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**SONORA, MEXICO,
MUNICIPAL DEVELOPMENT PROJECT:
DIAGNOSTIC ASSESSMENT OF
THE CITY OF NACO**

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By

Frank B. Ohnesorgen
Ramon R. Osuna
Julio Zapata

INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION
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ABSTRACT

The Sonora, Mexico, Municipal Development Project (SMMD) was initiated in response to the local government demand for autonomy in Mexico. Under this USAID-funded project, ICMA will provide technical assistance and training to six municipalities in the state of Sonora, Mexico: Agua Prieta, Cananea, Naco, Fronteras, Naco, and Bacoachi. The purpose of the SMMD is to improve the capacity of the six municipalities in promoting and increasing citizen participation in municipal government decision-making and processes; managing the quality of their urban environment; promoting sustainable economic growth by addressing managerial, environmental, and economic problems that impede development; and developing stronger municipal partnerships along the U.S.-Mexico border both through Mexican intermunicipal cooperation and U.S.-Mexico partnerships. This report describes the diagnostic assessment completed by the ICMA technical assistance team in the City of Naco.

SONORA, MEXICO, MUNICIPAL DEVELOPMENT PROJECT

1 INTRODUCTION

The Sonora, Mexico, Municipal Development Project (SMMD) was initiated in response to the local government demand for autonomy in Mexico. Under this USAID-funded project, ICMA will provide technical assistance and training to six municipalities in the state of Sonora, Mexico. The cities (and their estimated populations) are Agua Prieta (80,000), Cananea (35,000), Nacozari (18,000), Fronteras (10,000), Naco (8,000), and Bacoachi (1,800). This report describes the diagnostic assessment and recommendations completed by the ICMA technical assistance team in the City of Naco.

The purpose of the SMMD is to improve the capacity of the six municipalities in promoting and increasing citizen participation in municipal government decision-making and processes; managing the quality of their urban environment; promoting sustainable economic growth by addressing managerial, environmental, and economic problems that impede development; and developing stronger municipal partnerships along the U.S.-Mexico border both through Mexican intermunicipal cooperation and U.S.-Mexico partnerships.

This project has the potential for providing several models that can be replicated by the rest of the municipalities in the scope of this project and throughout Mexico. The technical assistance team is contributing knowledge of "best practices" in municipal management and in the sharing of resources. The team will provide SMMD municipalities with models for technical manuals that can be adapted to the local situation. These models for local and regional cooperation among U.S. local governments offer solutions for common problems and issues through resource sharing and could be used by Mexico's municipalities to address regional problems. The models have special potential for Mexican municipalities that share regional issues with U.S. municipalities along the border, in the states of Arizona, California, New Mexico, and Texas. The team will also provide citizen and employee participation models that can be used to institutionalize different people in the decision-making process.

Phase I of the SMMD is the technical assistance component. This phase involves conducting a diagnostic of each of the municipalities. The diagnostic will involve all aspects of the municipalities' operations, including urban environmental problems of water, wastewater, solid waste collection and disposal, hazardous wastes, and air pollution. In addition, municipal management practices, finance, budget, citizen participation, and strategies for economic development will be examined. Phase I seeks to improve municipal effectiveness and efficiency, identifying new resources of revenue for the improvement of basic service delivery and increased infrastructure investment. Citizen participation and influence in municipal governments' decision-making are a key component of Phase I.

Phase II of the project will provide further technical assistance and training to the communities' and governments' leadership in prioritizing and implementing the project's findings and recommendations.

2 METHODOLOGY

The technical assistance team conducted an orientation meeting with Naco's Mayor and Councilmembers and other key personnel to review the project's objectives and the scope of the diagnostic assessment. Attendees were also asked for their perspectives on the problems facing their community and government and the objectives they sought to accomplish.

Pertinent municipal documents, such as ordinances, codes, regulations, development plans, organizational charts, and budget information were reviewed. The technical assistance team also conducted individual and group interviews with each of the officials and department managers. Their perspectives of the community's, the government's, and their department's problems and objectives were solicited. These meetings were held in the officials' offices and, when appropriate, a walk-through of their work areas was conducted. Observational visits of some municipal operations and infrastructure were also conducted.

3 GENERAL MUNICIPAL CHARACTERISTICS

The City of Naco has an estimated population of 8,000. It is located on the U.S.-Mexico border directly across from the City of Naco, Arizona, and ten miles from Bisbee, Arizona. Naco's economy is primarily light manufacturing (three *maquiladoras* producing clothing, electronic components, and furniture), commerce, and tourism. Three *ejidos* (Cuahtemoc, San Pedro, and Naco) are on Naco's periphery.

The town is governed by a mayor and five councilmembers. The municipality employs 47 employees in six departments or functional offices that provide policy, administrative, public works, and public security (police) services.

4 DIAGNOSTIC ASSESSMENT AND OBSERVATIONS

This section describes the roles of the municipal offices and departments and the general problems identified.

4.1 Office of the Mayor (*Presidente Municipal*) and Councilmembers (*Regidores*)

This office is responsible for setting municipal policy, establishing organizational objectives, and appointing administrative staff. The major problems and concerns of the Mayor and Councilmembers are as follows:

- With Mexico's current economic "crisis" and Naco's lack of a sustainable economic base, Naco cannot support the development of municipal infrastructure or the provision of basic municipal services. Federal revenue-sharing from the State of Sonora (whose capital is in Hermosillo) is sufficient only for employees' salaries and vacation pay. After employees are compensated, any surplus funds are used to pay for service delivery expenses.
- There is no culture of citizen participation or community pride and involvement. Public information is made available on the budget, and announced community meetings are held to address issues, but citizen interest and participation are poor. Municipal staff need training on how to plan and conduct public meetings and discussions. Volunteerism is considered a possible resource, but volunteer program development skills are lacking.
- The water supply is not dependable. Potable ground water is "hard" and expensive to pump. Well pump failures, water line ruptures, and insufficient capacity of the City's two water tanks interrupt the municipal water service up to ten times a year—on one occasion for ten days. The three *ejidos* use municipal water but do not pay for it. There is no municipal control over the *ejidos*.
- Solid waste collection and disposal can be improved. Wastewater collection and treatment are a concern.
- The lack of street pavement generates dust that causes air pollution in the morning and evening hours. Public transportation is nonexistent, and telephone service is undependable.

4.2 The Office of the Municipal Secretary (*Secretario Municipal*)

The Municipal Secretary is responsible for a variety of political, administrative, and public relations activities. He is the official recorder of municipal legislative and policy documents. He takes minutes and records all policy decisions, acts, accords, certifications, and other public documents. He is the administrative assistant to the Mayor and has been the City's liaison with federal and state agencies, other Sonora cities, and international commissions (e.g., the Border Environmental Cooperation Commission—BECC) addressing regional issues.

The problems and concerns of the Municipal Secretary are as follows:

- Citizen participation is not part of the culture, and the citizens and employees have no civic pride. It is difficult to make citizens aware of quality of life concerns, such as the need for municipal sanitation, environmental health (clean air, water, and streets), and community issues and problems. A broad-based public information and participation process is needed.
- The municipality has no mission, goals, or objectives; hence, there is no organizational sense of "vision." There is no organizational structure, trained labor pool, or administration of departments and functions. The municipal administration is fragmented and uncoordinated. There is no interaction, cooperation, or mutual assistance among departments and employees.
- Basic municipal management tools, such as organizational charts, administrative systems, employee development and training, personnel manuals, and job descriptions, are needed.

- There is no economic development plan, and there are several opportunities that could be addressed.

4.3 The Office of Procurator (*Sindicatura Municipal*)

The Procurator is an elected position. The responsibilities of the Procurator are to account for and record all municipal real property, facilities, and assets. The Office oversees the purchase of real property and facilities for municipal buildings and private homes. The Procurator oversees the functions and activities of the Mayor and department heads. He is the legal representative for the municipality on all legal claims and complaints against it. He is the assessor and sets property values, taxes and fines. The Procurator signs and records all financial documents. He performs some duties of a controller, since the City does not have that formal function.

The problems of this office are as follows:

- The responsibilities of the office are many and the job duties are complex. A new Procurator receives no job description, orientation, or training; he or she has to learn on the job. The electoral process and administrative term of office (three years) are not conducive to mastering the duties and developing the function.
- There are no comprehensive records of municipal real estate property, facilities, and assets. There are no records of property zoning; water and sewer lines and hookups; water use and bill payments; or payments of taxes, fees, and fines. There is no inventory of the municipal infrastructure, i.e., water and sewer lines, public streets and alleys, street lights, and traffic signals.
- Any existing records are a result of personal memory and handwritten lists kept in file boxes throughout the City. These should be replaced by an assets inventory database and a geographical information system (GIS).
- There is no inventory of commercial buildings and residential housing nor a housing and building numbering system. The building owners and tenants pick their own numbers.
- There is no system or staff (clerical or inspection) for issuing building and construction permits or collecting fees.
- The Procurator needs administrative manuals, “self-learning” manuals, a computer with software for property management and GIS, and an inspector and clerk.

4.4 The Office of Family Development (*Desarrollo Integral de Familias*)

The responsibility of the Office of Family Development is to provide recipients with services that include food, clothes, basic medical care, senior discounts, health care education, youth education (English language), and recreation programs. Recipients include senior citizens, families, single parents, youth, indigent persons, and illegal aliens returned from the U.S.

The problems of the Office of Family Development are as follows:

- The Office does not have its own facility, furniture, or equipment. It has two “centers” located in other community buildings. It has no vehicle at its disposal.
- The Office’s staff of three handles four programs targeting three general age groups. Approximately 200 people receive assistance per month. The City funds the staff’s salaries, but they are rarely paid. Some program recipients serve as volunteers to help administer the programs.
- Funds are insufficient, and the Office relies heavily on donations, such as bread and vegetable donations from the neighboring U.S. cities Naco and Bisbee. Fund-raising activities, such as raffles and dances, are marginal sources of funds. Holiday toy and clothing drives benefit children.
- The *maquiladoras* are a potential source of financial assistance, but they have not been approached.
- The Office and its programs receive minor support and participation from the community. Volunteers are seen as a viable option for assisting in the administration of programs, but it is difficult to gain the interest and participation of the community. The Office needs its own facility, equipment, computer (to monitor recipients and distribution of services and goods), and van. To increase the volunteer base, the Office’s staff needs a training course on citizen participation and volunteer program development.

4.5 The Office of Public Safety (*Seguridad Pública*)

The responsibility of the Office of Public Safety is to enforce state and local criminal and traffic laws. The Office is assisted by federal and state police in handling major and regional law enforcement situations. The Office has 16 officers, with functions ranging from the Chief of Police to street police officers. The Office has exceptional minimum qualifications for employment and has a good staff development program. The officers are professionally uniformed and well equipped. The Office maintains excellent regional law enforcement cooperation with neighboring Sonora-Arizona cities through *Policia Integral de Sonora y Arizona* (PISA—Unified Police of Sonora and Arizona).

The problems of the Office of Public Safety are as follows:

- The major problem is alcohol and drug use in the urban area. Theft, gang activity, and vandalism are also problems.
- *Policia preventiva* (crime prevention) is the Office’s goal, especially for the City’s youth. Naco does not have prevention and diversion programs, such as the U.S. Drug Awareness and Resistance Education (DARE) program or athletic programs and exercise facilities.
- The Office has three patrol vehicles, but they lack an effective base and mobile radio system.
- The Office needs a computer and software to track crime and traffic violations, fines, and payments.

- The Chief of Police emphasizes police officer professionalism through staff development. There is a need for contemporary classroom and field training on handling various police situations.

4.6 The Office of Public Works and Services (*Obras y Servicios Públicos*)

The responsibility of the Office of Public Works and Services is to design municipal infrastructure facilities and provide services, such as construction, street pavement and maintenance, street lighting and signalization, maintenance and distribution of the municipal water supply, and maintenance of the sewer system.

The problems of the Office are as follows:

- The two major problems are maintaining the City's potable water supply and providing street construction and maintenance. The City relies on two water wells whose storage and delivery capacity is insufficient. Pumps are old and poorly maintained, and breakdowns leave the City without water supply or adequate pressure several times a year. Water lines are exposed to the surface in several areas and are prone to rupture due to vehicle traffic or freezing temperatures.
- A one-half million gallon capacity water tank is needed. New water well pumps are needed. Water distribution lines should be repaired and put underground.
- The City has approximately 52 kilometers of streets. Only 15 percent (7.8 kilometers) are paved. Potholes are a major problem. The lack of pavement causes serious air pollution during the morning and evening hours.
- A street construction and maintenance plan is needed. Labor skills in construction and maintenance are needed. Similar plans and skills are needed in water supply and distribution, street lighting and signalization, and wastewater treatment and disposal. There is no maintenance of any municipal infrastructure: maintenance is performed by any citizen who has the ability or skill.
- Employee skill training needs to be developed in all areas of the municipality: general management, supervision, and technical fields.
- Civic pride is lacking in the community. Citizen participation in municipal processes is lacking. Efforts to encourage civic pride, such as street and sidewalk cleanup in front of houses, have failed. Citizens do not see a role for themselves in maintaining their quality of life. Municipal staff need volunteer program development skills to counteract this.
- Street pavement and cleaning equipment is needed. The equipment could be shared with neighboring Agua Prieta.
- Maintenance and athletic equipment is needed to upgrade the City's many parks and plazas.

4.7 The Office of the Municipal Treasurer (*Tesorero Municipal*)

The responsibility of the Office of the Municipal Treasurer is to account for the municipal treasury and its revenues and expenditures and to manage the budget. The Office collects and accounts for a variety of daily fees, fines, and penalties and pays municipal debts and salaries.

The problems of the Office are as follows:

- The majority of the City's financial resources come from the federal government and are apportioned by the state. These revenue sources are sufficient only to pay salaries and vacation pay (employees have legal rights to incremental vacation pay). There are no funds available for service delivery or infrastructure development. Locally generated and controlled revenue sources need to be developed.
- One hundred percent of the City's households and businesses are hooked up to the water system. However, there is no utility bill collection system. Water bills are not completely collected, and there is no consequence for nonpayment.
- The Office has a staff of four (Treasurer, Assessor, Secretary/Recorder, and a data entry clerk). Staff members learn their duties through on-the-job experience, and then they are replaced by the new administration every three years. The frequent turnover means that there is no opportunity to develop the Office's functions.
- In January 1996 a sanitation collection fee was implemented (\$NP 30.00 per year). After initial citizen complaints, the fee collection program met with success. Similar fees should be considered to help sustain municipal services.
- The City has no organizational mission or objectives. Each department works independently of the others. It is difficult to focus on objectives and improve the municipality. Citizens are alienated and do not believe they have a stake in the running of the City. Public information (e.g., posting of the budget and council meetings) has improved, but citizen participation and interest have not.
- The staff needs skills in organization management, customer service, and citizen participation.
- A computer and equipment are needed to support the Treasurer's duties.

5 GENERAL DIAGNOSTIC OBSERVATIONS

The technical assistance team made the following general diagnostic observations. These should be addressed to determine reasonable and practical recommendations for achieving the project objectives.

5.1 Citizen Participation. The Mayor and Councilmembers should make a commitment to institutionalizing citizen participation in the policy-making process. The policy-making body has taken the basic steps of making the government open, i.e., budget transparency and open meeting

announcements. To enhance citizen participation, administrative staff and community leaders should receive training in citizen participation in the governing process.

5.2 Municipal Vision and Mission. Through citizen participation, political and community leaders should work with administrative staff to develop a municipal vision and mission statement. This statement would include realistic short-term and long-term goals that would obtain the community's commitment to work with future administrations to address the City's economic, environmental, infrastructure, and service delivery problems and needs. Department heads and administrative staff should be provided with basic infrastructure development and service delivery objectives. They should be trained on the need for teamwork and coordination.

5.3 Financing of Infrastructure and Services. The policy body should consider the many economic development ideas presented by the staff. Examples are developing the lime plant, developing a cement plant, linking with southeastern Arizona's tourism industry to promote the City's historic and cultural wealth as a "day trip" destination for tourists, building a marketplace to centralize the City's commerce, and finding a market for the *ejidos'* cottage industries. The policy body should explore appropriate taxes, fees, and fines to support service delivery. Revenue collection systems and processes should be put in place to collect local revenues. The City needs to develop its basic infrastructure (dependable water supply, solid waste and wastewater collection and disposal, and street pavement and lighting) to support economic development.

5.4 Human Resource Development. The policy body should take advantage of the vision, ideas, and energy of the administrative staff and the citizens. The technical advisory team talked to the staff and many citizens and found an impressive degree of vision on what they want Naco to be in the future. The City's size is optimum for bringing the community together with the administration to establish its goals and objectives. Through leadership this community pool of human resources, talent, and energy can be focused on its objectives.

5.5 Organizational Development. The policy body should work with the administrative staff to formalize the City's mission, goals, and objectives. Organizational structure, systems, and processes should be formalized and communicated. These systems and processes should be articulated in basic operational and administration manuals. They should consist of job descriptions and communications systems to include information sharing, collaboration, and cooperative decision-making. Training should be provided to administrators, supervisors, and employees on technical and maintenance skills.

5.6 Infrastructure Development. As top priorities, the policy body should prepare a water supply development plan, a street and lighting construction and maintenance plan, a wastewater collection and disposal plan, an economic development plan, and regional partnerships for law enforcement resources and training.

6 RECOMMENDATIONS TO THE MAYOR AND COUNCIL

The general diagnostic observations have been discussed with the Mayor of Naco. The Mayor has agreed that the recommendations are reasonable and practical for Naco. The Mayor is willing and prepared to discuss the following findings and recommendations with the City Council:

6.1 Increased Citizen and Community Participation. The Mayor and Council should institutionalize policies, procedures, and a process to increase citizen and community participation in public decision-making. Naco has an open practice of posting its council agendas, budget, and other public documents; however, citizen participation can be improved. The Mayor should facilitate the forming of *comités ciudadanos* (citizens' committees) among its distinct neighborhoods and *ejidos*. The process of establishing these neighborhood committees can serve as models for citizen participation. These committees could serve as representative linkages with the Mayor and Council on public issues and decision-making. The Mayor should initiate partnerships with industry, businesses, schools, and civic groups on both sides of the Mexico-U.S. border to build community cohesiveness and investment in improving the quality of life.

6.2 Infrastructure Development. The Mayor and Council should make it a top priority to develop a potable water delivery system. In the short term, the City's potable water storage, pumping, and delivery line infrastructure should be repaired to ensure a reliable daily water supply. In the long term, a development plan for dependable water supply should be prepared, financed, and constructed.

Naco is currently in the process of securing loans and soliciting bids to expand its wastewater and sewer treatment capacity. A retention lagoon will be expanded to allow an upgrade of its treatment capacity. In addition, the City's sewer lines will be upgraded. The effluent will be reusable for irrigation and may be sold to various users. The goal is to make this project financially self-sufficient.

Naco should develop, finance, and construct a street pavement and lighting improvement program. Its solid waste collection and disposal program should be enhanced.

The development of Naco's basic infrastructure—i.e., potable water, wastewater collection and treatment, solid waste collection and disposal, and street pavement and lighting programs—will serve as a foundation for its future economic development goals.

6.3 Community and Organizational Development. The Mayor and Council should articulate Naco's vision and mission as a city and community. This should be done with the participation of the *comités ciudadanos*; public employees; and representatives from business, industry, and other institutions. Citizens and employees should be assisted in understanding their stake in the community's and City's quality of life.