

MINUTES
REGULAR CITY COUNCIL MEETING
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA
CITY COUNCIL CHAMBERS, YUMA CITY HALL
ONE CITY PLAZA, YUMA, ARIZONA
APRIL 1, 2026
5:30 p.m.

CALL TO ORDER

Mayor Nicholls called the City Council meeting to order at 5:34 p.m.

INVOCATION/PLEDGE

Pastor Michael Black of Morningside Southern Baptist Church gave the invocation. **David Wostenberg**, Director of Engineering, led the City Council in the Pledge of Allegiance.

FINAL CALL

Mayor Nicholls made a final call for the submission of Speaker Request Forms for agenda related items from members of the audience.

ROLL CALL

Councilmembers Present: Martinez, Morris, McClendon, Smith, Morales, Watts, and Mayor Nicholls
Councilmembers Absent: None
Staffmembers Present: Acting City Administrator, John D. Simonton
Various Department Heads or their representative
City Attorney, Richard W. Files
City Clerk, Lynda L. Bushong

PRESENTATIONS

Reading of Proclamation: Month of the Military Child

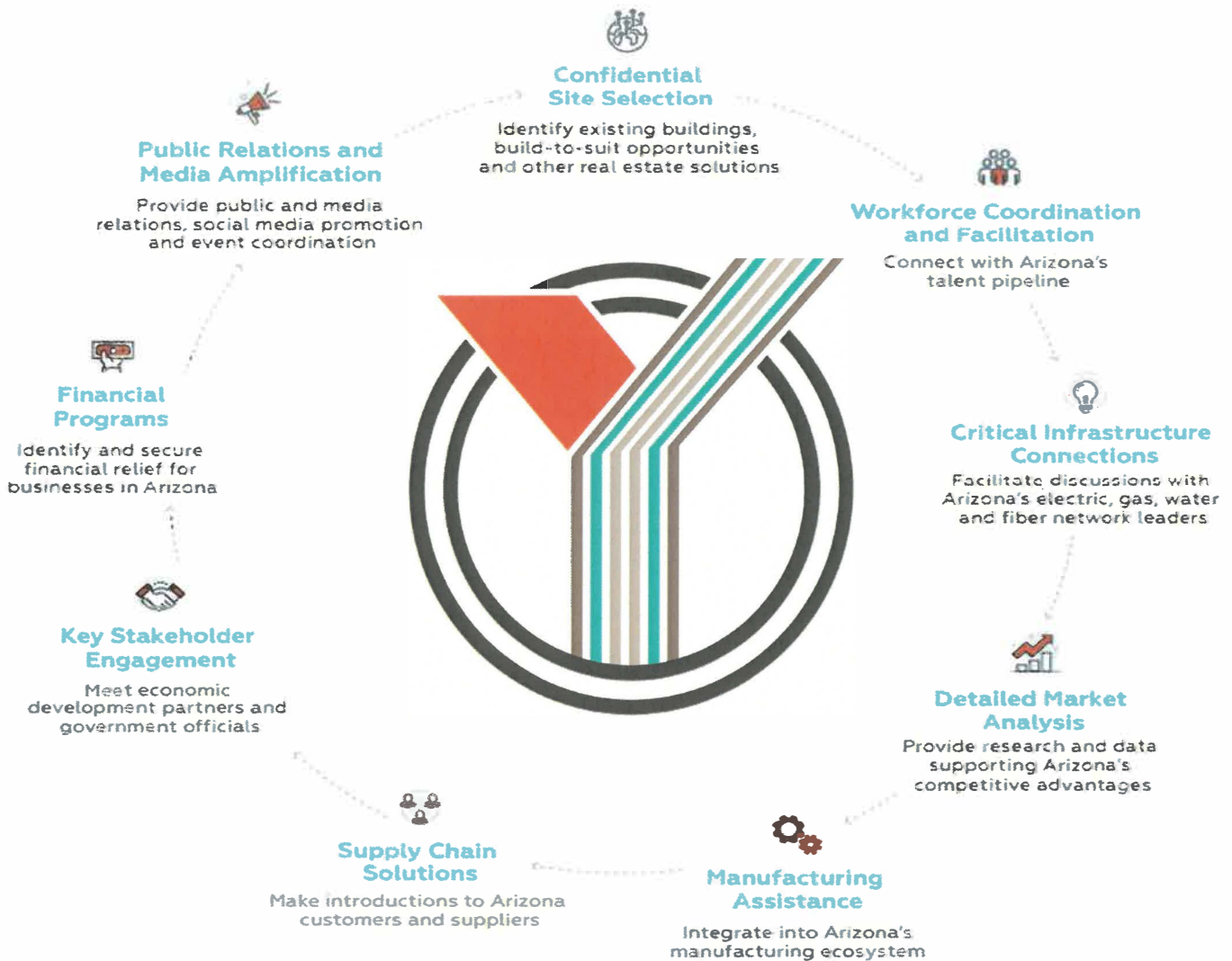
Mayor Nicholls read a proclamation declaring April as Month of the Military Child and called upon all residents, businesses, schools, and organizations to join in honoring and supporting military-connected children and their families throughout this month and beyond.

Candice Brown, School Liaison Officer from Marine Corps Air Station Yuma, expressed gratitude for the community's strong support of military-connected children and reminded everyone to wear purple on April 24th in their honor.

Greater Yuma Economic Development Corporation Update

Greg LaVann, President and Chief Executive Officer of the Greater Yuma Economic Development Corporation (GYEDC), presented the GYEDC Mid-Year Report as follows:

- Services Provided
 - GYEDC provides far more than business attraction services, offering a broad range of support that benefits the City.
 - Services include helping existing and new businesses grow, assisting with workforce development, conducting market analysis, supporting public and utility infrastructure planning, engaging key stakeholders, and aiding the City with media and promotional efforts.



- **GYEDC Staff**
 - A team of six staff members and one consultant supports the City by assisting with grant writing, infrastructure efforts, marketing and promotion, business retention and attraction, data reporting, and cross-border investment outreach, all made possible through pooled funding from regional partners and private investors.
- **GYEDC Economic Impact**
 - Several active projects are benefiting the City, including Amazon, Project Ambition, and Fastener Systems, Inc.
 - Project Ambition is investing significantly, preparing to introduce its operation publicly once equipment, procedures, and intellectual property protections are in place.
 - Project Ambition's leadership has relocated to Yuma and is recruiting additional executives, signaling long-term commitment to the community.
 - Fastener Systems, Inc., has purchased a local facility, plans to begin regional distribution, and intends to add manufacturing in the future.
 - Mid-year results show 30 qualified prospects, 214 committed new jobs, strong average wages, and notable capital investment that contributes to local tax revenue.
 - Performance metrics are reviewed annually with guidance from City leadership to ensure balanced progress across jobs, investment, and broader community benefits.

GYEDC Economic Impact Q1/Q2 FY2026



- Current City of Yuma Projects
 - Three active confidential projects are nearing completion, each representing significant potential investment in the community.
 - Project Box is a medical device manufacturer proposing 438 new jobs and is currently working with a developer and negotiating a site.
 - Project Build is a well-known distribution company planning a 200,000-square-foot facility and has already begun early permitting discussions.
 - Project Orange is pursuing a Yuma location to produce multifamily modular homes for multiple regional markets and is negotiating for a local building.
 - Collectively, these projects could create 738 jobs, generate major capital investment, and expand high-wage employment opportunities in the area.
- What's On the Horizon?
 - Data centers are emerging across the region due to growing industry interest, strong electrical infrastructure, and upcoming large-scale power investments that will not impact ratepayers.
 - New data center models rely far less on water, and continued discussions are expected as these projects develop throughout Yuma County.
 - Opportunity Zones are being prioritized with City and regional partners to attract long-term private investment into rural and blighted areas through federal capital gains incentives.
 - Work on the Spaceport continues, with significant potential benefits if developed in the correct sequence.
 - Increased U.S.-Mexico trade activity and a firm national stance on global trade agreements are driving more Foreign Trade Zone (FTZ) users and expansions, creating shared economic growth opportunities for Yuma and neighboring Mexican partners.

- Telling the Region’s Story
 - A multi-tiered marketing campaign has been launched in partnership with the City to strategically promote the greater Yuma area.
 - Locally produced SWAZ Business Journal has been created to share stories with industry leaders, investors, consultants, and site selectors.
 - Social media platforms are being used extensively to reach audiences with targeted regional messaging.
 - Television advertising, including placements in the Hollywood market, is showcasing Yuma to broader audiences.
 - Additional promotions are appearing in prominent business publications such as Phoenix Business Journal and The Wall Street Journal to reach key decision-makers through multiple channels.
- Binational
 - Binational Consultant, Carlos Armando Mexia, is actively engaging companies in Mexico to highlight the advantages of reshoring to the greater Yuma area.
 - All promotional materials are produced in both Spanish and English to support cross-border outreach.
 - Relationship-building efforts are helping connect Yuma with groups that can contribute to regional economic growth.
- Marketing
 - Multiple promotional platforms are being used in collaboration with the City to showcase and elevate the community through its investment in GYEDC.



- Data/Reports/Leads
 - Significant investment in advanced software allows GYEDC to serve as the region’s primary data repository.
 - The City’s investment provides value through a wide range of reports shared with City departments and partner organizations.

- Website activity generates roughly 7,000 monthly visitors, and business leads from those visits are passed directly to the City's Economic Development Department for follow-up.
- Upcoming Events
 - An Opportunity Zone roundtable will be held on April 14 to brief investors on the purpose of Opportunity Zones, their value to developers, and the process for submitting sites for state approval.
 - A separate, invitation-only symposium will be provided for elected officials, regional government leaders, economic development directors, and public works staff to give an impartial introduction to data centers and their differing technologies, impacts, and industry practices.

Discussion

- Code names are used to protect companies' competitive advantages by keeping sensitive plans, technologies, and intellectual property confidential while projects are still developing. This confidentiality prevents competitors from copying ideas, avoids local disruptions such as inflated land prices, and ensures companies remain willing to invest in the community. It also allows economic development staff to properly vet projects so only those acting in the community's best interest move forward. **(Mayor Nicholls/LaVann)**
- FTZs help U.S. manufacturers stay competitive by reducing duties, lowering material costs, and allowing tax-advantaged storage and distribution. Yuma County is especially well-positioned due to its proximity to major ports, cross-border markets, and the ability to establish FTZ sites across 2,000 acres. These advantages have helped local companies save millions and retain jobs, and strong, fast support from the local Customs and Border Patrol office further enhances the region's competitiveness. **(Morris/LaVann)**
- The binational consultant is focused on attracting Mexican investment in active sectors like medical devices, semiconductors, and battery manufacturing, while strengthening relationships across Baja California and Sonora. Additional efforts aim to direct qualified companies toward Yuma-area opportunities and increase northbound commercial traffic through the underused port of entry. **(Morales/LaVann)**
- The Spaceport initiative is at a stage where public-sector groundwork is needed before private developers typically commit, which aligns with how similar projects progress nationwide. Industry interest exists, but many potential participants are waiting for the project to advance to the developer selection phase. **(Morales/LaVann)**
- Key considerations regarding data centers include environmental impacts, land-use implications, emergency-response needs, and long-term economic value beyond construction jobs. Yuma-specific insights are being sought to understand practical benefits and challenges, including utility management and job creation. **(Morales/LaVann)**
- Any contracts for the Spaceport project would fall under the City's authority. Partner organizations play advisory and outreach roles only and do not have the power to sign user or operator agreements as the project moves toward a public-private partnership model. **(Mayor Nicholls/Morales/LaVann)**
- Estimated development timelines for current projects vary. Project Build has a required delivery in January 2028. Project Box would still need more than a year for construction even if started immediately. And Project Orange is positioned to move the fastest due to minimal specialized equipment needs and contract obligations in 2027. **(Smith/LaVann)**

- Ensuring balanced, unbiased information on data centers includes understanding power demand, potential utility rate impacts, and broader community effects. A large private-sector energy proposal involving a new natural gas pipeline could supply the needed power independently of Arizona Public Service, though the project remains conceptual until formal commitments are made. **(Watts/LaVann)**
- The initial data-center seminar is intended for elected officials, with later sessions planned for investor groups and, eventually, the broader public to ensure community members are fully informed and educated about potential impacts. Authority over whether a data center proceeds within the city rests with City Council, unless future state-level preemption alters that authority. **(Mayor Nicholls/Martinez/LaVann)**

Amber Shek, GYEDC Chief Operations Officer, presented the following overview of the recently updated Comprehensive Economic Development Strategy (CEDS) for Yuma and La Paz County:

- Purpose
 - The CEDS is required to apply for U.S. Economic Development Administration (EDA) funding and to identify shared goals and priority projects across the area.
 - By aligning regional partners around common objectives, it strengthens the collective ability to secure state and federal investment.
- Funding and Coordination Tool
 - The CEDS framework begins with shared regional priorities, identifies aligned projects, and matches them with appropriate funding opportunities to bring investment into the area.
 - Intentional collaboration between both counties is essential to ensure these efforts are coordinated and effective.
- Regional Projects
 - Project updates were developed through a collaborative, region-wide process in which cities and counties submitted proposals aligned with the CEDS goals.
 - These submissions were reviewed by a consultant and consolidated into a unified project list included in the final document.

Nominating Agency	Project Name/Description	Estimated Total Cost	Identified Local Share	Potential EDA Assistance Requested
City of San Luis	Downtown San Luis Redevelopment Design	\$500,000	\$0	\$500,000
City of San Luis	County 25th Extension to Avenue B Design	\$750,000	\$0	\$750,000
GYEDC on behalf of City of Yuma	Yuma Spaceport	\$9,000,000	\$6,000,000	\$3,000,000
City of Yuma	Strategic Planning for Industrial Use and Rail Spur Development	\$400,000	\$0	\$400,000
Yuma County	Avenue D/E Corridor Project	\$24,000,000	\$0	\$24,000,000
Town of Wellton	Williams Street road connector to facilitate proposed mixed-use/resort development	\$3,500,000	\$0	\$3,500,000
City of Somerton	Industrial infrastructure development (roads, water and sewer) for future distribution & manufacturing growth	TBD	TBD	TBD
City of Somerton	Somerton Innovation & Business Incubation Hub	\$4,000,000	\$800,000	\$3,200,000
Town of Parker & Colorado River Indian Tribe (CRIT)	Joint Venture Sewage Plant (addressing critical capacity issue)	\$20,000,000	\$0	\$20,000,000
Cocopah Indian Tribe	Cocopah Tribal Butcher Shop and Meat Processing Facility	TBD	TBD	TBD
La Paz County Parks	La Paz County RV Park Sewer Project	\$2,000,000	\$0	\$2,000,000

- Next Steps
 - The CEDS is actively used as a shared, living framework across communities to maintain priority project lists and match them with funding opportunities, including EDA and other federal programs.
 - This approach ensures planning and investment efforts remain aligned with regional goals and enables a proactive, rather than reactive, path to economic development.
- The City’s Role Going Forward
 - The City plays an essential role in putting the CEDS into action by using it to guide planning, support priority projects, prepare initiatives for grant readiness, and stay aligned with regional partners.
 - Strong coordination across communities strengthens the entire region and improves the ability to achieve shared economic-development goals.

I. MOTION CONSENT AGENDA

Motion Consent Agenda Item C.2 – Bid Award: Pavement Replacement, Yuma Country Club Estates Unit 1
(Authorize the award of a construction services contract for Pavement Replacement, Yuma Country Club Estates Unit 1, to the lowest responsive and responsible bidder, DPE Construction, Inc., Yuma, Arizona, in the amount of \$1,867,800.00.) (RFB-26-144) (Eng)

Mayor Nicholls declared a conflict of interest on Motion Consent Agenda Item C.2, turned the meeting over to **Deputy Mayor McClendon**, and left the dais.

Motion (Morris/Morales): To approve Motion Consent Agenda Item. C.2 as presented. Voice vote: **approved** 6-0-1, **Mayor Nicholls** abstaining due to conflict of interest.

Mayor Nicholls returned to the dais.

Motion (Morris/Smith): To approve the Motion Consent Agenda as recommended with the exception of Item C.2. Voice vote: **approved** 7-0.

A. Approval of minutes of the following City Council meetings:

Regular Council Worksession	January 20, 2026
Regular Council Worksession	February 17, 2026

B. Executive Session

Executive Sessions may be held at the next regularly scheduled Special Worksession, Regular Worksession and City Council Meeting for personnel, legal, litigation and real estate matters pursuant to A.R.S. § 38-431.03 Section A (1), (3), (4), and (7). (City Atty)

C. Approval of Staff Recommendations

1. Authorize the award of a construction services contract for the Colorado River Interceptor + Manhole Replacement Phase II project to the lowest responsive and responsible bidder in the amount of \$1,384,468.50 to Taylor Engineering PLLC, Yuma, Arizona. (RFB-26-228) (Eng)
2. Pulled for separate consideration; see above.
3. Authorize a bid award for the repair of a block wall at the Bark Park, to the lowest responsive and responsible bidder in the amount of \$104,590.00 to Maya's Construction, Yuma, Arizona. (RFQ-25-090) (Eng)
4. Authorize an engineering design services contract for 1st Street Pavement Replacement Project from Avenue B to 4th Avenue utilizing the Professional Engineering Services On-Call contract at an expenditure of \$159,760.00 to Dahl, Robins and Associates Inc., Yuma, Arizona. (RFQ-26-110) (Eng)
5. Authorize the purchase of Proofpoint Email Security and Protection licensing utilizing a Cooperative Purchase Agreement through the State of Arizona for three years at an annual expenditure of \$145,000.00, totaling \$435,000.00 to SHI, Somerset, New Jersey. (CPA-26-257) (IT)
6. Approve the scheduling of the annual City Council Retreat to be held on April 6 and 7, 2026, with an agenda posted in accordance with state law. (City Admin)

II. RESOLUTION CONSENT AGENDA

Motion (Smith/McClendon): To adopt the Resolution Consent Agenda as recommended.

Bushong displayed the following title:

Resolution R2026-013

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving an Intergovernmental Agreement with Yuma County for the construction of Avenue B from 16th Street to 1st Street (proportionally split construction costs, 75.6% City of Yuma and 24.4% Yuma County, with a total estimated project cost of \$4,132,366.50) (0430-ROAD39) (Eng)

Roll call vote: **adopted** 7-0.

III. ADOPTION OF ORDINANCES CONSENT AGENDA

Motion (Morales/Watts): To adopt the Ordinances Consent Agenda as recommended.

Bushong displayed the following title:

Ordinance O2026-012

An ordinance of the City Council of the City of Yuma, Arizona, accepting a corrected Warranty Deed for the east half of Michigan Avenue; declaring the south 20 feet of 32nd Street (9,440 square feet) and a 300-square-foot corner triangle of right-of-way as surplus; vacating the surplus 20-foot right-

of-way easement and corner triangle to the abutting property owner upon the recording of a deed reserving a 20-foot utility easement for water, sanitary sewer and other public purposes; and authorizing an exchange of the surplus right-of-way for the underlying fee title to the 80-foot 32nd Street right-of-way described in this ordinance (consistent with the City's 2005 Major Roadways Plan, which requires an 80-foot half-width right-of-way for an expressway classification along the frontage of the Palms RV Resort property) (Eng)

Roll call vote: **adopted** 7-0.

IV. INTRODUCTION OF ORDINANCES

Bushong displayed the following title:

Ordinance O2026-013

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, rezoning certain property located in the Residence Manufactured Housing (R-MH-20) District to the Medium Density Residential (R-2) District, and amending the zoning map to conform with the rezoning (rezone approximately 2.49 acres located at 2080 W. 27th Street) (ZONE-44797-2025)

V. APPOINTMENTS, ANNOUNCEMENTS AND SCHEDULING

Appointments

Motion (Smith/McClendon): To appoint Aaron J. DeNise to the Building Advisory Board with a term expiration of December 31, 2027. Voice vote: **approved** 7-0.

Motion (Smith/Morris): To appoint Jorge R. Nunez to the Residential Advisory Board with a term expiration of December 31, 2030. Voice vote: **approved** 7-0.

Announcements

Martinez, Smith, Morales, and Mayor Nicholls reported on the following meetings attended and upcoming events:

- Military Affairs Council meeting
- Planning for Veterans/Military Appreciation Day
- Flag-raising ceremony for Roy Davis, outgoing Commander of the Yuma Territorial Marines
- Victims Rights Committee meeting
- Yuma Metropolitan Planning Organization meeting
- Greater Yuma Water Safety Alliance meeting
- Diamonds and Denim Fundraiser featuring Governor Hobbs
- Teen Challenge event and proclamation
- Meeting with Yuma High School students working on a mental-health public health project
- Visit to the Western Arizona Council of Governments Early Learning Center
- Onvida mixer
- Arizona Western Entrepreneurial College recognition celebration
- Arbor Day tree-planting event
- Amazon ribbon-cutting ceremony

- Relay for Life proclamation
- Amberly's Place board meeting
- Arizona League of Cities and Towns executive meeting
- Arizona Commerce Authority Rural Economic Advisory Council meeting

Morales requested a presentation by 4FrontED. **Simonton** confirmed that the presentation will be added to an upcoming agenda.

Scheduling – No meetings were scheduled at this time.

VI. SUMMARY OF CURRENT EVENTS

Simonton reported the following events:

- Public Works Department's spring pavement preservation program begins April 1st
- Yuma Salutes America's 250 – A Star-Spangled Celebration on April 18th
- Reception in recognition of **Bushong**'s retirement following tonight's meeting

VII. CALL TO THE PUBLIC

The following speakers expressed opposition to the development of data centers in Yuma, citing concerns about water usage, energy demands, environmental and public health impacts, costs and transparency issues, and potential harm to local agriculture and tribal lands:

- **Katie La Force**, City resident
- **Lucas Stancu**, City resident
- **Elena Rodriguez**, City resident
- **Priscilla Ruedas**, City resident
- **Roxanne Barley**, nonresident

Carlos Adams, City resident, reported that residents are seeking clearer information on City spending, strongly support removing the grocery tax, and consistently request improvements in public safety, road and park maintenance, and youth and recreation opportunities.


Henry Valenzuela, City resident, urged City Council to prioritize public safety by addressing officer retention and compensation and ensuring transparency on critical audit information, and emphasized his continued commitment to advocating for the community.

Phil Clark, nonresident, acknowledged **Bushong**'s long-standing service and warmly wished her well in retirement.


A video was presented recognizing **Bushong** for 18 years of dedicated service to the City and extending best wishes for the future as she enters retirement.

VIII. EXECUTIVE SESSION/ADJOURNMENT

There being no further business, **Mayor Nicholls** adjourned the meeting at 7:20 p.m. No Executive Session was held.


Janet L. Pierson, Acting City Clerk

APPROVED:


Douglas J. Nicholls, Mayor

Approved at the City Council Meeting of: <u>May 6, 2026</u>
Acting City Clerk: <u>Janet Pierson</u>