

STADIUM DISTRICT BOARD MINUTES

The Pima County Stadium District Board met in regular session at their regular meeting place in the Pima County Administration Building (Hearing Room), 130 West Congress Street, Tucson, Arizona, at 9:00 a.m. on Tuesday, September 16, 2025. Upon roll call, those present and absent were as follows:

Present: Rex Scott, Chair
Jennifer Allen, Vice Chair
*Dr. Matt Heinz, Member
Steve Christy, Member
Andrés Cano, Member

Also Present: Jan Leshner, County Administrator
Daniel Jurkowitz, Assistant Chief Civil Deputy County Attorney
Melissa Manriquez, Clerk of the Board
John Stuckey, Sergeant at Arms

*Supervisor Heinz joined the meeting at 9:46 a.m.

1. AWARD

Award: Supplier Contract No. SC2500000504, Green Valley - Marana Auto Supply, Inc., d.b.a. NAPA Auto Parts - Marana (Headquarters: Marana, AZ) - Primary and Parts Authority, L.L.C. (Headquarters: New Hyde Park, NY) - Secondary, to provide for aftermarket automotive, truck and equipment parts. This supplier contract is for an initial term of one (1) year in the annual shared award amount of \$400,000.00 (including sales tax) and includes four (4) one-year renewal options. Funding Source: Stadium District (0.12%), Fleet Service (89.48%), Transportation (0.62%), Regional Wastewater Reclamation (4.70%), Facilities Management General (0.12%), Parks and Recreation General (4.46%) and Sheriff's Department General (0.50%) Funds. Administering Department: Fleet Services.

It was moved by Chair Scott, seconded by Supervisor Allen and unanimously carried by a 5-0 vote, to approve the item.

2. AWARD

Award: Supplier Contract No. SC2500000537, Sam Tell and Son, Inc. (Headquarters: Farmingdale, NY), to provide for commercial kitchen appliances, equipment and supplies. This supplier contract is for an initial term of one (1) year in the annual award amount of \$500,000.00 (including sales tax) and includes four (4) one-year renewal options. Funding Source: Stadium District/Kino Sports Complex and Pima County Adult Detention Complex - Inmate Welfare Funds. Administering Department: Sheriff's Department.

It was moved by Chair Scott, seconded by Supervisor Allen and unanimously carried by a 5-0 vote, to approve the item.

3. **ADJOURNMENT**

As there was no further business to come before the Board, the meeting was adjourned at 1:30 p.m.

CHAIR

ATTEST:

CLERK

BOARD OF SUPERVISORS' MEETING MINUTES

The Pima County Board of Supervisors met in regular session at their regular meeting place in the Pima County Administration Building (Hearing Room), 130 West Congress Street, Tucson, Arizona, at 9:00 a.m. on Tuesday, September 16, 2025. Upon roll call, those present and absent were as follows:

Present: Rex Scott, Chair
Jennifer Allen, Vice Chair
*Dr. Matt Heinz, Member
Steve Christy, Member
Andrés Cano, Member

Also Present: Jan Leshar, County Administrator
Daniel Jurkowitz, Assistant Chief Civil Deputy County Attorney
Melissa Manriquez, Clerk of the Board
John Stuckey, Sergeant at Arms

*Supervisor Heinz joined the meeting at 9:46 a.m.

1. PLEDGE OF ALLEGIANCE

All present joined in the Pledge of Allegiance.

2. LAND ACKNOWLEDGEMENT STATEMENT

The Land Acknowledgement Statement was delivered by Joanna Dinan, Safety Loss Prevention Officer, Pima County Regional Wastewater Reclamation Department.

3. PAUSE 4 PAWS

The Pima Animal Care Center showcased an animal available for adoption.

4. PERSONAL POINT OF PRIVILEGE

Supervisor Christy acknowledged the horrific passing of Charlie Kirk, which occurred while Mr. Kirk was exercising his right to freedom of speech. He highlighted the importance of protecting the freedom of expression in all its forms and requested a moment of silence to honor Mr. Kirk's life and the future of the country. The Board observed a moment of silence.

Supervisor Cano reflected on his first 150 days in office, sharing that his team had met with every County department, visited facilities, and built strong relationships with community partners. He stated that the District 5 office supported over 250 neighbors, engaged with more than 40 community partners, attended 25 public events, and 10 neighborhood associations. He emphasized the important role

County employees played in serving over 1 million residents, and thanked the County Administrator, County staff, Board members, and his district office team for all of their hard work. He stated that this was only the beginning and he was honored to serve Pima County.

Chair Scott stated that in response to Supervisor Christy's comments, he reminded when the Board held a moment of silence in June when former House Speaker of Minnesota and her husband were killed at their home. He reflected on their children who lost both of their parents and acknowledged Supervisor Christy's call for common humanity. Chair Scott also thanked Supervisor Cano for sharing his anniversary and honoring his staff.

Chair Scott stated that he continued the tradition of meeting monthly with the Mayor of Tucson to discuss matters of concern for the City of Tucson (COT) and Pima County. He noted that they had convened several meetings with justice system partners, to address justice system issues in the community, and during these meetings, law enforcement representatives highlighted the successes of the County's Transition Center, and shared positive outcomes experienced by individuals who used its services. He requested that Administrator Leshner develop a plan to open the Transition Center seven days a week, with a long term goal of 24/7 availability, and that the plan would also include a continued staffing partnership with the COT for the center. He also requested a report on the County's progress with warrant resolution, since it related to the Transition Center's work.

Supervisor Cano expressed his condolences on the passing of Neal Bohnsack, a Nurse Practitioner with the Pima County Health Department, and in the words of Dr. Cullen, Mr. Bohnsack was an extraordinary clinician with a strong sense of social justice, and his loss would have a significant impact on both the department and the community. Supervisor Cano stated that he had met Mr. Bohnsack recently and extended his sympathies and support on behalf of the Board to his family, friends and coworkers.

PRESENTATION/PROCLAMATION

5. Presentation of a proclamation to Charlie Buchanan, CEO, Carmen Noriega, Director of Marketing and Communications, Gina Hansen, Director of Volunteer Resources, and Jennifer Brown, Volunteer Coordinator, Habitat for Humanity Tucson, proclaiming the day of Monday, October 6, 2025 to be: "WORLD HABITAT DAY IN PIMA COUNTY"

It was moved by Chair Scott, seconded by Supervisor Allen and carried by a 4-0 vote, Supervisor Heinz was not present for the vote, to approve the item. Supervisor Allen made the presentation.

6. Presentation of a proclamation to Peggy Gibson, proclaiming the week of September 17 through September 23, 2025 to be: "CONSTITUTION WEEK IN PIMA COUNTY"

It was moved by Chair Scott, seconded by Supervisor Christy and carried by a 4-0 vote, Supervisor Heinz was not present for the vote, to approve the item. Supervisor Christy read the presentation.

7. Presentation of a proclamation to Fernando Sanchez, Mexican Head Consul; Lee Wong Medina, Mexican Consul Adscrito; Allan Perez, Guatemalan Consul; Alma Gallardo, Executive Director, Arizona Bilingual; Raul Aguirre, President/CEO, REA Media; Claudia Jasso, President/CEO, Amistades, Inc.; and Rob Elias, CEO, Hispanic Chamber of Commerce, proclaiming September 15 through October 15, 2025 to be: "HISPANIC HERITAGE MONTH"

It was moved by Chair Scott, seconded by Supervisor Cano and carried by a 4-0 vote, Supervisor Heinz was not present for the vote, to approve the item. Supervisor Cano made the presentation.

8. Presentation of a proclamation to Sandra Otero and Francis Erunez, celebrating: "LOS JARRITOS MEXICAN FOOD"

It was moved by Chair Scott, seconded by Supervisor Allen and carried by a 4-0 vote, Supervisor Heinz was not present for the vote, to approve the item. Supervisor Cano made the presentation.

9. Presentation of a proclamation to Cirilo Preciado and Delia Preciado, celebrating the: "31ST ANNIVERSARY OF MARISCOS CHIHUAHUA IN TUCSON"

It was moved by Chair Scott, seconded by Supervisor Allen and carried by a 4-0 vote, Supervisor Heinz was not present for the vote, to approve the item. Supervisor Cano made the presentation.

10. Presentation of a proclamation to Laurie Kierstead-Joseph, Assistant Vice Chancellor/Adult Basic Education for College and Career, Pima Community College, proclaiming the week of September 14 through September 20, 2025, to be: "NATIONAL ADULT EDUCATION & FAMILY LITERACY WEEK"

It was moved by Chair Scott, seconded by Supervisor Allen and carried by a 4-0 vote, Supervisor Heinz was not present for the vote, to approve the item. Chair Scott made the presentation.

11. **CALL TO THE PUBLIC**

Robert Reus addressed the Board and read a passage from a Thomas Jefferson lecture emphasizing the dangers of political intolerance. He encouraged citizens to unite for the common good and to respect different opinions as part of a democratic republic.

Rye Whalen expressed his concerns over the impact that data centers would have on the environment. He asked the Board to prioritize leadership that listened to the community and protected their natural resources.

Vivek Bharathan asked the Board why the Project Blue land sale was continuing despite the property not being annexed by the City of Tucson, which was a required condition in the agreement. He spoke against Chair Scott and Supervisors Heinz and Christy for disregarding public input and urged them not to go through with the deal, calling it a race to the bottom caused by federal deregulation.

Dominique Zuniga, University of Arizona College of Nursing, introduced her nursing group's presentation on the deteriorating infrastructure of Summit, Arizona, based on the findings from their Community Assessment Project. She explained that they were senior nursing students who were taking a community health course and were assigned a census tract that covered portions of Summit, AZ, located in District 2. She stated that one concern which consistently came up in the community was the lack of paved and accessible roads, and it was more than an infrastructure issue, they had serious consequences for residents' health, education and equity.

Natalie Lockwood explained that Summit's roads become nearly impassable during monsoon season, preventing children from attending school and adults from getting to work. She cited data from the U.S. News and World Report that showed about 89% of students in the area were at a higher economic disadvantage and experienced lower academic achievements compared to the state average of about 60%. She noted this was an ongoing problem in the community which impacted their quality of life.

Kinleigh Fredman presented several photos of the current roads surrounding the Summit area, which demonstrated their very poor conditions and why it was essential for improvements. She stated Summit's roads worsened every year due to rain erosion, making them unsafe and often impassable. She noted that this issue led to missed work and school, increased car accidents, and increased the risk of vector born illnesses and respiratory issues.

Julian Grijalva presented a map sourced from a FEMA maps resource in the community that showed roads in the Summit area that were maintained by Pima County and those that were not. He highlighted that the majority of the roads in that region were not being maintained by the County and the inadequate maintenance had a major impact on accessibility, particularly on main routes to local schools and businesses. He indicated that floods, debris and potholes also created serious hazards for the community and asked the County to prioritize the maintenance of key roads, so the community had safe, accessible, and reliable routes to perform their daily activities.

Jordan Stein stated that Summit's infrastructure issues were also health equity issues. She asked the Board to prioritize road improvements in the Summit area, explore sustainable maintenance solutions, and engage directly with the community to ensure residents helped guide future decisions.

Reed Spurling thanked the County Administrator for opposing Copper World Mine and expressed gratitude for the County standing with the Tohono O'odham Nation and advocates at Save the Scenic Santa Ritas. He urged the Board to oppose Project Blue the same way they opposed the Copper World Mine. He stated that Project Blue was an out-of-state company intending to exploit local resources and that it could increase energy costs and harm the environment.

Jason Priddy spoke about the Regional Flood Control District (RCFD), that it was operating outside of its legal authority by managing open space for recreational use and asked that this responsibility be transferred to the Conservation Lands and Resources Department. He asked that there be an investigation into RCFD's actions and thanked the County for protecting open space through purchases and fencing.

Phineas Anderson asked the Board to consider and approve the proclamation he had submitted at a previous Board meeting regarding President Trump's executive overreach. He stated that he had organized the Tesla protests and No Kings protest and there would be another big protest about defending Tucson coming soon.

* * *

Chair Scott closed Call to the Public.

Supervisor Christy commended the University of Arizona nursing students for their well-researched presentation on infrastructure issues in the Summit community. He shared that his wife was a graduate of the U of A School of Nursing and she would be incredibly proud of their work. He stated that it was clear the residents of Summit simply wanted their roads fixed and asked that County staff meet with the students to discuss the impacts of road issues and what improvements could be made.

Supervisor Heinz also praised the students' research and presentation, supporting Supervisor Christy's suggestion to have County staff discuss possible solutions with them. He agreed that transportation issues directly impacted public health. In response to public criticisms regarding Project Blue, he explained that when Beale had initially presented Project Blue to the Board, he had not understood their reasoning for choosing Southern Arizona, but from his team's research, he found that data centers were becoming necessary infrastructure as the use of AI became more common and that the community needed to participate in this new economy. He supported Project Blue because of the high paying job opportunities it offered and because multiple companies in Southern Arizona, such as Caterpillar, Raytheon, IBM, Mitsubishi, Roche Diagnostics, Bombardier, Ascent Aviation and others would benefit from the proximity to a data center. He believed that Beale

would do its best to follow the County's environmental stewardship goals and that the project would contribute to economic equity in the region, as outlined in the Board's Prosperity Initiative.

Supervisor Allen shared that in the early 2000s, she worked with a human rights organization that trained human rights promoters in the Summit community and heavy rains contributed to infrastructure issues back then as well. She appreciated the students' thoughtful presentation and hoped that the Board could move forward with improvements to the roads in the Summit area. She stated that in regards to her colleague's comments about Project Blue, she wanted to hear the research around the proximity.

Daniel Jurkowitz, Assistant Chief Civil Deputy County Attorney, reminded the Board that Project Blue was not on the agenda for discussion and the limitations under the statute were that Board members could respond to criticisms from the audience during Call to the Public. He added that if the Board wished to discuss Project Blue in the future, it should be agendized for a future meeting.

Chair Scott informed Supervisor Allen that they were unable to engage in dialogue with each other about Project Blue, but may respond to criticisms made during Call to the Public, request staff to follow up on a matter, or ask to place an item on a future agenda.

Supervisor Allen stated that in response to comments from the audience, she would like to see additional research as to whether or not the proximity of data centers could foster or sustain local businesses. She stated that in her research, the proximity of Project Blue was not relevant to its siting in the area as none of the local businesses would be hardwired into it.

Supervisor Cano stated that he wanted to ensure equity from legal counsel as it related to discussions happening at the dais, noting that Supervisor Allen's comments were consistent with comments made by another Board member regarding Project Blue. He stated that in response to public criticisms about the data center project, the County Administrator should provide clearer assurances about the Board's next steps. He stated that at the last meeting, the Board discussed a plan with their attorneys to follow through on next steps and to provide a statement to the public and that had yet to be provided, which meant the public had been left in the dark. He expressed frustration with the lack of transparency and believed that taxpayers deserved to know the Board was protecting their interests and defending local resources from out-of-state corporations.

12. CONVENE TO EXECUTIVE SESSION

Chair Scott stated that he had a request from one of his Board colleagues to divide the question on the Executive Session items, so they would be considered separately.

It was moved by Chair Scott, seconded by Supervisor Heinz and unanimously carried by a 5-0 vote, to convene into Executive Session for Minute Item No. 14.

It was then moved by Chair Scott and seconded by Supervisor Allen to convene into Executive Session for Minute Item No. 15. No vote was taken at this time.

Supervisor Heinz stated that for the record he was not in favor of expending tax dollars for outside counsel when the contract language was clearly written and expressed his opposition of convening into Executive Session on that item.

Upon the vote, the motion carried 3-2, Supervisors Christy and Heinz voted "Nay."

Chair Scott clarified that although Supervisors Christy and Heinz voted against convening into Executive Session for Minute Item No. 15, they were still allowed to participate in Executive Session.

The Board convened into Executive Session at 11:31 a.m.

13. **RECONVENE**

The meeting reconvened at 1:29 p.m. All members were present.

EXECUTIVE SESSION

14. Pursuant to A.R.S. §38-431.03(A)(3), for legal advice and discussion related to the legal ramifications of code text amendments.

This item was informational only. No Board action was taken.

BOARD OF SUPERVISORS

15. **Executive Session**

Pursuant to A.R.S. §38-431.03(A)(3) and (4), for legal advice and direction related to Project Blue. (Districts 3 and 5)

This item was informational only. No Board action was taken.

BOARD OF SUPERVISORS

16. **Board of Supervisors Representative Updates on Boards, Committees and Commissions and Any Other Municipalities**

Supervisor Heinz stated that the RTA Board was still determining whether their March ballot measure would be two or three pieces, and how it would be presented to the public.

Supervisor Allen stated that the Border Counties Coalition met quarterly, however had not met since the last meeting. She stated that that Board of Health had met and discussed several key topics and had received a report on heat related deaths and illnesses which included data on hospital visits due to heat and she noted that 43% of heat related deaths occurred indoors, while 57% occurred outdoors. She stated they received an update on the Tobacco Free Policy goals, including the history of making certain County and City parks tobacco free, and also received a report on federal and state budgets and their impact on health outcomes. She highlighted that HB 2175 required a person be involved in denying health insurance claims, not AI, and raised concerns over the significant cuts to Medicaid and other health and human services. She added that the Board of Health approved the development of a community health assessment on the public health impact of data centers, and moving forward, that assessment would support the County's due diligence process related to data centers and other large users of water and electricity.

This item was informational only. No Board action was taken.

DEVELOPMENT SERVICES

17. Final Plat With Assurances

P24FP00012, Vail Crossings/Interstate 10, Lots 1-701, Block "1" and Common Areas "A" and "B". (District 4)

It was moved by Supervisor Christy, seconded by Chair Scott and unanimously carried by a 5-0 vote, to approve the item.

FINANCE AND RISK MANAGEMENT

18. Financial Update

Discussion/Direction/Action regarding a financial update on the County's financial performance.

(Clerk's Note: See the attached verbatim related to this item.)

This item was for discussion only. No Board action was taken.

19. Affirmation of Board Policy D 22.14 - General Fund - Fund Balance

Discussion/Direction/Action: Reaffirming the 17 percent fund balance requirement restores the County's alignment with nationally recognized standards, preserves the County's strong credit standing, and provides the financial resilience necessary to navigate future uncertainties. Staff recommends continued application of the 17 percent reserve requirement for all future budget processes.

It was moved by Chair Scott, seconded by Supervisor Allen and unanimously carried by a 5-0 vote, to approve the item.

HUMAN RESOURCES

20. Adoption of Personnel Policy 8-124, Settlement of Employee Claims

Staff recommends adoption of Personnel Policy 8-124, Settlement of Employee Claims.

It was moved by Chair Scott and seconded by Supervisor Christy to approve the item. No vote was taken at this time.

Supervisor Christy asked whether the personnel policy was created to settle any employee claims brought against Pima County during the pandemic.

Jan Leshar, County Administrator, responded no, that the policy would only affect any employee settlement or request for claim from this point forward and it was not retroactive. She explained that in the past it was up to the Director to handle minor settlements between an employee and a supervisor over minor claims like owed time or small financial amounts, however, the purpose of this policy was to establish a consistent, county-wide process in handling minor claims.

Supervisor Allen asked if this was a new policy or an existing policy that was being updated and noted that a timeline had not been included in the policy. She asked if one would be added in the future or if it was intentionally not included.

Ms. Leshar responded that it was a new policy that had been modeled after current policies. She stated that if the Board wanted to include a timeline, it could be added after its adoption in the form of an amendment.

Supervisor Allen stated that she was not requiring it to be added, but that its addition to the policy would assist in expediting the process for employees.

Ms. Leshar stated that the policy aligned with their current efforts to improve internal processes across County departments. She stated that staff was working on creating an online resource for employees to learn about County processes and their estimated timeframes. She added that this policy could be included in that resource so that employees better understood the process and expectations.

Upon the vote, the motion unanimously carried 5-0.

RECORDER

21. 2025 General Consolidated City/School District - Early Ballot Drop-Off Sites and Ballot Replacement Locations

RESOLUTION NO. 2025 - 38, of the Board of Supervisors, relating to elections; approving the early ballot drop-off sites and authorizing ballot replacement locations for the 2025 General Election.

It was moved by Chair Scott and seconded by Supervisor Christy to adopt the Resolution. No vote was taken at this time.

Supervisor Christy asked how the ballot drop-off boxes that would be open for 24 hours would be monitored and what kind of surveillance would be used throughout that timeframe.

Chair Scott asked the County Administrator to facilitate a response from the Recorder regarding Supervisor Christy's question.

Jan Leshner, County Administrator, responded that she would facilitate a report from the Recorder and stated, that at this point, there were video cameras that monitored all of those locations.

Upon the vote, the motion unanimously carried 5-0.

CONTRACT AND AWARD

Community and Workforce Development

22. Lariat Village Propco, L.P., to provide an Affordable Housing Gap Funding Agreement, and Affordable Housing Restrictive Covenant for the Lariat Village Housing Project, term date 9/16/25 to 8/31/27, General Fund:

A. Contract expense amount \$673,000.00 (PO2500025064)

B. Contract revenue amount \$1,076,800.00 (CT2500000048)

It was moved by Chair Scott, seconded by Supervisor Allen and carried by a 4-1 vote, Supervisor Christy voted "Nay," to approve the item.

23. Habitat for Humanity Tucson, to provide an Affordable Housing Gap Funding Agreement and Affordable Housing Restrictive Covenant for the Mars Landing Homeownership Project, term date 9/16/25 to 8/31/27, General Fund, contract amount \$1,000,000.00 (PO2400017630)

It was moved by Chair Scott, seconded by Supervisor Allen and unanimously carried by a 5-0 vote, to approve the item.

24. Pima County Community Land Trust, to provide an Affordable Housing Gap Funding Agreement and Affordable Housing Restrictive Covenant for the Barrio Anita Casitas, term date 9/16/25 to 12/31/26, General Fund, contract amount \$234,316.00 (PO2500011202)

It was moved by Chair Scott, seconded by Supervisor Cano and carried by a 4-1 vote, Supervisor Christy voted "Nay," to approve the item.

25. International Sonoran Desert Alliance, Amendment No. 1, to provide for Curley School stabilization and efficiency improvements, extend contract term to 6/30/26 and amend contractual language, no cost (PO2400005004)

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

Detainee and Crisis Systems

26. NaphCare, Inc., Amendment No. 2, to provide for correctional health services, extend contract term to 9/30/27, amend contractual language and scope of services, General Fund, contract amount \$53,763,925.33 (PO2400003903)

(Clerk's Note: See the attached verbatim related to this item.)

It was moved by Chair Scott and seconded by Supervisor Allen to approve the item. Upon the vote, the motion unanimously carried 5-0.

Forensic Science Center

27. Apache County, Amendment No. 1, to provide for an intergovernmental agreement for medical examiner services, extend contract term to 6/30/29 and amend contractual language, contract amount \$200,000.00 revenue decrease (CTN-FSC-24-182)

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

Procurement

28. **Award**

Award: Supplier Contract No. SC2500000504, Green Valley - Marana Auto Supply, Inc., d.b.a. NAPA Auto Parts - Marana (Headquarters: Marana, AZ) - Primary and Parts Authority, L.L.C. (Headquarters: New Hyde Park, NY) - Secondary, to provide for aftermarket automotive, truck and equipment parts. This supplier contract is for an initial term of one (1) year in the annual shared award amount of \$400,000.00 (including sales tax) and includes four (4) one-year renewal options. Funding Source: Stadium District (0.12%), Fleet Service (89.48%), Transportation (0.62%),

Regional Wastewater Reclamation (4.70%), Facilities Management General (0.12%), Parks and Recreation General (4.46%) and Sheriff's Department General (0.50%) Funds. Administering Department: Fleet Services.

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

29. Award

Award: Supplier Contract No. SC2500000537, Sam Tell and Son, Inc. (Headquarters: Farmingdale, NY), to provide for commercial kitchen appliances, equipment and supplies. This supplier contract is for an initial term of one (1) year in the annual award amount of \$500,000.00 (including sales tax) and includes four (4) one-year renewal options. Funding Source: Stadium District/Kino Sports Complex and Pima County Adult Detention Complex - Inmate Welfare Funds. Administering Department: Sheriff's Department.

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

30. Award

Award: Supplier Contract No. SC2500000520, Climatec, L.L.C., d.b.a. Climatec (Headquarters: Phoenix, AZ), to provide for Edwards fire panels and related equipment. This supplier contract is for an initial term of one (1) year in the annual award amount of \$500,000.00 (including sales tax) and includes four (4) one-year renewal options. Funding Source: General Fund. Administering Department: Facilities Management.

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

31. Award

Award: Multiple Supplier Contract No. SC2500000530, Graymar Environmental Services, L.L.C. (Headquarters: Moses Lake, WA), and Kary Environmental Services, Inc. (Headquarters: Mesa, AZ), to provide for pipe and tank cleaning Vactor truck services. This supplier contract is for an initial term of one (1) year in the shared annual award amount of \$610,000.00 (including sales tax) and includes four (4) one-year renewal options. Funding Source: WW Ops Fund. Administering Department: Regional Wastewater Reclamation.

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

32. **Award**

Award: Supplier Contract No. SC2500000528, Gary's Towing and Salvage Pool, Inc. (Headquarters: Tucson, AZ), to provide for vehicle towing and auction services. This supplier contract is for an initial term of one (1) year in the annual award amount of \$800,000.00 and includes four (4) one-year renewal options. Funding Source: Sheriff's Department Special Revenue and General (\$16,000.00) Funds. Administering Department: Sheriff's Department.

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

33. **Award**

Award: Customer Contract No. CT2500000053, Gary's Towing and Salvage Pool, Inc. (Headquarters: Tucson, AZ), to provide for vehicle towing and auction services. This customer contract is for an initial term of one (1) year with an estimated annual revenue amount of \$245,050.00 and includes four (4) one-year renewal options. Funding Source: Sheriff's Department Special Revenue and General Funds. Administering Department: Sheriff's Department.

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

34. **Award**

Amendment of Award: Supplier Contract No. SC2400001783, Amendment No. 3, RWC International, L.L.C., d.b.a. RWC Group, to provide for International Truck parts, repair, and service. This amendment increases the annual award amount by \$150,000.00 from \$250,000.00 to \$400,000.00 for a cumulative not-to-exceed contract amount of \$650,000.00. The increase is due to the rise in unexpected maintenance and repairs of International Trucks. Funding Source: Fleet Services Fund. Administering Department: Fleet Services.

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

35. Granite Construction Company, Amendment No. 3, to provide for the Eric Marcus Municipal Airport Runway Rehabilitation Project (P01-AJO, AZ) FAA Project No. 3-04-0001-006-2024 and extend contract term to 12/31/25, no cost (PO2400001551) Administering Department: Project Design and Construction

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

36. PSOMAS, Inc., to provide for professional engineering services for the development of a Transportation Master Plan, HURF Fund, contract amount \$573,461.53 (PO2500025965) Administering Department: Transportation

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

Real Property

37. Leon Washington Harris, Jr., to provide for Sales Agreement No. Sale-0152 and Special Warranty Deed for property located at 1416 W. Sunridge, a portion of Lot 103 of Canada Heights, Tax Parcel No. 225-06-0850, contract amount \$381,000.00 revenue (CT2500000054)

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

Regional Wastewater Reclamation

38. Arizona Board of Regents on behalf of the University of Arizona, Amendment No. 2, to provide an intergovernmental agreement for membership in the Water and Environmental Technology (WET) Center, extend contract term to 9/30/26 and amend contractual language, RWRD Enterprise Fund, contract amount \$30,000.00 (PO2400007821)

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

GRANT APPLICATION/ACCEPTANCE

39. **Acceptance - Community and Workforce Development**

Arizona Department of Economic Security, Amendment No. 4, to provide for Housing Support Services, extend grant term to 6/30/26, amend grant language and scope of work, no cost (GA-CWD-70940)

It was moved by Chair Scott, seconded by Supervisor Cano and carried by a 4-1 vote, Supervisor Christy voted "Nay," to approve the item.

40. **Acceptance - Community and Workforce Development**

Arizona Department of Economic Security, Amendment No. 5, to provide for Housing Support Services, extend grant term to 6/30/26 and amend grant language, \$250,891.72 (GA-CWD-70940)

It was moved by Chair Scott, seconded by Supervisor Cano and carried by a 4-1 vote, Supervisor Christy voted "Nay," to approve the item.

41. **Acceptance - Community and Workforce Development**

Arizona Department of Economic Security, Division of Employment and Rehabilitation Services, Amendment No. 5, to provide for the WIOA Local Area Funding Allocations for workforce development activities for the following:

Project/Grant Amount/Grant No.

Adult/\$1,921,543.00/GA-CWD-82529

Youth Program/\$2,113,708.00/GA-CWD-82530

Dislocated Worker/\$1,965,588.00/GA-CWD-82531

Rapid Response/~~\$440,994.00~~ **\$195,997.00**/GA-CWD-93769

It was moved by Chair Scott, seconded by Supervisor Allen and unanimously carried by a 5-0 vote, to approve the item, as amended.

42. **Acceptance - County Attorney**

City of Tucson, Amendment No. 1, to provide for the Edward Byrne Justice Assistance Grant to support public safety, extend grant term to 9/30/26 and amend grant language, no cost (GA-PCA-69983)

It was moved by Chair Scott, seconded by Supervisor Allen and unanimously carried by a 5-0 vote, to approve the item.

43. **Acceptance - Environmental Quality**

United States Environmental Protection Agency, to provide for the FY 25 Air Pollution Control Program, \$542,030.00/\$781,000.00 General Fund match (G-DE-70921)

It was moved by Chair Scott, seconded by Supervisor Cano and carried by a 4-1 vote, Supervisor Christy voted "Nay," to approve the item.

44. **Acceptance - Health**

Arizona Department of Health Services, to provide for the Title V Maternal and Child Health, Healthy Arizona Families, \$230,738.00 (G-HD-93283)

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

45. **Acceptance - Health**

National Foundation for the Centers for Disease Control and Prevention, Inc., to provide for the Understanding and Preventing Drowning Project, \$99,960.01 (G-HD-92255)

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

46. Acceptance - Sheriff

State of Arizona Office of the Arizona Attorney General, to provide for the Victims' Rights Program/Promote statutory compliance aimed at ensuring victims' access to justice, \$43,800.00 (G-SD-83772)

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

47. Acceptance - Sheriff

State of Arizona Department of Public Safety, Amendment No. 4, to provide for the Arizona Vehicle Theft Task Force/Enhance law enforcement service concerning vehicle thefts and extend grant term to 6/30/26, \$123,772.00/\$26,228.00 General Fund match (GA-SD-70356)

It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to approve the item.

FRANCHISE/LICENSE/PERMIT

48. Hearing - Liquor License

Job No. 352193, Maria Danielle Burgess, Circle K Store No. 9573, 55 E. Continental Road, Green Valley, Series 10, Beer and Wine Store, New License.

The Chair inquired whether anyone wished to address the Board. No one appeared. It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to close the public hearing, approve the license and forward the recommendation to the Arizona Department of Liquor Licenses and Control.

49. Hearing - Liquor License

Job No. 354863, Dhara Devalkumar Patel, Quickmart 1, 4611 N. Flowing Wells Road, Tucson, Series 10, Beer and Wine Store, New License.

The Chair inquired whether anyone wished to address the Board. No one appeared. It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to close the public hearing, approve the license and forward the recommendation to the Arizona Department of Liquor Licenses and Control.

50. Hearing - Liquor License

Job No. 355123, Luz Maria Acosta de Ramirez, Taco Giro, 13160 E. Colossal Cave Road, No. 100, Vail, Series 12, Restaurant, New License.

The Chair inquired whether anyone wished to address the Board. No one appeared. It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to close the public hearing, approve the license and forward the recommendation to the Arizona Department of Liquor Licenses and Control.

51. Hearing - Liquor License

Job No. 355013, Jason Eugene Scott, Steak Rush, 5151 S. Country Club Road, Tucson, Series 6, Bar, Person Transfer.

The Chair inquired whether anyone wished to address the Board. No one appeared. It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to close the public hearing, approve the license and forward the recommendation to the Arizona Department of Liquor Licenses and Control.

52. Hearing - Liquor License

Job No. 355662, Asher Amar, Hacienda del Lago, 14155 E. Via Rancho del Lago, Vail, Series 6, Bar, Person Transfer.

The Chair inquired whether anyone wished to address the Board. No one appeared. It was moved by Chair Scott, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to close the public hearing, approve the license and forward the recommendation to the Arizona Department of Liquor Licenses and Control.

DEVELOPMENT SERVICES

53. Hearing – Comprehensive Plan Amendment

P23CA00001, PIMA COUNTY 2025 COMPREHENSIVE PLAN UPDATE - PIMA PROSPERS

The Pima County 2025 Comprehensive Plan, known as Pima Prospers, will update the 2015 Comprehensive Plan (Co7-13-10). Pima Prospers contains background information, goals, policies, and implementation strategies addressing all content required by state statute for a comprehensive plan, as well as other elements including but not limited to economic development, flood control and drainage, wastewater reclamation, cultural resources, housing, neighborhoods and communities, and other services provided by the County. Pima Prospers also includes an amended land use legend, land use map, and rezoning and special area policies which govern land use for unincorporated Pima County; administrative sections and appendices are also included. On motion, the Planning and Zoning Commission voted 6-1 (Commissioner Maese voted NAY; Commissioners Becker,

Tronsdal, and Truitt were absent) to recommend APPROVAL SUBJECT TO AMENDMENT. Staff recommends APPROVAL. (All Districts)

At the request of the County Administrator and without objection, the item was continued to the Board of Supervisors' Meeting of October 14, 2025.

54. Hearing - Rezoning Resolution

RESOLUTION NO. 2025 - 39, P24CA00001, Wilmot 8890, L.L.C. - S. Wilmot Road Plan Amendment. Owner: Wilmot 8890, L.L.C. (District 2)

It was moved by Supervisor Heinz, seconded by Supervisor Christy and unanimously carried by a 5-0 vote, to close the public hearing and adopt the Resolution.

HUMAN RESOURCES

55. Meet and Confer Memorandum of Understanding

Staff recommends approval to extend the Memorandum of Understanding with American Federation of State, County and Municipal Employees (AFSCME) Arizona Local 449 through March 31, 2026.

It was moved by Chair Scott, seconded by Supervisor Heinz and unanimously carried by a 5-0 vote, to approve the item.

BOARD, COMMISSION AND/OR COMMITTEE

56. Library Advisory Board

- Appointment of Patrick Andrews, to fill a vacancy created by Sharon Foltz. Term expiration: 6/30/29. (District 3)
- Appointment of Frances Benavidez, to fill a vacancy created by Craig Kleine. Term expiration: 6/30/27. (District 3)
- Appointment of Kathryn Thomas, to fill a vacancy created by Scott Lukomski. Term expiration: 6/30/29. (District 1)

It was moved by Chair Scott, seconded by Supervisor Heinz and unanimously carried by a 5-0 vote, to approve the item.

57. Regional Wastewater Reclamation Advisory Committee

Appointment of Rebecca Perez, to replace Rob Kulakofsky. Term expiration: 3/1/29. (District 5)

It was moved by Supervisor Cano, seconded by Chair Scott and unanimously carried by a 5-0 vote, to approve the item.

CONSENT CALENDAR

58. Approval of the Consent Calendar

It was moved by Chair Scott, seconded by Supervisor Allen and unanimously carried by a 5-0 vote, to approve the Consent Calendar in its entirety.

* * *

SPECIAL EVENT LIQUOR LICENSE/TEMPORARY EXTENSION OF PREMISES/PATIO PERMIT/WINE FAIR/WINE FESTIVAL/JOINT PREMISES PERMIT APPROVED PURSUANT TO RESOLUTION NO. 2019-68

1. Special Event

- John Walter Kenning, Santa Catalina Catholic Church, Santa Catalina Catholic Church Hall, 14380 N. Oracle Road, Tucson, September 16, 2025.
- Carol A. Wagner Williams, Vail Preservation Society, Old Vail Post Office, 13105 E. Colossal Cave Road, Vail, September 19, 2025.
- Stephen Paul Kindred, Green Valley Recreation, Inc., Green Valley Recreation – West Social Center, 1111 S. GVR Drive, Green Valley, September 13, 18 and 23, 2025.
- Scott Thayer Somers, Rotary Club of Green Valley, GVR West Center, 1111 S. GVR Drive, Green Valley, October 18, 2025.

2. Wine Fair/Wine Festival

William Sanders, d.b.a. Desert Blossom Winery, Historic Canoa Ranch, 5375 S. I-19 Frontage Road, Green Valley, November 22, 2025 from 11:00 a.m. to 4:00 p.m.

SUPERIOR COURT

3. Judge Pro Tempore Appointment

Appointment of Judge Pro Tempore of the Superior Court for the period of September 29, 2025 through June 30, 2026: Mark Allan Hotchkiss

RATIFY AND/OR APPROVE

4. Minutes: August 5, 2025

* * *

59. **ADJOURNMENT**

As there was no further business to come before the Board, the meeting was adjourned at 1:30 p.m.

CHAIR

ATTEST:

CLERK

FINANCE AND RISK MANAGEMENT

18. Financial Update

Discussion/Direction/Action regarding a financial update on the County's financial performance.

Verbatim

RS: Chair Scott
MH: Supervisor Heinz
JA: Supervisor Allen
AC: Supervisor Cano
JL: Jan Leshar, County Administrator
ART: Art Cuaron, Director, Finance and Risk Management

RS: Now let us go down to the two items under Financial Update. The first one, I am sorry, under Finance and Risk Management. The first one is a Financial Update, Administrator Leshar?

JL: Thank you very much, Chair Scott and we do have Director Cuaron here today to chat about our financial forecast at this point in the year. Thank you. Mr. Cuaron.

RS: Okay. Mr. Cuaron.

ART: Thank you, Ms. Leshar, Chair Scott, members of the Board. We do have a brief presentation to follow the memo that was sent out last week as well. As the slides are being pulled up, just a couple of notes. These are all with respect to the '24/25 numbers. They are very preliminary as we are working on closing our books for '25. So, these are preliminary numbers as of earlier this month, so just keep that in mind as we work through. Next slide please. As we look at an overview of where our financial position sits as of this month for '24/25, our preliminary results were better than forecasted, from the revenue perspective. We are exceeding our budgeted amounts from our adopted budget and we have a slide that will show that on the next slide. [Slide was forwarded] Our expenditure...hold on, go back please. Thank you. Our expenditures are also trending lower than our budgeted amounts, so that results in an overall positive fund balance, we anticipated to increase over and above the reserve requirement by about \$22 million. We do have, as we noted in our Period 10 Forecast, that was done I believe in April, we had two departments that were projected to come in over budget of by \$500,000.00 or more. Public Defense Services (PDS) was one of those. The overage that was anticipated in Period 10 is projected to come in slightly lower than that forecast. The Period 10 forecast was \$1.498 million. The numbers to date show that they are going to come in about \$1.423 million, realizing \$75,000.00 have come off of those expenditures for PDS. The same news can be seen in the Sheriff's Department. The Period 10 forecast was anticipated they were going to be over budget by about \$4 million. As

of September, that number is \$2.7 million, again mostly due to the jail costs and increased food and utility costs out of the jail. Next slide please. As I mentioned on the previous slide, this is a chart demonstrating our financial results preliminarily for '24/25. A couple things to highlight on this slide are the Unaudited Actuals column, again, these are preliminary through September. The additional fund balance in the beginning fund balance row of \$132 (million) that is really due to additional fund balance that was recognized after the budget was adopted last year, generating that variance of \$6.7 million. On the revenue side, you will see we have \$19.1 million that is over our adopted budget. This is a combination of different revenue sources in the General Fund, primarily buoyed by \$11 million in State-Shared revenues. And we have monitored that since the beginning of my tenure with the County, we had a \$3.3 million refund in ALTCS, and we had additional \$359,000.00 in pooled interest due to continued higher interest rates that were not previously budgeted in the '25 budget. And then we had a \$1.9 million increase in our departmental revenues that was demonstrated in the memo as well. We had Transfers In, is coming in less than budget that is really due to our indirect cost recovery from our grants. On the expenditure side, you will see close to \$5 million savings, this is really due to County departments watching their budgets and coming in lower than expected on the expenditure side. Transfers Out, we are less than anticipated, this is really due to grant match. We just did not get some of the grants that we thought we were going to get and did not have to budget or expend the dollars on the match. So, what that means is, we have an ending fund balance of \$126.7 million anticipated for FY24/25. Next slide please. This slide demonstrates the preliminary General Fund, Fund Balance. You will see the \$126.7 (million), less the reserve policy which that number was based on 17%, so the excess reserve is \$22.4 million, again, gain that goes back to the number that I mentioned at the top of the presentation. When we talk about our contingency amounts for affordable housing and then General Fund, we take those deductions out and it leaves \$19.1 (million). Our Period 10 Forecast was \$11.2 (million). That was the amount that was used over and above to balance the FY26 budget, meaning that the \$7.9 million, as we talked about during the budget cycle and my forecast from February, March and April, we were monitoring the additional contingency that would be for grants that \$7.9 (million) is that number, again, that \$7.9 is reflected in the \$19.1 (million). It is not additional, we are just calling that out as we were tracking that per Board discussion during the budget cycle. Next slide please. This slide represents our financial forecast through August. The one highlight I want to point out is through the first two periods of the month, it does appear that we are going to be receiving additional State-Shared revenues, close to \$1 million, that is the one change that you will see on the slide. Everything else is set to budget, simply because of the timing, we are very early in the fiscal year, and there is not enough trend data to be able to predict where we might end. I do anticipate as we get into October, November, these numbers will change, as you have likely seen in the time that I have been here. So, in taking the forecasted amount in the column, we are anticipating, based upon that additional \$900,000.00 in State-Shared Sales Tax that our ending fund balance would be about a little over \$100 million for the fiscal year. Next slide please. This is the Fund Balance Reconciliation for '25/26. We have that \$101.3 million. That \$92 million is the Reserve Policy. As you will recall, this is the change that the Board of

Supervisors adopted, moving from 17% to 15% during the FY26 budget cycle. Meaning as of today, if all things held true, there would be an additional \$9.3 million in Fund Balance. Again, a caveat that this is very early in the fiscal year, and you will continue to receive updates from my office as we move forward in the fiscal year. I did want to point out, as we begin to look at our '26/27 Fund Balance and with obviously the next item on the agenda is the affirmation of the Fund Balance Policy. Our \$101 million is where we are at right now. If we moved back to 17% of expenditures, we would need to be at \$103,367.00. Again, that is based on our anticipated 17% of our General Fund Audited Expenditures that we are anticipating to be in FY25, so that leaves us short about \$2 million. Again, very early numbers, very early in the fiscal year and we do anticipate this potentially changing as we move forward and monitor both our revenues and our expenditures from the departments. Next slide, please. This slide demonstrates our General Fund Contingency budget that was the million dollars that we had in the budget for contingency. I am going to bring this back to you each and every month that we come before you to do a financial forecast. To date, we have spent \$106,000.00 on HR pay strategies, this is really for HR positions that were hard-to-fill and in demand. \$106,000.00 was used, leaving approximately \$894,000.00 in General Fund Contingency budget for the rest of the year. Mr. Chair that concludes my prepared remarks. I would be happy to answer any questions the Board may have.

RS: Questions or comments? Supervisor Heinz?

MH: Thank you, Chair Scott, and thanks so much for the presentation and helping me get my W-2 the other day. What is the grant status? I know we have almost \$8 million in anticipation of federal cuts impacting our grants that we are expecting. How are we doing? I know we are not getting that update every month like we used to be, but what do we have outstanding? What do we think we are not going to get? Is there, maybe that is the wrong staff, I do not know. But where are we in terms of that?

JL: Chair Scott and Supervisor Heinz, if I may? To make sure that you have accuracy in what all the different grants are, I would like to follow up and get you a report back on that. I know we have \$13 million, for example, that remains unfunded from the federal government for the SSP, our shelter program for that one grant alone. It has bounced up closer to \$60 in all grants. Some of those were ones we have not yet received and then what the dollars are owed. But to make sure that there is specificity, we would like to follow up. Unless, Mr. Cuaron, if there is something you would like to add today, otherwise, we will follow up by the end of the week with a report. Thank you.

RS: Thank you, Supervisor Heinz. And just to add to that request, if we could also get a report, Mr. Jurkowitz, in conjunction with the County Administrator from your office, because Ms. Conover had let the Board know that because of the preliminary injunction that was issued with regard to the lawsuit, where we joined with some other jurisdictions on funds affecting Transportation and Community and Workforce Development, that some funds were freed up as a result of that preliminary

injunction. So to add this Supervisor Heinz request, if we could get a joint report from the two offices, that would be helpful.

MH: And one quick second question.

RS: Go ahead please.

MH: Thank you, Chair. The Reserve Balance. I remember we had this discussion a little bit ago in terms of the 17% number and I thought we decided that 15% was great for municipalities and such. Am I misunderstanding that?

JL: Mr. Chair and Supervisor Heinz, that is the next item as well. We have had the Board policy at 17%. For this year's budget, the Board asked that that be waived and moved to 15%.

MH: Okay.

JL: The question had come up of whether you want to amend the policy formally or simply make adjustments as-needed on an annual basis, and that policy review is the next item.

MH: Okay. Thank you.

JL: Thank you.

RS: Supervisor Allen?

JA: Thank you for the presentation, Director Cuaron. I have a question on Slide 4. It is the General Fund, Fund Balance Reconciliation. There is a \$1.4 million listed for affordable housing. Can you remind me what was that...It is not our \$5 million?

ART: Chair Scott, Vice Chair Allen. My understanding is that this is a request from the Board of Supervisors to put this additional \$1.4 million in our contingency. It is outside of the \$8.5 million that the Board had designated in the '26 budget for affordable housing, \$5 of which was from PAYGO and the other \$3.3 that was authorized during the budget cycle. So, this is not inclusive of those numbers. This is a separate and distinct balance.

RS: Ms. Leshner?

JL: Thank you, Chair Scott, Supervisor Allen, there were motions made by the Board when we were adopting the budget in May and June of last year related to these. Why do we not update this report and get it to you and post to the public of exactly what were the motions and the purpose for the allocations of those dollars. In addition, just a reminder what we had looked at that time. There was a discussion by the Board of whether or not we should increase an amount in the budget for additional funds, for grants that if we wanted to make grants and the Board had

indicated at that time a request that we, in effect, snap a line and that the amount that was designated in the budget for additional grants be increased by whatever dollars came in above, in terms of additional revenues, in excess of what we thought would be the Fund Balance. So that is why you are seeing the excess reserve, the \$7.9 million, almost \$8 million to increase that bucket based on that policy. The other two were motions made, and forgive me, I cannot recall the day that that happened or what it was. Let us get back to you again in a memo format and so that the public, as well as the Board, has full access to that. Thank you.

RS: Anybody else? Supervisor Cano?

AC: Thank you. Chair Scott and Administrator Leshner and Director Cuaron, I appreciate the update. I, too, need a deeper dive on this grants contingency because in the first few weeks had asked about it, and I am still not sure I understand the math and all of this. It is spending capacity, but they are not real dollars, or they are real dollars. And so I look forward to getting more information on this. And at some point, this Board had also discussed if there would be in each department and or district, a contingency fund like the big one that we have. And I have yet to see a response on that. My next question, also it could be Administrator Leshner, if you want to do it in the form of a memo, but I continue to hear from Librarians and our library advocates about the need for long-term, sustained funding in our branches. And I want to reiterate from this dais that the action taken by this Board just a few weeks ago to strengthen and preserve our Pima Early Education Scholarships Program was definitively not choosing one program over another. PEEPS or our Library Districts. And we have got to dispel this myth, and we have got to provide a financial picture to this Board of the resources and the efforts that it will take to ensure that our libraries are getting the same equitable investment. I believe at this current moment, we are exercising our authority to ensure that there was no disruption in a very quality important program for our region. But to suggest, you know that there is any effort to dismantle our libraries, I just fundamentally disagree with that perspective because I know it to not be true Chair Scott. The library branches are where young Andres spent a lot of time, and it was great to be at Valencia not too long ago with our Librarians for family story time, as I mentioned earlier. So, I would like to see additional information on this particular item that we have got to have in partnership with the library commission and I would like this in 90 days. Thank you.

RS: Thank you, Supervisor Cano. Just to follow up on that, Administrator Leshner, when we discussed the item that Supervisor Cano was referring to, there was discussion about the fact that in the future, there might be a recommendation from the Board that there would be a recommendation for a Reserve policy for the Library District, similar to what we have for the General Fund, and that that might also be forthcoming with regard to the Flood Control District and the Stadium District.

JL: Chair Scott, thank you and Supervisor Cano, yes, we have been reviewing the Fund Balance policy regarding the Library District. It is going through the Library Advisory Commission for their review and consideration as well. And yes, we remain committed, and I think there is no indication in any way that the libraries will be

negatively impacted by PEEPS, that there is clearly a plan for both critical educational programs to be maintained through the Library District. And if I may, we will follow up with additional information. But yes, one of the issues that comes up regularly is we do have grants contingency in excess of \$40 million. In the last couple of years, that had been \$300 million and unfortunately for that line item, there are no dollars associated with that. What we have done previously in the years where we had \$300 million and now at \$40 million, if we do not have a budget capacity that shows how much you can spend, you cannot spend it. And so we have put in budget capacity so that if we were to successfully receive grants, again a couple of years ago, when we were getting \$150 to \$200 million for public health purposes, having that capacity in the budget allowed us to actually spend the dollars when they were received. The \$8-\$9 million is closer to what we have got in a contingency in grants, in real cash that could be allocated by the Board. But for clarity, to the Board and the public, we will certainly provide that in written format.

AC: Chair Scott. I just want to thank Administrator Lesher for the clearest explanation of that. That made sense, not the 5 or 6 different emails I have gotten on this and I look forward also to getting your communication Administrator Lesher, that tells me that what we do have is a cushion to support additional opportunities to the tune of \$9 million, not \$40.

JL: Chair Scott, Supervisor Cano that is correct.

AC: Thank you.

JL: And my hesitancy is, that is the additional Fund Balance. My hope is when we scrub it and the year ends out, it could be slightly larger, but it is certainly not \$40. It is closer to the \$9. Thank you.

RS: Supervisor Heinz?

MH: On the subject of the Library District, I spoke with Mr. Holmes about this as well, I think yesterday. We are a little behind in terms of the tax rate for the Library District and that is something that is supposed to be increased anytime we open a library by a center....I cannot remember exactly the information there. So that is something that I know that we as a Board need to look at doing over the next 2 to 3 budget cycles. So just for any of the library staff or Library Board members who are listening, that is certainly my intent to make sure that that funding stream is proper and is reflective of the recent libraries that have been opened.

RS: Thank you. Any other questions or comments? Supervisor Allen?

JA: I did have one other question. On the memo, under the section, I think it is on page 3, under the section of General Fund Revenues. The very last item on the chart is Finance mandated payments. It shows that there was an unbudgeted \$3.3 million revenue. And I am just curious what that is, considering it was not budgeted and it is significant.

ART: Chair Scott, Vice Chair Allen. That represents the ALTCS refund that I referenced, because it is a refund, we do not typically budget for that, so that is where we accounted for that.

JL: And Chair Scott, if I may just for clarity, Supervisor Allen. That is the Arizona Long Term Care System. The State does pay some to us, we pay some to them and this was a refund of an overpayment. So thank you.

RS: Anything else from Board members? Alright. Mr. Cuaron, thank you very much.

DRAFT

CONTRACT AND AWARD

Detainee and Crisis Systems

26. NaphCare, Inc., Amendment No. 2, to provide for correctional health services, extend contract term to 9/30/27, amend contractual language and scope of services, General Fund, contract amount \$53,763,925.33 (PO2400003903)

Verbatim

RS: Chair Scott
MH: Supervisor Heinz
JA: Supervisor Allen
SC: Supervisor Christy
AC: Andres Cano
JL: Jan Leshar, County Administrator
MP: Matt Pate, Deputy Director, Detainee and Crisis Systems

RS: Let us go ahead and do our time certain item for 11:00 a.m., and that time certain item is Item No. 25 under Detainee and Crisis Systems, NaphCare Inc., Amendment No. 2, to provide for correctional health services, extend the contract term to 9/30/27, amend contractual language and scope of services, General Fund, contract amount of \$53,763,925.33. I will move the item.

JA: Second.

RS: Moved and seconded by Supervisor Allen. Administrator Leshar any introductory remarks before I get questions from Board members?

JL: Thank you, Chair Scott. This is the two-year extension for NaphCare. We do point out that while it is two years, there is an ability for the Board of Supervisors to exit the contract with 120-day notice. The Board has directed, and staff is working on an analysis, of how we can take the steps necessary to move the operation of the health and behavioral health care in the jail back to County functions. It was there until about 20-25 years ago as the Department of Institutional Health. It has subsequently been contracted with outside providers since that time. I think we are on the fourth or fifth contractor at this point, but again, this is simply additional dollars required to fund the program for the next two years, and a reminder that we continue to look at internal operations. We do have staff here from Detainee and Crisis Services who can answer any questions you might have about the contract. Thank you sir.

RS: Okay. Thank you, Ms. Leshar. Supervisor Heinz?

MH: Thank you, Chair. I think I publicly talked about this a lot. I do not believe that we should have private outsourced health care for our inmates. I think that it is really

important that we bring this in-house and it is something that I think we have talked about on this Board for a couple of years now. My team and I had a very productive meeting with Paula Perrera, as well as the head of Risk Management, as well as the head of the carceral health system for Maricopa County, where they have maintained in-house control. These are all Maricopa County employees that provide for behavioral health as well as regular health services in the Maricopa County Jail. And I think that we can get this done hopefully in 12 months, not in 24 and I was going to actually propose that we decrease the length of the term of the contract. But given that Section 7 is pretty clear that we can move forward with bringing this in-house, as it should be, and any time in this 24 month period of time, I think I would be supportive of this contract as it is written and also would ask that staff continue to move aggressively toward bringing this in-house so that we can...really, I think it is going to solve some problems and frankly, when there is no profit motive involved, which of course, there necessarily is for an outside company, that is where we should be. Because if we need to, if we are not making our quotas, we do not have enough behavioral health nurses, or NPs, or whatever, then we can have a one-time bonus because we do not need to worry about our profit margin and that is exactly the way this should be.

RS: Thank you. Supervisor Allen?

JA: Thank you. I, like Supervisor Heinz, strongly believe that there should not be a profit motive tied to providing health care to folks that are in within the Pima County Jail and also within the contract really do encourage us to move as quickly, while also thoroughly, along the timeline that had been laid out to advance that transition from private healthcare to bringing it back in-house. I am interested in knowing where we are in that timeline. There were a few of the steps that were outlined that those deadlines have passed, so I wanted to check and see where we are at on those.

RS: Administrator Leshner?

JL: Thank you very much. I am going to turn to staff, Mr. Pate is here today to respond to those questions, I believe. Thank you, sir.

MP: Thank you, Chair Scott, Supervisor Allen. We had our first meeting with our core department leadership on this issue on September 4th. At that meeting, first and foremost, we realized the size of this task to the County. We had initially wanted to do quarterly meetings. It was clear to us that we needed to do monthly. So, we will be meeting monthly on this, next meeting will be October 2nd. It was also clear to us that the first thing that we really need to figure out so that we can plan going forward, is the question of liability. The County is currently self-insured, but our insurance currently does not cover correctional medicine and so the Risk Management folks are already moving that forward. As Supervisor Heinz had mentioned, in the call facilitated with Maricopa County, we have connected with their risk folks as well, so that we can really have a handle on that, as that will kind of help guide our next steps and recommendations as we bring those back to this

Board. We will be meeting monthly on this and as requested can provide updates but we hear you loud and clear about the timelines.

JA: I am also curious whether there is anything new and different in this contract from the previous contract that would decrease the likelihood or increase the protection of life? Our jail had one of the highest per capita death rates of jails in the United States just a couple of years ago. And so, in thinking about that, is there anything different? Restating my question, is there anything different in our contract now, that continues? And I know that those numbers have dropped, but is there anything in the contract that identifies what it is that has changed and are we contractually embedding those practices moving forward over the next two years?

MP: Let me speak to that. Supervisor Allen, members of the Board. So, I would say specifically to that question, no, there is not. However, our practices have led to decreases in deaths and increased safety. That is an operational decision that we make with custody. Again, how do we make people safer? And I can give you a really good example. In 2023, when our community, and many communities around the country were hit with fentanyl, and that epidemic, we saw a spike in the jail just as everybody in the community has. What we did was alter our intake process and assumption that people are coming in, likely under the influence of this substance. And so, in the last two years, we have prevented suicides, any successful suicides in our jail, and we have not had any overdoses leading to death. These are two of the primary ways of preventable death in a jail-based environment and have been our absolute focus. And so, in the last two years, we have made significant strides in that. We have no plans to change that. I mean, we are all healthcare professionals and do not want to see people harmed as they go into the jail. And so as far as them being explicit to the contract and maybe penalties, we have not added those. I would say, though, that the incentive and structure around staffing, I think, has had a positive impact. One of the biggest things that faces a healthcare environment, especially in this, is staffing shortfalls. It is a problem that we see everywhere. When we are talking to Maricopa County, I believe they were they were at a rate of about 24%. They have got it down to 16%, which is really good. I could tell you our vacancy rate at our juvenile facility, 11%, at our adult facility it is 9.5%. So we have done a pretty decent job with our current structure of trying to keep that number down. And as we talk about bringing these services in-house, we really want to make sure that we do that without any lapses or taking any steps back in care. Two things are kind of true here. We have gotten a lot better with our correctional health practices, but we certainly have a long way to go. And again, we wanted to make that clear in the memo. In this contract, as was mentioned, in term seven, have a very clear pathway to bringing all or part of services in-house. As we talked to other communities, they typically rely on, that have done this, are doing a hybrid type model, which is exactly what Maricopa County is doing. About 20 to 30% of their staff are contracted out. And so, as we explore this, we know that we have a way to exit part or whole of this contract. NaphCare has agreed that they would participate in any transition that would not be disruptive and if we give that 120-day notice, they have agreed to, within 30 days, develop a plan that we would have. So, within 90 days of that exit, we would have that fully laid out in front of us

for all or part of it. So, we have felt like we have put safeguards in this contract and listening to the will of the Board, really understand that we need to put forward policy recommendations that you guys can consider on this issue. So, thank you.

RS: Supervisor Allen, please continue.

JA: And I think my last question is just understanding a little bit, if there is a role for our Health Department in the health provision and the medical care or just sort of structurally, maybe the end goal.

MP: Supervisor Allen, members of the Board. What I will say there is, that becomes a little challenging with an accreditation, right, because in an in-house model that could potentially be an option. But as it currently states, the liability kind of shield and how the contract is written is that NaphCare staff are the ones, the contractors providing that medical care. Again, as we are certainly exploring the insurance aspect, that question will come up because, again, what we are essentially asking is how do County staff do this, and how do we move the internal infrastructure to do that? And as we have talked to many communities, not just Maricopa County, each community that does this, does it uniquely and so, I think some communities, when they move it in-house, correctional health moves under the purview of the Sheriff. We have seen it under a public health entity. Our goal is to, again, get recommendations in front of you that are specific to this community and really what is feasible. So, to your point, everything is kind of going to be on for discussion. Thank you.

MH: Chair Scott?

RS: Just one second because I have not called on Supervisor Cano yet.

AC: Thank you, Chair Scott. Administrator Leshner, I am curious, has this Board indicated that we would be headed toward taking these duties in-house at this point?

JL: Chair Scott, Supervisor Cano. A majority of the Board asked for a plan for the Board to consider as an option should they wish to take this in-house. There has not been specific direction to do so, but there has been specific direction to develop a plan for review by the Board to consider that option.

AC: Thank you, Chair Scott and Administrator Leshner. The reason why I mention it is, this does not tell me where an exploration mode at this point, the conversation we have heard today. This tells me that we are moving forward toward perhaps a one-year or 90-day notice. So I want to make sure that we reset the narrative that this Board has not exercised that option yet as a whole and I, of course, am going to be looking for ways to always support bringing resources to our County employees. I do think we have to look inward, but this is a policy decision at this point, and I am worried a bit about the conversation I have heard, especially as it relates to a contract, right, if I was NaphCare, and the other devil's advocate in here, I would kind of just be saying what is happening. And I think it is good practice for us to put

as standalone items for the Board's consideration straight up or down vote on whether we should be proceeding in this manner, before we have staff do all of this incredible work and research that ultimately has a lot of implications. And I think it is just a good reminder of this being a Board decision and not a staff decision.

JL: Absolutely.

RS: Thank you, Supervisor Christy and then I am going to come back to Supervisor Heinz.

SC: Thank you. I am just trying to jog my memory here. I seem to recall that it was in-house in roughly 20-25 years ago and your predecessor, Mr. Huckelberry, made the decision, or the Board with his backing, made the decision to contract it out. What was the reasoning, do you recall that?

JL: Chair Scott, Supervisor Christy. I believe it had to do with finances. I was not here at the time. I am happy to look into that. As I mentioned, it was about 25 years ago. We have gone through several operators since that time, so let me see if I can dig.

SC: More than likely it dealt with cost savings.

JL: I believe that to be true.

SC: Thank you.

RS: Supervisor Heinz?

MH: Thank you.

JL: If I may, Chair Scott. I am sorry. Forgive me, there was a time when Pima County ran the hospital. Pima County owned a long-term care facility. Pima County owned an operated a medical plan, and we operated all the institutional health services in-house. There was this move, I think, this became part of that entire package of moving, again, we divested from the hospital contract with an individual operator. We sold the long-term care facility. We shut down the medical plan. So, this was just an element of all of that.

RS: Go ahead, Supervisor Heinz.

MH: Thank you and actually, just to springboard off of that, if we could hear from staff how much? I was surprised, the per year cost of this contract with NaphCare is 20 something percent higher than the last contract we signed. Is that not right? What is that in millions of dollars per year? If you have that. If not, then I can go on to another question while you figure it out if you want.

JL: I am looking at the documents you have in front of you.

- MH: But to my colleague from District 4, to his point, it may have been 20 something years ago, a question of finances. But given these numbers and how much this is ballooning just in 1 or 2 years, I do not...it seems to me like, now the opposite might be true, we will see. But if you do not have it, that is fine. It is a 20 plus percent increase per year for what we are having to pay now because it was much less before. I do not want the carceral health to be in the purview of the Sheriff. I would like that to go on record right this very moment, given what he does with the rest of the budget. I cannot imagine how expensive that would be. And I really want, and not so much Dr. Cullen and Dr. Saal, and the people in the Health Department, doing the health care, but in the monthly meetings that you were just talking about, I would like make sure that we have all of the best minds and folks at the table. I think that it would be a disservice to the public and to the carceral health system if we did not have, does not have to be Dr. Cullen because I cannot speak for her time but somebody from the public Health Department, Dr. Cullen, or one of her designees, should be at that meeting when you are having those monthly meetings, as you contemplate this and figure out how best to do this and how to do it in the safest way possible.
- JL: Thank you and Chair Scott and Supervisor Heinz. The increase, not sure this is exactly the question asked, but the amount of the contract under item three, the maximum amount for the next year is \$53,763,000.00. It is a healthy contract, and yes, the Health Department is part of the team that is reviewing the transition.
- RS: Any other questions or comments from Board members? If not, I had one that I think would be helpful in terms of the Board having full knowledge of what is moving forward. Ms. Leshner, I cannot remember when the Board got the memo from Ms. Perrera with a cover memo from you on how the process would be, but it might have been prior to..[gestures to Supervisor Cano]
- AC: [Inaudible, nods]
- RS: Did you? Okay. Thank you, Supervisor. I just wanted to be sure that we all had the most current information.
- AC: Well, Chair Scott. If we can engage in this. That was discussing the possibility of us going in that direction and this discussion today tells me that we are doing it in two years. And I agree with you, we have not said that yet and so, before we do that, can we talk to the Board a little bit more about what that means?
- RS: Supervisor thank you, because no, we did not make that decision. We asked for a process by which that could be considered to be laid out for us and Ms. Perrera said it would take no less than two years. So, to follow up on your point, I wanted to ask Administrator Leshner, or whoever else wanted to respond, beyond the issues of accreditation and liability, what are the chief concerns that we are taking into account as we are considering what recommendations we might make to the Board?

JL: Chair Scott, it is quite a matrix, but we are looking at not only, simply, the provision of quality care. What are the physicians, what is the staffing need? The HR component, if you will, is a significant element to this, in that, sometimes if we have employees go home sick, we can modify programs close early, do something in that nature, that does not happen at the jail. So, we have been looking at what the HR system would look like to make sure that we can blend contract employees, County employees, what that might look like. So, the HR piece is an element of it. The liability piece is an element. The quality of care, behavioral and medical component. There is...Mr. Pate who else is part of the Committee?

MP: Yeah, I could tell you, Procurement. I mean, right, just bringing in supplies in a timely manner. Staffing is a huge component. I mean, we have a shortage of medical professionals. Glad to see some coming up today. Excellent presentation by the way. But it is a competition for these employees, I mean, we have a lot of premier healthcare organizations here. And again, to get people to come and work in a jail or prison environment, it requires sometimes a staffing model that is not usually inherent to the County. When we were talking to Maricopa County, they were saying, you know, we have to give money for continuing education. We were doing, you know, bonuses or onboarding. They were doing, you know, day on signing, like just getting really creative with bringing people on Board. But the issue that we see with staffing, that even if people come over like 1 to 1, they are currently in a system that does not pay into ASRS. So even getting that employee to come over at the same take home, you are going to have to think about how you structure that. There is issues with the County Attorney's Office. What we heard from Maricopa County is that 98% of their medical malpractice claims are coming through correctional medicine. When we talk to them about that, they contract out for that service. They do not hire those internal. So, if you really look at this, even to IT, all the devices are managed by NaphCare. There is a lot of devices in there that are required to help provision healthcare. So, as we have started to explore this on direction of the County Administrator back in April, we have started to see that this is truly a County lift if we are going to do this. And so, the ask to us was, as Supervisor Cano said, to put together a kind of roadmap, what would a plan for this look like for the Board's consideration and we are moving that forward.

RS: Thank you. Any other questions or comments from Board members? Supervisor Christy?

SC: Yes, thank you Chair. You kind of piqued my interest. When you talk about claims against, as far as the healthcare in the correction system, who is responsible to address those and maybe ultimately pay for them, the County or the contractor?

MP: In the current structure, the contractor.

SC: So, if we did not have the contractor, Pima County would be responsible and have to self-pay it?

MP: That is my understanding Supervisor Christy.

SC: Thank you.

RS: Thank you, Supervisor. Any other questions or comments from my colleagues? Okay and then I cannot remember if this was touched on before, so I apologize if I am asking something that any of you already addressed. But when do we expect, because what we are voting on today, is approving an extension of the current contract for two years. So, when do we expect to get a recommendation on what we might do moving forward, whether we go in-house, or whether we have another item like today's? Is there a timeline for that?

JL: There is Chair Scott. I am trying to see the memo. We gave them a year to begin to look at the evaluation, assuming that with the current contract, should the Board make a determination that gave us safely, a year to study and a year to implement.

RS: Thank you. You jogged my memory as well that that was noted in there. Anything else? All those in favor of adopting Item No. 25, indicate by saying "Aye." Aye.

JA: Aye.

MH: Aye.

AC: Aye.

SC: Aye.

RS: Any opposed? Item passes 5-0.