

APPROVED by Council

Date: March 27, 2019

Clerk's Office: /s/ Sonia Cornelio

MINUTES
Regular Council Meeting
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
March 13, 2019
7:00 p.m.

1. CALL TO ORDER/ROLL CALL: Mayor Gerardo Sanchez called the Regular City Council meeting to order at approximately 7:02 p.m.

PRESENT: Mayor Gerardo Sanchez
Vice Mayor Maria Cecilia Ramos
Council Member Mario Buchanan Jr.
Council Member Africa Luna-Carrasco
Council Member Jose Ponce
Council Member Matias Rosales
Council Member Gloria Torres (arrived at approximately 7:04 p.m.)

OTHERS PRESENT: Sonia Cornelio, City Clerk
Kay Marion Macuil, City Attorney
Angel Ramirez, Fire Chief
Axel Chaira, IT Technician
Derek Duenas, IT Manager
Eulogio Vera, Director of Public Works
Francia Alonso, PIO/Assistant to Council
Jenny Torres, Economic Development Manager
Jesus Meza, Assistant Director of Parks & Recreation
Jorge Perez, Billing & Collections Manager
Jose Guzman, Director of Planning & Zoning
Lizandro Galaviz, Director of Parks & Recreation
Ric Bauermann, Fire Inspector
Cesar Neyoy, Reporter
Christian Cuevas, Simultaneous Interpreter
Concepcion Ulloa, Resident
Gary Black, Comite de Bienestar
Greg LaVann, Greater Yuma Economic Development Corporation
Juan Carlos Cornelio, Resident
Julie Engel, Greater Yuma Economic Development Corporation
Karime Hager, Greater Yuma Economic Development Corporation
Lucy Lopez, Reporter
Marco Pinzon, Resident
Maria Nuñez, Resident
Mercedez Pinzon, Resident
Vianey Vega, Vega & Vega Engineering

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Africa Luna-Carrasco.

3. INVOCATION

The Invocation was led by Vice Mayor Maria Cecilia Ramos

4. CONSENT AGENDA

4. A. MINUTES OF

-Regular Council meeting held February 27, 2019

4. B. DISBURSEMENTS FROM FEBRUARY 16, 2019 THROUGH FEBRUARY 28, 2019.

Total Disbursements \$1,539,375.85

(One Million, Five Hundred Thirty-Nine Thousand, Three Hundred Seventy-Five Dollars and Eighty-Five Cents)

4.C. Discussion and possible action on any and all matters regarding the proposal of an agreement contract between Radikal Magazine and the City of San Luis for a baseball exhibition game between the Tomateros de Culiacan, Sinaloa and Cañeros de Los Mochis, Sinaloa or Mayos de Navojoa, Sonora on Saturday September 27, 2019 at the Joe Orduño Park. (Lizandro Galaviz, Director of Parks & Recreation)

MOTION: Council Member Matias Rosales/Council Member Jose Ponce to approve the Consent Agenda as presented. Motion passed unanimously.

The vote was as follows:

Mayor Gerardo Sanchez	Aye
Vice Mayor Maria Cecilia Ramos	Aye
Council Member Mario Buchanan Jr.	Aye
Council Member Africa Luna-Carrasco	Aye
Council Member Jose Ponce	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye

5. DISCUSSION AND POSSIBLE ACTION ITEMS:

5. A. Presentation, followed by discussion and possible directions to staff on any and all matters regarding the economic development activity update by Greater Yuma

Economic Development Corporation (GYEDC). (Greg La Van, Economic Architect – Greater Yuma Economic Development Corporation)

Ms. Karime Hager, GYEDC Mexico/U.S. Bridger, provided an update when working with Mexico in promoting the area and activities such as the 3-year anniversary agreement Memorandum of Understanding (MOU) with the universities of Mexicali, Baja California and Sonora. Ms. Hager briefly spoke about the Regional Center for Border Health and the Start-Up Weekend in April as well as touring Mexicali Industry Associations.

Mr. Greg LaVann, Economic Architect - GYEDC, added that they are also promoting to the Mexicali businesses the City of San Luis Commercial Port of Entry that is ready to be used. He also provided the project update about the hot sauce processor who is still looking for a facility at Spindle Cooling and the trouble right now is that they have not found the financing as all their sales have originated in Mexico.

In the logistics manufacturer, whom the Council engaged with a couple years ago on incentive negotiations at that point and time, they decided it was not time to initiate the project, since then some acquisitions have occurred and have found out that the opportunity zones are very rewarding for them. GYEDC is marketing the area with them again within the Spindle Cooling park, this is a serious group and they have a presence in Rio Colorado.

GYEDC met with the owner from Piana two (2) weeks ago and discussed the different work force support for training and for supplementing some of the costs they are going to incur, the state is going to help them with some funding as well for equipment acquirement and tax credits.

Ms. Julie Engel, GYEDC President/CEO, explained that on March 19th Council Member Matias Rosales, Mayor Nicholls and Mr. Russ Jones will attend the luncheon in Phoenix with Ambassador Barcena from Mexico and Governor Ducey. On March 29th, the Arizona/Mexico will hold their plenary, interplenary planning for the summit which will be held on June 26 - 28. The Arizona/Mexico Commission is turning 60 years old this year, therefore it will be more of a celebration rather than a working summit. On April 23 GYEDC will be partnering with Consul Larios from the Mexico Consulate to hold a US/Mexico - Canada agreement symposium called NAFTA 2.0 and speakers from the three (3) nations will be present.

GYEDC also met with Mr. Tomas Sibaja from Aerospace Cluster President for Baja California, they are working in partnering with PIMSA to launch a Maintenance, Repair and Overhaul (MRO) opportunity in Yuma County. She also reported that Puerto Rico is challenging their opportunity zones and GYEDC was concerned as to why the port of entry

was not part of the opportunity zones, therefore GYEDC spoke to Congresswoman McSally regarding this issue and were informed to submit a letter to the federal government asking that the opportunity zones boundaries be revisited for modifications. Ms. Engel proceeded to explain how this would affect if the port of entry is added in lieu of removing something else. They also met with PIMSA and they introduced Mr. Jose Hernandez, the first Latino Astronaut, he was a field worker before he became an astronaut and will be the keynote speaker at GYEDC's annual dinner in October. Furthermore, she explained that they are trying to have legislation pass to allow for commercial space activity in Arizona and added that if they are successful they will apply for an FA license to have a launch site in south Yuma County.

Mayor Gerardo Sanchez thanked GYEDC and stated that exciting things are happening and the results can be seen.

Vice Mayor Matias Rosales thanked GYEDC for helping with the opportunity zones expansion and added that if anything is needed from the Yuma Port Authority to let them know. He asked if there is a benefit regarding if they are able to expand the opportunity zones and if a company wants back the foreign trade zone.

Ms. Engel responded that there are two (2) types of benefits; a new market tax credit and opportunity zones which are very similar and is still undecided if they will allow both of those things to occur.

No action was taken by the City Council.

5. B. Discussion and possible action on any and all matters regarding amending the terms of the Trustees of the City of San Luis Employee Benefit Trust. (Kay Marion Macuil, City Attorney)

Ms. Kay Macuil, City Attorney, explained that the Benefits Trust has fiduciary duties to take care that the money that the city allocates for benefits is properly spent, they review all the plans, extensive benefits for health, disabilities and they look at the expenses and claims.

Mayor Gerardo Sanchez indicated that he is excited that the current members decided to continue serving the Benefits Trust. The City of San Luis is self-insured and the benefits are that the city can offer more benefits and the premiums are different.

The city has been able to maintain lower premiums than any other organization in Yuma County, the city's broker, Ms. Susan Posada, looks at other premiums. They have been able to self-audit, every two (2) years there is an audit on the administrator and providers. They

have a healthy balance and continue to provide the best benefits to 268 employees and their families. The trust meets quarterly in the evenings; the board members are very committed. The city also provides Mexican health insurance at no cost to the employees. If a member has prior commitments, he/she can request to quit serving on the trust without any problems.

Ms. Macuil said that all the trustees want to continue serving and would like to amend the trust to allow for three (3) consecutive terms.

MOTION: Council Member Africa Luna-Carrasco/Council Member Jose Ponce to approve amending the trust to three (3) consecutive terms as presented. Motion passed unanimously.

The vote was as follows:

Mayor Gerardo Sanchez	Aye
Vice Mayor Maria Cecilia Ramos	Aye
Council Member Mario Buchanan Jr.	Aye
Council Member Africa Luna-Carrasco	Aye
Council Member Jose Ponce	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye

5. C. Discussion and possible action on any and all matters regarding three (3) successor Trustees for the Employee Benefit Trust. (Kay Marion Macuil, City Attorney)

Ms. Kay Macuil, City Attorney, stated that three (3) terms are expiring on the trust for the Employee Benefits for the health benefits so the current members would like to be re-appointed which are Ms. Maria Sabori, Ms. Maria Gonzalez and the new member would be Mr. Gustavo McGrew who has expressed interest in serving. In this item the Mayor will recommend and there is a second action needed by the City Council. There are two (2) actions, the Mayor has to do a recommendation by himself and then the City Council moves to designate.

A. Action by Mayor only, to nominate and recommend three (3) Trustees.

Mayor Gerardo Sanchez designated Ms. Maria Sabori, Ms. Maria Gonzalez and Mr. Gustavo McGrew as trustees to the Employee Benefits Trust.

B. Action by City Council on the recommendations.

MOTION: Council Member Matias Rosales/Vice Mayor Maria Cecilia Ramos to designate Maria Sabori, Maria Gonzalez and Gustavo McGrew as trustees to the Employee Benefit Trust. Motion passed unanimously.

The vote was as follows:

Mayor Gerardo Sanchez	Aye
Vice Mayor Maria Cecilia Ramos	Aye
Council Member Mario Buchanan Jr.	Aye
Council Member Africa Luna-Carrasco	Aye
Council Member Jose Ponce	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye

5.D. Discussion and possible action on any and all matters regarding appointing a director to the San Luis Facility Development Corporation. (Kay Marion Macuil, City Attorney and Attorney for the Corporation and Jenny Torres, President of the Board)

Ms. Jenny Torres, President of the Board, stated that there is a vacancy in the San Luis Facilities Development Corporation, she did have two (2) candidates that submitted an application and as recommended by staff, who are hoping that Mr. Marco Pinzon be appointed since he has already served on this board and understands the facility and operations.

Mr. Marco Pinzon, 1599 N. Iran Avenue, San Luis, AZ, thanked the Mayor and Council for the consideration to allow him to serve on the board. He stated that he has served in the past and due to work commitments he withdrew from it, but he is now available to serve on the board again.

MOTION: Council Member Matias Rosales/Vice Mayor Maria Cecilia Ramos to appoint Marco A. Pinzon as director to the San Luis Facility Development Corporation. Motion passed unanimously.

The vote was as follows:

Mayor Gerardo Sanchez	Aye
Vice Mayor Maria Cecilia Ramos	Aye
Council Member Mario Buchanan Jr.	Aye
Council Member Africa Luna-Carrasco	Aye
Council Member Jose Ponce	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye

5.E. Discussion and possible action on any and all matters regarding Ordinance No. 389. An ordinance of the Mayor and City Council of the City of San Luis, Arizona cleaning up sections of the City Code regarding the appointment of officers; repealing all conflicting provisions; and providing for severability. (Kay Marion Macuil, City Attorney)

Ms. Kay Macuil, City Attorney, explained that this ordinance is a cleanup measure. There are different and conflicting City Codes on the appointment of the Chief of Police and the City Clerk.

**A. Motion to approve the reading of Ordinance No. 389 by title only
(City Clerk to read Ordinance No. 389 by title only)**

MOTION: Council Member Gloria Torres/Council Member Jose Ponce to approve the reading of Ordinance No. 389 by title only. Motion passed unanimously.

The vote was as follows:

Mayor Gerardo Sanchez	Aye
Vice Mayor Maria Cecilia Ramos	Aye
Council Member Mario Buchanan Jr.	Aye
Council Member Africa Luna-Carrasco	Aye
Council Member Jose Ponce	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye

Mrs. Sonia Cornelio, City Clerk, read Ordinance No. 389 by title only.

B. Action on Ordinance No. 389

MOTION: Vice Mayor Maria Cecilia Ramos/Council Member Jose Ponce to approve and adopt Ordinance No. 389. Motion passed unanimously.

The vote was as follows:

Mayor Gerardo Sanchez	Aye
Vice Mayor Maria Cecilia Ramos	Aye
Council Member Mario Buchanan Jr.	Aye
Council Member Africa Luna-Carrasco	Aye
Council Member Jose Ponce	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye

5.F. Discussion and possible action on any and all matters regarding the contract between the City of San Luis and La Cachimba Booking for musical performances for the 4th of July Celebration event. (Lizandro Galaviz, Director of Parks & Recreation)

Mr. Lizandro Galaviz, Director of Parks & Recreation, said that they are still looking for the other band and will provide the information to Ms. Francia Alonso, Assistant to the City Council/PIO, for the City Council's review and to obtain directive from the City Council.

MOTION: Council Member Matias Rosales/Council Member Jose Ponce to approve the contract with La Cachimba Booking in the amount of \$8,800.00 as presented. Motion passed unanimously.

The vote was as follows:

Mayor Gerardo Sanchez	Aye
Vice Mayor Maria Cecilia Ramos	Aye
Council Member Mario Buchanan Jr.	Aye
Council Member Africa Luna-Carrasco	Aye
Council Member Jose Ponce	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye

5.G. Discussion and possible action on any and all matters regarding Subdivision Case No. 2018-0634F. A request by Vega and Vega Engineering PLC, on behalf of Comite de Bienestar Inc., property owner, for the final plat approval for Bienestar Estates Townhouses to be located at 495 N. Janet Napolitano Boulevard, San Luis, Arizona. (Jose A. Guzman, Director of Planning & Zoning)

A. Staff presentation

Mr. Jose Guzman, Director of Planning & Zoning, indicated that the property is located at the east mesa of the City of San Luis. It is located within Bienestar Estates 9B Subdivision, Bienestar Estates 9B is a single-family residential subdivision zoned as Medium-High Density Residential (R-2).

This property was originally designated as Tract B. Usually tracts are intended for public purpose such as parks or retention basins.

This project was originally proposed to develop the land as a condominium complex with 12 units, common areas and three (3) tracts to be used for a private road. Since it is a private road, a homeowner's association will be required with a similar mechanism to get funds for the maintenance of the road and retention basin.

This item was presented to the Planning and Zoning Commission during their regular meeting of January 8, 2019. Staff recommends approval of Subdivision Case No. 2018-0634F subject to the conditions of approval that they addressed with the comments listed on the approval and conditions of approval.

B. Action on Subdivision Case No. 2018-0634F

MOTION: Council Member Matias Rosales/Vice Mayor Maria Cecilia Ramos to approve Subdivision Case No. 2018-0634F subject to the conditions of approval as recommended by staff. Motion passed with 6 aye votes and one abstention from Council Member Gloria Torres due to a possible conflict of interest.

The vote was as follows:

Mayor Gerardo Sanchez	Aye
Vice Mayor Maria Cecilia Ramos	Aye
Council Member Mario Buchanan Jr.	Aye
Council Member Africa Luna-Carrasco	Aye

Council Member Jose Ponce	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Abstained due to a possible conflict of interest

6. MOTION TO ADJOURN AS CITY COUNCIL AND CONVENE AS SAN LUIS PUBLIC HEALTH COMMUNITY FACILITIES DISTRICT

MOTION: Council Member Africa Luna Carrasco/Council Member Matias Rosales to adjourn as City Council and convene as San Luis Public Health Community Facilities District. Motion passed unanimously.

The vote was as follows:

Mayor Gerardo Sanchez	Aye
Vice Mayor Maria Cecilia Ramos	Aye
Council Member Mario Buchanan Jr.	Aye
Council Member Africa Luna-Carrasco	Aye
Council Member Jose Ponce	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye

6.A. Discussion and possible action on any and all matters regarding permitting a second lien on the leasehold the District granted on December 5, 2001 for the Walk-In Clinic at 1896 East Babbit Lane. (Glenn Gimbut, Assistant City Attorney)

Ms. Kay Macuil, City Attorney, explained that the owner of the walk-in clinic and the owner of the project for the new medical mall are the same entity, Border Health. In order to get financing for the medical mall, federal laws require liens on everything they own. The walk-in clinic leases the land from the public health district; this item is for the district to approve the lien on the lease. It is very specific in the motion that it is not a lien on the land, it is a lien on the lease only because that is all the operation owns.

Mayor Gerardo Sanchez, asked if they default on the loan and the federal government or entity say that they have a lease on the property but it is a second lien what will happen.

Ms. Macuil responded that the original financing also puts a lien on the lease so all they get with a lien on a lease is the right to lease the land from the district. It does not affect the underline land, there is no money there to obtain to get their debts paid off; USDA has the right to lease that land and pay themselves.

Council Member Africa Luna-Carrasco asked if this affects the city in any way, is the city liable for anything.

Ms. Macuil responded that the city is not affected nor liable, the debt/lien is on the lease, the lease is \$2,500.00 a year so they would have the right to occupy the land and pay the city the \$2,500.00, they could sublease it and try to get the money that way.

Council Member Matias Rosales expressed that the motion is confusing.

Ms. Macuil stated that the document that created the lease says that in order to do anything with the lease, the district needs to resolve, but staff did not want to do an actual resolution because there are laws that say that resolutions take 30 days to become effective, so not to holdup the financing, staff used the word resolve in the motion. This is for the protection to make extra sure that it is just the leasehold and not the land that is being liened.

MOTION: Council Member Matias Rosales/Vice Mayor Maria Cecilia Ramos to resolve to approve a lien in favor of Western Alliance Bank as part of the financing for the San Luis Medical Mall project of the Regional Center for Border Health, Inc. (which is the successor in interest to the Western Arizona Health Education Center, Inc.) to be placed upon the leasehold interest of the Regional Center for Border Health, Inc. and its subsidiary, San Luis Walk-In Clinic, Inc., for its lease of property located at 1896 E. Babbit Lane, San Luis, Arizona; and to condition the approval for the lien on the leasehold upon any such lien terminating before or upon termination of the leasehold interest of the tenant. Motion passed unanimously.

The vote was as follows:

Mayor Gerardo Sanchez	Aye
Vice Mayor Maria Cecilia Ramos	Aye
Council Member Mario Buchanan Jr.	Aye
Council Member Africa Luna-Carrasco	Aye
Council Member Jose Ponce	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye

7. MOTION TO ADJOURN AS SAN LUIS PUBLIC HEALTH COMMUNITY FACILITIES DISTRICT AND RECONVENE AS CITY COUNCIL

MOTION: Council Member Jose Ponce/Council Member Africa Luna-Carrasco to adjourn as San Luis Public Health Community Facilities District and reconvene as City Council. Motion passed unanimously.

The vote was as follows:

Mayor Gerardo Sanchez	Aye
Vice Mayor Maria Cecilia Ramos	Aye
Council Member Mario Buchanan Jr.	Aye
Council Member Africa Luna-Carrasco	Aye
Council Member Jose Ponce	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye

8. SUMMARY OF CURRENT EVENTS

Mayor Gerardo Sanchez reported that under the President's fiscal year 2020 budget, they are proposing the City of San Luis Port of Entry I to be one of the top priorities for funding in the amount of \$248.3 million to expand and modernize this port. This is the only port in the federal budget for 2020. Last year the City of San Luis Port of Entry I was competing with two (2) other ports of entry. Elected Officials will be making trips to Washington D.C. to thank and emphasize the support needed from the congressional delegation. There will be a public forum on April 17, he will not get excited yet until the budget is approved. Hopefully the two (2), three (3), four (4) hour wait time will get fixed.

Council Member Jose Ponce reminded everyone about tomorrow's events/activities regarding the renaming of the street to Cesar Chavez Boulevard.

Mayor Gerardo Sanchez thanked Parks & Recreation for organizing the baseball game between the Ocean Breeze from Japan and Tigres de Quintana Roo. He spoke to the Manager from Ocean Breeze who was very impressed with the city's sunset and stated that he had been in the City of San Luis in the past and wants to participate again at a future game just like Los Algodoneros.

Vice Mayor Maria Cecilia Ramos reported that there was a fire in her neighborhood and the City of San Luis Fire Department's response was fast and congratulated them on their awesome job.

9. CALL TO THE PUBLIC

There were no comments from members of the public.

10. ADJOURNMENT

MOTION: Council Member Africa Luna-Carrasco/Council Member Mario Buchanan Jr. to adjourn the Regular Council meeting at approximately 7:56 p.m. Motion passed unanimously.

The vote was as follows:

Mayor Gerardo Sanchez	Aye
Vice Mayor Maria Cecilia Ramos	Aye
Council Member Mario Buchanan Jr.	Aye
Council Member Africa Luna-Carrasco	Aye
Council Member Jose Ponce	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye



Certification of Council Minutes

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Council meeting of the San Luis City Council held on March 13, 2019. 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 March 27, 2019.

Dated this 2nd day of April 2019.

/s/ Sonia Cornelio, City Clerk