Board of Supervisors
July 1, 2026
9:30 AM

The Board met in a Regular Meeting at the Santa Cruz County Complex, 2150 N. Congress Drive, Room #120, Nogales, AZ. Present: John Fanning, Chairman; Luis Carlos Davis, Vice-Chairman; Rudy Molera, Member; Jesus Valdez, County Manager; Mauricio Chavez, Deputy County Manager; Chris Young, Deputy County Manager; Robert May, Civil Bureau Chief; Alma Schultz, Clerk of the Board.

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Chairman Fanning called the meeting to order, and the Pledge of Allegiance was recited, led by Dan Dellinges.

ADOPTION OF AGENDA

Vice-Chairman Davis made a motion to adopt the Agenda as presented, excluding Consent Agenda Item J3 and to allow the Chair to deviate from the Agenda sequence as necessary; seconded by Supervisor Molera; motion carried unanimously. (Ayes: Davis, Fanning, Molera)

CALL TO THE PUBLIC:

Susan Faubion, a resident of Rio Rico, stated that the Sheriff's Office has informed her there is no county noise ordinance, limiting deputies' ability to address repeated noise complaints during celebrations. She requested that the County review noise ordinances in other Arizona counties, noting she was told Santa Cruz County may be the only one without one. She added that consistent standards, such as decibel limits, could be helpful. Ms. Faubion emphasized she is not opposed to celebrations but is concerned when noise continues into early morning hours and disrupts residents' sleep.

Bonnie Titre, a resident of Rio Rico, reiterated her interest in purchasing three Vetare lots adjacent to her property and questioned whether ARS 11-251 prohibits granting a first right of refusal. She explained her intent to include the lots in an animal conservation trust, noting the presence of threatened wildlife and the deed restrictions meant to protect natural habitat and reduce water demand. She also asked the County to consider funding related to current issues involving the Humane Society.

Cynthia Colbert, a resident of Rio Rico, urged the County and the City of Nogales to address the needs of the Humane Society, noting its critical role in the community. She recalled prior County action to relocate the animal control facility to County land, including funding for design and cost estimates, but stated no progress has been made. She encouraged collaboration with the Humane Society and emphasized that several options are available.

Chris Werkhoven, a resident of Marana, expressed concern about potential conflicts of interest in water, soil, and air studies related to permit applications. He stated that agencies and panels involved receive fees or funding from permit applicants, including South32, and urged the establishment of an independent citizen science council to ensure unbiased environmental analysis. He noted ongoing issues with water and air monitoring and highlighted the need for accurate information for the public and elected officials.

Robin Lucky, a resident of Rio Rico and president of the Calabasas Alliance, informed the Board that representatives from the University of Arizona College of Public Health were present to gather input for a countywide health study prior to the South32 Hermosa excavation project. She encouraged everyone to speak with them and provide feedback. She also announced that Arizona State University selected the Calabasas Alliance to participate in a water testing project and will provide equipment valued at approximately twelve to fifteen thousand dollars. She noted that additional testing locations will be identified as the project moves forward.

Jay Thompson, a resident of Rio Rico, raised concerns about the proposed expenditure limit adjustment and said many residents feel uninformed about a potential sixty percent increase in spending authority. He requested clearer explanations of the specific costs driving the increase, how much new funding would go to salaries and benefits, how critical needs such as water studies and animal shelter safety will be addressed, and what impacts related to South32 should be covered by the company. He also asked how the county plans to manage future revenue or borrowing and what long-term effects this may have on taxpayers. He emphasized the need for transparency so residents can understand and support the decision.

CURRENT EVENTS

1. BOARD OF SUPERVISORS

SUPERVISOR MOLERA: reported that he had been away the previous week celebrating his thirty-seventh wedding anniversary. He offered condolences to the family of Jose Oscar Lopez, noting that services would be held later in the day, and acknowledged his father's heavenly birthday. He thanked Mr. Chavez, Ms. Martinez, and the finance staff for their hard work during the fiscal year transition, recognizing the demanding workload involved. He concluded his report.

VICE-CHAIRMAN DAVIS: wished Michelle Ward, U.S. Consulate General in Nogales, Mexico, the best in her next chapter and recognized her warmth, kindness, and contributions to regional collaboration, noting her impact at the Arizona-Mexico Commission conference where major topics included semiconductors, transportation infrastructure, and the presentation on the future DeConcini Port of Entry and its anticipated 1.5-billion-dollar investment. He reported attending the city mayor and council candidate forum and thanked the organizers. He acknowledged Public Works for repairing concrete panels in the Nogales Wash before monsoon season, and he thanked County Manager Jesus Valdez and Flood Plain Control for working with Monte Carlo residents on flooding concerns. He also thanked Mr. Peña and his staff for their efforts following the Humane Society closure. He noted the one-year anniversary of the passing of his niece, Ashley Sesteaga, and shared that a mass was held in her honor; he expressed his ongoing love for her and support for the entire family during this difficult remembrance. He concluded his report.

CHAIRMAN FANNING: thanked the Arizona Department of Transportation for holding the Transportation Board reception and meeting in the county and noted strong attendance. He reported participating in the Arizona-Mexico Commission summit, where Oso Wash was a key topic in the water breakout session. He attended the Lavender Festival in the eastern part of the county and commended the Harwell family for their work and the high turnout. He also attended the City of Nogales candidate forum and asked all candidates about the importance of working more closely with the county, expressing hope for stronger collaboration after the election. He participated in a local community recognition event and thanked those who made the venue available. Chairman Fanning joined a WRRC water webinar and met with Fisher Industries for a border wall update, noting construction remains on schedule for twenty miles in Santa Cruz County and that safety and speed limits for nearby residents were discussed. He concluded his report.

2. MANAGER

JESUS VALDEZ, COUNTY MANAGER, reported that the next phase of improvements at the county complex will include painting the building and surrounding wall. He stated that the contractor has provided a schedule and work is expected to begin on July 15. He asked for the public's patience during this phase and noted that all updates and project information will be posted on the county website. He added that the first phase of the project focused on asphalt and road reconstruction.

DEPARTMENT REPORTS AND ACTIVITIES

1. FINANCE: CASH & INVESTMENTS, EXPENDITURES & REVENUE REPORTS

Maria Martinez, Assistant Finance Director, reported $26,593,168.92 in the General Fund, of which $15,222,563.11 is invested; $6,410,398.08 in the Road Fund, of which $5,234,209.89 is invested; $3,218,803.88 in the Flood Control District Fund, of which $315,451.69 is invested; $6,755,064.40 in the Jail District Fund, of which $4,495,981.72 is invested; $67,418,783.78 total for all funds, of which $27,435,374.89 is invested; $13,391,649.96 estimated end of month balance, compared to $9,980,799.61 cash at July 2025 a difference of $3,410,850.35.

2. DEPARTMENT(S) UPDATE

Alejandro Paz, County Treasurer, reported that the fiscal year closed successfully the previous evening and thanked Finance and all departments involved. He stated that all corrections for District 28 are complete and that refunds, including accrued interest, are being mailed to mortgage companies and individual property owners. He provided an update on the county's transition to PNC Bank, noting that a final preparation session with all affected departments is scheduled for Tuesday, with a planned go-live date of July 20. He also reported that the Treasurer's Office is transitioning to the new Collector Harris system and is currently in a "dark period" through July 19 while data is extracted and prepared for transfer. Payments are being accepted but will not be posted to tax histories until July 20 or later. Training with the system provider will take place the week of July 13, and any changes to the go-live date will be communicated immediately.

In response to questions from the Board, Treasurer Paz stated that the new system is more efficient, offers stronger support, improves communication across departments, and will automate journal processing between Finance and the Treasurer's Office. He noted that three counties, including Santa Cruz, Navajo, and Graham, will be using the new system.

Zaida Bustamante, WIOA Director with Arizona at Work, provided an update on services being offered to employees of the Humane Society in response to the potential closure. She explained that the department is providing rapid response services, including training, certifications, job search assistance, and help with unemployment claims. Staff have visited the Humane Society three times, and one employee has already completed veterinary assistant training through the program. She noted that the Humane Society is currently seeking supplies and that services will continue to ensure employees are prepared and supported should a closure occur. She emphasized that affected workers are not being left without assistance.

Jose Peña, Animal Control Manager, provided an update on assistance being coordinated for the Humane Society. He reported that the Humane Society currently has approximately thirty-four (34) to thirty-five (35) animals and that staff have been working on ways to help place them. He explained that an employee proposed a "Paws on the Move" 5K adoption event, sponsored by the City of Nogales, which will feature rescue partners, animals from the county shelter, and the Humane Society animals as special guests. The event will include stations and supplies to support the animals' needs and is expected to be approved by the City Council. Mr. Peña stated that the goal is to help find permanent homes for the remaining Humane Society animals.

Vice-Chairman Davis suggested holding an additional adoption event in Rio Rico to help expand opportunities for placement, and Mr. Peña agreed to look into that option. Mr. Peña also noted that a rescue organization will be listing the animals in its network to assist with placements. He confirmed that Animal Control plans to continue hosting adoption clinics throughout the county and thanked the Board for its support.

Chairman Fanning encouraged donations to Animal Control and shared that he had donated himself. He asked whether pet crates he no longer needs could be donated for the upcoming adoption event or directly to Animal Control, and Mr. Peña confirmed they would be useful.

Alma Schultz, Clerk of the Board/Elections Director, reminded the public that Election Day is July 21, with polls open from 6 a.m. to 7 p.m. She reported that early voting began on June 24 and noted two polling location changes for Election Day: the Recreation Center will be replaced by the Provisional Community College on Grand Avenue, and the Americana Hotel will be used instead of the VFW. She thanked the poll workers for their service and encouraged community members to volunteer as poll workers. Ms. Schultz also urged everyone to exercise their right to vote and wished the public a happy Fourth of July.

Supervisor Molera made a motion to recess the Regular Meeting to convene the Flood Control District Board seconded by Vice-Chairman Davis; the motion carried unanimously. (Ayes: Davis, Fanning, Molera)

FLOOD CONTROL

1. DIRECTOR'S/PROJECT REPORT

Allan Sanchez, Floodplain Coordinator with Public Works, provided an update on ongoing floodplain assessments and mitigation work in the county. He reported that staff have been reviewing areas affected by last year's flooding and are working with residents to identify concerns and potential solutions. He noted that site visits in the Monte Carlo neighborhood are continuing and that Public Works is evaluating options to reduce future flooding risks. He stated that updates will be communicated as plans progress.

2. MONTHLY REPORT FROM CITY OF NOGALES

3. MONTHLY REPORT FROM THE TOWN OF PATAGONIA

4. PUBLIC COMMENT

The Board adjourned the Flood Control District and convened into Public Hearing. (Motion: Vice-Chairman Davis; second: Supervisor Molera; motion carried unanimously) (Ayes: Davis, Fanning, Molera)

PUBLIC HEARING

1. PURSUANT TO A.R.S. § 41-563.01, CONSIDERATION OF THE PROPOSED ADJUSTMENT TO THE 1979-80 BASE EXPENDITURE LIMIT (REQ: FINANCE)

Deputy County Manager Mauricio Chavez and Brandon Nee from the County Supervisors Association of Arizona presented an overview of the state's Annual Expenditure Limitation and the County's proposed Permanent Base Adjustment. They explained that the current expenditure limit is based on the County's 1979 to 1980 spending level and only adjusts for population and inflation, which no longer reflects modern service demands, operating costs, or revenue growth. They outlined the current limit, projected gaps between expenditure authority and future needs, and the reasons the adjustment is being considered. Survey results showing strong voter support for the measure were shared. The presenters emphasized that the adjustment would not raise taxes but would allow the County to legally spend revenues it already receives. They reviewed examples of areas that could benefit from additional expenditure authority and described the challenges the County may face if the measure is not approved. They concluded by comparing both outcomes and reaffirmed that balanced budget requirements and public oversight will remain in place.

Several members of the public spoke regarding the proposed expenditure limit adjustment.
Dr. Mary Vanis, president of the Santa Cruz Valley Citizens Council, stated that the Council supports placing the measure on the ballot and emphasized the importance of including priorities such as water

sustainability, conservation, the Santa Cruz River, and essential infrastructure including sewer, roads, and technology. She noted that the Council represents the Northwest Character Area, including Tubac, Tumacacori-Carmen, and Amado. She introduced Dennis Eshelman, Chair, who reiterated support for the measure and asked that preservation of cultural and historic resources be explicitly listed among the stated purposes.
Nan Fitzpatrick, Chair of the Tubac Historic Zone Advisory Board, expressed appreciation that historic preservation was included in the proposed authorized expenditures and encouraged the Board to actively support that priority. She highlighted the importance of protecting historic assets such as the Presidio, the Tumacacori Mission, and the Anza Trail and suggested the possibility of a future Tubac Village master plan. She asked how often the permanent base could be adjusted, and staff explained that adjustments can be considered as often as every two years.
Dan Dellinges of Tubac asked about the original intent of the 1978 expenditure limitation law and confirmed it was designed to prevent counties from overspending and going into default. He also asked what happens to revenue the County cannot legally spend if the measure does not pass. Staff clarified that unspent revenue would remain in County accounts and could earn interest but could not be spent above the expenditure limit. He expressed support for the measure.
After public comments concluded, the Chair read a prepared statement emphasizing that minimum service standards set by the state are not optimal and that the County's expenditure limit remains tied to outdated conditions from 1980. He stated that updating the base is necessary to responsibly plan for infrastructure, emergency preparedness, public safety, technology, water planning, and other essential services. He added that the adjustment supports strategic planning, priority-based budgeting, and alignment of resources with community needs.

The Board adjourned the Public Hearing and convened into the Jail District. (Motion: Vice-Chairman Davis; second: Supervisor Molera; motion carried unanimously) (Ayes: Davis, Fanning, Molera)

JAIL DISTRICT

1. DISCUSSION/POSSIBLE ACTION FOR AUTHORIZATION TO FILL VACANT DETENTION CORPORAL POSITION (REQ: SHERIFF)

Supervisor Molera made a motion to approve, seconded by Vice-Chairman Davis; the motion carried unanimously. (Ayes: Davis, Fanning, Molera)

2. DISCUSSION/POSSIBLE ACTION TO APPROVE RENEWAL LETTER WITH ADVANCED CORRECTIONAL HEALTHCARE, INC. FOR A 5.82% CONTRACT PRICE INCREASE FOR MEDICAL SERVICES FOR FY2026-27 IN THE ESTIMATED ANNUAL AMOUNT OF $940,296.13 (REQ: SHERIFF)

Supervisor Molera made a motion to approve, seconded by Vice-Chairman Davis; the motion carried unanimously. (Ayes: Davis, Fanning, Molera) Deputy County Manager Mauricio Chavez informed the Board that the item in question is included in the tentative budget he will be presenting, and confirmed that the Jail District will absorb the full cost. He stated that the Jail District budget is balanced.

The Board adjourned the Jail District and reconvened the Regular Meeting. (Motion: Vice-Chairman Davis; second: Supervisor Molera; motion carried unanimously) (Ayes: Davis, Fanning, Molera)

ACTION ITEMS

CONSENT AGENDA

Supervisor Molera made a motion to approve Consent Agenda not including Item 3, seconded by Vice-Chairman Davis; the motion carried unanimously. (Ayes: Davis, Fanning, Molera)

1. DISCUSSION/POSSIBLE ACTION FOR AUTHORIZATION TO FILL VACANT:

A HEALTH AND HUMAN SERVICES DEPUTY DIRECTOR POSITION (REQ: ENVIRONMENTAL HEALTH)

B PUBLIC WORKS DIRECTOR POSITION (REQ: DEPUTY COUNTY MANAGER)

C TAX CLERK POSITION (REQ: TREASURER)

2. DISCUSSION/POSSIBLE ACTION TO APPROVE THE APPOINTMENT OF PRECINCT COMMITTEE PERSON(S): (REQ: ROBERT BRUBAKER, ACTING CHAIR, SCC DEMOCRATIC PARTY)

A MARITZA LYNN HIGUERA FOR CALABASAS 17

B VERONICA FRANCIS SAINZ FOR PECK CANYON 21

3. DISCUSSION/POSSIBLE ACTION TO APPROVE AUTHORIZATION TO PUBLISH A REQUEST FOR QUALIFICATIONS (RFQ) FOR THE SANTA CRUZ COUNTY HOUSING STRATEGY UPDATE AND IMPLEMENTATION FRAMEWORK (REQ: COMMUNITY DEVELOPMENT)

4. DISCUSSION/POSSIBLE ACTION TO APPROVE AUTHORIZATION TO PUBLISH A REQUEST FOR QUALIFICATIONS (RFQ) FOR AN INDEPENDENT EMERGENCY SERVICES READINESS AND COORDINATION AUDIT (REQ: PUBLIC WORKS)

5. DISCUSSION/POSSIBLE ACTION TO APPROVE PROFESSIONAL SERVICES AGREEMENT WITH CIVIL & ENVIRONMENTAL CONSULTANTS, INC. FOR PREPARATION OF THE 2026 AIR SPACE ANALYSIS, LIFE EXPECTANCY ESTIMATE, AND CLOSURE/POST-CLOSURE CARE FINANCIAL ASSURANCE UPDATES FOR THE RIO RICO AND SONOITA-ELGIN LANDFILLS, IN THE AMOUNT OF $33,240 AND AUTHORIZE DEPUTY COUNTY MANAGER'S SIGNATURE OF ACCEPTANCE (REQ: PUBLIC WORKS)

6. DISCUSSION/POSSIBLE ACTION TO APPROVE PROFESSIONAL SERVICES AGREEMENT WITH C CONSTRUCTION, LLC FOR TENANT IMPROVEMENTS AND OFFICE REMODELING AT THE RIO RICO LANDFILL FACILITY IN THE AMOUNT OF $22,000 (REQ: PUBLIC WORKS)

7. DISCUSSION/POSSIBLE ACTION TO APPROVE QUOTE NO. 397 WITH PERRYDISE LANDSCAPE FOR THE REPAIR OF TWO YOUTH BASEBALL FIELDS AT DAMON PARK IN RIO RICO IN THE AMOUNT OF $65,200 (REQ: PUBLIC WORKS)

8. DISCUSSION/POSSIBLE ACTION TO APPROVE PROFESSIONAL SERVICES AGREEMENT WITH MARIPOSA COMMUNITY HEALTH CENTER FOR THE IMPLEMENTATION OF THE ARIZONA DEPARTMENT OF HEALTH SERVICES SEXUAL VIOLENCE PREVENTION AND EDUCATION PROGRAM, "RESPECTFUL ATTITUDES EMPOWERING SAFETY," EFFECTIVE THROUGH JANUARY 31, 2027, IN THE GRANT AMOUNT OF $30,000 (REQ: SCHOOL SUPERINTENDENT)

9. DISCUSSION/POSSIBLE ACTION TO APPROVE GRANT AGREEMENT WITH THE ARIZONA DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS FOR THE FY27 VERTICAL PROSECUTION THROUGH THE AUTOMOBILE THEFT AUTHORITY EFFECTIVE THROUGH JUNE 30, 2027 IN THE AMOUNT OF $80,794 AND AUTHORIZE COUNTY ATTORNEY'S SIGNATURE OF ACCEPTANCE (REQ: COUNTY ATTORNEY)

10. DISCUSSION/POSSIBLE ACTION TO APPROVE THE APPOINTMENT OF THE ELECTION BOARDS FOR THE JULY 21, 2026, PRIMARY ELECTION AND ALLOW THE ELECTIONS DEPARTMENT TO FILL VACANCIES AS NEEDED (REQ: ELECTIONS)

11. APPROVAL OF TAX VALUATION ADJUSTMENTS: (REQ: ASSESSOR)

A 103-13-098 - ADRIAN M. MONROY & FRANCISCA C. MONROY, RESOLUTION NO. 57412

B 103-13-098 - ADRIAN M. MONROY & FRANCISCA C. MONROY, RESOLUTION NO. 57413

C 103-13-098 - ADRIAN M. MONROY & FRANCISCA C. MONROY, RESOLUTION NO. 57414

12. APPROVAL OF MINUTES: 06/17/2026

13. APPROVAL OF DEMANDS were approved in the total amount of $45,606.09, of which $37,600.21 is from the General Fund for FY2026 and total amount of $814,297.41, of which $308,780.46 is from the General Fund for FY2027. Total for all funds $859,959.50, of which $346,380.67 is from the General Fund Details of these expenditures are available for inspection during working hours and are to be considered as part of these minutes.

<u>**ADJOURNMENT**</u>

The meeting adjourned at 11:24 a.m. (motion: Vice-Chairman Davis; second: Supervisor Molera; motion carried unanimously) (Ayes: Davis, Fanning, Molera)