective date thereof.

Mr. Pedroza presented the item, explaining that Ray Mehan had approached the city to donate a 6.35-acre unimproved parcel adjacent to the golf course along SR 80. The parcel carried outstanding property taxes of approximately \$33,454.27 accrued since 2008. Mr. Mehan had indicated he paid approximately \$200,000 for the property in the early 2000s and no longer wished to develop it. The donation agreement stipulated that the city would absorb the outstanding taxes. The assessed value of the parcel was \$36,378. Staff had addressed concerns from the prior meeting regarding ADOT driveway access requirements, confirming that driveways could be constructed within the parcel given the 55-mph zone and a required separation distance of 450 feet, and noting collaborative driveway options with neighboring properties were possible. Mr. Pedroza also noted that a minor general plan amendment and potential rezoning from SFR-8 to commercial would be required to fully realize the parcel's development potential.

Motion by Council Member Durazo, second by Council Member Montaño to approve the second reading of Ordinance No. 26-1230.

Mayor Grijalva raised concerns about the policy of using taxpayer funds to absorb a private landowner's tax liability in exchange for a donation intended to benefit the owner through a tax write-off. He expressed the view that if the owner purchased land and chose not to develop it, the financial responsibility should remain theirs and questioned whether public funds should serve as a bailout.

Council Member Shelton asked staff for an estimated market value of the property. Mr. Pedroza acknowledged that appraisal would be needed to establish market value but noted it would likely exceed both the assessed value and the \$200,000 the owner paid. Council Member Shelton suggested that obtaining an appraisal and potentially negotiating better terms might be advisable.

Council Member Acosta expressed his view that the owner should simply place the property on the market and assume the associated financial risk himself rather than requiring the city to pay off the taxes. He stated his belief that his constituents would prefer the city to step back from this transaction.

Council Member Pedrego acknowledged the owner's investment risk but noted that regardless of how the transaction was characterized, money was being spent by the city. She agreed that an appraisal would be appropriate to confirm whether the acquisition justified the expenditure and agreed with other members that those funds might be better directed to other community needs.

Steven Helffrich, a licensed architect with over 30 years of experience, addressed the Council and raised concerns about the parcel. He noted that approximately 1.2 acres of the parcel were not developable, effectively reducing the usable area to approximately 4 acres. He advised that ADOT would likely permit only a right-in/right-out access point without a left-hand turn, limiting commercial viability. He also identified

access challenges requiring easements through adjacent parcels and noted that an existing retention pond would need to be reworked, creating significant infrastructure costs. He suggested the \$33,000 would be better spent on other community priorities such as the needed sidewalk on Ninth Street.

Mayor Grijalva inquired about the \$33,000 and what line item would be used from the budget.

Ms. Urquijo responded that it would come from strategic investments or special council projects.

Council Member Acosta asked if the owner could put it on the market and why would the city would pay the taxes. Council Member Acosta mentioned that the city has other investments that need to focus on and his constituents would rather have him step back on this and let the owner sell it.

Council Member Pedrego mentioned that the gentleman bought it thinking of it as a good investment and now trying to donate it to the city; and stated an appraisal is needed.

Motion FAILED by a vote of 2-5. Roll call: Voted in Favor: Council Members: Gustavo Durazo and Ray Shelton. Voted Against: Mayor Jose Grijalva, Council Members: Ida Pedrego, Jose Montañó, Maria Dillman, and Richard Acosta.

B. SECOND READING OF ORDINANCE NO. 26-1231, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AMENDING CHAPTER 2.02** of the **DOUGLAS MUNICIPAL CODE** specifically as to section **2.02.020 RULES OF CONDUCT** for **COUNCIL MEETINGS**, establishing severability of components of Ordinance; and declaring an emergency.

Ms. Andrade explained that the only amendment to the existing ordinance was the addition of subsection I under Governmental Updates, which would formally allow various governmental agencies to present updates to the City Council during meetings. Staff recommended approval.

Mayor Grijalva explained the rationale, noting that the emergency designation was requested to avoid waiting an additional thirty days for the amendment to take effect, ensuring the Council could continue conducting governmental update presentations in a compliant manner. He further explained that the amendment would allow representatives from state agencies, the county, or visiting dignitaries to present and engage in a back-and-forth dialogue with the Council, as opposed to the three-minute limit applied to public call-to-the-public speakers, which does not permit responsive discussion.

Motion by Council Member Dillman, second by Council Member Pedrego to approve the second reading of Ordinance No. 26-1231.

Motion PASSED by a vote of 7-0. Roll call: Voted in Favor: Mayor Jose Grijalva, Council Members: Ida Pedrego, Jose Montañó, Gustavo Durazo, Ray Shelton, Maria Dillman, and Richard Acosta. Voted Against: None.

C. FIRST READING OF ORDINANCE NO. 26-1229, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **ADOPTING** the Document Filed with the City Clerk and Entitled "2026 Amendments to Title 2" by Reference to **AMEND** the **DOUGLAS MUNICIPAL CODE TITLE 2** relating to the **DOUGLAS AIRPORT AUTHORITY**, establishing severability of components of ordinance; and establishing an effective date thereof.

Mr. Pedroza provided the history of the Douglas Airport Authority (DAA). He explained that the DAA was established by ordinance in 1980 and was originally granted powers including acquiring and disposing of land, managing revenue and expenses, and entering contracts subject to council approval. However, since its inception, the DAA had never operated in the managerial capacity prescribed by the ordinance. It had instead functioned as an advisory body to the Mayor and Council, reviewing airport operational items and quarterly financial reports, without ever incorporating as a separate legal entity capable of owning property or entering contracts.

Staff had informed the DAA of this misalignment at meetings on January 26 and May 4, 2026. The DAA accepted the proposed changes at its May 4 meeting and recommended the addition of a sentence to section 2.44.080 requiring that recommendations from the advisory committee be delivered to the Mayor and Council within three days of a meeting. The proposed ordinance would revise the DMC to formally reflect the DAA's role as an advisory committee, renaming it the Douglas Airport Advisory Committee, removing powers relating to property ownership and fund management, and updating language accordingly. Membership structure would remain unchanged.

Ms. Urquijo clarified that the amendment was a housekeeping measure to align the ordinance with actual practice since 1980, noting that the Tucson Airport Authority manages Tucson International Airport in a true authority capacity, whereas Douglas has never operated anywhere near that level. She confirmed the current members of the advisory body as Carlos Fernandez, Tanya Duarte as chair and co-chair, Mitch Lindeman, and newly appointed Council Member Jose Montaña.

Diana LaMar addressed the Council to inquire whether the existing members would continue to serve on the renamed advisory committee and to ask for clarification on the reason for the change. Ms. Urquijo confirmed that the same members were expected to continue and reiterated that the change was purely a housekeeping correction to match how the body had operated for over forty years. Ms. LaMar also inquired whether there continued to be discussion about airport property for a data center. Ms. Urquijo indicated that question was not relevant to the ordinance before the Council but offered to address it separately.

Motion by Council Member Montaña, second by Council Member Acosta to approve the placement of Ordinance No. 26-1229.

Motion PASSED by a vote of 7-0. Roll call: Voted in Favor: Mayor Jose Grijalva, Council Members: Ida Pedrego, Jose Montaña, Gustavo Durazo, Ray Shelton, Maria Dillman, and Richard Acosta. Voted Against: None.

Motion by Council Member Acosta, second by Council Member Montaña to approve the first reading of Ordinance No. 26-1229.

Motion PASSED by a vote of 7-0. Roll call: Voted in Favor: Mayor Jose Grijalva, Council Members: Ida Pedrego, Jose Montaña, Gustavo Durazo, Ray Shelton, Maria Dillman, and Richard Acosta. Voted Against: None.

D. FIRST READING OF ORDINANCE NO. 26-1232, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING the ACCEPTANCE of DONATED REAL PROPERTY** from **M & M MORRIS PROPERTIES LLC** consisting of assessor's parcel number 410-06-005a and 410-06-005b in the City of Douglas, establishing severability of components of Ordinance; and establishing an effective date thereof.

Ms. Gonzalez explained that two parcels owned by M & M Morris Properties LLC had been subject to illegal dumping, and repeated code enforcement violation notices had gone unanswered. The city proceeded with abating the properties beginning in February 2025, recorded a notice of claim and lien with the Cochise County Recorder's Office on June 4, 2025, and placed liens on both parcels. City staff subsequently contacted Daryl Morris, heir to the parcels following the death of the original owners, who indicated that he and his siblings had no interest in retaining the properties and wished to donate them to the city. The parcels are located on East Golf Course Road and Washington Avenue. Parcel A carries outstanding taxes of \$249.28; Parcel B carries \$144.03, for a combined total of \$393.31. The assessed values are \$14,450 for Parcel A and \$8,348 for Parcel B, totaling \$22,798. Staff recommended acceptance of the donation.

Motion by Council Member Montañño, second by Council Member Pedrego to approve the placement of Ordinance No. 26-1232.

Mayor Grijalva expressed a degree of reservation for consistency, noting his earlier remarks about the city absorbing private owners' tax liabilities. However, he acknowledged the Council's view that this situation was substantively different given the minimal tax amount and the circumstances of the donation.

Council Member Montañño spoke in favor of the item, distinguishing it from the earlier Mehan property item. He noted that the benefit to the city was clear, the outstanding taxes were minimal, the land was developable, and the location near Golf Course Road and North Washington Avenue made it a straightforward acquisition. He indicated he would pay the \$393 out of his own pocket without hesitation.

Council Member Shelton expressed strong support, noting that he had personally received complaints about the properties and had contacted city hall on multiple occasions about trash removal. He described the location as a prime site for residential development.

Steven Helffrich addressed the Council with a technical observation, noting a potential road alignment issue involving Washington Avenue and Golf Course Road and suggesting that the western parcel may partially be needed to accommodate future right-of-way alignment. He recommended the city consider this when planning development.

Motion PASSED by a vote of 6-0. Roll call: Voted in Favor: Council Members: Ida Pedrego, Jose Montañño, Gustavo Durazo, Ray Shelton, Maria Dillman, and Richard Acosta. Voted Against: Mayor Jose Grijalva.

Motion by Council Member Acosta, second by Council Member Durazo to approve the first reading of Ordinance No. 26-1232.

Motion PASSED by a vote of 6-0. Roll call: Voted in Favor: Council Members: Ida Pedrego, Jose Montañño, Gustavo Durazo, Ray Shelton, Maria Dillman, and Richard Acosta. Voted Against: Mayor Jose Grijalva.

E. **FIRST READING OF ORDINANCE NO. 26-1233**, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** the **AGREEMENT** for the **PURCHASE** of **INTERESTS** in sections of **REAL PROPERTY** with assessor parcel numbers 408-31-002E and 408-31-002H **GRANTING** of an **EXCLUSIVE** and **PERMANENT EASEMENT** and approving the agreement for the purchase of interests in real property with the United States of America, authorizing the city manager to execute all necessary documents; establishing severability of components of Ordinance; and establishing an effective date thereof.

Mr. Pedroza explained that the General Services Administration, on behalf of the United States of America, is expanding the Raul Castro Port of Entry. As part of that expansion, a diversion of existing drainage is required, involving the construction of a new drainage channel that would carry water directly westward before ultimately draining into Mexico, bypassing the current route north on Pan American Avenue. The GSA requested an easement over two city-owned parcels located directly south of Chino Road to construct the channel.

The city-owned parcels are identified by assessor's parcel numbers 408-31-002E and 408-31-002H. The agreement provides for the purchase of an exclusive and permanent easement over portions of those parcels in exchange for payment to the city of \$188,472. The GSA would construct the drainage channel at its own cost, though maintenance would become the city's responsibility. A separate maintenance agreement would be brought forward at a later date.

Mr. Pedroza explained that the new drainage configuration would benefit Douglas overall by alleviating a convergence point near the Jungle location where multiple drainage flows from O'Reilly's and other directions currently meet, reducing that flow by approximately sixty percent. Staff noted that provisions ensuring continued city and Border Patrol access across the new channel to the wastewater treatment plant had been incorporated into the agreement, and that the potential impact of a proposed secondary border wall on maintenance access was being actively addressed with the federal partners.

Motion by Council Member Montañó, second by Council Member Dillman to approve the placement of Ordinance No. 26-1233.

Mayor Grijalva framed the city's cooperative approach as prudent, noting that the federal government, as the party constructing the new port of entry, held significant leverage, and that the city's willingness to work constructively with the United States of America on this easement was both financially beneficial and strategically important to the broader port development. He also noted the \$388,472 in proceeds as a resource that could fund multiple community improvement projects.

Motion PASSED by a vote of 7-0. Roll call: Voted in Favor: Mayor Jose Grijalva, Council Members: Ida Pedrego, Jose Montañó, Gustavo Durazo, Ray Shelton, Maria Dillman, and Richard Acosta. Voted Against: None.

Motion by Council Member Dillman, second by Council Member Pedrego to approve the first reading of Ordinance No. 26-1233.

Motion PASSED by a vote of 7-0. Roll call: Voted in Favor: Mayor Jose Grijalva, Council Members: Ida Pedrego, Jose Montañó, Gustavo Durazo, Ray Shelton, Maria Dillman, and Richard Acosta. Voted Against: None.

13. CITY MANAGER REPORTS.

Ms. Urquijo provided the following update across several areas.

1. Infrastructure

- Asphalt Plant – Asphalt plant will be erected next week by used of a crane. Electrical and gas are in process of getting connected. Expect late June for commissioning.
- Well 18 Project at the Causey Park water tanks continues to move forward. There is a Connex Box on site for the contractor that is overseeing this project as well as heavy equipment in the area. The project timeline is fall of this year.
- Chino Road Extension to begin work this month. Chino Road is expected to be open as they work on the realignment but will close for about 3 weeks after Labor Day. Traffic and southbound queue line will be redirected.
- Also at the Causey Park water tanks, progress continues on a telecommunications project where the setup of a new SCADA system is underway. A SCADA system is intended to monitor and automate water wells in our water distribution system, among other things as well. This project has required contractors to climb the water tanks to set up antennas on the tanks. The project timeline is late summer.
- A WIFA visit was completed last week for review of the SCADA project.
- Joe Causey Park Restroom Renovation Project is underway for the bathroom between Monchi field and the girls' softball field. Project timeline is expected to be about 8 weeks upon permit approvals.

2. Economic Development:

- The City of Douglas is in the process of a focused Housing Study for Douglas as part of the Cochise County's Affordable Housing Study. The timeline for the completed report is expected to be ready by July.
 - Our Economic Development Team is working with Local First to bring a series of virtual educational workshops for local food entrepreneurs. Workshops will be in English and Spanish with topics including Cottage Industry Guidelines and Licensing, Food Safety, and Marketing. This is a strategic part of the process in working towards a commercial kitchen/Kitchen Incubator program.
 - Our Economic Development Team is working with SBDC on bringing the DreamBuilder in-person workshop to Douglas. This 5-week bootcamp is an opportunity to have hands-on assistance in learning to start up a business including walking way with a formal business plan. Once dates are finalized, we will release the information to the public.
 - A new Hotel Study has been completed and available to hotel chains. Hotel chains may register to receive the study through a link on the Economic Development webpage or reach out directly to the City of Douglas.
3. Special Events/Tourism
- During the inaugural Borderland Gravel Bike Race, the event Director coordinated the production of a documentary highlighting the race and the Arizona–Sonora borderlands experience. As the event enters its third year, our Tourism office was notified that the documentary has been officially accepted into the Nogales Film Festival, with a screening scheduled for May 16. The documentary gravel riding in the Arizona–Sonora borderlands while providing a behind-the-scenes look at the Borderlands Gravel event hosted in Douglas. This recognition continues to generate positive regional exposure for Douglas and highlights the growing impact of the event.
 - If you have not visited the Grand Theater Gallery, you have an opportunity to see Moments that Made US, an exhibition that explores the ideals at the heart of the Declaration of Independence through moments from our nation's 250 years that have defined us including our own Douglas 125. I'd like to send a special thanks to Border Art Corridor for their collaboration in this project as well as the Douglas Historical Society. The gallery will be open Wednesday through Friday from 300pm-600pm and by appointment until May 30, 2026.

City Clerk:

- The City Clerk's Office would like to extend its sincere appreciation to Mr. Abe Villareal, Dean of Cochise College, for his valuable assistance with the two Charter educational sessions, one held at Cochise College on Tuesday, April 14 at 12pm; and the other at the Douglas Fire Department on Thursday, April 16 at 5pm.
- The City Clerk's Office also appreciates the support of the Douglas Historical Society for the "Connect with the City Clerk's Office" event held on Saturday, May 9, from 10:00 a.m. to 12:00 p.m. We are especially thankful for the dedication of the Douglas-Williams House volunteers. A special thank you goes to Cindy Hayostek and Lea Dodge for their assistance in reserving the house for this event.
- Charter Election: Tuesday, May 19, 2026, starting at 6am to 7pm. The last day to vote in person is Tuesday, May 19 at the Cochise County Douglas Government Center at 1012 N. G Avenue. City Hall will be open at 6am for any questions. You can find a publicity pamphlet at the Douglas Public Library, at City Hall or on the city's website under the Elections section in the Clerk's tab.
- Shred-A-Thon Day: Thursday, May 21, 2026, from 9am – 12pm at the Douglas Fire Department.

Development Services:

- The Planning & Zoning Commission will meet on Thursday, May 21, 2026 for a public hearing and discussion/decision on a Special Use Permit (SUP) for an additional free-standing sign (only one is allowed per Section 709 of the Zoning Code) and two wall signs on a building elevation that does not face the street frontage, which the code does not allow by right.

Transit

- Douglas Rides received delivery of a new 32-passenger bus on May 12, 2026. This bus will replace one of the older, high-mileage buses which are currently being used on our daily fixed routes.

14. FUTURE AGENDA ITEM REQUESTS FROM MAYOR AND COUNCIL.

Council Member Pedrego requested two future agenda items: a report by the code enforcement officer explaining the process of code enforcement and presenting recent activity, and an update to the community regarding the status of the streetscape project, noting that constituents had been inquiring about it frequently.

15. ADJOURNMENT.

Motion by Council Member Pedrego, second by Council Member Dillman to adjourn the meeting at 8:23 p.m. Motion passed unanimously.

Prepared by:



Alma Andrade, City Clerk