

APPROVED by Council
Date: January 9, 2019
Clerk's Office: /s/ Sonia Cornelio

MINUTES
Special Council Meeting
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
November 26, 2018
6:30 p.m.

1. CALL TO ORDER/ROLL CALL: Mayor Gerardo Sanchez called the Special City Council meeting to order at approximately 6:35 p.m.

PRESENT: Mayor Gerardo Sanchez
Vice Mayor Maria Cecilia Ramos
Council Member Mario Buchanan Jr.
Council Member Africa Luna-Carrasco
Council Member Matias Rosales – arrived at approximately 6:55 pm

ABSENT: Council Member Gloria Torres
Council Member Ruben Walshe

OTHERS PRESENT: Tadeo De La Hoya, City Manager
Sonia Cornelio, City Clerk
Ana Camacho, Custodian
Angel Ramirez, Acting Fire Chief
Edgar Carbajal, Human Resources Recruitment Coordinator
Eulogio Vera, Director of Public Works
Francia Alonso, Acting PIO/Assistant to Council
Glenn Gimbut, Assistant City Attorney
Jesus Meza, Assistant Director of Parks & Recreation
Jonathan Dumadag, IT Technician
Jose Cisneros, Administrative Coordinator
Jose Guzman, Director of Planning & Zoning
Kay Macuil, City Attorney
Manuel Rojas, Assistant Director of Public Works
Monica Castro, Director of Finance
Nohemy Echavarria, Magistrate
Olivia Jenkins, Human Resources Manager
Osvaldo Rodriguez, Lead Custodian
Richard Jessup, Acting Chief of Police
Ric Bauermann, Fire Inspector
Emma Torres, Campesinos Sin Fronteras
Liliana Arroyo, Campesinos Sin Fronteras
Lucy Lopez, Reporter

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Vice Mayor Maria Cecilia Ramos.

3. INVOCATION

The invocation was led by Mr. Richard Jessup, Acting Chief of Police.

4. PROCLAMATION/PRESENTATION

4.A. Dia Del Campesino (Farm Worker's Day) December 1, 2018

Mrs. Sonia Cornelio, City Clerk, read the proclamation in its entirety.

Ms. Emma Torres, Campesinos Sin Fronteras, thanked the Mayor and City Council for their support on the 24th event Dia Del Campesino which is to recognize the hard work of the community's farm workers. The event will begin at 3:00 a.m. at the Joe Orduño Park and invited the Mayor and Council as well as the public to this traditional event.

Mayor Gerardo Sanchez thanked and congratulated Ms. Emma Torres and the collaborating agencies on putting this event together. The City of San Luis is proud to be part of the 24th Annual Dia Del Campesino.

4.B. Introduction of the City of San Luis new hires for the 3rd quarter from July through September 2018.

Mr. Edgar Carbajal, Human Resources Recruitment Coordinator, introduced the 3rd quarter new hires for the City of San Luis.

Mayor Gerardo Sanchez welcomed the new hires to the City of San Luis.

5. CONSENT AGENDA

5.A. MINUTES OF

-Work Session held November 7, 2018

5.B. DISBURSEMENTS FROM NOVEMBER 3, 2018 TO NOVEMBER 16, 2018

Total Disbursements \$629,598.48

(Six Hundred Twenty-Nine Thousand, Five Hundred Ninety-Eight Dollars and Forty-Eight Cents)

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to approve the Consent Agenda as presented. Motion passed unanimously.

6. DISCUSSION AND POSSIBLE ACTION ITEM:

6.A. Discussion and possible action on any and all matters regarding authorization to purchase three (3) new and equipped 2019 unmarked police Ford Ranger Crew Cab 4x4 XLT pick-up trucks using Fiscal Year 2019 Capital Projects budgeted funds.

Mr. Richard Jessup, Acting Chief of Police, explained that the San Luis Police Department is seeking approval for the purchase of three (3) new and equipped 2019 Ford Ranger Crew Cab 4x4 XLT pick-up trucks. These trucks would be additions to the police vehicle fleet. The funds for the purchase of these vehicles were approved as a Fiscal Year 2019 Capital Project to purchase three (3) unmarked and equipped police vehicles.

The pick-up trucks will be purchased through Alexander Ford of Yuma, which provided a vehicle quote lower than Peoria Ford which holds the Arizona State Contract # ADSPO17-166117 for police vehicle purchases. The pick-up trucks will be fully equipped by MHQ of New Mexico, located in Tempe Arizona which provided the lowest quote in comparison to Arizona Emergency Product (AEP) using Yavapai County contract #2018-346.

MOTION: Vice Mayor Maria Cecilia Ramos/Council Member Mario Buchanan Jr. to approve the purchase of three (3) new and equipped 2019 unmarked police Ford Ranger Crew Cab XLT pick-up trucks in the amount of \$108,914.34 and waive formal bidding as is allowed under San Luis City Code 36.01 (H) because the cost is lower than bid government contracts for the same items. Motion passed unanimously.

6.B. Discussion and possible action on any and all matters regarding the purchase of a new sewer camera inspection system for the Wastewater Division.

Mr. Manuel Rojas, Assistant Director of Public Works, stated that staff contacted three (3) vendors and requested demonstrations of their sewer camera inspection equipment. The new sewer camera system would aid in verification and maintenance for sewer inspections of new and current sewer lines. Staff currently uses a small Closed Circuit TV (CCTV) hand unit, used for service laterals only and the vacuum truck camera skid system. The Rower X unit would replace the skid system, providing inspections of sewer mains up to 1,000 linear feet. With all the new infrastructure, staff

is required to inspect all the sewer lines as part of accepting the residential and industrial subdivisions.

The purchase would enhance the internal inspections and provide efficiency in the collection system operations. The cost of the new camera system is \$129,531.23. This purchase request, NJTPA #022014-ENS complies with the San Luis Purchasing Code Section 36.09, Cooperative Purchasing.

Mayor Gerardo Sanchez added that this amount is a lot of money however in the long run this equipment will save the city money as this investment in this type of technology will help inspect the inside of the structures and not just the outside and it is a huge advantage.

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to approve the purchase of the new camera system for sewer line inspection as presented in the amount of \$129,531.23. Motion passed unanimously.

6.C. Discussion and possible action on any and all matters regarding the purchase of a FLYGT sewer pump for the East Mesa Lift Station.

Mr. Manuel Rojas, Assistant Director of Public Works, mentioned that a new backup 85 horsepower FLYGT Pump for the East Mesa Lift Station is needed. Such purchase would enable maintenance and repair time for the existing pumps. It is standard practice to have a spare pump on larger lift stations as back up because it minimizes liability to the city. With the sewer diversion to the East, this lift station is taking all of the flow from the Juan Sanchez Lift Station. Staff recommends the purchase, a sole source purchase from James, Cooke and Hobson, Inc., an authorized provider of FLYGT Pumps. Under San Luis City Code-Purchasing Section 36.02 where there is only one provider then the purchase may be secured without obtaining sealed bids.

MOTION: Council Member Africa Luna-Carrasco/Council Member Mario Buchanan Jr. to approve the purchase of a backup pump for the east mesa lift station in the amount of \$65,038.37 as presented. Motion passed unanimously.

6.D. Discussion and possible action on any and all matters regarding the approval of a new filtration system for the San Luis Municipal Pool.

Mr. Jesus Meza, Assistant Director of Parks & Recreation, explained that the San Luis Municipal Pool has been very successful for years and has provided our community with great activities and classes for all ages. For the municipal pool to continue being

successful, staff is requesting a new filtration system to replace the current filtration system. The current filtration system has not been working very well, and staff experienced issues with it this summer causing the municipal pool to close for a week. The new filtration system will help prevent this type of closure and provide better maintenance and chemical distribution to the municipal pool.

For this Fiscal Year 2018-2019, City Council approved \$29,390.00 for a new filtration system. Under the San Luis City Code-Purchasing Section 36.01 (D) for purchases costing between \$15,000.00 and \$34,999.99, the Parks and Recreation Department has obtained three (3) written quotes for aquatic filtration systems. The lowest of the three (3) quotes is from Exceptional Water Systems, LLC for the amount of \$35,434.34. The lowest quote is over the \$29,390.00 approved Capital Projects Budget Fiscal Year 2018-2019 for a new filtration system. Therefore, staff is seeking approval of an increase of \$6,044.34 from Council so that staff will have sufficient funds to purchase the new filtration system from Exceptional Water Systems, LLC.

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to approve the purchase of a new filtration system for the municipal pool in the amount of \$35,434.34. Motion passed unanimously.

6.E. Public Hearing followed by discussion and possible action on any and all matters regarding recommendation of the Liquor License Application submitted to the Arizona Department of Liquor Licenses and Control by Mr. Martin Ortega Velez on behalf of Divisa, LLC located at 411 Cesar Chavez Street, San Luis, Arizona.

A. Open public hearing

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to open the public hearing. Motion passed unanimously.

1. Staff and/or applicant presentation

Mrs. Sonia Cornelio, City Clerk, explained that this application was submitted by Mr. Martin Ortega and the application and notice were posted at the proposed premises as required by law for at least 20 days. She did not receive any comments or calls in favor of or against the application.

Mr. Martin Ortega, Divisa 411 Cesar Chavez Street, San Luis, AZ, stated that this application is to export liquor to Mexico. It is not for the public's sale but for businesses.

2. Call to the public on this item

There were no comments from the public on this item.

B. Close public hearing

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to close the public hearing. Motion passed unanimously.

C. Action on the recommendation of the Liquor License Application to the Arizona Department of Liquor Licenses and Control for Divisa, LLC

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to recommend approval of liquor license application to the Arizona Department of Liquor Licenses and Control for Divisa, LLC as presented. Motion passed with four (4) aye votes and one (1) nay vote by Vice Mayor Maria Cecilia Ramos.

Mayor Gerardo Sanchez indicated it was 7:04 p.m. for Item 6F; Ms. Kay Macuil, City Attorney, stated that the hearing was published for 7:00 p.m. and since the special council meeting was scheduled for 6:30 p.m. and the hearing at 7 p.m., so therefore the city is in compliance.

6.F. Public hearing followed by discussion and possible action on any and all matters regarding a proposed financing lent through the Industrial Development Authority of the City of San Luis for a proposed \$35 million-dollar medical mall to be located near the southwest corner of County 24th and Avenue E in San Luis, Arizona. This is a public hearing required by federal law.

A. Open Public Hearing

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to open the public hearing. Motion passed unanimously.

1. Staff presentation

Mr. Glenn Gimbut, City Attorney, said this is a public hearing required by federal law and what is being proposed for the City of San Luis is a medical mall to be financed in part through financing provided by the Industrial Development Authority (IDA) of San Luis. With this kind of financing the city by statute has no liability for this. The loan agreements have been reviewed by Mr. Bill Sims, Legal Counsel, as requested. Under federal law, for the Industrial Development Authority bond issue, they require a hearing

before the local governing body since it is the elected body that created the IDA and which appoints the members of the board of directors of the IDA. This is so that the city may hear from the public prior to any decisions that are made. It will be done in a form of a resolution approving the project and it will be the IDA issuing the bond.

2. Call to the Public on this Item

Ms. Amanda Aguirre, President and CEO for Regional Center for Border Health, explained that this is a \$35 million-dollar investment that Regional Center for Border Health is proposing to the City of San Luis with the intent to build a medical mall offering medical services and enhance the medical services that they are already offering in the city. They have secured the money from USDA that was appropriated by the federal government. If the city supports the project, the anticipated construction date is scheduled for February 2019. Ms. Aguirre proceeded to explain the construction phase that will bring approximately 300 jobs and the facility will bring approximately 150 jobs.

Council Member Matias Rosales asked if any correspondence was received in favor of or against this project. Mrs. Sonia Cornelio, City Clerk, replied that her office did not receive any correspondence on this. Mr. Glenn Gimbut, Assistant City Attorney, responded that he did not receive any comments in favor of or against it.

Council Member Africa Luna-Carrasco asked if Mr. Gimbut is with his own firm or if he is representing the city. Mr. Gimbut responded that when he is acting as the issuer's counsel, it will be at private practice.

Council Member Africa Luna-Carrasco asked if Mr. Gimbut will be getting a fee for his services. Mr. Gimbut stated that he will be and will be paid through the bond's finances, it is in his contract that he can still operate at private practice.

Ms. Kay Macuil, City Attorney, explained that for the city, Mr. Bill Simms, Legal Counsel, reviewed the loan agreements and added some protection in the resolution emphasizing that nothing in the resolution will make void. There is a statute that gives protection to the city and Mr. Simms added a phrase in the resolution that states nothing the city council does will change the protection and in the bond documents the city was not mentioned at all and he added the indemnity part that the city will also be indemnified. Furthermore Ms. Macuil said that she made copies of the statute that indicate that the city is not liable for the loans and will provide a copy to the Mayor and City Council. Ms. Macuil read statute ARS 35-742 Municipality or County not liable... "The municipality or the county shall not in any event be liable for the payment of the principal of or interest on any bonds of the corporation, formed thereby or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever

which may be undertaken by the corporation, and none of the bonds of the corporation or any of its agreements or obligations shall be construed to constitute an indebtedness of the municipality or county within the meaning of any constitutional or statutory provision whatsoever.” Ms. Macuil said that when they speak about the corporation they are referring to the industrial development authority and the city does have the Industrial Development Authority of San Luis which will be the bond issuer. And this statute is reference in paragraph 3 of the resolution.

Mr. Glenn Gimbut, Assistant City Attorney, mentioned that in addition to the statute, in the loan agreement it makes it very clear in a separate section that this is not a debt of the city or the IDA in any way, shape or form.

Mayor Gerardo Sanchez added that this was reviewed by Mr. Bill Simms, Legal Counsel, and the concerns addressed in executive session were taken care of and added to the documentation.

B. Close Public Hearing

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to close the public hearing. Motion passed unanimously.

6.G. Discussion and possible action on any and all matters regarding Resolution No. 2060. A resolution of the City Council of the City of San Luis, Arizona, approving the issuance of a tax-exempt healthcare revenue loan or loans by the Industrial Development Authority (IDA) of the City of San Luis, Arizona, the proceeds of which are to be lent to the Regional Center for Border Health, Inc. in an aggregate principal amount not to exceed \$35,000,000 (the “financing”).

MOTION: Council Member Africa Luna-Carrasco/Vice Mayor Maria Cecilia Ramos to adopt Resolution No. 2060. Mayor Gerardo Sanchez abstained from voting on this items because he works with a possible competitor and works in the medical field and to prevent any possible conflict of interest now or in the future. Motion passed with four (4) aye votes and one (1) abstention from Mayor Gerardo Sanchez.

6.H. Public hearing followed by discussion and possible action on any and all matters regarding Text Amendment Case No. 2018-0299 and Ordinance No. 386. An Ordinance of the Mayor and City Council of the City of San Luis, Arizona, amending the San Luis City Code, Chapter 152 Zoning Regulations by amending and adding regulations to Section 152.121 Light Industrial (L-I) Zoning District; repealing any conflicting provisions, and providing for severability.

A. Open public hearing

MOTION: Council Member Mario Buchanan Jr./Vice Mayor Maria Cecilia Ramos to open the public hearing. Motion passed unanimously.

1. Staff presentation

Mr. Jose Guzman, Director of Planning & Zoning, explained that this text amendment is to provide for a mix of light manufacturing uses, offices, and limited open land uses in an attractive business park setting with proper screening and landscaping; all compatible with adjoining uses. It is intended that this district allow for employment bases through the establishment of high quality, planned industrial centers for corporate offices and indoor manufacturing uses.

Staff has received several requests for uses that seem appropriate and meet the purpose for this zoning district but are not listed as permitted uses or are too restrictive. The intent of this amendment is to make positive changes to the Light Industrial Zoning District and make it more compatible with the needs of our community based on the existing uses and requests received.

2. Call to the Public on this item

There were no comments from the public on this item.

B. Close public hearing

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to close the public hearing. Motion passed unanimously.

C. Action on Reading of Ordinance No. 386 by title only (City Clerk to read Ordinance by title only)

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to adopt Ordinance No. 386 by title only. Motion passed unanimously.

Mrs. Sonia Cornelio, City Clerk, read Ordinance No. 386 by title only.

D. Action on Ordinance No. 386

MOTION: Council Member Matias Rosales/Vice Mayor Maria Cecilia Ramos to approve and adopt Ordinance No. 386. Motion passed unanimously.

7. SUMMARY OF CURRENT EVENTS

Vice Mayor Maria Cecilia Ramos reported that herself and Council Member Africa Luna-Carrasco attended the press conference for the Miss San Luis Scholarship Pageant today and they got to meet the contestants and learned about their platforms.

8. CALL TO THE PUBLIC

There were no comments from the public.

9. ADJOURNMENT

MOTION: Council Member Mario Buchanan Jr. /Council Member Africa Luna-Carrasco to adjourn the Special Council meeting at approximately 7:24 p.m. Motion passed unanimously.



Certification of Council Minutes

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Council meeting of the San Luis City Council held on November 26, 2018. I further certify the meeting was duly called and held and that the quorum was present and that City Council approved these minutes at their Regular Council meeting held on January 9, 2019.

Dated this 14th day of January, 2019.

/s/ Sonia Cornelio, City Clerk