



NOTICE OF SPECIAL COUNCIL MEETING

In accordance with §38-431.01 of the Arizona Revised Statutes of the State of Arizona, notice is hereby given to the Members of City Council and to the general public that the Mayor and Council of the City of San Luis, Arizona, will hold a Special City Council meeting at 6:00 p.m., Wednesday, May 17, 2017. The meeting will take place at the City Council Chambers, located at 1090 E. Union Street, San Luis, Arizona, 85349. Everyone from the public is invited to attend the open meeting.

In accordance with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, the City of San Luis does not discriminate on the basis of disability in the admission of or access to, or treatment of employment in its programs, activities, or services. For information regarding rights and provisions of the ADA or Section 504, or to request reasonable accommodations for participation in City programs, activities or services contact: ADA/Section 504 Coordinator, City of San Luis Human Resources Department, 1090 E. Union Street, San Luis, Arizona, 85349; (928) 341-8520.

Notice is hereby given that pursuant to A.R.S. §1-602.A.9, subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. Meetings of the City Council are audio and/or video recorded, and, as a result, proceedings in which children are present may be subject to such recording. Parents in order to exercise their rights may either file written consent with the City Clerk to such recording, or take personal action to ensure that their child or children are not present when a recording may be made. If a child is present at the time a recording is made, the City will assume that the rights afforded parents pursuant to A.R.S. §1-602.A.9 have been waived.

THIS NOTICE IS GIVEN BY:

/s/ Sonia Cornelio, City Clerk

AVISO DE JUNTA ESPECIAL

De acuerdo con los Estatutos del Estado de Arizona A.R.S. §38-431.01, se le informa a los miembros del Cabildo y al público en general que el Alcalde y el Cabildo, tendrán una Junta Especial a las 6:00 p.m., el día Miercoles, 17 de Mayo del 2017. La junta se llevará a cabo en la Sala del Cabildo, ubicada en el 1090 E. Union Street, San Luis, Arizona, 85349. El público está cordialmente invitado a la junta.

De acuerdo con el Acta de Americanos con Discapacidades y la Sección 504 del Acta de Rehabilitación del 1973, la Ciudad de San Luis, Arizona no discrimina por causa de discapacidad la admisión y acceso a sus programas, actividades, servicios o en el trato en cuanto a empleo. Para más información referente a derechos y provisiones del Acta de Americanos con Discapacidades o Sección 504, o para solicitar adaptaciones que sean razonables para la participación en programas, actividades o servicios de la Ciudad, contactar al: Coordinador del Acta de Americanos con Discapacidades/Sección 504, Departamento de Recursos Humanos de la Ciudad de San Luis, Arizona, ubicado en el 1090 E. Union Street, San Luis, Arizona, 85349; (928) 341-8520.

Por medio de este aviso y de acuerdo con los Estatutos del Estado de Arizona A.R.S §1-602.A.9, sujeto a ciertas excepciones reglamentarias, los padres de familia tienen el derecho de dar el consentimiento ante el Estado o cualquiera de sus subdivisiones políticas para hacer una grabación de audio o video de su hijo menor de edad. Las juntas del Cabildo se graban en audio y/o video y como resultado, el hecho de que haya menores presentes puede ser sujeto a que sean grabados. Para que los padres de familia puedan ejercer sus derechos pueden dar el consentimiento por escrito con la Secretaria de la Ciudad a tal grabación, o tomar acción personal para asegurarse que su hijo menor no esté presente cuando la grabación se lleve a cabo. Si un menor de edad está presente en el momento de la grabación, la Ciudad asumirá que los padres de familia están cediendo los derechos sobre una posible grabación de acuerdo con los Estatutos del Estado de Arizona A.R.S. §1-602.A.9.

ESTE AVISO ES DADO POR:

/f/ Sonia Cornelio, Actuaría de la Ciudad



AGENDA
Special Meeting
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
San Luis, AZ 85349
May 17, 2017
6:00 p.m.

MEMBERS OF THE CITY COUNCIL WILL ATTEND EITHER IN PERSON, TELEPHONE, OR VIDEO CONFERENCE COMMUNICATION

- 1. CALL TO ORDER/ROLL CALL**
- 2. PLEDGE OF ALLEGIANCE**
- 3. DISCUSSION AND POSSIBLE ACTION ITEMS:**
 - 3. A.** Discussion and possible action on any and all matters regarding the purchase of six (6), acid-resistant polymer sewer manholes for the Juan Sanchez Boulevard reconstruction project between Main Street and Merrill Avenue. **(Eulogio Vera, Public Works Director)**
 - 3. B.** Discussion and possible action on any and all matters regarding the approval to award the Juan Sanchez Boulevard Reconstruction Project to the lowest responsive bidder. **(Eulogio Vera, Public Works Director)**
 - 3. C.** Discussion and possible action on any and all matters regarding the acceptance of the lowest quote to construct the 4th Avenue and County 22nd Street Intersection Project waiving formal purchasing requirements. **(Eulogio Vera, Public Works Director)**
 - 3. D.** Discussion and possible action on any and all matters regarding the venue for the 2017 Employee Annual Picnic at Waylon's Water World, purchase of food, use of amenities and waiver of the purchasing procedures as permitted under San Luis City Code Section 36.01 (H). **(Olivia Jenkins, Human Resources Director)**
- 4. EXECUTIVE SESSION**

Vote to hold an Executive Session pursuant to A.R.S. §38-431.03(A)(3), (4) and (7)

Discussion and possible action to hold an Executive Session pursuant to A.R.S. §38-431.03(A)(3), (4) and (7) for discussion or consultation, for legal advice with the City Attorney or City's attorneys, and/or with the City Attorney of City's attorneys in order to consider its position and instruct its attorneys regarding City Council's position regarding contracts that are the subject of negotiations, and/or with designated representatives of City Council in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property. **(Kay Marion Macuil, City Attorney; Jenny Torres, Community Development Director; Ralph Velez, City Consultant)**
- 5. MOTION TO GO BACK INTO SPECIAL SESSION**
- 6. DISCUSSION ITEM:**

6. A. Discussion and possible action any and all matters regarding a Notice of Intent of the Mayor and City Council of the City of San Luis to enter into a Retail Development Tax Incentive Agreement. (**Jenny Torres, Community Development Director**)

7. ADJOURNMENT



AGENDA ITEM REVIEW FORM

Special City Council Meeting

3.A.

Meeting Date: 05/17/2017

Department Head: Eulogio Vera, Public Works Director, Public Works Department

Submitted By: Eulogio Vera, Public Works Director, Public Works Department

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding the purchase of six (6), acid-resistant polymer sewer manholes for the Juan Sanchez Boulevard reconstruction project between Main Street and Merrill Avenue. **(Eulogio Vera, Public Works Director)**

SUMMARY:

The Juan Sanchez Boulevard reconstruction project between Main Street and Merrill Avenue is a project that was projected for fiscal year 2017-2018. Due to another project not moving forward in this fiscal year 2016-2017, the City Council approved to start design and construction of Juan Sanchez Boulevard this fiscal year. The project will consist of full re-paving of the roadway as well as some replacement of sidewalk, curb and gutter, and replacement of the necessary underground infrastructure to prevent any future removals of the new asphalt. Staff recommends that the City purchases the six (6) necessary sewer manholes from the Armorock, who provided the lowest proposal and this way we will have manholes onsite when construction begins. If approved, the structures will be purchased with the sewer bond funds. Since there are only two (2) suppliers for polymer manholes in the United States, we did not advertise for bids but rather we requested quotes. The lowest quote from Armorock came in at \$49,333.00 and US Composite Pipe came in second at \$73,888.00. Staff requests that San Luis City Code-Purchasing Section 36.01 (E) requires purchases more than \$35,000.00 go out to bid. Staff requests that formal purchasing procedures be waived as is permitted under San Luis City Code-Purchasing Section 36.01(H) because bidding would have not provided any gain due to there being only two (2) suppliers. The total purchase price will be of **\$49,333.00**.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE THE PURCHASE OF SIX (6) ACID-RESISTANT POLYMER SEWER MANHOLES IN THE AMOUNT OF \$49,333.00 AND TO WAIVE FORMAL PURCHASING PROCEDURES AS ALLOWED UNDER THE SAN LUIS CITY CODE FOR PURCHASING FOR THE REASONS PRESENTED.

Supporting information not attached to the Agenda Item Review Form:

N/A

Document to be Recorded?: No

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM: Yes

CITY/STATE/FEDERAL FUNDS: City
TOTAL: \$49,333.00
BUDGETED AMOUNT: 0
AVAILABLE AMOUNT TO TRANSFER: N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: Capital Outlay-CIP Wastewater System / \$1,226,700.00

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

GL Account # 310-311-90015.350 Capital Outlay - CIP Wastewater System (Bond Funds)
Bonds funds will used to replace sewer manholes. Cost to purchase manholes is \$49,333.

Attachments

Lowest Quote
Second Quote



Armorock, LLC
PO Box 60006
Boulder City, NV 89006
702-824-9702
www.armorock.com

Quote Date: 5/8/2017

To:

Ref: San Luis Quote 5.4.17
San Luis, AZ

Q U O T A T I O N

Notes:

1. Quote is subject to our standard terms, conditions, and shipping polices.
2. Quote is good for 60 days from the issue date.

From:



Armorock, LLC
PO Box 60006
Boulder City, NV 89006
702-824-9702
www.armorock.com

For:

Ref: San Luis Quote 5.4.17
San Luis, AZ

Quote Date: 5/8/2017

Structure	Description	Height	Weight	Price
MH 1	60"-30" Polymer Manhole	12.28'	8,871	\$6,998
1	A-1700 30" FRAME AND COVER	1	PR30X4FL	30 IN X 4 IN FLAT PRO-RING
1	50530-C	1	50572-S	60 IN X 6 FT POLYMER MH SECTION
1	70536-B75	2		S106-12WS NPC BOOT
4	JM1.25			1.25 IN X 14 FT JOINT MASTIC ROLL
MH 2	60"-30" Polymer Manhole	14.75'	12,994	\$8,173
1	A-1700 30" FRAME AND COVER	1	PR30X4FL	30 IN X 4 IN FLAT PRO-RING
1	PR30X6FL	1	50530-C	60 IN X 3 FT ECC POLYMER CONE 30 IN
1	50572-S	1	70560-B75	60 IN X 5 FT POLYMER PRECAST BASE (3/4 DEPTH TROUGHING)
1	22M PSX-2	1		28A PSX-2:DD
1	18M PSX-2:DD	1		S106-12WS NPC BOOT
4	JM1.25			1.25 IN X 14 FT JOINT MASTIC ROLL
MH 3	60"-30" Polymer Manhole	13.00'	9,844	\$7,499
1	A-1700 30" FRAME AND COVER	1	PR30X6FL	30 IN X 6 IN FLAT PRO-RING
1	50530-C	1	70572-S1C	60 IN X 6 FT POLYMER MH SECTION
1	18M PSX-2:DD	1	70542-B75	60 IN X 3 FT 6 IN POLYMER PRECAST BASE (3/4 DEPTH TROUGHING)
2	18M PSX-2:DD	4	JM1.25	1.25 IN X 14 FT JOINT MASTIC ROLL
MH 4	60"-30" Polymer Manhole	6.65'	6,859	\$5,209
1	A-1700 30" FRAME AND COVER	1	PR30X2FL	30 IN X 2 IN FLAT PRO-RING
1	PR30X6FL	1	50530-C	60 IN X 3 FT ECC POLYMER CONE 30 IN
1	70536-B75	2		18M PSX-2:DD
2	JM1.25			1.25 IN X 14 FT JOINT MASTIC ROLL
MH 5	60"-30" Polymer Manhole	19.59'	12,670	\$9,748
1	A-1700 30" FRAME AND COVER	1	PR30X2FL	30 IN X 2 IN FLAT PRO-RING
1	50530-C	1	50524-S	60 IN X 2 FT POLYMER MH SECTION
2	50572-S	1	70530-B75	60 IN X 2 FT 6 IN POLYMER PRECAST BASE (3/4 DEPTH TROUGHING)
2	14M PSX:DD	8	JM1.25	1.25 IN X 14 FT JOINT MASTIC ROLL
MH 6	48"-36" Polymer Manhole	6.87'	5,259	\$4,766
1	A-1700 30" FRAME AND COVER	1	PR30X1FL	30 IN X 1 IN FLAT PRO-RING
1	PR30X4FL	1	70330-TL	36 IN POLYMER TRANSITION LID 30 IN
1	50436-C	1	70436-B75	48 IN X 3 FT POLYMER PRECAST BASE (3/4 DEPTH TROUGHING)
2	18M PSX-2:DD	1	JM1.25	1.25 IN X 14 FT JOINT MASTIC ROLL
Sub-Total				\$42,392
Tax (10.71%)				\$4,540
Freight/Delivery				\$2,400
Total Price for San Luis Quote 5.4.17				\$49,333

QUOTATION #: 20170503-007EJL

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DATE: MAY 3, 2017

TO: **CITY OF SAN LUIS**

Job Name: **SAN LUIS MANHOLES**

ATTN: **EULOGIO VERA**

Location: SAN LUIS, AZ
 Quoted By: BRUCE LORING, P.E.
 Bid Date: ASAP

Unless otherwise stated: Prices are firm for 30 days from bid date, payment terms are NET 30 DAYS from shipment. Prices do not include any sales and/or use taxes. Applicable taxes will be added to the invoice at the rate in effect at the time of shipment. Interest shall accrue on past due amounts of 1.5% per month. Freight terms are F.O.B. factory, full freight allowed.

Qty	Description	Each	Total
SAN LUIS MANHOLES			

MANUFACTURER: **USCP** (U.S. COMPOSITE PIPE, INC.)

		DEPTH	WEIGHT
1	MH 1 (60")	12.28	8.32 Tons
1	MH 2 (60")	14.75	11.10 Tons
1	MH 3 (60")	12.75	9.25 Tons
1	MH 4 (60")	6.65	6.15 Tons
1	MH 5 (60")	19.59	12.07 Tons
1	MH 6 (60")	6.87	6.24 Tons

LOT SUBMITTALS

LOT FREIGHT INCLUDED: OFF-LOADING BY OTHERS
 SEE NOTES BELOW.

**CASTINGS, FLOATATION COLLAR (IF REQUIRED), LIDS,
 FRAMES/COVERS, GRADE RINGS BY OTHERS ON ABOVE MANHOLES.**

NOTES:

- OFF LOADING AND SETTING OF POLYMER CONCRETE STRUCTURES BY CONTRACTOR.

TOTAL PRICE	FREIGHT INCLUDED	
	FOB FACTORY	\$ 73,888.00

DELIVERY SCHEDULE:	SUBMITTALS	1-2	WEEKS
	MANHOLES	3	WEEKS ARO

WE ARE NOT INCLUDING:

OFF-LOADING, SETTING, INSTALLATION, BACKFILL, CASTINGS, FLOATATION COLLAR (IF REQUIRED), GRADE RINGS OR STEPS, OR ITEMS NOT EXPLICITLY DESCRIBED ABOVE.

PLEASE REVIEW OUR SCOPE OF SUPPLY CAREFULLY AND ADVISE IF WE ARE NOT COMPLETE WITH THE EQUIPMENT REQUIRED.

THANK YOU FOR THE OPPORTUNITY TO QUOTE THE ABOVE WORK!



AGENDA ITEM REVIEW FORM

Special City Council Meeting

3.B.

Meeting Date: 05/17/2017

Department Head: Eulogio Vera, Public Works Director, Public Works Department

Submitted By: Eulogio Vera, Public Works Director, Public Works Department

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding the approval to award the Juan Sanchez Boulevard Reconstruction Project to the lowest responsive bidder. **(Eulogio Vera, Public Works Director)**

SUMMARY:

The City of San Luis went out to formal bid pursuant to Title 34 of the Arizona Revised Statutes for construction of the Juan Sanchez Boulevard Reconstruction Project between Merrill Avenue and Main Street. Bids will be received on Monday May 15, 2017. The project will be funded partially by City Highway Users Revenue Fund and partially by City Wastewater bond funds . Project duration is to be 120 calendar days, which means that funds will need to be committed in fiscal year 2018 for its completion.

RECOMMENDATION / SUGGESTED MOTION:

I HEREBY MOVE TO AWARD A CONTRACT TO THE LOWEST RESPONSIBLE BIDDER FOR THE JUAN SANCHEZ BOULEVARD RECONSTRUCTION PROJECT FOR AN AMOUNT NOT TO EXCEED \$650,000.00

Supporting information not attached to the Agenda Item Review Form:

N/A

Document to be Recorded?: No

Department

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	Yes
CITY/STATE/FEDERAL FUNDS:	State & City
TOTAL:	TBD
BUDGETED AMOUNT:	\$0.00
AVAILABLE AMOUNT TO TRANSFER:	N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE:	HURF and Wastewater Funds
FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):	

HURF - GL Acct # 200-210-90010 Capital Outlay - Improvement Roads

Available Amount \$702,720

80% of total project cost to be covered by HURF funds

Wastewater - GL Acct # 310-311-90015.350 Capital Water System

Available Amount \$1,226,730

20% of total project cost to be covered by WW funds. All related to wastewater infrastructure replacement.



AGENDA ITEM REVIEW FORM

Special City Council Meeting

3.C.

Meeting Date: 05/17/2017

Department Head: Eulogio Vera, Public Works Director, Public Works Department

Submitted By: Eulogio Vera, Public Works Director, Public Works Department

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding the acceptance of the lowest quote to construct the 4th Avenue and County 22nd Street Intersection Project waiving formal purchasing requirements. **(Eulogio Vera, Public Works Director)**

SUMMARY:

Staff has been working with one of our consultants to prepare plans to construction the 4th Avenue and County 22nd Street Intersection Widening Project. The project will be funded by City Highway Users Revenue Fund and will have a project duration of 30 calendar days.

The San Luis City Code-Purchasing Section 36.01(E) requires three (3) written quotes for amounts of \$15,000.00 up to \$34,999.99 and Section 36.01(F) requires formal bidding for amounts of \$35,000.00 and above. Staff is recommending that the formal bidding procedure be waived as is allowed under the San Luis City Code-Purchasing Section 36.01(H) and project be procured through the quote process to save about 4 weeks of advertising time and build the project this fiscal year. Due to the fact that all local contractors who are asphalt suppliers will be contacted, staff does not anticipate any financial gain going through the formal advertising process. We would award project to the lowest quote not to exceed \$90,000.

RECOMMENDATION / SUGGESTED MOTION:

I HEREBY MOVE TO APPROVE THE AWARDING OF A CONTRACT FOR THE 4TH AVE, AND COUNTY 22 ND ST. INTERSECTION PROJECT TO THE LOWEST RESPONSIBLE QUOTE FOR AN AMOUNT NOT TO \$90,000.00 AND TO WAIVE FORMAL PURCHASE PROCEDURES SO THAT THIS PROJECT CAN BE COMPLETED DURING THE PRESENT FISCAL YEAR AND BE ABLE TO UTILIZE AVAILABLE HIGHWAY USER REVENUE FUNDS.

Supporting information not attached to the Agenda Item Review Form:

N/A

Document to be Recorded?: No

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	Yes
CITY/STATE/FEDERAL FUNDS:	State
TOTAL:	\$90,000.00

BUDGETED AMOUNT: \$90,000.00
AVAILABLE AMOUNT TO TRANSFER: N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: HURF #200-210-90010 /
\$709,470.00
**FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE
BUDGET ADJUSTMENT FORM):**
Hurff Account # 200-210-90010



AGENDA ITEM REVIEW FORM

Special City Council Meeting

3.D.

Meeting Date: 05/17/2017

Department Head: Olivia Jenkins, Human Resources Director, Human Resources Department

Submitted By: Melissa Lopez, Deputy City Clerk, City Clerk's Office

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding the venue for the 2017 Employee Annual Picnic at Waylon's Water World, purchase of food, use of amenities and waiver of the purchasing procedures as permitted under San Luis City Code Section 36.01 (H). **(Olivia Jenkins, Human Resources Director)**

SUMMARY:

Staff is seeking waiver of the purchasing procedures for expenses to be incurred with the purchase of food and use of amenities in the amount of **\$10,000.00** to hold the 2017 Employee Annual Picnic at Waylon's Water World as permitted under San Luis City Code - Purchasing Section 36.01 (H). In previous years, the city employees' picnic event has been held at this same location; venue went out of business last year, but now it has re-opened its doors for business and the option has become available. Employees have expressed their satisfaction holding employees' picnic event at this location. Therefore, Human Resources has contacted new owners to schedule a date for event for June 10, 2017. Taking this into consideration, HR Department believes the proposed venue is appropriate for both employees and their families to enjoy this annual employee event. The amount budgeted for Fiscal Year 2016-2017 is \$10,000.00, at time of this presentation, HR has not received the formal proposal, hence request is to use, if needed, the amount budgeted.

For purchases in the amount of \$10,000.00 San Luis City Code - Purchasing Section 36.01(C) requires three (3) verbal quotes. HR has researched costs at other venues. Waylons Water World has amenities that are unique in this area so the quotes obtained would not be comparable to what is offered at Waylons Water World. Therefore, staff is requesting that the in addition to allowing HR to spend its budget for the employee picnic, staff is also requesting that formal purchasing procedures be waived as is allowed under San Luis City Code-Purchasing Section 36.01(H).

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE WAYLONS WATER WORLD AS THE VENUE FOR THE EMPLOYEE PICNIC, I FURTHER MOVE TO ALLOW HR TO SPEND THE \$10,000.00 BUDGETED FOR THE EVENT, I FURTHER MOVE TO WAIVE FORMAL PRUCHASING PROCEDURES AS ALLOWED UNDER SAN LUIS CITY CODE FOR PURCHASING.

Supporting information not attached to the Agenda Item Review Form:

N/A

Document to be Recorded?: No

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM: Yes
CITY/STATE/FEDERAL FUNDS: City
TOTAL: \$10,000.00
BUDGETED AMOUNT: \$10,000.00
AVAILABLE AMOUNT TO TRANSFER: N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: 100-125-80005, Special
Services Account / \$32,493.89

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

Account to be used: 100 - 125 80005 (Special Services Account)



AGENDA ITEM REVIEW FORM

Special City Council Meeting

4.

Meeting Date: 05/17/2017

Department Head: Kay Macuil, City Attorney, Attorney's Office

Submitted By: Kay Macuil, City Attorney, Attorney's Office

Action Requested: Motion

ITEM:

EXECUTIVE SESSION

Vote to hold an Executive Session pursuant to A.R.S. §38-431.03(A)(3), (4) and (7)

Discussion and possible action to hold an Executive Session pursuant to A.R.S. §38-431.03(A)(3), (4) and (7) for discussion or consultation, for legal advice with the City Attorney or City's attorneys, and/or with the City Attorney of City's attorneys in order to consider its position and instruct its attorneys regarding City Council's position regarding contracts that are the subject of negotiations, and/or with designated representatives of City Council in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property. **(Kay Marion Macuil, City Attorney; Jenny Torres, Community Development Director; Ralph Velez, City Consultant)**

SUMMARY:

City Council can be properly advised by holding an executive session for the purposes described in the agenda item.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO HOLD AN EXECUTIVE SESSION PURSUANT TO A.R.S. §38-431.03(A)(3), (4) AND (7).

Supporting information not attached to the Agenda Item Review Form:

N/A

Document to be Recorded?: No

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM: N/A

CITY/STATE/FEDERAL FUNDS: N/A

TOTAL: N/A

BUDGETED AMOUNT: N/A

AVAILABLE AMOUNT TO TRANSFER: N/A

ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: N/A

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

Fiscal impact is not applicable to this agenda item under A.R.S. §38-431.03(D), legal action involving a final vote or decision is not permitted to be taken at an executive session. This executive session is focused on the process.



AGENDA ITEM REVIEW FORM

Special City Council Meeting

6.A.

Meeting Date: 05/17/2017

Department Head: Kay Macuil, City Attorney, Attorney's Office

Submitted By: Kay Macuil, City Attorney, Attorney's Office

Action Requested: Motion

ITEM:

Discussion and possible action any and all matters regarding a Notice of Intent of the Mayor and City Council of the City of San Luis to enter into a Retail Development Tax Incentive Agreement. **(Jenny Torres, Community Development Director)**

SUMMARY:

Pursuant to Section 9-500.11(K) of the Arizona Revised Statutes, a city shall adopt a Notice of Intent to enter into a Retail Development Tax Incentive Agreement at least fourteen (14) days before approval of said agreement.

San Luis Commercial Holdings, LLC, wishes to develop in San Luis a brand hotel and restaurant, a franchise convenience store and gas station, and other transaction privilege tax generating businesses on the project site to be located at the corner of Highway 95 and County 22nd Street. The Retail Tax Incentive Agreement anticipates raising more revenue than the amount of the incentive within the duration of the agreement. The agreement is structured where fifty (50%) percent of all the transaction privilege taxes of the City as generated from businesses established on the project site will be rebated to the developer with the condition of showing a public benefit.

Dan Jackson, independent third party consultant was contracted to prepare an economic impact analysis to measure the impacts of the development and many other activities that affect employment and expenditures in the economy. The developer agreement is anticipated to be completed and to presented at the May 31, 2017 Council Meeting. Mr. Jackson will present the findings that consist with the Retail Tax Incentives Agreement.

At this time, staff recommends that City Council adopt the attached Notice of Intent as to the tax incentive portion of the agreement.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO ADOPT THE NOTICE OF INTENT TO ENTER INTO THE RETAIL DEVELOPMENT TAX INCENTIVE AGREEMENT AS PRESENTED.

Supporting information not attached to the Agenda Item Review Form:

N/A

Document to be Recorded?: No

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM: N/A
CITY/STATE/FEDERAL FUNDS: N/A
TOTAL: N/A
BUDGETED AMOUNT: N/A
AVAILABLE AMOUNT TO TRANSFER: N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: N/A

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

This is a notice of intent for tax incentive. At the May 31, 2017 meeting it is anticipated the fiscal impact will be fully calculated and presented.

Attachments

Notice of Intent

NOTICE OF INTENT

NOTICE OF INTENT OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN LUIS TO ENTER INTO A RETAIL DEVELOPMENT TAX INCENTIVE AGREEMENT

Pursuant to Section 9-500.11(K) of the Arizona Revised Statutes, the City of San Luis, Arizona (the "City"), hereby gives notice of its intent to enter into a "retail development tax incentive agreement", on a date that will be at least 14 days from the date of this Notice.

Specifically, the City of San Luis intends to enter an agreement with San Luis Commercial Holdings, LLC, an Arizona limited liability company, in which the City agrees to pay an amount of the transaction privilege tax levied by the City, and actually collected by the City with respect to the hotel, retail and services project located at the northwest corner of the intersection of Highway 95 and 22nd Street within the City of San Luis. The City will only be obligated to pay fifty percent (50%) of collected transaction privilege tax revenue. As of the date hereof, the transaction privilege tax collected from Restaurants and Bars and Retail Sales in the City of San Luis is [4.0%]. The City will not be required to pay any amount of transaction privilege tax in excess of fifty percent (50%) of the actual revenues collected during the relevant year.

Adopted by the City Council of the City of San Luis, this ____ day of May, 2017

Gerardo Sanchez, Mayor

ATTEST:

Sonia Cornelio, City Clerk

APPROVED AS TO FORM:

Kay Marion Macuil, City Attorney