

MINUTES
Work Session
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
May 10, 2017
6:30 p.m.

1. CALL TO ORDER/ROLL CALL: Mayor Gerardo Sanchez called the Work Session to order at approximately 6:39 p.m.

PRESENT: Mayor Gerardo Sanchez
Vice-Mayor Matias Rosales
Council Member Gloria Torres-arrived at approximately 5:23 p.m.
Council Member Maria Cecilia Ramos
Council Member Africa Luna-Carrasco
Council Member Mario Buchanan Jr.

ABSENT: Council Member Ruben Walshe

OTHERS PRESENT: Tadeo A. De La Hoya, City Manager
Sonia Cornelio, City Clerk
Axel Chayra, IT Technician
Eulogio Vera, Public Works Director
Hank Green, Fire Chief
Janet Taylor, Legal Secretary
Jenny Torres, Community Development Director
Jorge Perez, Utilities Department
Katie St. Louis, Finance Director
Laura Herrera, Assistant to Council/PIO
Lizandro Galaviz, Parks & Recreation Director
Manuel Rojas, Assistant Public Works Director
Marco Santana, Police Department
Ralph Velez, City Consultant
Cesar Neyoy, Bajo El Sol

2. DISCUSSION ITEM:

2. A. Continuation of discussion and review on any and all matters regarding the proposed City of San Luis Fiscal Year 2017-2018 Budget. (City Council and City Staff)

Mr. Tadeo A. De La Hoya, City Manager, informed that per City Council's request this meeting is to finalize the Fiscal Year 2017-2018 Budget. He stated that during the budget retreat the City was \$4.6 million in red numbers, staff was able to cut approximately \$600,017.00 from the Capital Improvements list and approximately \$400,080.00 from new positions and currently the City is in \$3.4 million in red numbers. At least it should go down by \$1.5 million from the \$3.4 million.

Mayor Gerardo Sanchez stated that staff has been looking into the priorities and other requests that can be cut. He mentioned that during the last Work Session, the City Council reviewed all positions being requested by the different departments. He added that the City Council also looked at vacancies at the Police Department and there are 4 to 5 vacancies that need to be filled. He asked that those vacancies be filled as they are already budgeted for. Furthermore, he added that several departments have requested vehicles, but they will have to be cut down. He mentioned that staff has to look into other requests for investments such as the hotel and the old price center building, the investment on these two (2) projects is approximately \$1 million for both projects. He stated that the hotel and price center projects are unexpected expenses for this coming fiscal year. He suggested placing on hold the Fleet building project until next fiscal year and utilize those funds for the hotel and the room at the old price center building. He commended staff for working with Administration in cutting their budgets.

Council Member Mario Buchanan Jr. mentioned that staff should focus on the hotel and old price center projects, this will help bring more revenue to the City.

Mayor Gerardo Sanchez stated that the City should continue to invest in infrastructure and continue with the street improvement projects.

Council Member Maria Cecilia Ramos agreed with Mayor Gerardo Sanchez and mentioned that the Fleet building should be placed in hold. She stated that the City Council should fulfill the needs of the Police Department.

Mayor Gerardo Sanchez agreed with Council Member Maria Cecilia Ramos and mentioned that the vacancies in the Police Department need to be filled. He stated that investment on infrastructure needs to continue, also the City Council needs to continue

supporting Parks & Recreation, Public Works, etc. He added that proper staff in the Waste Water Division is needed to continue providing a great service to the community. Furthermore, he stated that the City should start looking in creating requirements to employees so that when they obtain certification they do not leave the City, as the City is making an investment on those employees. He added that staff should also look at future retirements and make sure that those expenses are covered.

Vice-Mayor Matias Rosales asked if the building is placed on hold, will the new mechanic position still be needed.

Mayor Gerardo Sanchez replied that the position will not be removed, the only thing that will be placed on hold will be the construction of the Fleet Department building. He asked the City Council not to forget about the need of this building and look at it next fiscal year as the investment on the hotel and old price center building will be a one-time expense. Furthermore, he added that previous City Council's based their budget in future growth, but this is something that cannot be done. He mentioned that the current City Council is not taking into consideration new subdivisions coming to the City which will generate tax revenue, this will be extra revenue for the City.

Vice-Mayor Matias Rosales asked Mr. Lizandro Galaviz, Parks & Recreation Director where will the dual marquee be installed.

Mr. Galaviz replied that this marquee will be installed on Juan Sanchez Boulevard and Main Street, this will eliminate placing the banners in that area and also will help promote other projects going on in the community.

Vice-Mayor Matias Rosales mentioned that since the fleet building is being taken out, then he would like to see a city wide paths and parks plan.

Mr. Galaviz informed that he has met with other staff members to start working on an RFP for the General Plan, as the current expires in year 2020. This plan will contain the component to be able to develop future projections for parks.

Mayor Sanchez asked Mr. Eulogio Vera, Public Works Director to give an insight of his projects.

Mr. Vera informed that his priority is the completion of Juan Sanchez Boulevard between Merrill Avenue and Main Street, bids will be opened and awarded within the following weeks, so that construction can begin during the current fiscal year and only need part in the next fiscal year. He also informed that his second priority is the

intersection of 4th Avenue and Juan Sanchez Boulevard this project is in the current fiscal year and will continue into the following fiscal year, because staff is still working on the right-of-way with State Land Department. The third priority is Union Street paving between 5th & 6th Streets; the fourth priority is the pavement preservation. He stated that is up to the Council if they want to remove or reduce projects.

Mayor Gerardo Sanchez stated that pavement preservation is a need in order to maintain streets in a good shape.

Mr. Vera informed that streets in the valley will have to be reconstructed.

Mayor Gerardo Sanchez asked Mrs. Jenny Torres, Community Development Director to please explain the incentive project.

Mrs. Torres informed that she is requesting \$200,000.00 for this project. She stated that it is up to the City Council as to how much is allocated. These funds will be available to companies coming to the City. She mentioned that this project can be taken into baby steps and allocate \$100,000.00 and depending on the amount of projects coming in, then next fiscal year can be increased. She added that the reason for this amount is because companies that have come in try to offset their impact fees, and those fees are approximately \$80,000.00 each, the requested amount will cover two (2) potential companies.

Council Member Africa Luna-Carrasco asked if the Utility Bond Series 2013 balance will be paid during Fiscal Year 2017-2018.

Mr. Vera explained that that bond included the Juan Sanchez force main that goes from Lift Station 300 to the waste water plant, after inspecting the force main, it did not needed replacement, for this reason the balance has not been expended. He stated that within the next fiscal year those funds will be expended.

Mayor Gerardo Sanchez commended Mrs. Torres and Mr. Vera for being able to use some of the funds in other projects. He encouraged staff to look at savings, because that makes a big difference.

3. ADJOURNMENT

MOTION: Council Member Mario Buchanan Jr. / Council Member Africa Luna-Carrasco at approximately 6:39 p.m. Motion passed unanimously.