

MINUTES

MINUTES OF THE REGULAR SESSION OF THE MAYOR AND COUNCIL OF THE CITY OF BISBEE, COUNTY OF COCHISE, AND STATE OF ARIZONA, HELD ON TUESDAY, FEBRUARY 3, 2026, AT 7:00 PM AT COUNCIL CHAMBERS LOCATED AT 118 ARIZONA STREET, BISBEE, ARIZONA.

THE MEETING WAS CALLED TO ORDER BY MAYOR BUDGE AT 7:00PM.

ROLL CALL

COUNCIL

Councilmember Trish Damon, Ward III
Councilmember Pete Skinner, Ward II
Councilmember Karen Schumacher, Ward I
Mayor Ken Budge
Councilmember Lori Reynolds, Ward I
Councilmember Mel Sowid, Ward II
Councilmember Anna Cline, Ward III, Mayor Pro Tempore

STAFF

Ashlee Coronado, Interim City Manager / City Clerk
Keri Bagley, Finance Director
Tim Cox, Police Chief
Jay Ritchie, Deputy Police Chief
Jim Richardson, Fire Chief

CITY ATTORNEY

Joseph Estes

INVOCATION: Mayor Budge called for a moment of silence for personal reflection.

PLEDGE OF ALLEGIANCE

MAYOR'S PROCLAMATIONS AND ANNOUNCEMENTS:

CALL TO THE PUBLIC

- Circles Robinson, spoke regarding the abolishment of ICE.
- Louisa Dupuis spoke regarding the bus service closing up the canyon.
- Swaneagle Fitzgerald spoke regarding ICE.
- Mike Ablin addressed the Mayor and Council and requested a meeting.
- Bradley Harmon spoke in opposition of ICE.
- Danielle Foti, spoke in opposition of ICE.
- Beth Moorhouse provided comments regarding the city's budget.

THE FOLLOWING ITEMS WERE DISCUSSED, CONSIDERED, AND/OR DECIDED UPON AT THIS MEETING:

GENERAL BUSINESS:

1. ACCOUNTS PAYABLE: Subject to availability of funds.

MOTION: Councilmember Cline moved to approve accounts payable in the amount of \$363,351.18.

SECOND: Councilmember Skinner

MOTION PASSED: UNANIMOUSLY

Sarah Neubaum, applicant clarified that music would end at 10 PM both nights, though the permit would allow for cleanup until 11:59 PM.

Councilmember Schumacher noted that the applicant had already consulted with neighbors who were supportive of the event.

MOTION: Councilmember Schumacher moved to approve the Park, Facility and Right-of-Way Use permit for the Bisbee Anti-Folk Fest on March 27-28, 2026.

SECOND: Councilmember Sowid

MOTION PASSED: UNANIMOUSLY

4. Discussion and Possible Approval of a Park, Facility and Right-of-Way Use Permit for the use of Vista Park for Night of Miracles/National Night Out on Wednesday, April 22, 2026, from 6:00pm to 9:00pm, Alma Hickman, Applicant; with a request to waive fees.

Ashlee Coronado, City Clerk

Alma Hickman, applicant presented her application for an event at Vista Park.

Council noted that there appeared to be some confusion in the application regarding the need for 80 "no parking" signs, which Hickman confirmed was an error.

Councilmember Anna Cline pointed out that since Bisbee already hosts an official National Night Out event in September, it would be better to rename this event to avoid confusion.

Ms. Hickman agreed to call the event "Night of Miracles" and explained that it was a recovery event aimed at bringing hope to women in Bisbee, featuring professional singers.

MOTION: Councilmember Skinner moved to approve the Park, Facility and Right-of-Way Use permit for Night of Miracles on Wednesday, April 22, 2026, from 6pm to 9pm with a waiver of fees.

SECOND: Councilmember Cline

MOTION PASSED: UNANIMOUSLY

NEW BUSINESS

5. Presentation of the City of Bisbee's Annual Audit Report for the Year Ended June 30, 2025, by Steven Palmer, CPA, Squire & Company PC (Hinton Burdick).

Keri Bagley, Finance Director

- Beth Moorhouse, resident, addressed concerns about the city's sales tax revenue reporting. She questioned why the year-end actual balance for city sales tax revenues decreased from \$4.6 million in the draft financial statement to \$4.2 million in the final audited version and asked for an explanation of the discrepancy.

Ms. Bagley explained that the draft financials always include a note stating figures are subject to change pending year-end accruals and reversals. She noted that revenue received in July and August was accrued back to the previous fiscal year and then reversed during the audit finalization process, accounting for the difference.

Steven Palmer from Squire & Company (formerly Hinton Burdick) presented the audit findings. He reported that the firm issued an unmodified (clean) opinion on the city's financial statements with no material weaknesses or significant deficiencies. The city's net position increased by approximately \$1.3 million to \$11.7 million during fiscal year 2025.

Mr. Palmer provided a five-year trend analysis of the general fund, showing stable assets, liabilities, and equity over that period. He noted a decrease in cash in 2025 due to transfers of approximately \$1.2 million to other

funds for capital projects. For enterprise funds, he reported that the wastewater fund showed expenses exceeding revenues by about \$1 million in FY25, though this included \$1.2 million in non-cash depreciation expense. The sanitation fund has reported cumulative net income of \$1.1 million over five years, while the Queen Mine fund continues to be self-sustaining with revenues exceeding expenses by \$1.1 million over the same period.

- 6. Discussion and Possible Approval of Resolution R-26-04; to adopt an Updated Public Participation Plan for the General Plan Update.

J. Emanuel Stuart, City Planner

Mr. Stuart explained that he has been working on updating the General Plan's public participation process, which was last updated in 2003. He proposed streamlining the 28-page document to approximately 7 pages to make it more relevant to current needs while maintaining compliance with Arizona state requirements. The updated plan removes outdated information like the names of city officials from 2003 while preserving essential elements of outreach and public participation.

MOTION: Councilmember Sowid moved to approve Resolution R-26-04 adopting the updated public participation plan.

SECOND: Councilmember Cline

MOTION PASSED: UNANIMOUSLY

- 7. Discussion and Possible Approval to designate the city owned property located adjacent to 300 Williams Avenue, an unaddressed strip of land as City of Bisbee Surplus Property. The Strip of land was approximately 4,255 square feet.

J. Emanuel Stuart, City Planner

Mr. Stuart presented a request from Joseph Scott and Deborah McCall to acquire an unaddressed strip of land adjacent to their properties. The Planning and Zoning Commission had unanimously approved forwarding this request to the Council.

Mr. Stuart explained that while he was generally cautious about transferring abandoned city property that might be useful for future walkways or access points, this particular parcel dead-ends at another property and has no viable future public use. The applicants want to join this strip with their existing parcels to create one larger parcel.

MOTION: Councilmember Reynolds moved to designate the city-owned property located adjacent to 300 Williams Avenue as City of Bisbee surplus property.

SECOND: Councilmember Sowid

MOTION PASSED: UNANIMOUSLY

- 8. Discussion and Possible Approval to set a Public Auction Date of March 3, 2026, after 7:00pm for the Auction of the city owned property located adjacent to 300 Williams Avenue, an unaddressed strip of land which is approximately 4,255 square feet and establish the minimum acceptable bid amount of \$8,500.00 for the property.

J. Emanuel Stuart, City Planner

Following the designation of the property as surplus, the Council discussed setting an auction date.

Mr. Estes, City Attorney, clarified that because the property was landlocked, it could only be sold to adjacent property owners rather than through a public auction open to anyone.

Council confirmed that notifications would be sent to all adjacent property owners to ensure they were aware of their right to bid on the property.

MOTION: Mayor Budge moved to set a public auction date for March 3, 2026, at 7 PM for the surplus property adjacent to 300 Williams Avenue with a minimum acceptable bid of \$8,500, with the condition that all adjacent property owners be notified.

SECOND: Councilmember Sowid

MOTION PASSED: UNANIMOUSLY

9. Public Hearing with Discussion and Possible Approval of Resolution R-26-03 Supporting the Bisbee Bus Transit Program and the Application for Funds to Operate the Bisbee Transit/Bus System.

Melanie Greene, Interim Transit Manager

Ms. Melanie Greene, Interim Transit Manager, explained that the city must apply annually to the Arizona Department of Transportation (ADOT) for federal funding to support the Bisbee Bus. The application was due in mid-February, with funding to begin October 1st.

Ms. Greene explained that due to the timing of the grant application and the need to rebid operations services after a 10-year contract with Douglas, she had prepared a budget based on a "worst-case scenario" of running the service in-house. This approach ensures adequate funding would be available if no contractors bid on the service.

Mayor Budge opened the Public Hearing. He asked if anyone would like to speak in favor or against.

- Circles Robinson, resident expressed support for the bus service but inquired about route changes.

Mayor Budge asked the City Clerk if any written correspondence had been received on this item. Ms. Coronado responded no.

- Amy Burkert, resident, raised concerns about the city's sales tax revenue projections, noting the potential shortfall in revenue that could affect the city's ability to fund services like the bus.

Mayor Budge closed the Public Hearing.

Ms. Greene addressed the route concerns, explaining that an efficiency study had recommended returning to a single route where all riders would have a consistent 1 hour 40-minute wait time instead of the current system where some neighborhoods wait over 2 hours for service. She also noted that the temporary termination of the route at Circle K was due to construction on Moon Canyon and would return to normal once construction was completed.

MOTION: Councilmember Cline moved to approve Resolution R-2-03 supporting the Bisbee Bus Transit program and its continued administration and operation through various grant applications to ADOT, accepting grant funding and providing match if awarded, and authorizing the mayor to sign all applications, grant contracts, and accepting all awards.

SECOND: Councilmember Sowid

MOTION PASSED: UNANIMOUSLY

10. Discussion and Possible Approval of Resolution R-26-05 Supporting the Bisbee Bus Transit Program and the use of General Funds to Operate the Bisbee Transit/Bus System as needed through the end of the 25-26 Federal Fiscal Year.

Melanie Greene, Interim Transit Manager

Ms. Greene explained that the current fiscal year's award from the state of Arizona was insufficient to continue the bus program. The projected deficit was approximately \$159,353, though this figure could be reduced if Cochise County agrees to provide funding.

Ms. Greene noted that 31% of ridership comes from outside Bisbee, and she was working with city officials to approach the county for a budget line item to support the service, potentially providing \$30,000-\$40,000 for Bisbee.

Council acknowledged their concerns about using general funds but recognized the bus as a vital service for many residents who depend on it for access to healthcare and food.

MOTION: Councilmember Schumacher moved to approve Resolution R-26-05 in support of the Bisbee Bus Transit program and its continued administration and operation through the use of up to \$159,353.13 in general funds through September 30, 2026, and to direct staff to seek funds from Cochise County and the Cochise County Sheriff's Department to further reduce the need for general funds in support of the Bisbee Bus.

SECOND: Councilmember Skinner

MOTION PASSED: UNANIMOUSLY

11. Discussion and Possible Approval of a New Position, Transit Manager, to Manage the Day-to-Day Administration and Oversight of the Bisbee Bus.

Melanie Greene, Interim Transit Manager

Ms. Greene proposed the creation of a permanent Transit Manager position to replace her interim role. The proposed salary range was \$42,400 to \$63,000, with the higher end intended to attract experienced candidates.

Ms. Greene emphasized that while the budget included the maximum figure of \$63,000, it did not mean they would necessarily need to spend that amount. She requested that the job be posted quickly as her contract ends in mid-March.

MOTION: Councilmember Schumacher moved to approve the new position of Transit Manager in the Public Works Department.

SECOND: Councilmember Sowid

MOTION PASSED: UNANIMOUSLY

12. Discussion and Possible Approval of Ordinance O-26-04; an ordinance of the Mayor and Council of the City of Bisbee, County of Cochise, State of Arizona, Authorizing the Sale and Transfer of Certain Property Located at 113 E Street, City of Bisbee, County of Cochise, State of Arizona under the City's Workforce Housing Initiative; authorizing the taking of all other actions necessary for the consummation of the transaction contemplated by this ordinance and declaring an emergency.

Ashlee Coronado, Interim City Manager

Ms. Coronado stated that this was the next available home under the city's workforce housing initiative. The one-bedroom, one-bath home at 113 E Street has a sales price of \$130,000 and already has a buyer in place who was a senior citizen. The city was ready to open escrow on the property.

MOTION: Councilmember Skinner moved to approve Ordinance O-26-04 an ordinance of the Mayor and Council of the City of Bisbee, County of Cochise, State of Arizona, Authorizing the Sale and Transfer of Certain Property Located at 113 E Street, City of Bisbee, County of Cochise, State of Arizona under the City's Workforce Housing Initiative; authorizing the taking of all other actions necessary for the consummation of the transaction contemplated by this ordinance and declaring an emergency.

SECOND: Councilmember Sowid

MOTION PASSED: UNANIMOUSLY

15. City Manager's Report:

13. Discussion and Possible Approval of a Motion to Go into Executive Session Pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with the City Attorney related to the City Manager Recruitment.

Ken Budge, Mayor

MOTION: Mayor Budge moved to go into executive session.

SECOND: Councilmember Sowid

MOTION PASSED: UNANIMOUSLY

MOTION: Mayor Budge moved to come out of executive session.

SECOND: Councilmember Cline

MOTION PASSED: UNANIMOUSLY

14. Discussion and Possible Selection of a firm for City Manager Recruitment Services.

Ken Budge, Mayor

Mayor Budge explained that the Council had initially interviewed eight firms and narrowed it down to three finalists. City Attorney Joe Estes had been directed to contact these firms for additional information regarding the upcoming election, as five Council seats will be up for election in July 2026, raising concerns about how this might affect potential city manager candidates.

After discussion, there was consensus among the Council to select the Duffy Group, an Arizona-based company. Council members cited advantages including their Arizona location, potential reduction in travel expenses, and professional approach. It was noted that the Duffy Group had recommended waiting until the end of March to begin the recruitment process due to the upcoming elections

MOTION: Mayor Budge moved to instruct the City Attorney to enter into negotiations with the Duffy Group for city manager recruitment services.

SECOND: Councilmember Skinner

MOTION PASSED: UNANIMOUSLY

COUNCIL COMMENTS OR FUTURE AGENDA ITEM SUGGESTIONS: (Council members may suggest topics for future meeting agendas, but Council will not here discuss, deliberate, or take any action on these topics.):

Mayor Budge stated that, as there was nothing else before this Council this meeting was adjourned.

ADJOURNMENT: 9:25PM

Ken Budge, Mayor