



## **NOTICE OF REGULAR 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 Regular City Council meeting at 7:00 p.m., Wednesday, March 13, 2019. 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 recordings. Parents in order to exercise their rights may either file written consent with the City Clerk to such recordings, 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 REGULAR**

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 Regular a las 7:00 p.m., el día Miercoles, 13 de Marzo del 2019. 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



**AMENDED ON  
MARCH 11, 2019**

**AGENDA  
Regular Meeting  
San Luis City Council  
San Luis Council Chambers  
1090 E. Union Street  
San Luis, AZ 85349  
March 13, 2019  
7:00 p.m.**

**PLEASE TAKE NOTICE THAT MEMBERS OF THE CITY COUNCIL WILL ATTEND EITHER IN PERSON, TELEPHONE, OR VIDEO CONFERENCE COMMUNICATION. THE MAYOR OR ACTING MAYOR FOR THIS MEETING MAY CHANGE THE ORDER OF THE ITEMS; IF AUTHORIZED BY LAW AND BY A MAJORITY VOTE OF A QUORUM OF CITY COUNCIL MEMBERS PRESENT, AN EXECUTIVE SESSION WILL BE HELD IMMEDIATELY FOLLOWING THE VOTE IN ACCORDANCE WITH A.R.S. §38-431.03(A) AND THE MEETING WILL BE TEMPORARILY RECESSED WHILE THE CITY COUNCIL RETIRES TO EXECUTIVE SESSION WHICH WILL NOT BE OPEN TO THE PUBLIC.**

**1. CALL TO ORDER/ROLL CALL**

**2. PLEDGE OF ALLEGIANCE**

**3. INVOCATION**

**4. CONSENT AGENDA**

All matters are considered to be routine by the City Council and will be enacted by one motion. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

**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)**

**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. **(Greg LaVann, Economic Architect - Greater Yuma Economic Development Corporation)**

- 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)**
- 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)**
  - A. Action by Mayor only, to nominate and recommend three (3) Trustees.
  - B. Action by City Council on the recommendations.
- 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)**
- 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)**
  - A. Motion to approve the reading of Ordinance No. 389 by title only  
(City Clerk to read Ordinance No. 389 by title only)
  - B. Action on Ordinance No. 389
- 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)**
- 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
  - B. Action on Subdivision Case No. 2018-0634F
- 6. **MOTION TO ADJOURN AS CITY COUNCIL AND CONVENE AS SAN LUIS PUBLIC HEALTH COMMUNITY FACILITIES DISTRICT**
- 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)**
- 7. **MOTION TO ADJOURN AS SAN LUIS PUBLIC HEALTH COMMUNITY FACILITIES DISTRICT AND RECONVENE AS CITY COUNCIL**
- 8. **SUMMARY OF CURRENT EVENTS**  
Events by Mayor, Council Members and/or City Manager pursuant to A.R.S. §38-431.02 (K).

**9. CALL TO THE PUBLIC**

This is the time for the public to comment. Members of the City Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. §38-431.01 (H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date.

**10. ADJOURNMENT**



## AGENDA ITEM REVIEW FORM

### Regular City Council Meeting

4.A.

Meeting Date: 03/13/2019

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Summary

#### **MINUTES OF**

-Regular Council meeting held February 27, 2019

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Attachments

2/27/2019 RCM

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**MINUTES**  
**Regular Council Meeting**  
**San Luis City Council**  
**San Luis Council Chambers**  
**1090 E. Union Street**  
**February 27, 2019**  
**7:00 p.m.**

**1. CALL TO ORDER/ROLL CALL:** Mayor Gerardo Sanchez called the Regular City Council meeting to order at approximately 7:04 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

**OTHERS PRESENT:** Tadeo A. De La Hoya, City Manager  
Janet Taylor, Acting City Clerk  
Kay Marion Macuil, City Attorney  
Andrea Ruiz, Court Administrator  
Aracely De La Hoya, Senior Services Manager  
Eulogio Vera, Director of Public Works  
Fausto Gonzalez, Training & Programs Coordinator  
Francia Alonso, PIO/Assistant to Council  
Jenny Torres, Economic Development Manager  
Jesus Meza, Assistant Director of Parks & Recreation  
Joaquin Campa, Building Official  
Jonathan Dumadag, IT Technician  
Jorge Perez, Billing & Collections Manager  
Jose Guzman, Director of Planning & Zoning  
Lizandro Galaviz, Director of Parks & Recreation  
Maria Sabori, Property Risk Analyst  
Monica Castro, Director of Finance  
Ric Bauermann, Fire Inspector  
Richard Jessup, Chief of Police  
Yolanda Dueñas, Facilities Supervisor  
Brandon Stahl, ADOSH Representative  
Cesar Neyoy, Reporter  
Chris Kasid, Visitor  
Concepcion Ulloa, Resident/Cesar Chavez Event Secretary  
Everardo Martinez-Inzunza, Gadsden School District  
Maria Robles, Resident

Peter Kirkland, ELSPEC  
Ralph Velez, Consultant  
Ivonne Jackson, Resident

## **2. PLEDGE OF ALLEGIANCE**

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

## **3. INVOCATION**

The Invocation was led by Mr. Domingo Coronado, Deacon St. Jude Catholic Church.

## **4. PRESENTATION/PROCLAMATIONS**

### **4.A. Introduction of the City of San Luis new hires for the 4th quarter from October through December 2018. (Edgardo Carbajal, HR Recruitment Coordinator)**

Mr. Fausto Gonzalez, Training and Programs Coordinator, introduced the fourth quarter new hires for 2018.

Mayor Gerardo Sanchez welcomed the new employees and congratulated them.

### **4.B. Proclamation - National Education Association Read Across America 2019**

Ms. Janet Taylor, Acting City Clerk, read the proclamation in its entirety.

### **4.C. Proclamation - Cesar Chavez Day March 31, 2019**

Mayor Gerardo Sanchez read the proclamation in its entirety.

## **5. CONSENT AGENDA**

### **5. A. MINUTES OF**

**-Work Session held February 6, 2019**

**-Regular Council meeting held February 13, 2019**

### **5. B. DISBURSEMENTS FROM FEBRUARY 1, 2019 THROUGH FEBRUARY 15, 2019**

**Total Disbursements \$756,059.84**

**(Seven Hundred Fifty-Six Thousand, Fifty-Nine Dollars and Eighty-Four Cents)**

**MOTION:** Council Member Gloria Torres/Council Member Jose Ponce to approve the Consent Agenda as presented. Motion passed unanimously.

## 6. DISCUSSION AND POSSIBLE ACTION ITEMS:

### 6. A. Discussion, direction, and possible action on any and all matters regarding Resolution No. 2065. A resolution of the Mayor and City Council of the City of San Luis, Arizona, directing and authorizing the street name change of Juan Sanchez Boulevard to Cesar Chavez Boulevard. (Jose A. Guzman, Director of Planning and Zoning)

Mr. Jose Guzman, Director of Planning and Zoning, explained that as part of the Cesar Chavez festivities and to recognize the important impact he made in the City of San Luis and the life of many Americans, this resolution is proposed to change Juan Sanchez Boulevard to Cesar Chavez Boulevard. Staff recommends approval of the resolution and to direct staff to start the process to change the name of Cesar Chavez Street to either 3<sup>rd</sup> Avenue or a name related to the Cesar Chavez movement.

Mayor Gerardo Sanchez asked if this item was presented and discussed with the Planning and Zoning Commission. Mr. Guzman replied yes it was presented to the Planning and Zoning Commission and recommended approval, there were no opposition at that point.

**MOTION:** Council Member Jose Ponce/Council Member Africa Luna-Carrasco to approve Resolution No. 2065. Motion passed unanimously.

A female member of the audience stood up, she was not close to the microphone and portions of her comments are inaudible. She stated "Excuse me, I wanted to talk about my granpa...about changing (inaudible), Mayor Gerardo Sanchez advised her that the item was not open for discussion, to what she responded "it is not open for discussion, nobody informed us, we are Juan Sanchez's grandkids and uh nobody informed us of changing the street and my grandfather was here before any of Cesar Chavez and he did a lot of stuff specially for the community...(inaudible), he brought and my grandma brought the catholic church and my grandmother wrote all these letters to Arizona the state so they can go ahead and give San Luis, Arizona that properties for them to bring it and San Luis, Arizona also all these properties used to be Juan Sanchez's and the thing is the state came in and then they bought the, the land and they claimed it, all of this used to be ours and the thing is, there is a big old monument in front of the you know uhh the Orduño's Park so what absolutely now we need to do a way my grandfather's legacy ...(inaudible) Mayor Gerardo Sanchez stated that it is not open for discussion, this is protocol. Mr. Juan Sanchez's granddaughter continued by stating "My understanding is, is that I...(inaudible) and it says that I can contest it, I can contest it." Mayor Gerardo Sanchez said that the motion carried, there was already a motion, it already passed. Mr. Juan Sanchez's granddaughter said "You did not ask if there was anybody that was going to contest it, I am going to contest it...(inaudible) everything is

contested, Mr. Ponce you agreed, my grandfather was here and we were here forever, that is ok, you guys change the name it doesn't matter, I am coming back in two years and then I am going to run for City Council and I am going to do everything in my powers...(inaudible) not only that but the thing is Cesar Chavez...(inaudible) but there are streets Cesar Chavez everywhere, there is only one legacy my grandpa, they have opened...(inaudible). Mayor Gerardo Sanchez asked Ms. Kay Macuil, City Attorney, to clarify this.

Ms. Macuil stated that this item is not a public hearing type item, it is just for the Council to conduct business on the matter that is brought before them. This is not one of the type of items that is open for public discussion.

Mr. Juan Sanchez's granddaughter said "So you guys can just change it and it does not matter...(inaudible) you know, so this is how...(inaudible) whatever he did is fine but my grandfather was here, he was one of the first ones...(inaudible) and the thing is he was part of San Luis, Arizona since the beginning, Cesar Chavez was not part of San Luis, Arizona since the beginning, so you know it is very sad, that I was, you know, I was here for many, many, years and my grandpa and my grandma they were very important...(inaudible) San Luis, Arizona and then he dies all of a sudden...(inaudible) just died...(inaudible). Mayor Gerardo Sanchez thanked her and stated that the they needed to continue with the meeting.

**6. B. Discussion and possible action on any and all matters regarding Resolution No. 2066. A resolution of the Mayor and City Council of the City of San Luis, Arizona, directing and authorizing the street name change of Industrial Avenue to Henry Chavez Court. (Jose A. Guzman, Director of Planning and Zoning)**

Mr. Jose Guzman, Director of Planning and Zoning, explained that City Administration received a request from the San Luis Industrial Park LLC group to recognize the contributions of Mr. Henry Chavez to the City of San Luis. The Planning and Zoning Department agrees with the City Administration's recommendation to change the name of Industrial Avenue to Henry Chavez Court. This item was presented to the Planning and Zoning Commission and they also recommended the approval.

Mayor Gerardo Sanchez asked for the record if there were any objections from the Planning and Zoning in which the public can go and object. Mr. Guzman replied there were no objections.

**MOTION:** Council Member Gloria Torres/Council Member Jose Ponce to approve Resolution No. 2066. Motion passed unanimously.

**6. C. Discussion and possible action on any and all matters regarding Resolution No. 2067. A resolution of the Mayor and City Council of the City of San Luis, Arizona, directing and authorizing the roadway name change of Bradley Holcom Place to Bruce Jackson Place. (Jose A. Guzman, Director of Planning and Zoning)**

Mr. Jose Guzman, Director of Planning and Zoning, said that this change is recommend by City Administration as the City of San Luis does not condone criminal activity within the city limits, Mr. Holcom is currently a convicted felon for fraud, he was a former developer and staff recommends to rename the street to a name suitable with the integrity and pride of the City of San Luis. In this case the recommendation is to commemorate Mr. Bruce Jackson. Mr. Jackson was a longtime local business owner of Western Ace Hardware which was the first store in the city to provide credit to residents. He served as a council member for the City of San Luis when the city became incorporated in 1979 with its first administration. He was a United States Navy Veteran who served during the Korean War.

Mayor Gerardo Sanchez asked if the Planning & Zoning Commission had any objections to this. Mr. Guzman replied there were no objections.

**MOTION:** Council Member Africa Luna-Carrasco/Council Member Jose Ponce to approve Resolution No. 2067. Motion passed unanimously.

Council Member Gloria Torres acknowledged Ms. Ivonne Jackson's presence and Mayor Gerardo Sanchez stated that since he did not allow the public's comment on the items previously discussed, he will now open Call to the Public to be next on the agenda, there were no objections from the rest of the City Council. He stated that the public can comment but the City Council cannot respond.

**8. CALL TO THE PUBLIC**

Mr. Everardo Martinez-Inzunza, Gadsden School District, thanked the Mayor and City Council on behalf of the Cesar Chavez committee for the Cesar Chavez proclamation and the courageous actions that are being taken on behalf of the city to recognize a great leader that they have in the community. This community and Yuma and most likely anywhere else in the state of Arizona has the privilege and the liberty to honor this great worldwide leader and as a community we always say if God permits us and thanked God for sending people that have done actions in one's life that tells us that we have the license to be a free community and that human dignity does not have a price. He thanked Cesar Chavez, the committee, the Mayor and City Council and hopes that one's children see that what they do is done with actions not only with words, may God continue to bless us.

Mr. Neftali Fuentes, aka Mr. Do, stated that on behalf of La Campesina 104.5 FM Radio Station, Mr. Cesar Chavez taught him to be a good example in the community and what the City of San Luis has accomplished is a big success because this is information at a worldwide level because the world will find out what the City of San Luis is doing and the City of San Luis is an epicenter city due to the proclamation and name of this avenue. He thanked the Mayor and City Council for the support and like Cesar Chavez used to say and his legacy "Si Se Puede" (It Can Be Done) and the City of San Luis was able to do it.

Ms. Ivonne Jackson, resident, thanked the Mayor and City Council for the renaming of the street honoring her husband. Sometimes, one does not realize the freedom one has, thanks to those who have served at the wars for this free country.

Mr. Mario Jauregui, San Luis Industrial Park Group, stated that what a beautiful occasion to honor 3 great men, they decided to honor Mr. Henry Chavez as he is one of the founders of the San Luis Industrial park and recently retired after 60 years of service as an entrepreneur, and as a mentor, via the San Luis Chamber of Commerce, Elks and the San Luis Economic Corporation. To this day, every winter during Christmas, he gathers 60-70 food baskets from the Elks and makes sure those baskets are distributed to San Luis residents. During his reign as a chairman, the San Luis Industrial park doubled in size and a new Industrial Park was obtained. He thanked the Mayor and City Council for the support.

Ms. Concepcion Ulloa, resident and Secretary for the Cesar Chavez event, stated that it is an honor for her to participate in the Cesar Chavez festivities as her grandparents came in 1963. She did not have an opportunity to meet Mr. Cesar Chavez but did meet Mr. Bruce Jackson and Mr. Henry Chavez and to her, the streets will be in good hands and her condolences to Ms. Ivonne Jackson. The Cesar Chavez festivities will continue to March 31.

Mr. Gerardo Sanchez, 1067 7<sup>th</sup> Avenue, San Luis, AZ, stated that it is never easy to change the names of the streets, they are talking about three (3) individuals, Cesar Chavez, Henry Chavez and Bruce Jackson, three (3) legacies, three (3) different lives but they all impacted so many different people in different ways. He will not say that one is more important than the other. Mr. Henry Chavez is not a resident of the City of San Luis but dedicated all his time, work and wealth in trying to invest in the City of San Luis because he had a vision to invest in San Luis, Arizona. Mr. Bruce Jackson, he remembers when he owned Western Auto and has good memories as a child and the legacy of Mr. Cesar Chavez is big. The City Council did not decide to change names of the streets, before even considering Juan Sanchez Boulevard a couple of Chavistas approached him and asked why the city did not have a big street named Cesar Chavez, there is a small street, however Cesar Chavez was someone big, bigger than San Luis and the state of Arizona. He was someone who impacted and continues to impact people's daily lives.

Everyone was important and special, they are all legacies and he is very proud that he is from San Luis and proud that this was done tonight.

Ms. Maria Robles, 1195 California Street, San Luis, AZ, expressed that 22 years ago she encrusted in her heart to spread the legacy of Cesar Chavez. Cesar Chavez dedicated his life to the service of others, to better the quality of life of everyone in different ways such as education, housing, health and stations but the most important thing is that Cesar Chavez extended a leadership not individually but familial. Cesar Chavez leaves a pride and his legacy remains and one should feel proud of being part to continue his legacy. She thanked the Mayor and City Council for the support and for allowing her to be part of this community.

Mr. Jose Ponce, 262 Los Tres Hombres Street, San Luis, AZ, stated that today is the kick-off of Cesar Chavez festivities and thanked Ms. Maria Robles and Ms. Carmen Santos as they have worked very hard to make this possible.

**6. D. Discussion and possible action on any and all matters regarding an Agreement with Matrix Design Group, Inc. for professional planning services for the General Plan Update Project. (Jose A. Guzman, Director of Planning & Zoning)**

Mr. Jose Guzman, Director of Planning & Zoning, explained that this request is to authorize a professional service agreement with Matrix Design Group in the amount not to exceed \$181,953.00 for professional planning services for the General Plan Update. The General Plan Update is required by state statute to be done every ten (10) years, the last one was performed in 2011. Staff requested proposals and four (4) of them were received and Matrix Design Group was selected by the evaluation committee through the requests for proposals (RFP) as being the most qualified consultant for this task. His department budgeted \$70,000.00 for this fiscal year and the rest of the amount will be allocated on the next fiscal year.

**MOTION:** Council Member Gloria Torres/Council Member Jose Ponce to award the contract to Matrix Design Group, Inc. in the amount of \$181,963.00 with \$70,000.00 authorized to be paid before June 30, 2019 and the remainder to be budgeted in the future budget. Motion passed unanimously.

**6. E. Discussion and possible action on any and all matters regarding the purchase of ELSPEC NORTH AMERICA, Equalizer Electrical System, Well Site No. 7 for the Public Works Department, Water Division. (Eulogio Vera, Director of Public Works)**

Mr. Eulogio Vera, Director of Public Works, indicated that staff is seeking approval to purchase a capacitor bank for Well Site No. 7. Well Site No. 7 is the project that was upgraded and added the manganese filters approximately 2 ½ years ago. The filters were working fine but there was an issue with the load side of the design, they were having some motors that were going bad. Staff identified the issues and contacted Mr. Peter Krickhuhn from Filtrona, Inc., to assist with the problems. The cost of the purchase is \$57,700.00.

Mr. Krickhuhn explained the issues and his recommendation of the ELSPEC Capacitor bank to prevent failures as indicated on his correspondence included with the item on the agenda packet filed at the City Clerk's Office.

Vice Mayor Maria Cecilia Ramos asked if there were other well sites with the same issue. Mr. Vera responded that there are no other well sites with this problem.

**MOTION:** Vice Mayor Maria Cecilia Ramos/Council Member Africa Luna-Carrasco to approve the purchase of system as presented for \$57,742.22. Motion passed unanimously.

**6. F. Discussion and possible action on any and all matters regarding the new Wastewater Shop design contract proposal of Vega and Vega Engineering, PLC for the Public Works Department, Wastewater Division. (Eulogio Vera, Director of Public Works)**

Ms. Kay Macuil, City Attorney, clarified that there was a need for a contract in this case she created one but Mr. Vega has not had time to review it, therefore she changed the motion to direct staff to enter into a contract and she placed the motion in paper and left them on the dais.

Mayor Gerardo Sanchez asked if this item should be continued. Ms. Macuil responded no as it is not a big item, it is a design for the wastewater shop and she followed his proposal and added required language that is needed for Arizona law.

Mr. Eulogio Vera, Director of Public Works, stated that this is a budgeted item and staff has been working with Vega & Vega and it is just design of the building.

**MOTION:** Council Member Matias Rosales /Vice Mayor Maria Cecilia Ramos to direct staff to enter into a contract with Vega & Vega Engineering not to exceed \$25,000.00 for design and plans for the shop and storage building as presented. Motion passed unanimously.

**6.G. Discussion and possible action on any and all matters regarding an agreement with the San Luis Industrial Park, L.L.C. to pay for and install landscaping in certain retention basins at the San Luis Industrial Park on the condition that the City of San Luis will maintain the improvements. (Kay Marion Macuil, City Attorney)**

Ms. Kay Macuil, City Attorney, explained she drafted the contract for the industrial park, city staff has been maintaining the retention basins but the industrial park is putting in more grass, trees and shrubs, therefore it will require more maintenance; it is the city's responsibility to maintain the retention basins. The city rents in the San Luis Industrial Park subdivision and subleases its business incubators there. The beautification in that area can help in continuing to attract businesses to the area to improve the economy in San Luis.

Mr. Lizandro Galaviz, Director of Parks & Recreation, added that between public works and parks have been maintaining the retention basins with low maintenance but with the improvements there is more rock area and vegetation and the annual cost will be approximately \$5,000.00.

Vice Mayor Maria Cecilia Ramos commented that this is an improvement because they like to see the city beautified.

**MOTION:** Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to approve the agreement with the San Luis Industrial Park, L.L.C., as presented. Motion passed unanimously.

**6.H. Discussion and possible action on any and all matters regarding a PEPP Program agreement with the Arizona Division of Occupational Safety and Health, for a 3-year consulting agreement with the City of San Luis. (Monica Castro, Director of Finance)**

Ms. Maria Sabori, Risk Property Analyst, introduced Mr. Brandon Stahl, Arizona Division of Occupational Safety and Health (ADOSH). Mr. Stahl explained that the City of San Luis wishes to enter into a three (3) year agreement which can be canceled at any time with a 30-day notice requirement. The program consists of quarterly ADOSH site visits to the city and will make a recommendation on corrections or improvements within the safety and health processes. ADOSH will work with the city on improving the current safety and health processes as well as assisting with needed safety and health trainings for the City of San Luis personnel. These program services are at no cost to the city. The objective of the agreement is to provide a safe and healthy work environment for employees through site visits and training provided by ADOSH.

Ms. Sabori added that the city went through a recent inspection, the city was inspected in eight (8) different areas, six (6) were crucial, the affected department along with Risk Management worked diligently to resolve the six (6) items and the city received a minimal citation for one (1) out of the six (6). This inspection opened the city's eyes as to the importance of the city's employees' safety and health.

**MOTION:** Council Member Matias Rosales/Vice Mayor Maria Cecilia Ramos to approve the agreement with ADOSH to implement the public entity partnership program at no cost to the city. Motion passed unanimously.

**6.I. Discussion and possible action on any and all matters regarding the ratification and adoption of Order No. 2019-3. An order of the Mayor and City Council of San Luis, Arizona to receive funding for overtime and mileage by approving an Intergovernmental Agreement and authorizing execution of Subrecipient Agreement Number 180436-01, Operation Stonegarden Grant Program Award - Overtime and Mileage between the State of Arizona through the Arizona Department of Homeland Security and the City of San Luis, Arizona through the San Luis Police Department. (ITEM CONTINUED FROM REGULAR COUNCIL MEETING HELD FEBRUARY 13, 2019) (Richard Jessup, Chief of Police)**

Mr. Richard Jessup, Chief of Police, stated that the San Luis Police Department has ratified the agreement to an extended date of February 28, 2019 and its expenditures. The total awarded grant funded amount is \$389,000.00.

**MOTION:** Council Member Mario Buchanan Jr./Vice Mayor Maria Cecilia Ramos to approve and adopt Order No. 2019-3 approving the intergovernmental agreement and grant as presented and ratifying expenditures under the grant. Motion passed unanimously.

Council Member Gloria Torres asked if all police staff is entitled to the overtime through this grant. Mr. Jessup responded that everyone is entitled to the overtime through this grant.

**6.J. Public hearing followed by discussion and possible action on any and all matters regarding recommendation of a Special Event Liquor License application to the Arizona Department of Liquor Licenses and Control to authorize the City of San Luis through its Parks and Recreation Department to sell alcohol at the March Baseball Exhibition on March 09, 2019. (Lizandro Galaviz, Director of Parks and Recreation)**

**A. Open public hearing**

**MOTION:** Council Member Africa Luna-Carrasco/Vice Mayor Maria Cecilia Ramos to open the public hearing. Motion passed unanimously.

### **1. Presentation by staff and/or applicant**

Mr. Lizandro Galaviz, Director of Parks & Recreation, said there is a baseball team from Japan that is interested in coming to San Luis and play an exhibition game against Mr. Fernando Valenzuela's Tigres from Quintana Roo. The game has already been confirmed for March 9, 2019.

Council Member Africa Luna-Carrasco asked Mr. Galaviz to elaborate on the split of the proceeds. Mr. Galaviz explained that those funds go to the field renovation fund and those funds are used toward different improvements such as the batting cages and bullpens.

### **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 Jose Ponce/Council Member Africa Luna-Carrasco to close the public hearing. Motion passed unanimously.

### **C. Action on Special Event Liquor License Application to the Arizona Department of Liquor Licenses & Control**

**MOTION:** Council Member Gloria Torres/Council Member Jose Ponce to recommend approval to the Arizona Department of Liquor Licenses and Control for the special event liquor license as presented. Motion passed with six (6) aye votes and one (1) nay vote by Vice Mayor Maria Cecilia Ramos.

### **6.K. Discussion and possible action on any and all matters regarding the approval of a contract between the City of San Luis and La Cachimba Promotions for musical performances for the 4th of July Celebration event. (Lizandro Galaviz, Director of Parks & Recreation)**

Mr. Jesus Meza, Assistant Director of Parks & Recreation, stated that staff is requesting for the City Council to waive the procurement code for this contract as Mr. Eder Flores is the sole source provider for the bands. He provided an excellent proposal and extremely competitive, he is representing Los Chatos from Mexicali, Baja California.

A compensation for such concert in the amount of \$8,800.00 for four bands. These musical performers provide a festive and upbeat musical act that staff believes the community will enjoy. Inspector is a Ska band from Nuevo Leon, Mexico who has produced many hits such as Amargo Adios and toured many countries around the world. Los Chatos are a rock band who perform tributes to many legendary rock bands in the United States & Mexico. La Cachimba is a Calexico/Mexicali band who will perform Spanish rock classics for the community during the city's Fourth of July celebration. He is confident that these musical performers will provide a great atmosphere and amazing live entertainment for the city, who deserve the very best Fourth of July Celebration.

Mayor Gerardo Sanchez indicated that he wished the City Council would have seen these proposals before hand, Parks & Recreation is already making a commitment with these bands and people will start inquiring what band will be brought for this event. Mr. Meza responded that Inspector is a commercial band and it is proposal and is competitive.

Council Member Jose Ponce asked how does Parks & Recreation pick the type of music/bands. Mr. Meza indicated that they follow a budget process, depending on the budget that is available, they try to get the most competitive proposals and find the more attractive band that people like. They have been following a trend for the past few years of Spanish rock. They try to work with their customers, provide feedback from the previous years and they mentioned Jaguares, Mana, Enanitos Verdes which are over \$50,000.00.

Mayor Gerardo Sanchez said that he thinks this item should be continued to discuss this matter further, since it is the city's 40<sup>th</sup> Anniversary, Council Member Africa Luna-Carrasco agreed.

Mr. Galaviz mentioned that \$8,800.00 is a good deal, they have been looking into other bands, but budget wise this is what they estimated. In addition, there are other things that need to be considered such as lights, stage, etc...as well as the time, they prefer to do all at least six (6) months in advance.

Mayor Gerardo Sanchez informed Mr. Galaviz to let the City Council know beforehand and if his budget is tight, he needs to let them know, not wait until now.

Council Member Matias Rosales asked what type of bands the city had last year, what does Voz de Mando play and which one had more attendance. Mr. Meza replied that last year Parks & Recreation had Spanish rock bands, Voz de Mando is more grupero, and in this area, Mexican regional musical genre is preferred, but since it is the Fourth of July event, they are trying to focus more on the typical trend in the U.S. which is rock due to its popularity.

Council Member Africa Luna-Carrasco added that if they are to bring a bigger band which is pricy, then probably the city can charge a minimal entrance fee to enjoy the festivities such as a dollar or canned food.

Mr. Galaviz briefly informed them of the schedule for the Fourth of July event.

**MOTION:** Council Member Matias Rosales/Council Member Jose Ponce to continue the item. Motion passed unanimously.

## **7. SUMMARY OF CURRENT EVENTS**

Mr. Lizandro Galaviz, Parks & Recreation Director, reported that they have been remodeling the cultural center and redesigning the front landscaping.

Council Member Jose Ponce invited everyone to the Cesar Chavez celebration, the parade will be this coming Saturday beginning at 9:00 a.m.

Vice Mayor Maria Cecilia Ramos reported that she attended the Mascotamania and it was a great family event and thanked Parks & Recreation for organizing this event.

## **8. CALL TO THE PUBLIC**

There were no additional comments from members of the public.

## **9. ADJOURNMENT**

**MOTION:** Council Member Matias Rosales/Council Member Jose Ponce to adjourn the Regular Council meeting at approximately 8:38 p.m. Motion passed unanimously.



## AGENDA ITEM REVIEW FORM

### Regular City Council Meeting

4.B.

Meeting Date: 03/13/2019

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#### Summary

#### **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)

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#### Attachments

Disbursements

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# City of San Luis

Finance Department

## COUNCIL MEETING MARCH 13, 2019 Disbursement Reports from 2/16/2019 to 2/28/2019

<u>Bank Accounts</u>	<u>Check Date</u>	<u>Amount</u>	<u>Schedule</u>
Payroll Check Account	2/20/2019	\$ 296,297.36	Schedule A
Accounts Payable Check Account	2/21/2019	\$ 595,577.52	Schedule B
Accounts Payable Check Account	2/28/2019	\$ 647,500.97	Schedule C

**Total Disbursements: \$ 1,539,375.85**

Please contact Ms. Monica Castro prior to the meeting if additional information is needed.

Prepared by Angelica V. Castro: Angelica V. Castro

Verified by Director of Finance: Monica Castro

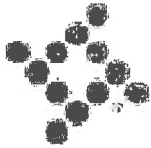
For Council approval on: \_\_\_\_\_

**Mayor:** \_\_\_\_\_

**Council:** \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

RECEIVED  
2019 MAR - 5 P 5:56  
CITY OF SAN LUIS  
OFFICE OF THE CITY CLERK



Schedule A  
**Pay Day Register**  
 Pay Date Range 02/02/19 - 02/15/19  
 Pay Batch 201904

PSPRS POLICE DB RATE - TIER	3,246.72	27,868.71	Workers' Comp		Gross Base
PSPRS POLICE DB RATE - TIER 2	476.76	4,092.33	ANIMAL CONTROL OFFICERS	62.09	2,759.68
PSPRS POLICE DB RATE - TIER 3	1,009.47	10,155.65	ATTORNEY- ALL & CLERICAL-	67.72	30,776.79
STANDARD LIFE ADDTNL	812.63	.00	AUTO SERVICE/ REPAIR	89.84	3,219.98
TRANSWESTERN MEXICAN	96.26	.00	BUILDING- NOC OPER BY	938.17	25,916.66
U.S. MEX DENTAL - EE &	571.32	.00	BUS COMPANY AND DRIVERS	139.03	2,518.53
U.S. MEX DENTAL - EE &	84.64	.00	CLERICAL OFFICE/ LIBRARY/	225.92	94,123.90
UNITED WAY	14.00	.00	Electrician	60.10	1,914.00
US & MEX DENTAL= FAMILY	554.82	.00	FIREFIGHTERS & DRIVERS	3,216.29	91,372.52
US & MEX HEALTH = C	5,992.00	.00	GARBAGE/ ASH/ REFUSE	291.21	4,659.21
US & MEX HEALTH = FAMILY	4,124.70	.00	MUNICIPAL/ TOWN/	92.40	5,280.06
US & MEX HEALTH = SP	1,198.40	.00	PARKS- NOC ALL EMPLOYEES	491.65	15,859.50
VSP - VISION FAMILY	578.10	.00	POLICE OFFICERS	3,728.15	85,117.80
Net	<u>\$296,297.36</u> ✓		RECREATION- ALL EMPLOYEES/	225.92	16,490.21
			SEWAGE DISPOSAL/ PLANT	677.23	19,687.03
			Street or Road Construction	1,649.49	20,541.28
			WATERWORKS OPERATIONS	601.35	17,329.78
			Total	<u>\$12,556.56</u>	

Direct Deposits	Amount
1st Bank Yuma	23,676.01
ACADEMY BANK	3,677.91
Bank of America	200.00
BBVA COMPASS	994.60
Charles Sch	200.00
Chase Bank	130,777.27
CHASE BANK CA	2,288.30
CHASE BANK MORGAN	1,643.53
chase centro	997.27
Federal Credit Union	37,186.82
FF CREDIT UNION	300.00
GREEN DOT BANK	1,436.60
National Bank	500.00
Navy Federal	10,473.26
NetSpend Corporation DD	120.00
NORTH ISLAND CREDIT UNION	1,013.48
Sunbank	1,133.55
USAA FEDERAL SAVING	1,375.84
WASHINGTON FEDERAL	1,052.23
Wells Fargo	56,904.54
WELLS FARGO ARKANSAS	1,335.79
Total	<u>\$277,287.00</u>

Prepared by:  
 Debora Luna

Date:

# Payment Register

From Payment Date: 2/18/2019 - To Payment Date: 2/21/2019

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
88317	02/21/2019	Open			Accounts Payable	WAL-MART RESTITUTION RECOVERY	\$5.57		
88318	02/21/2019	Open			Accounts Payable	WAXIE SANITARY SUPPLY	\$453.19		
88319	02/21/2019	Open			Accounts Payable	YUMA AUTO REBUILDERS	\$899.53		
88320	02/21/2019	Open			Accounts Payable	YUMA COUNTY ATTORNEYS OFFICE	\$1,232.00		
88321	02/21/2019	Open			Accounts Payable	YUMA REGIONAL MEDICAL CENTER	\$1,548.22		
88322	02/21/2019	Open			Accounts Payable	YUMA TRUCK PARTS	\$871.93		
88323	02/21/2019	Open			Accounts Payable	YUMA WINNELSON CO.	\$993.77		
Type Check Totals:									
1BYPAYABLE - 1st BY Accounts Payable Totals								\$595,577.52	

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	87	\$595,577.52	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	<b>Total</b>	<b>87</b>	<b>\$595,577.52</b>	<b>\$0.00</b>

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	87	\$595,577.52	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	<b>Total</b>	<b>87</b>	<b>\$595,577.52</b>	<b>\$0.00</b>

Grand Totals:

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	87	\$595,577.52	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	<b>Total</b>	<b>87</b>	<b>\$595,577.52</b>	<b>\$0.00</b>

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	87	\$595,577.52	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	<b>Total</b>	<b>87</b>	<b>\$595,577.52</b>	<b>\$0.00</b>

Prepared By:  
*Maggie Dominguez*  
 Date: *Maggie D.*  
*2/21/19*

# Payment Register

From Payment Date: 2/18/2019 - To Payment Date: 2/21/2019

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
1BYPAYABLE - 1st BY Accounts Payable									
Check									
88237	02/20/2019	Open			Accounts Payable	BAUERMANN, RICHARD	\$155.95		
88238	02/20/2019	Open			Accounts Payable	PADILLA, GUSTAVO	\$235.20		
88239	02/21/2019	Open			Accounts Payable	BALSINO, PETER, M	\$159.98		
88240	02/21/2019	Open			Accounts Payable	CALIFORNIA STATE DISBURSEMENT UNIT	\$160.61		
88241	02/21/2019	Open			Accounts Payable	FOP/ALC	\$225.00		
88242	02/21/2019	Open			Accounts Payable	PIONEER CREDIT RECOVERY, INC	\$147.29		
88243	02/21/2019	Open			Accounts Payable	SAN LUIS POLICE OFFICERS ASSOC	\$390.00		
88244	02/21/2019	Open			Accounts Payable	STANDARD INSURANCE CO.	\$7,547.58		
88245	02/21/2019	Open			Accounts Payable	SUPPORT PAYMENT CLEARINGHOUSE	\$4,178.49		
88246	02/21/2019	Open			Accounts Payable	UNITED WAY OF YUMA COUNTY INC.	\$14.00		
88247	02/21/2019	Open			Accounts Payable	UNITED YUMA FIRE FIGHTERS- IAFF	\$575.00		
88248	02/21/2019	Open			Accounts Payable	AL-SAIHATI, TERRILL	\$800.00		
88249	02/21/2019	Open			Accounts Payable	ALONSO, FRANCIA	\$226.00		
88250	02/21/2019	Open			Accounts Payable	ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY	\$65.00		
88251	02/21/2019	Open			Accounts Payable	ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY	\$65.00		
88252	02/21/2019	Open			Accounts Payable	ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY	\$65.00		
88253	02/21/2019	Open			Accounts Payable	AVILA, JULIO	\$120.00		
88254	02/21/2019	Open			Accounts Payable	AZ PHYSICIANS IPA, INC	\$4.20		
88255	02/21/2019	Open			Accounts Payable	CEMEX	\$96,015.76		
88256	02/21/2019	Open			Accounts Payable	CUEVAS, CHRISTIAN	\$87.50		
88257	02/21/2019	Open			Accounts Payable	EMAZON, JESUS	\$25.00		
88258	02/21/2019	Open			Accounts Payable	GARCIA, JESUS	\$150.00		
88259	02/21/2019	Open			Accounts Payable	LEON, AURORA	\$91.00		
88260	02/21/2019	Open			Accounts Payable	McCAMMON, LOU	\$2,025.00		
88261	02/21/2019	Open			Accounts Payable	MECHO'S MOBIL WELDING	\$3,500.00		
88262	02/21/2019	Open			Accounts Payable	MOJICA, JOSE	\$45.39		
88263	02/21/2019	Open			Accounts Payable	MOLINA, ALBERTO	\$300.00		
88264	02/21/2019	Open			Accounts Payable	PACHECO, ROMAN	\$108.00		
88265	02/21/2019	Open			Accounts Payable	PETTY CASH/RECREATION	\$160.00		
88266	02/21/2019	Open			Accounts Payable	PREPAID LEGAL SERVICES	\$128.55		
88267	02/21/2019	Open			Accounts Payable	REAL COFFEE, LLC	\$94.47		
88268	02/21/2019	Open			Accounts Payable	RUIZ, ANDREA	\$91.00		
88269	02/21/2019	Open			Accounts Payable	SKILL PATH SEMINARS	\$420.23		
88270	02/21/2019	Open			Accounts Payable	VELASCO, IVAN	\$65.80		
88271	02/21/2019	Open			Accounts Payable	ALDAMA, EMMANUEL	\$278.00		
88272	02/21/2019	Open			Accounts Payable	ARCTIC GLACIER USA INC	\$121.41		
88273	02/21/2019	Open			Accounts Payable	ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY	\$65.00		
88274	02/21/2019	Open			Accounts Payable	ARIZONA EQUIPMENT SERVICE INC	\$299.02		

# Payment Register

From Payment Date: 2/18/2019 - To Payment Date: 2/21/2019

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
88275	02/21/2019	Open			Accounts Payable	ARIZONA POLICE PSYCHOLOGY, PLLC	\$300.00		
88276	02/21/2019	Open			Accounts Payable	ARIZONA SOUTHWEST UNIFORMS LLC	\$223.99		
88277	02/21/2019	Open			Accounts Payable	ARROWHEAD FORENSICS	\$328.76		
88278	02/21/2019	Open			Accounts Payable	AZ LAW ENFORCEMENT LEGAL ADVISORS ASSOC	\$75.00		
88279	02/21/2019	Open			Accounts Payable	AZ STATE PRISON COMPLEX - YUMA	\$71.20		
88280	02/21/2019	Open			Accounts Payable	AZ STATE PRISON COMPLEX - YUMA	\$277.25		
88281	02/21/2019	Open			Accounts Payable	BORDER GYM FITNESS LLC	\$396.00		
88282	02/21/2019	Open			Accounts Payable	BORREGO BROTHERS, INC	\$458.41		
88283	02/21/2019	Open			Accounts Payable	CITY OF SOMERTON	\$14,072.32		
88284	02/21/2019	Open			Accounts Payable	COPPER STATE BOLTS & NUT CO.	\$368.59		
88285	02/21/2019	Open			Accounts Payable	CRUZ, MAYRA, A	\$87.60		
88286	02/21/2019	Open			Accounts Payable	DELL MARKETING L.P.	\$3,728.96		
88287	02/21/2019	Open			Accounts Payable	DESERT VALLEY SERVICES, INC	\$744.25		
88288	02/21/2019	Open			Accounts Payable	DESERT VETERINARY CLINIC PLC	\$612.35		
88289	02/21/2019	Open			Accounts Payable	ELLIOTT AUTO SUPPLY CO INC	\$604.62		
88290	02/21/2019	Open			Accounts Payable	FBI-LEEDA	\$50.00		
88291	02/21/2019	Open			Accounts Payable	G&T LOCKSMITH AND SAFE CO.	\$232.22		
88292	02/21/2019	Open			Accounts Payable	GUST ROSENFELD P.L.C.	\$574.19		
88293	02/21/2019	Open			Accounts Payable	JAMES DAVEY AND ASSOCIATES	\$10,755.20		
88294	02/21/2019	Open			Accounts Payable	LAWSON PRODUCTS INC.	\$79.66		
88295	02/21/2019	Open			Accounts Payable	MASTER AUTO GLASS LLC	\$270.10		
88296	02/21/2019	Open			Accounts Payable	MUNICIPAL EMERGENCY SERVICES, INC	\$1,843.72		
88297	02/21/2019	Open			Accounts Payable	NAPA AUTO PARTS	\$23.35		
88298	02/21/2019	Open			Accounts Payable	NAVARRO, CAROLINE	\$100.00		
88299	02/21/2019	Open			Accounts Payable	NEW BORDER TACTICAL, INC.	\$1,082.93		
88300	02/21/2019	Open			Accounts Payable	ON TRACK OVERHEAD DOORS	\$170.00		
88301	02/21/2019	Open			Accounts Payable	PRECISION ELECTRIC CO. INC.	\$570.29		
88302	02/21/2019	Open			Accounts Payable	QUINONEZ, FRANCISCO	\$150.00		
88303	02/21/2019	Open			Accounts Payable	RAMON MOSQUEDA	\$42.69		
88304	02/21/2019	Open			Accounts Payable	REDBURN TIRE COMPANY	\$366.16		
88305	02/21/2019	Open			Accounts Payable	RUSH TRUCK CENTER	\$399,130.15		
88306	02/21/2019	Open			Accounts Payable	SHERWIN WILLIAM	\$314.57		
88307	02/21/2019	Open			Accounts Payable	SIRCHIE FINGER PRINT LABORATORIES	\$170.80		
88308	02/21/2019	Open			Accounts Payable	SMITH, RALPH E. SR.	\$540.00		
88309	02/21/2019	Open			Accounts Payable	SOUTH YUMA COUNTY LANDFILL	\$15,901.29		
88310	02/21/2019	Open			Accounts Payable	SOUTHWEST RISK SERVICES	\$3,199.20		
88311	02/21/2019	Open			Accounts Payable	STATE OF ARIZONA	\$6,000.00		
88312	02/21/2019	Open			Accounts Payable	SUN RENTAL AND SALES INC.	\$2,025.66		
88313	02/21/2019	Open			Accounts Payable	UNIVERSAL BACKGROUND SCREENING INC	\$452.00		
88314	02/21/2019	Open			Accounts Payable	VERIZON WIRELESS MESSAGING SVC	\$3,624.40		
88315	02/21/2019	Open			Accounts Payable	VILLAR, GLORIA	\$100.00		
88316	02/21/2019	Open			Accounts Payable	VILLARREAL, LETICIA, A	\$250.00		

# Payment Register

From Payment Date: 2/25/2019 - To Payment Date: 2/28/2019

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
88394	02/28/2019	Open			Accounts Payable	PILKINGTON CONSTRUCTION CO.INC	\$105,150.31		
88395	02/28/2019	Open			Accounts Payable	POSTY CARDS, INC	\$274.25		
88396	02/28/2019	Open			Accounts Payable	PRECISION FIRE PROTECTION SRVS, INC	\$239.62		
88397	02/28/2019	Open			Accounts Payable	PURCELL TIRE CO.	\$1,388.72		
88398	02/28/2019	Open			Accounts Payable	R.L. JONES INSURANCE SERVICES INC.	\$528.00		
88399	02/28/2019	Open			Accounts Payable	RALPH VELEZ CONSULTING SERVICES	\$6,922.50		
88400	02/28/2019	Open			Accounts Payable	REDBURN TIRE COMPANY	\$3,685.52		
88401	02/28/2019	Open			Accounts Payable	SAM'S CLUB	\$3,956.51		
88402	02/28/2019	Open			Accounts Payable	SIGN MASTERS	\$50.95		
88403	02/28/2019	Open			Accounts Payable	SILVA, JUAN, MANUEL	\$50.00		
88404	02/28/2019	Open			Accounts Payable	SIMS MURRAY, LTD.	\$260.00		
88405	02/28/2019	Open			Accounts Payable	SIRCHIE FINGER PRINT LABORATORIES	\$37.19		
88406	02/28/2019	Open			Accounts Payable	THE HOME DEPOT	\$1,246.67		
88407	02/28/2019	Open			Accounts Payable	THE ROACH PEST CONTROL	\$2,350.00		
88408	02/28/2019	Open			Accounts Payable	THOMSON WEST PUBLISHING CO.	\$998.59		
88409	02/28/2019	Open			Accounts Payable	TORRES, CRISTIAN	\$57.00		
88410	02/28/2019	Open			Accounts Payable	USA BLUE BOOK	\$2,353.47		
88411	02/28/2019	Open			Accounts Payable	VENEGAS, ROBERTO	\$250.00		
88412	02/28/2019	Open			Accounts Payable	WAXIE SANITARY SUPPLY	\$1,933.32		
88413	02/28/2019	Open			Accounts Payable	YUMA COUNTY ELECTIONS	\$19,679.12		
88414	02/28/2019	Open			Accounts Payable	YUMA COUNTY RECORDER	\$26,732.41		
88415	02/28/2019	Open			Accounts Payable	YUMA PRINTING & GRAPHIC DEPT.	\$1,111.95		
88416	02/28/2019	Open			Accounts Payable	YUMA WINNELSON CO.	\$1,889.33		
Type Check Totals:									
1BYPAYABLE - 1st BY Accounts Payable Totals									
							93 Transactions	\$647,500.97	

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	93	\$647,500.97	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	93	\$647,500.97	\$0.00

Prepared By:  
*Maggie Dominguez*  
 Date: *Maggie D.*  
*C* 2/28/19

# Payment Register

From Payment Date: 2/25/2019 - To Payment Date: 2/28/2019

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
				<b>All</b>	<b>Status</b>	<b>Count</b>	<b>Transaction Amount</b>	<b>Reconciled Amount</b>	
					Open	93	\$647,500.97	\$0.00	
					Reconciled	0	\$0.00	\$0.00	
					Voided	0	\$0.00	\$0.00	
					Stopped	0	\$0.00	\$0.00	
					<b>Total</b>	<b>93</b>	<b>\$647,500.97</b>	<b>\$0.00</b>	
<b>Grand Totals:</b>									
				<b>Checks</b>	<b>Status</b>	<b>Count</b>	<b>Transaction Amount</b>	<b>Reconciled Amount</b>	
					Open	93	\$647,500.97	\$0.00	
					Reconciled	0	\$0.00	\$0.00	
					Voided	0	\$0.00	\$0.00	
					Stopped	0	\$0.00	\$0.00	
					<b>Total</b>	<b>93</b>	<b>\$647,500.97</b>	<b>\$0.00</b>	
				<b>All</b>	<b>Status</b>	<b>Count</b>	<b>Transaction Amount</b>	<b>Reconciled Amount</b>	
					Open	93	\$647,500.97	\$0.00	
					Reconciled	0	\$0.00	\$0.00	
					Voided	0	\$0.00	\$0.00	
					Stopped	0	\$0.00	\$0.00	
					<b>Total</b>	<b>93</b>	<b>\$647,500.97</b>	<b>\$0.00</b>	

# Payment Register

From Payment Date: 2/25/2019 - To Payment Date: 2/28/2019

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
1BYPAYABLE - 1st BY Accounts Payable									
Check									
88324	02/25/2019	Open			Accounts Payable	RUSH TRUCK CENTER	\$378.83		
88325	02/25/2019	Open			Accounts Payable	RUSH TRUCK CENTER	\$398,751.32		
88326	02/26/2019	Open			Accounts Payable	DUENAS, DEREK	\$182.00		
88327	02/26/2019	Open			Accounts Payable	FERGUSON WATERWORKS	\$4,491.21		
88328	02/26/2019	Open			Accounts Payable	GUZMAN, JOSE, A	\$108.00		
88329	02/26/2019	Open			Accounts Payable	SANTIAGO, JOSE V.	\$150.00		
88330	02/26/2019	Open			Accounts Payable	UNITED STATES TREASURY	\$221.10		
88331	02/26/2019	Open			Accounts Payable	VELAZQUEZ, OMAR	\$150.00		
88332	02/27/2019	Open			Utility Management Refund	ARIAS, JUANA A & SULEM	\$103.89		
88333	02/27/2019	Open			Utility Management Refund	ASTORGA, ELIAZAR	\$180.72		
88334	02/27/2019	Open			Utility Management Refund	BARBA, MIGUEL	\$153.52		
88335	02/27/2019	Open			Utility Management Refund	DENISE LIMITED PARTERSHIP	\$3,347.33		
88336	02/27/2019	Open			Utility Management Refund	GARCIA, TERPSICORE	\$122.75		
88337	02/27/2019	Open			Utility Management Refund	GRP #71 ERNESTO & MANUELITA CARDONA	\$7.81		
88338	02/27/2019	Open			Utility Management Refund	JENAL ENGINEERING CORP	\$576.24		
88339	02/27/2019	Open			Utility Management Refund	LEYVA DE CARRASCO, EINDELISA	\$194.96		
88340	02/27/2019	Open			Utility Management Refund	LOPEZ, ALMA, K	\$97.37		
88341	02/27/2019	Open			Utility Management Refund	MOTA, DAVID A & KARLA G	\$105.44		
88342	02/27/2019	Open			Utility Management Refund	NAVARRETE, AGUSTIN	\$25.33		
88343	02/27/2019	Open			Utility Management Refund	OCHOA, EBONJELINA & MA LUZ HERNANDEZ	\$112.49		
88344	02/27/2019	Open			Utility Management Refund	PACHECO, GILDA, E	\$78.27		
88345	02/27/2019	Open			Utility Management Refund	RAMOS, OSCAR	\$200.03		
88346	02/27/2019	Open			Utility Management Refund	RIEDEL CONSTRUCTION INC	\$16.79		
88347	02/27/2019	Open			Utility Management Refund	RODRIGUEZ, REGINA, I	\$22.42		
88348	02/27/2019	Open			Utility Management Refund	URBALEJO, DAVID	\$171.10		
88349	02/27/2019	Open			Utility Management Refund	VASQUEZ, BLANCA L	\$176.76		
88350	02/28/2019	Open			Accounts Payable	ALEGRIA, ANGEL	\$60.00		
88351	02/28/2019	Open			Accounts Payable	ARIZONA PARKS AND RECREATION	\$100.00		
88352	02/28/2019	Open			Accounts Payable	ARIZONA PUBLIC SERVICE	\$112.94		
88353	02/28/2019	Open			Accounts Payable	ARIZONA WESTERN COLLEGE	\$921.38		

# Payment Register

From Payment Date: 2/25/2019 - To Payment Date: 2/28/2019

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
88354	02/28/2019	Open			Accounts Payable	AUTOZONE STORES, INC	\$2,706.41		
88355	02/28/2019	Open			Accounts Payable	AYALA, SOCORRO	\$91.00		
88356	02/28/2019	Open			Accounts Payable	BEAMSPEED LLC	\$69.95		
88357	02/28/2019	Open			Accounts Payable	BSN SPORTS	\$1,303.19		
88358	02/28/2019	Open			Accounts Payable	CASINO ARIZONA/TALKING STICK RESORT	\$13,412.42		
88359	02/28/2019	Open			Accounts Payable	CENTURYLINK	\$11,041.73		
88360	02/28/2019	Open			Accounts Payable	COASTAL TRAINING TECHNOLOGIES	\$450.00		
88361	02/28/2019	Open			Accounts Payable	CORREA, CARLOS	\$104.88		
88362	02/28/2019	Open			Accounts Payable	DE LA HOYA, TADEO	\$407.00		
88363	02/28/2019	Open			Accounts Payable	DESERT DOCUMENT SHREDDERS, LLC	\$70.00		
88364	02/28/2019	Open			Accounts Payable	DESERT WATER	\$68.07		
88365	02/28/2019	Open			Accounts Payable	DIAMONDBACK POLICE SUPPLY, INC.	\$326.08		
88366	02/28/2019	Open			Accounts Payable	DUENAS, DEREK	\$91.00		
88367	02/28/2019	Open			Accounts Payable	ELLIOTT AUTO SUPPLY CO INC	\$81.34		
88368	02/28/2019	Open			Accounts Payable	FACTOR SALES, INC.	\$188.21		
88369	02/28/2019	Open			Accounts Payable	FERGUSON WATERWORKS	\$1,666.51		
88370	02/28/2019	Open			Accounts Payable	FRANCO, MARTIN, A	\$120.00		
88371	02/28/2019	Open			Accounts Payable	FRANCO, MARTIN, A	\$50.00		
88372	02/28/2019	Open			Accounts Payable	FRANCO LUNA, ROSSMART , FELIPE	\$60.00		
88373	02/28/2019	Open			Accounts Payable	FRANCO LUNA, ROSSMART , FELIPE	\$50.00		
88374	02/28/2019	Open			Accounts Payable	GUARDIAN MEDICAL PRODUCTS, LLC	\$1,327.00		
88375	02/28/2019	Open			Accounts Payable	HERRERA, MARTIN	\$150.00		
88376	02/28/2019	Open			Accounts Payable	HILL BROTHERS CHEMICAL CO.	\$3,469.77		
88377	02/28/2019	Open			Accounts Payable	KENZ & LESLIE OF ARIZONA INC.	\$284.49		
88378	02/28/2019	Open			Accounts Payable	LAGUNA, JOSE, LUZ	\$280.00		
88379	02/28/2019	Open			Accounts Payable	LAGUNA, LIZETH	\$91.00		
88380	02/28/2019	Open			Accounts Payable	LIFELOC TECHNOLOGIES, INC	\$1,917.08		
88381	02/28/2019	Open			Accounts Payable	LOOMIS	\$1,551.68		
88382	02/28/2019	Open			Accounts Payable	MARKETING DESIGN AND PRINTING	\$579.42		
88383	02/28/2019	Open			Accounts Payable	MASTER AUTO GLASS LLC	\$252.39		
88384	02/28/2019	Open			Accounts Payable	MCNEECE BROS. OIL COMPANY, INC	\$2,089.42		
88385	02/28/2019	Open			Accounts Payable	MECHO'S MOBIL WELDING	\$880.00		
88386	02/28/2019	Open			Accounts Payable	MEDINA, JOSE	\$60.00		
88387	02/28/2019	Open			Accounts Payable	MEDINA, JOSE	\$50.00		
88388	02/28/2019	Open			Accounts Payable	MOLINA, ALBERTO	\$150.00		
88389	02/28/2019	Open			Accounts Payable	NEEDTHESE.COM	\$6,040.88		
88390	02/28/2019	Open			Accounts Payable	O'REILLY AUTO PARTS	\$2,030.98		
88391	02/28/2019	Open			Accounts Payable	OFFICE NATION, INC.	\$725.39		
88392	02/28/2019	Open			Accounts Payable	PETTY CASH/ ANGELICA CIFUENTES	\$448.25		
88393	02/28/2019	Open			Accounts Payable	PETTY CASH/RECREATION	\$300.00		



## AGENDA ITEM REVIEW FORM

### Regular City Council Meeting

4.C.

**Meeting Date:** 03/13/2019

**Department Head:** Lizandro Galaviz, Director of Parks & Recreation, Parks & Recreation Department

**Submitted By:** Crystal Fragozo, Administrative Assistant, Parks & Recreation Department

**Action Requested:** Motion

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### ITEM:

Discussion and possible action on any and all matters regarding the proposal of an agreement contract between Radical 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)**

### SUMMARY:

Baseball exhibition games have been a huge success in our city for the last couple of years. Game after game, the community has attended to watch great games between outstanding professional baseball leagues. Due to the great success these exhibitions have created, we have been hosting two (2) games per year and this year staff wants to create a baseball exhibition like no other.

Staff is seeking direction in regards to bringing two (2) great baseball teams that staff believes will attract a huge community not only from our city but from all Yuma County. Currently, staff is working with Radical Magazine to create a Fall Baseball Exhibition event in which Los Tomateros de Culiacan, Sinaloa would play against either Los Cañeros de Los Mochis, Sinaloa or Los Mayos De Navojoa, Sonora. The three (3) teams belong to the Mexican Pacific League and they have all had great baseball seasons with a huge fan base.

If City Council recommends moving forward with this agreement, staff considers Radical Magazine to be the sole source provider since they are the only agency who can sign and bring Los Tomateros de Culiacan, Sinaloa, Los Cañeros de Los Mochis, Sinaloa or Los Mayos de Navojoa, Sonora to our city to participate in such event. Per Purchasing Code §36.02 - Exclusive Services, where Radical Magazine is the sole source provider in booking these professional baseball teams, therefore, other quotes or bidding is not required.

If the consideration of Radical Magazine to be a sole source provider is agreed upon, staff would move forward and request to use a prepaid account to pay the deposit of \$4,000.00. Per Agreement Section Three: Duties of the City, 3.5 Fee: the CITY shall pay \$8,000.00 to RADIKAL MAGAZINE. The first payment of \$4,000.00 will be made upon signing of this Agreement and will save the September 27, 2019 date the second payment of \$4,000.00 will be made on September 27, 2019, before the start of the event.

### RECOMMENDATION / SUGGESTED MOTION:

**I MOVE TO APPROVE THE CONTRACT WITH RADIKAL MAGAZINE IN THE AMOUNT OF \$8,000.00 AS PRESENTED.**

N/A

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**Fiscal Impact**

**IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:** YES  
**CITY/STATE/FEDERAL FUNDS:** CITY  
**TOTAL:** \$8,000.00  
**BUDGETED AMOUNT:** Budgeted for Fiscal Year 2019  
**AVAILABLE AMOUNT TO TRANSFER:** N/A  
**ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE:** Special Services -  
100-145-80005

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

Fiscal impact as described above.

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**Attachments**

Baseball Exhibition Contract Agreement - Fall 2019  
Radikal Magazine Invoice

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**AGREEMENT FOR  
FALL LMP BASEBALL IN SAN LUIS, ARIZONA 2019**

This agreement ("Agreement") made this \_\_\_ day of March, 2019 (the date of the last signature) between Radikal Magazine, L.L.C., P. O. Box 2197, San Luis, Arizona ("RADIKAL MAGAZINE"), and the City of San Luis, Arizona P.O. Box 1170, 1090 East Union Street, San Luis, Arizona ("CITY"). RADIKAL MAGAZINE and the CITY may be referred to singularly as the "Party" and collectively as the "Parties."

**SECTION ONE.  
EVENT**

Under the terms of this Agreement, a baseball game shall be held in San Luis, Arizona on September 27, 2019, with the teams Tomateros de Culiacan, Sinaloa vs. Cañeros de Los Mochis, Sinaloa or Mayos de Navojoa Sonora. The teams will arrive at 4:00pm, September 27, 2019.

**SECTION TWO.  
DUTIES OF RADIKAL MAGAZINE**

- 2.1 RADIKAL MAGAZINE shall provide the participating teams for the game at the on the date, time and place described in Section One above.
- 2.2 RADIKAL MAGAZINE shall coordinate media interviews with participating players and team staff with the CITY.
- 2.3 RADIKAL MAGAZINE shall manage and oversee all communication with both teams, including all travel logistics, and coordination with teams on site in San Luis, Arizona.
- 2.4 RADIKAL MAGAZINE shall provide support and advice regarding public relations (P.R.), social media, marketing, and advertising.
- 2.5 RADIKAL MAGAZINE shall assist in game broadcast communication with the teams and LMP league office.

**SECTION THREE.  
DUTIES OF THE CITY**

- 3.1 Food: The CITY shall provide dinner for both teams (40 to 60 per team including players, coaches and staff per team) for a maximum of 100 people per meal, 1 meal total on September 27, 2019 (dinner).
- 3.2 Game Expenses: The CITY shall supply, baseballs, shall pay umpires, and shall pay any other normal game operations expenses.

3.5 Fee: The CITY shall pay \$8,000 U.S. dollars to RADIKAL MAGAZINE. The first payment of \$4,000.00 will be made upon signing of this Agreement and will save the September 27, 2019 date the second payment of \$4,000.00 U.S. dollars will be made on September 27, 2019, before the start of the event.

**SECTION FOUR.  
REVENUE**

The CITY will retain 100 percent of game revenue, including gate receipts, sponsorships, concessions, parking and any other income related to the game.

**SECTION FIVE.  
INSURANCE**

5.1 RADIKAL MAGAZINE agrees to indemnify and defend the CITY its officers, agents, representatives, and employees and to release and hold them harmless from and against all liability or loss, and from and against all claims or actions based on or arising out of damage or injury (including death) to the players on the participating teams, their staff, their coaches and or their property caused by or sustained in connection with the September 29, 2017 game and associated room and meals being contracted for herein.

5.2 Liability pursuant to the indemnification in this Agreement, the CITY shall purchase and maintain insurance during the term of this contract, the insurance coverage listed below with the CITY as principle and RADIKA MAGAZINE as an additional.

<u>Coverage</u>	<u>Minimum Limits</u>
<u>Commercial General Liability, including:</u>	\$1,000,000 Combined Single Limit, per
Personal-Injury Liability	occurrence and \$2,000,000 general
Independent Contractors Liability	aggregate

**SECTION SIX.  
COMPLIANCE WITH THE LAW**

6.2 Conflict of Interest. Under Arizona law, rules and regulations, no member, official or employee of the CITY shall have any personal interest, direct or indirect in this Agreement, nor shall any such member, official or employee participate in any decision relating this Agreement which affects his or her personal interest or the interest of any corporation, partnership or association in which he or she is, directly or indirectly, interested. This Agreement is subject to A.R.S. §38-511.

6.2 Employment Eligibility. RADIKAL MAGAZINE warrants it complies with all federal immigration laws and regulations that relate to its employees and with A.R.S. § 23-214 relating to verification of employment eligibility. A breach of this warranty shall be deemed a material breach of this Agreement. CITY retains the

legal right to inspect the papers of RADIKAL MAGAZINE to ensure that RADIKAL MAGAZINE complies with this warranty.

- 6.3 RADIKAL MAGAZINE certifies that it does not participate in, and agrees not to participate in during the term of this Agreement a boycott of Israel under A.R.S. § 35-393.01.
- 6.4 RADIKAL MAGAZINE agrees it will comply with all federal, state, and local laws, rules and regulation.
- 6.5 RADIKAL MAGAZINE shall obtain a San Luis Business License on or before the CITY issues its first payment under this Agreement

## ARTICLE 7. MISCELLANEOUS PROVISIONS

7.1 Notices. All notices to be given under this Agreement, or which may be given by either Party to the other, shall be considered validly given and fully received when made in writing and delivered or refused delivery by means of::

- deposit in the United States Postal Service by certified mail, return receipt requested, postage prepaid;
- personal delivery by a process server or
- sent by a nationally recognized courier (e.g., Federal Express, UPS)

and addressed to the respective Parties as follows:

If to the CITY:                      City Manager  
   City of San Luis  
   P.O. Box 1170 (by United States Postal Service)  
   1090 East Union Street (by personal process or courier)  
   San Luis, Arizona 85349

With a copy to                      San Luis City Attorney  
   The City of San Luis  
   P.O. Box 1170  
   San Luis, Arizona 85349

If to RADIKAL MAGAZINE  
   Gary Snyder  
   Radikal Magazine, L.L.C.  
   P.O. Box 2197 (by United States Postal Service)  
   San Luis, Arizona 85349

Or such other addresses as either Party may from time to time designate in writing and deliver in a like manner. Any such change of address notice shall be given at least ten (10) days before the date on which the change is to become effective. Notices,

approvals, changes of addresses and other communications provided for herein shall be effective upon receipt as hereinabove provided, prepaid and addressed as set forth above.

All communication regarding coordination of event with RADIKAL MAGAZINE will be with Gary Snyder at [snyderelitebaseballacadamy@gmail.com](mailto:snyderelitebaseballacadamy@gmail.com) or by telephone at (928) 257-7290.

- 7.2 Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by the Parties of the breach of any provision of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or of any other provision of this Agreement.
- 7.3 Headings. The descriptive headings of the paragraphs of this Agreement are inserted for convenience only, and shall not control or affect the meaning or construction of the Agreement.
- 7.4 Authority. The undersigned represent to each other that they have full power and authority to enter into this Agreement and that all necessary actions have been taken to give full force and effect to this Agreement. The RADIKAL MAGAZINE represents and warrants it is duly formed and validly existing under the laws of the State of Arizona and that it is duly qualified to do business in the State of Arizona and is in good standing under state laws. The RADIKAL MAGAZINE and the CITY warrant to each other that the individuals executing this Agreement on behalf of their respective Parties are authorized and empowered to bind the Party on whose behalf each individual is signing.
- 7.5 Amendment. This Agreement may be amended, in whole or in part, only with the mutual written consent of the Parties to this Agreement or by their successor in interest or assigns.
- 7.6 Severability. If any other provision is declared void or unenforceable, such provision shall be severed from this Agreement, which shall otherwise remain in full force and effect.
- 7.7 Governing Law. The laws of the State of Arizona shall govern the interpretation and enforcement of this Agreement. The Parties agree that venue for any action commenced in this Agreement shall be proper only in a court of competent jurisdiction in Yuma County, Maricopa County or Pima County, Arizona, and the Parties waive any right to object to such venue.
- 7.8 Attorney's Fees and Costs. If either Party brings a legal action because of a breach of this Agreement or to enforce a provision, the prevailing Party will be entitled to reasonable attorney's fees and court costs.

- 7.9 No Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement, and no person or entity not a Party shall have any right or cause of action.
- 7.10 No Agency Created. Nothing in this Agreement shall create any partnership, joint venture, agency or similar relationship between the Parties.
- 7.11 Force Majeure. If RADIKAL MAGAZINE or the CITY are prevented or materially restricted from performing any of their obligations under this Agreement by an event of force majeure, then the obligations of each Party shall be suspended, rescheduled or reduced to the extent made necessary by the event. As used in this section, "force majeure" means any act or cause not reasonably within the control of the Party whose ability to perform is impaired and which that Party could not have prevented by the exercise of reasonable diligence. This includes, but is not limited to, acts of God, weather events, fire, flood, explosions, strikes or labor disputes over which the affected Party has no control, sabotage, riots, civil commotion, acts of civil or military authority, wars or material changes in applicable business laws or regulations.
- 7.12 Time is of the essence.
- 7.13 Entire Agreement. This Agreement constitutes the entire Agreement between the Parties. This provision applies only to this entire Agreement only.
- 7.14 Counterparts. This Agreement may be executed in counterparts, any of which shall be deemed to be an original.

The Parties have executed this Agreement the day and year set forth above.

**City of San Luis, Arizona**

\_\_\_\_\_  
Tadeo A. De La Hoya, City Manager

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Sonia Cornelio, City Clerk

\_\_\_\_\_  
Kay Marion Macuil, City Attorney

**Radikal Magazine, L.L.C.**  
\_\_\_\_\_  
Gary Snyder

# RADIKAL

MAGAZINE  
Ph 928.257.7290

## ADVERTISEMENT CONTRACT

### CONTRATO DE PUBLICIDAD

BUSINESS NAME: San Luis Park & Rec  
 NOMBRE DEL NEGOCIO  
 ADDRESS: 965 N. Park Ave 85349 / PO Box 1170  
 DIRECCION  
 PHONE: 928 341-8535 FAX: 928 627-0153  
 TELEFONO  
 CONTACT: Louie Galaviz TITLE: Director Park & Rec  
 CONTACTO TITULO  
 EMAIL: lgalaviz@cityofsanluis.org PH/CEL \_\_\_\_\_

#### ADVERTISEMENT SPECIFICATIONS ESPECIFICACIONES DE PUBLICIDAD

#### CIRCLE ONE OR ALL THAT APPLY CIRCULAR UNO O TODOS LOS QUE APLIQUEN

One Exhibition game

FULL PAGE   
PAGINA COMPLETA

BACK COVER   
PAGINA COMPLETA

Caneros vs Tomateros  
may 25

#### CIRCLE ONE OR ALL THAT APPLY CIRCULAR UNO O TODOS LOS QUE APLIQUEN

CONTRACT  1 MONTH  3 MONTH  1 YEAR   
CONTRATO

1 Game

FROM Sept 27, 2019 TO Sept 28, 2019  
DEL \_\_\_\_\_ A \_\_\_\_\_

#### LEGAL NOTE

##### NOTA LEGAL

Upon signing this contract you full understand Radical Enterprises policy and procedures.

This legal document will be used to obtain any debt not returned from the day of expiration in case debt had not yet been liquidated.

Prices are subject to change without notice and Radical Enterprises reserves the right to cancel any contract and stop any publication for any reason.

50% of entire advertisement cost is due upon signing this contract and is non refundable

Color may vary up to 20% of its original print and

Radical Enterprises is not liable for any updates or errors by its consumers. Radical Enterprises Policy and Procedures for more details at [www.radikalenterprises.com](http://www.radikalenterprises.com)

No refunds only make goods

REP

REPRESENTANTE

SIGNATURE Roberto Madala DATE Feb 1, 2019  
FIRMA \_\_\_\_\_ ECHA \_\_\_\_\_

ISSUES	<u>\$8,000</u>
PUBLICACIONES	_____
TOTAL	_____
DISCOUNT	_____
DESCUENTO	_____
SUBTOTAL	_____
OWES	<u>\$8,000</u>
DEBE	<u>\$8,000</u>



## AGENDA ITEM REVIEW FORM

### Regular City Council Meeting

5.A.

**Meeting Date:** 03/13/2019

**Department Head:** Sonia Cornelio, City Clerk, City Clerk's Office

**Submitted By:** Sonia Cornelio, City Clerk, City Clerk's Office

**Action Requested:** Discussion Item - No Action to be Taken

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#### ITEM:

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. **(Greg LaVann, Economic Architect - Greater Yuma Economic Development Corporation)**

#### SUMMARY:

Greater Yuma Economic Development Corporation (GYEDC) will be producing an update on the region's economic development activity.

#### RECOMMENDATION / SUGGESTED MOTION:

**Discussion and possible directions to staff only, no action.**

N/A

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#### 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):**

There is no fiscal impact associated with this item.

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#### Attachments

Economic Development Activity Update by GYEDC

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**Greater Yuma**  
ECONOMIC DEVELOPMENT CORP

# CITY OF SAN LUIS ECONOMIC DEVELOPMENT UPDATE



- MOU 3-Year Signing Anniversary
- Regional Center for Border Health Joins MOU
- Start-Up Weekend in April





# TOURING MEXICALI INDUSTRY ASSOCIATIONS

Hot Sauce  
Processor

Logistics  
Manufacturer

Piana

**PROJECT UPDATE**



# PRESIDENT'S REPORT

# Thank you!

Greater Yuma EDC  
899 Plaza Circle, Ste 2  
Yuma, AZ 85364  
(928) 782-7774



## AGENDA ITEM REVIEW FORM

### Regular City Council Meeting

5.B.

**Meeting Date:** 03/13/2019

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

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

**Action Requested:** Motion

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#### ITEM:

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)**

#### SUMMARY:

Under the attached Declaration of Trust of the City of San Luis Employee Benefit Trust, two (2) of the Trustees terms will expire March 14, 2019, and the two (2) others will expire on March 14, 2020. The Trustees serve voluntarily and without pay. There is a steep learning curve to serve on this Board. All of the current Trustees have served since 2012 and all wish to continue to serve and have expressed that they are honored to serve and their commitment to keeping the costs to employees down while offering the best coverage in the County. Under the Trust one (1) Trustee may be a Council Member and one (1) Trustee may be an employee. The current Trustees are Mayor Gerardo Sanchez, also PA specializing in internal medicine; Employee and long-time HR Senior Analyst Maria Sabori; San Luis Branch Manager for First Bank Yuma Maria Gonzalez; and Executive Director for Campesinos Sin Fronteras Emma Torres. We are seeking a 5th Trustee for the term that expired in 2018.

Staff recommends allowing the Trustees to serve 3 consecutive terms which will extend the current Trustees terms to 2024 and 2025. The Amendment is attached.

#### RECOMMENDATION / SUGGESTED MOTION:

**I MOVE TO APPROVE AMENDING THE TRUST TO THREE (3) CONSECUTIVE TERMS AS PRESENTED.**

N/A

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#### Fiscal Impact

**IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:** No

**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):**

There is no fiscal impact for this item.

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#### Attachments

Trust Amendment  
Trust



**AMENDMENT  
OF  
AGREEMENT AND DECLARATION OF TRUST  
FOR  
CITY OF SAN LUIS EMPLOYEE BENEFIT TRUST**

Article III, Section 3.04 shall be amended and read as follows:

**Section 3.04 TRUSTEES' TERM**

**(A) Initial Terms.** The initial terms for the first five (5) Trustees shall be as follows:

one (1) Trustee to serve an initial term of one (1) year,

two (2) Trustees to serve an initial term of two (2) years, and

two (2) Trustees to serve an initial term of three (3) years.

The Trustees shall determine among themselves which of the first five (5) Trustees shall serve the one year, two year and three years terms. This shall result in the Trustees rotating appointment every two (2) to three (3) years.

**(B) Duration of Terms after Initial Term.** After the initial term, each Trustee shall serve for five (5) years.

**(C) Appointment.** A Trustee may be appointed for no more than three (3) consecutive terms.

**ACCEPTANCE**

The undersigned Trustees hereby accept and agree to be bound by the foregoing the Amendment to the Agreement and Declaration of Trust::

---

Gerardo Sanchez, Trustee and Trust Chair

Date

---

Emma Torres, Trustee and Trust Vice Chair

Date

---

Maria Sabori, Trustee and Trust Secretary

Date

---

Maria Gonzalez, Trustee

Date

**ACCEPTANCE**

The undersigned Trustees hereby accept and agree to be bound by the foregoing the Amendment to the Agreement and Declaration of Trust:

---

Gerardo Sanchez, Mayor Date

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Maria Cecilia Ramos, Vice Mayor Date

**AGREEMENT AND DECLARATION OF TRUST  
FOR CITY OF SAN LUIS EMPLOYEE BENEFIT TRUST**

THIS AGREEMENT AND DECLARATION OF TRUST was made and entered into this first day of September 2011, between CITY OF SAN LUIS, a municipal corporation hereinafter referred to as the "City" and certain persons hereinafter referred to as the "Trustees" to administer the Trust in accordance with the terms and provisions of this instrument.

**WITNESSETH:**

WHEREAS, A.R.S. § 11-981 authorizes the City of San Luis to establish a self-funded insurance program for health benefits for its Employees.

WHEREAS, A.R.S. § 11-981 requires the establishment of a health benefits trust for the purposes of management and administration of this program; and

WHEREAS, A.R.S. § 11-981 also requires the establishment of the health benefits trust board to administer the health benefits trust.

WHEREAS, CITY OF SAN LUIS, hereinafter designated and referred to as "City", and certain employees of said City hereinafter designated and referred to as "Employees", desire to enter into a program of providing and maintaining health and welfare benefits for Employees of the City and certain members of their families, hereinafter designated and referred to as "Dependents", which program is to be administered by the Trustees; and

WHEREAS, to effect the aforesaid purpose it is mutually desirable by and between the parties hereto to declare and create a Trust which establishes a Trust Fund for and in the manner more particularly set forth herein; and

WHEREAS, the Trustees and City which accept this Agreement and Declaration of Trust and agree to be bound by the provisions hereof shall, upon acceptance by the parties hereto, be deemed a party to this Agreement and Declaration of Trust.

Now THEREFORE, in consideration of the promises, covenants, agreements, terms, obligation and duties herein set forth, it is understood and agreed as follows:

**ARTICLE 1  
DEFINITIONS**

It is mutually understood and agreed by and between the parties hereto that the following are and shall be the definitions:

Section 1.01 The term "Employee Benefit Trust" shall mean the program of benefits to be established by the Trustees pursuant to this Agreement and Declaration of Trust.

**Section 1.02** The term "Employee" shall mean all persons who have met the eligibility requirements as defined in the written instrument for the Employee Benefit Trust and who have properly enrolled for and made appropriate contributions for coverage under said Trust, and who are not eligible for benefits under any other health program to which the City makes contributions.

**Section 1.03** The term "Dependent" shall mean all persons who have met the eligibility requirements for being a dependent of the Employee as defined in the written instrument for the Employee Benefit Trust and who have been properly enrolled for and made appropriate contributions for coverage under the Employee Benefit Trust, and who are not eligible for benefit under any other health program which the City makes contributions.

**Section 1.04** The phrase "Trust Agreement" shall mean and refer to this Agreement and Declaration of Trust and any modification or amendments thereto.

**Section 1.05** The term "Fund" as used shall mean the Trust Fund created by this instrument, and shall mean generally the monies, property, contracts, or things of value, tangible or intangible, received and held by the Trustees for the uses, purposes, and Trust set forth therein, and those things of value which compromise the corpus and additions to the Fund.

**Section 1.06** The term "Trustees" as used herein shall mean the Trustees and their successors provided for in the Trust Agreement.

**Section 1.07** The name of the Trust is and shall be City of San Luis Employee Benefit Trust.

**Section 1.08** The phrase "City Contributions" does and shall mean the contributions made by the City of San Luis to the Fund for the Employee Benefit Trust.

**Section 1.09** The phrase "Employee Contribution" does and shall mean the contributions made by the Employees of the City of San Luis to said Fund.

**Section 1.10** The term "City" does and shall mean the City of San Luis, a municipal corporation organized and existing under the laws of the State of Arizona.

**Section 1.11** The phrase "Plan Document" does and shall mean the written instrument containing the provisions for self-funded health and welfare benefits of the Employee Benefit Trust.

**Section 1.12** The phrase "Contract Administrator" does and shall mean the person or firm employed by the Trustees who is responsible for the processing of claims and

payment of benefits, administration, accounting, reporting and other services contracted for by the Trustees.

**ARTICLE II  
PURPOSE OF TRUST AND APPLICATION OF THE FUND**

**Section 2.01 FUND** There is hereby declared and created the City of San Luis Employee Benefit Trust: To establish a Trust Fund to provide benefits for, but not limited or restricted to Life, Accidental Death and Dismemberment, Basic or Major Medical coverage's for accidents or sickness, Dental; and any other benefits as determined by the Trustees for the Employees and their Dependents; whether through self-funded or insured programs or both.

**Section 2.02 PRINCIPAL OFFICE** The Trust shall have its principal office in the City of San Luis, County of Yuma, state of Arizona and hereinafter designated and referred to as Principal Office.

**ARTICLE III  
POWERS AND DUTUES OF TRUSTEES**

**Section 3.01 APPOINTMENTS OF TRUSTEES** The Employee Benefit Trust shall be administered by the Trustees. The Mayor shall nominate individuals to serve as Trustees overseeing the management and administration of the Trust. The City Council shall consider and may appoint any individual so recommended, provided that the appointed Trustees conform to the requirements of Section 3.02.

**Section 3.02 NUMBER AND IDENTITY** The Trustees shall consist of five (5) persons, consisting of no more than one (1) member of the City Council and no more than (1) Employee of the City.

**Section 3.03 ACCEPTANCE** Each Trustee so appointed shall accept the appointment in writing and shall confirm in writing that the Trustee hereby accept the Trust and Trusteeship and declares they will receive and hold the Fund by virtue of this Trust Agreement for the uses and purposes and with the powers and duties herein set forth and none other. The Trustees shall faithfully keep and hold any and all monies they receive as Trustees for the purpose of the Trust and keep adequate and proper records thereof.

**Section 3.04 TRUSTEES' TERM** Each Trustee shall serve a five-year term. A Trustee may be reappointed of no more than one additional consecutive term. Notwithstanding the foregoing, the initial terms for the first five (5) Trustees shall be as follows: one (1) Trustee to serve an initial term of one (1) year; two (2) Trustees to serve an initial term of two (2) years; and two (2) Trustees to serve an initial term of three (3) years. The Trustees shall determine among themselves which of the first five (5) Trustees shall serve the one year, two year, and three year terms. This shall result in Trustees rotating appointments every two (2) to three (3) years.

**Section 3.05 EXECUTIVE ADVISORS** The Board of Trustees shall include as Executive Advisors, the City's Finance Director, or their designee, and the City's Human Resource Director, or their designee, and the City Manager, or their designee. Such Executive Advisors shall attend all meetings of the Board of Trustees.

**Section 3.06 DUTIES** The Trustees shall hold, manage, care for and keep the Fund and collect the income and increments thereof, and shall keep and maintain adequate and proper records to render an external annual audit, accounting and reports as hereinafter mentioned. The Trustees shall employ or hire such agents, attorneys, accountants, actuaries, employees or other persons and to lease premises and equipment as may be necessary or desirable in administering the Fund and carrying out its purposes and the fees, salaries, wages emoluments or compensation of any and all such persons shall be paid from the Fund. When acting upon the advice of counsel for the Trust, the Trustees shall be relieved of all responsibility for acts done or not done. The Trustees may incur any expenses for supplies, rental of space or other items or anything else believed to be necessary or desirable in administering the Fund and carrying out the objects and purposes of this Trust and Trust Agreement. The Trustees shall have all right, power and authority to do all those things which, in the opinion of the Trustees may be necessary or desirable for the administration and operation of accomplishments of the objects and purposes of the Fund and this Trust and Trust Agreement.

In addition, the Trustees shall establish terms and conditions for the Employee Benefit Trust including, but not limited to:

- A. Establish terms and conditions of coverage including exclusions of coverage;
- B. Establish provisions for eligibility requirements to enroll for coverage;
- C. Ensure that all claims are processed promptly;
- D. Administer the Trust Fund pursuant to this Agreement;
- E. Designate a risk management consultant or insurance administrator licensed pursuant to Title 20, Chapter 2, Articles 3 Or 9 of the Arizona Revised Statutes, and such license shall be verified by the Board of Trustees at time of the designation;
- F. Provide financial oversight of the Trust Fund by evaluating claim expenses and reserve amounts;
- G. Review the Trust Fund quarterly to insure sufficient funds exist to pay outstanding and future benefits, to pay for losses or claims or any combination of insurance and direct payment, and to pay for risk management consultation;
- H. Make recommendations to the City Manager on financial issues relating to the self-insured programs;
- I. Comply with all requirements of State and Federal laws relating to self-insurance programs;
- J. Take all necessary precautions to safeguard the assets of the Trust;
- K. Maintain minutes of its meetings.

**Section 3.07 TRUSTEES' AUTHORITY** The Trustees shall have the power to enter in contracts, procure insurance policies, or provide such benefits through self-funding, and to place into effect and maintain the desirable schedule of benefits. The Trustees, in carrying out the purposes of this Trust Agreement, shall have the power and the right to provide the intended benefits under this Trust by means of direct or self-funding by the Trust and/or by the procurement of group insurance contracts (permissible under the laws of Arizona) including group insurance contracts issued to and in the name of the Trust, together with such other forms of contracts issued by qualified insurance companies authorized to do business in the State of Arizona as may be selected by the Trustees for the purpose of providing for all or part of the benefits provided under this Trust. The Trustees are hereby expressly authorized to pay to any insurance company as may be selected by the Trustees, the required insurance premiums in connection with such group insurance contracts issued to the Trust. Whether or not benefits are provided by means of direct or self-funding or by the procurement of group insurance, such decision shall be at the sole and exclusive discretion of the Trustees.

Should the Trustees select or provide for any policy or any program of self-funding, no claims for benefits or no claims for liabilities shall be brought against the Trustees. The sole and exclusive liability of said Trustees in the management and operation of any program of self-funding shall be limited to due care in the selection of administrators, claim representatives, actuaries, or other officials charged with the administration of such a program of self-funding. In the event that submitted claims of Employees and/or Dependents exceed the funds available, the claims shall be paid in the order received.

**Section 3.08 DEPOSITS AND INVESTMENTS** All corpus or portions of the Fund not expended under Article III may be deposited by the Trustees in the name of the Trust in such depository or depositories as the Trustees shall from time to time select, and any such deposit or deposits should carry or bear interest. The Trustees are empowered to receive for the benefit of the Fund such interest as might accrue on the above deposits. If not so deposited, any accumulated funds not currently required for the purposes of this Trust, shall be invested by the Trustees in reasonable secure, reasonable liquid investments.

The Fund may accumulate dividends or experience rating refunds or other monies, if any accruing from any insurance policy or policies deposits or investments. Such dividends, refunds or other monies or all of them, shall be held in the Fund, applied to the payment of self-funded claims, the payment of insurance premiums, or held, used or applied as herein set forth.

**Section 3.09 COMPENSATION** The Trustees shall receive no compensation for their services except for reimbursement of actual reasonable expenses incurred.

**Section 3.10 WITHDRAWALS** All checks, drafts, vouchers or other withdrawals from the Fund or depositories and the transfer or liquidating of insurance policies or

investments shall first be authorized by the Trustees and then signed by appropriate signatories as determined by the Trust, except that checks for claims payment under the self-funded benefit provision of this Trust may be signed by an authorized representative of the Contract Administrator responsible for administering the self-funded benefit.

**Section 3.11 CHAIRMAN, VICE-CHAIR, AND SECRETARY** The Trustee shall elect from among themselves at their first meeting a Chairman, Vice-Chair and Secretary of the Trustees. The Chairman shall preside at all meetings of the Trustees and who shall be empowered to perform ministerial duties of the Trustees as the Trustees may from time to time delegate to him. The Vice-Chair will preside in the Chairman's absence. The Secretary shall keep minutes of all meetings, proceedings, and acts of the Trustees, which records shall be available at the said Principal Office for inspection by all the Trustees and interested persons during usual business hours. Such records and minutes need not be verbatim.

**Section 3.12 MEETINGS** The Trustees shall hold a regular meeting as soon as practical after being appointed and regular meetings shall be held periodically at least four (4) times each year after the first regular meeting. The Trustees shall determine the time and place of the regular meeting of the Board. Special meetings of the Trustees may be called by the Chairman. At least seven (7) days written notice designating the time and place of the annual, regular or any special meeting shall be given to the Trustees. Any meeting at which all Trustees are present shall be subject to the open meeting law established by Arizona Statute.

**Section 3.13 PROXY** Any Trustee, or any other person duly authorized in writing by an absent Trustee, may cast a vote on behalf of such absent Trustee. Any such authorization must be given for each meeting.

**Section 3.14 QUORUM** To constitute a quorum or special meeting of the Trustees, there must be present in person or by proxy at least three (3) Trustees.

**Section 3.15 VOTING** Each Trustee shall have one (1) vote. All actions by and decisions of the Trustees shall be the affirmative vote of a majority of the Trustees attending a duly called meeting of the Trustees at which there is a quorum present.

**Section 3.16 FISCAL YEAR AND AUDIT** The accounting year of the Fund shall be on a fiscal year basis, commencing on the first day of July and ending on the last day of June of the following year and similarly each and every year thereafter. Any report required by law, city, county, state or federal, or the respective subdivisions thereof, shall be made by the Trustees. The Trustees shall have an external annual audit and accounting of the Trust Fund by a Certified Public Accountant in accordance with good accounting practices, at the end of each fiscal year. The CPA shall certify to the accuracy of his audit and accounting. A statement of the results of each audit shall be available for inspection by authorized persons at the Principal Office of the Trust. Copies of the audit

and generalized statements of the accounting and reports shall be delivered to each Trustee after each audit or at other times when necessary and a copy maintained in the City Recorder's office for a period of five (5) years.

**Section 3.17 REGULATIONS** The Trustees shall have the power to adopt rules and regulations for the administration of the Fund and/or Trust, which shall be consistent with the covenants, terms, conditions, obligation and duties as set forth in this Trust Agreement, and such rules and regulations shall be binding upon all persons dealing with the Fund and upon any and all persons claiming any benefit hereunder.

**Section 3.18 BONDS** The Trustees shall procure fidelity bonds for the Trustees and persons authorized to receive, handle, deal with or draw upon the monies in the Fund for any purpose whatsoever, said bonds to be in such reasonable amount to reasonably aid in reimbursing bondable loss of money, and shall meet the requirements as may be required, from time to time by applicable United States or State law. Such are to be obtained from reputable fidelity or surety company or companies as the Trustees shall determine. If convenient, and in conformity with the law, such bonds may be position bonds. The cost of the premiums on such bonds shall be paid out of the corpus or income of the fund. If any fidelity or surety company refuses to bond or write a bond for any Trustee, or other persons as described in this section, said Trustee or person shall not serve and shall resign or be terminated.

**Section 3.19 DEFENSE** The Trustees shall institute, prosecute, maintain or defend any proceeding at law or inequity concerning the Trust Fund or the assets thereof, at the sole cost and expense of the Trust Fund, and to compromise, settle, and adjust any claims and liabilities asserted against or in favor of the Trust Fund or of the Trustees; but the Trustees shall be under no duty or obligation to institute, maintain, or defend any action, suit, or other legal proceeding unless it shall have been indemnified to its satisfaction against any and all loss, cost, expense, and liability it may sustain or anticipate by reason thereof.

#### **ARTICLE IV TRUSTEE AND SUCCESSOR TRUSTEES**

**Section 4.01 TRUSTEE TERMINATION** The term of any Trustee shall automatically terminate upon the earliest of the following: death; resignation; removal of a Trustee by a majority vote of the City Council; or for a Trustee who is an employee of the City of San Luis, the termination of such employment.

In the event of the death, resignation, or removal of an appointed Trustee, the City Council shall designate a successor to such Trustee from recommendations from the Mayor, who, upon acceptance of his/her appointments in writing, shall succeed to the legal interest of his/her predecessor. Upon the effective date of the death, resignation or removal, the Trustee shall be discharged from any further duty or responsibility under the

Trust and any and all property in his or her possession or control which belongs to the Plan or Trust shall be delivered to the Chairman (or to the Secretary, if the Chairman is resigning, removed, or deceased.)

Section 4.02 TRUSTEE RESIGNATION A Trustee may resign by giving sixty (60) days prior written notice to the Chairman. The Chairman may exercise discretion to waive or reduce the sixty (60) day requirement, but shall not waive the written-notice requirement. The notice shall state the effective date of the resignation. The resignation shall take effect on its stated effective date unless a new Trustee is appointed and accepts the appointment prior to the stated effective date of the resignation.

Section 4.03 SUCCESSORS The Trustees, and their successors from time to time acting hereunder, shall have all the rights, powers and duties of the original Trustees named herein and the insurance company or companies and Contract Administrator shall be immediately notified of any successor.

Section 4.04 SUCCESSORS' LIABILITY No successor Trustee shall be liable or responsible for any act or defaults of his/her predecessor, or for any losses or expenses resulting from or occasioned by anything done or neglected to be done in the administration of the Fund or Trust prior to his/her appointment as Trustee, nor shall he/she be required to inquire into or take any notice of the prior administration of the Fund or Trust. A successor Trustee is solely responsible for his/her actions as set forth in Article III.

Section 4.05 SUCCESSORS' TERM The appointed successor Trustee shall complete the initial term of his predecessor.

## **ARTICLE V CONTRIBUTIONS TO THE FUND**

Section 5.01 CONTRIBUTIONS In order to effectuate the purpose hereof, the City and/or Employees shall contribute to the Fund an amount determined by the Trustees, to be necessary to pay for the benefits provided hereunder. The City and/or Employee contribution shall be due and payable as of the first day of the month as determined by the Trustees.

Section 5.02 CITY CONTRIBUTIONS ARE NOT WAGES The City contributions to paid into the Fund shall not constitute or be deemed wages due to Employees, nor shall the City contributions in any manner be liable for or subject to the debts, contracts, or liabilities of the City; neither the City, any Employee, nor any Dependent under the Plan shall have any rights, title, or interest in the Fund, except as otherwise specifically provided herein.

**Section 5.03 PAYMENTS IN LIEU OF BENEFITS** No Employee shall have any right to receive any part of his own or the City contributions paid to him in lieu of benefits.

**Section 5.04 PAYROLL DEDUCTIONS** All Employees' contributions shall be paid by payroll deductions. The City shall remit all monies obtained through payroll deductions in a lump sum to the Fund, at least once per month, or as otherwise determined by the Trustees.

**Section 5.05 PAYMENT** All contributions shall be payable to name of the Trust, and shall be paid in the manner and form determined by the Trustees.

**Section 5.06 REPORTS** The City shall make all reports required by the Trustees. The Trustees may at any time have an audit made by an independent Certified Public Accountant of the wage records of the City in connection with their contribution and/or reports.

**Section 5.07 IRREVOCABILITY OF CONTRIBUTIONS** Subject to the provisions providing for termination of this Trust Agreement in Article XII, all contributions to the Fund shall be irrevocable, and under no circumstances shall any monies properly paid into the Fund, or any part of the Fund, be revocable by or payable to the City or any Employee, nor shall any of the same be used for or diverted for purposes other than for the exclusive program of benefits for Employees and beneficiaries provided hereunder.

## **ARTICLE VI PAYMENT OF BENEFITS**

**Section 6.01 METHOD OF PAYMENT** The Trustees shall arrange for the disbursement of benefits under the Employee Benefit Trust through a Contract Administrator appointed by the Trustees for any self-funded benefits or through insurance company for fully-insured benefits.

**Section 6.02 PROTECTION OF EMPLOYEES** Prior to payment to an Employee or his Dependents, all assets of the Trust shall be owned by the Trust and shall not be liable in any way for any debt or obligation of any Employee or the City. To the extent permitted by law, all Trust benefits shall be exempt from attachment, garnishment, and levy of execution, bankruptcy proceedings, or other legal process at any time subject to the Trustee's possession and control; but in any event such assets shall be subject to such process only to the extent of such Employee's benefits hereunder as they fall due.

**Section 6.03 CLAIM TO BENEFITS** No Employee, Dependent, or other beneficiary shall have any right or claim to benefits under the Employee Benefit Trust except as specified in the policy or policies or contract or contracts or self-funded benefits procured or entered into pursuant to Article II and III. Any disputes as to eligibility time, amount,

or duration of benefits shall be resolved by the appropriate insurance carrier or Contract Administrator, under and pursuant to the policy or contract; and the Employees, Dependents, or other beneficiary shall not have a right or claim in respect thereto, against the Funds, or Trustees. Any dispute as to eligibility, type, amount, time or duration of benefits provided by the Fund as self-funded, shall be decided by the Trustees, and all disputes shall be finally settled pursuant to Article VII.

**Section 6.04 FAILURE TO PAY BENEFITS** Neither the City, nor the Trustees shall be liable for the failure or omission, for any reason, to pay any benefits under the Employee Benefit Trust. If for any reason including, but not limited to, epidemics, catastrophes, or normal depletion, the Trustees determine that self-insured funds are insufficient to pay the current claims, the amount of benefits payable to an Employee or Dependent shall, in all events, be limited to the extent that sufficient self-insured funds are available to the Trustees for the payment of all such claims; and in such event, benefit payments to Employees or Dependents shall be limited to the extent that sufficient funds are available from the Trust Fund, and shall be further prorated in such amounts that all such claims shall be treated proportionately equal to the ratio that such total claims bear to the funds that are available for such payment. If any controversy or dispute exists concerning such matters, all disputes or controversies shall be settled by the dispute provision contained in Article VII.

## **ARTICLE VII CONTROVERSIES AND DISPUTES**

**Section 7.01 DISPUTES** The Trustees shall have the power to construe, interpret and apply the provisions of this Agreement and Declaration of the Trust or any amendments, rules or regulations adopted thereto, and the terms used herein and any construction, interpretation or application adopted in good faith shall be final and binding upon the City, beneficiaries, administrators, and/or legal representatives.

**Section 7.02 BENEFITS CLAIM SETTLEMENT** The Trustees may in their sole discretion compromise or settle any disputed benefits claim or benefits claim controversy in such manner as they deem best, and any decision made by a majority of the Trustees in compromise or settlement or a disputed benefits claim or benefits claim controversy, or any compromise or settlement agreement entered into by the Trustees shall be conclusive and binding upon all parties interested in this Fund.

**Section 7.03 DISPUTE OF POWERS** In the event there shall be any disagreement between the Trustees and the Contract Administrator over exercise of powers granted herein, the Trustees shall prevail, and the service organization shall have no liability to any person with respect to such act or omission in the event it shall give notice in writing of its dissent from such act to each Trustee and to the City.

**ARTICLE VIII  
RESPONSIBILITY**

**Section 8.01 RESPONSIBILITY** The Trustee shall only be responsible for monies when and only after such are received in accordance herewith. The Trustees, or Successor Trustees, shall only be responsible for any liability arising from their respective gross negligence, bad faith or willful misconduct in handling of the monies actually received in hand by them for execution and administration of the terms of the Fund. The Trustees and Successors shall not be responsible for the action or omission of their Co-Trustees, Successors, nor for the actions or omissions of other agents, or for any of the actions or omissions of any insurance company or its agents, servants, or representatives, including, but not limited to non-payment of claims by an insurance company or insurance companies for any reason. The City shall hold harmless the Trustees or Successor Trustees from all such claims except those arising from his/her own willful misconduct, bad faith or gross negligence. (No Trustee or Successor Trustee shall be entitled to any indemnification or court costs or attorney's fees for any liability arising from his/her own willful misconduct, bad faith or gross negligence.)

**Section 8.02 OTHER PERSONS AND INTERPRETATIONS** No person who is dealing with the Trustees shall be obligated to see the application of any monies or property of the Fund, or to see that the terms of this Trust Agreement have been complied with or to inquire as to the necessity of expediency of any act of the Trustees. Every instrument executed by the Trustees or by their direction shall be conclusive in favor of every person who in good faith relies upon it, that (a) at the time of the delivery of the instrument this Trust Agreement was in full force and effect, (b) the instrument was executed in accordance with the terms and conditions of this Agreement and (c) the Trustees were duly authorized to execute the instrument or direct its execution

**ARTICLE IX  
AMENDMENTS**

**Section 9.01 AMENDMENTS** It is anticipated that in the administration of this Trust, conditions may arise that are not foreseen at the time of execution of this Agreement, and it is the intention of the Trustees, and each and every party or person to this Agreement that the power of amendment which is herein granted be exercised in order to carry out the spirit, object and purposes of this Trust. Therefore, the general power is granted to the Trustees, by all parties to this Agreement, to amend this Agreement upon the consent and unanimous agreement of the Board of Trustees, and all parties to the Trust and all persons claiming any interest hereunder are and shall be bound thereby. Any such amendment shall be signed by the Trustees or Successor Trustee

**ARTICLE X  
NONVESTING OF RIGHTS**

**Section 10.01 RIGHTS** No Employee, Dependents, beneficiary, nor any other person or group nor their respective successors, assignees nor legal representatives shall have any right, title or interest, vested or otherwise, in or to the Fund, Trust, corpus, (income or increments thereto) insurance dividends, cash value, if any, or insurance or benefits or monies payable there from, payments from the Fund, or in or to the eligibility requirements for benefits as changed or altered. Any participating Employee who withdraws or ceases to participate in the Employee Benefit Trust does hereby and shall expressly waive and forfeit any right, title or interest in and to the Fund, its corpus and assets. No Employee, nor his Dependents, beneficiary, nor any other person or group nor their respective successors, assignees nor legal representative shall have any right in or to the Trust, Fund, corpus, insurance, interest, dividends, cash value, if any, of insurance, interest, income, benefits, or any benefits or money payable there from, or anything arising out of or in this Trust during the term of this agreement and any benefits he or they may have is forever terminated and discharged upon the Employee's loss of employment with the City (quitting, discharge, or otherwise), or when this Trust Agreement is terminated, wound up, and dissolved. No benefit, right or interest is transferrable or assignable by the Employee to another Employee or person, corporate or otherwise except to physicians, hospitals and any other person or institution furnishing medical services within the terms of this Trust Agreement. No monies, property, or equity, of whatsoever nature, in the Fund, nor insurance policies or benefits or monies payable there from, nor investments, nor deposits nor any part of portion of the Fund, shall be subject in any manner by any Employee, or person claiming through such Employee, to ownership, anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, garnishment, attachment, execution, mortgage, lien or charge of whatsoever nature or kind, and any attempt to cause the same is and shall be null and void.

**ARTICLE XI  
PROVISIONS RELATING TO INSURANCE COMPANY**

**Section 11.01** No insurance company which may issue any policies or contracts for the purpose of fulfilling the terms of this Agreement shall be deemed to be a party to this Trust Agreement, nor shall it be responsible for the validity of this Trust Agreement, nor is this Trust Agreement in any manner for the benefit of any insurance company or companies.

**Section 11.02** An integral part of the trust will be an aggregate stop loss and specific stop loss insurance. Stop loss coverage will be provided by an authorized carrier licensed to execute contracts in the State of Arizona.

**ARTICLE XII  
TERMINATION OF TRUST**

**Section 12.01 TERMINATION BY THE TRUSTEES** This Trust may be terminated after ninety (90) days advance written notice duly executed by all the Trustees.

**Section 12.02 TERMINATION BY THE CITY** This Trust may be terminated after ninety (90) days advance written notice duly executed by the City. If the Trust is in a deficit position, including the claims lag determined by the Trustees, the City and Employees will share in the liability of the Trust.

**Section 12.03 NOTIFICATION OF TERMINATION** Upon termination of the Trust in accordance herewith, the Trustees shall forthwith notify all Employees in writing and also all other necessary parties.

**Section 12.04 CONCLUDING THE TRUST** Notwithstanding any provisions herein concerning the duration and termination of this Trust, the Trust shall continue in existence for so long a period as may be necessary to wind up its affairs; and the Trustees shall continue as Trustees for the purpose of winding up the affairs of the Trust.

**Section 12.05 FUNDS REMAINING** Upon termination of this Trust, any and all monies remaining in the Fund after the payment of all unpaid claims and/or insurance premiums and other expenses and obligation of the Trust, shall be paid or used for the continuance of one or more of the benefits of the character hereinabove contemplated, until such monies have been exhausted.

**Section 12.06 FINAL ACCOUNTING** As such time as the Trust is terminated, the Trustees shall render a final accounting of the affairs of the Trust and the Trust Fund to the City and all Employees, and thereafter there shall be no claim or action against the Trustees and they shall have no further responsibility or duties and they shall be discharged.

**ARTICLE XIII  
MISCELLANEOUS**

**Section 13.01 LAWSUITS** In the event any suit, action or proceeding is brought against the Trust, Trustees, one or more of the Trustees or the Fund, in connection with any matter arising out of the administration of the Trust of Fund in connection with this Trust Agreement or in connection with any action or omission of the Trustees or any one or more of the Trustees, or in the event of any suit, action or proceeding commenced by the Trustees, including but not limited to a request for a judicial settlement of accounts, a suit for construction, a bill of interpleader, or any other matter relating to the Trust, the Trustees shall have the power and authority to employ counsel to represent them or one or more of them in any such suit, action or proceeding, including counsel fees and all

other costs, shall be paid from the Fund as long as the Trustees have acted in good faith and until final judgment has been rendered that the Trustees have acted in bad faith, gross negligence or willful misconduct, and in the event of such judgment, the Trust shall be entitled to recover all sums paid to or for Trustees for counsel fees and other costs. It is the intent to indemnify the Trustees against all honest mistakes in judgment and all acts of omissions that are not deliberate or willful violations of the duties of the Trustees. In addition, the trustees shall have the right to commence and prosecute such suits, actions or proceedings as seem to them, necessary and proper in order to protect the interest of the trust and Fund, and, in this connection, the Trustees shall have the same rights and reimbursements for costs concerning the prosecution of such suites as heretofore described in defending lawsuits.

**Section 13.02 WORKER'S COMPENSATION** The insurance coverage contemplated by this Trust Agreement shall not apply in any case which is compensable under Worker's Compensation Laws.

**Section 13.03 SITUS** The City of San Luis, County of Yuma, State of Arizona shall be deemed the situs of the Fund created hereunder. All questions pertaining to validity, construction and administration shall be determined in accordance with the laws of such State and County. This Trust Agreement is deemed, made, executed and delivered in such State.

**Section 13.04 CONSTRUCTION** Wherever any words are used in the Trust Agreement in the masculine gender, they shall be construed as though they were also in the feminine or neuter gender in all situations where they would so apply, and wherever any words are used in this Trust Agreement in the singular form, they shall be construed as though they were also used in the plural form in all situations where they would so apply, and wherever any words are used in this Agreement and Declaration of Trust in the plural form they shall be construed as though they were also in the singular form in all situations where they would also apply.

**Section 13.05 SEVERABILITY** Should any provision or term in this Trust Agreement be deemed or held unlawful or invalid for any reason, such fact shall not adversely affect the provisions herein contained unless such illegality shall make impossible or impractical the functioning of the Trust, and in such case the appropriate parties shall immediately adopt a new provision to take the place of the illegal or invalid provision.

**Section 13.06 INTERNAL REVENUE** This Trust Agreement is being entered into and the City contributions are being made upon the condition and understanding of the City that all payments made by the City to this Fund are legally deductible as a business expense of the City for tax purposes under State and Federal laws, and that the same are not taxable to the Employee for compensation. The parties hereto individually and collectively agree to take or cause to be taken any and all steps that may be necessary or advisable in order to obtain and maintain a tax-exempt status for this Trust. If any

provisions of this Trust Agreement are held to render contributions by the City into the Trust non-deductible for tax purposes, or taxable to the Employee, or to render income received by such Trust non-exempt from taxation, the necessary steps to remedy such non-deductibility or taxability shall be taken immediately.

Section 13.07 CAPTIONS It is understood and agreed that the captions headings are for convenience only and are not and shall not be a part of this Trust Agreement and in no manner whatsoever define, limit or expand any of the items, obligations or conditions hereof.

**ACCEPTANCE**

The undersigned Trustees hereby accepts the foregoing Agreement and Declaration of Trust and agrees to be bound by the provision thereof.

**BOARD OF TRUSTEES**

<u><i>Victoria H. Lynch</i></u>	<u>3/14/2012</u>
Trustee	Date
<u><i>Garcia Duhaime</i></u>	<u>3/14/12</u>
Trustee	Date
<u><i>Hubbuck</i></u>	<u>3/14/12</u>
Trustee	Date
<u><i>Umsaloppi</i></u>	<u>3/14/12</u>
Trustee	Date
<u><i>[Signature]</i></u>	<u>3/14/12</u>
Trustee	Date

**ACCEPTANCE**

The undersigned City hereby accepts the foregoing Agreement and Declaration of Trust and agrees to be bound by the provisions thereof.

**CITY OF SAN LUIS**

<u><i>Juan Escamilla</i></u>	<u>3/15/12</u>
Mayor	Date



## AGENDA ITEM REVIEW FORM

### Regular City Council Meeting

5.C.

**Meeting Date:** 03/13/2019

**Department Head:** Sonia Cornelio, City Clerk, City Clerk's Office

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

**Action Requested:** Motion

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#### ITEM:

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

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

B. Action by City Council on the recommendations.

#### SUMMARY:

Mr. Jose Andrade resigned as a Trustee on July 16, 2018, and his term had expired on March 14, 2018.

Two (2) more Trustee terms will expire March 14, 2019, Emma Torres (Executive Director of the non-profit Campesinos Sin Fronteras and Maria Gonzalez (Assistant Vice President and San Luis Branch Manager for First Bank Yuma). If the Council has amended the Declaration of Trust, then they may be designated again. Both Trustees expressed that they would be honored to serve another term.

Gustavo MacGrew is an insurance agent and would bring his expertise to the decisions concerning the health plans.

The remaining Trustees (Mayor Gerardo Sanchez and Risk Property Manager) whose terms will expire next year.

Under Section 3.01 of the Declaration of Trust, the Mayor nominates the trustees and the City Council shall consider and may appoint those the Mayor has recommended.

The successors must accept in writing the position of Trustee.

#### RECOMMENDATION / SUGGESTED MOTION:

**A. I, Mayor Sanchez, designate Emma Torres, Maria Gonzalez and Gustavo MacGrew as Trustees to the Employee Benefits Trust.**

**B. I MOVE TO DESIGNATE EMMA TORRES, MARIA GONZALEZ AND GUSTAVO MAC GREW AS TRUSTEES TO THE EMPLOYEE BENEFITS TRUST.**

N/A

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#### 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):**

There is no fiscal impact associated with this item.

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**Attachments**

Confirmation of resignation for Jose Andrade  
Trust

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## Maria Munoz

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**From:** Olivia Jenkins  
**Sent:** Monday, July 16, 2018 12:23 PM  
**To:** Jose Andrade  
**Cc:** Kay Macuil; Maria Munoz  
**Subject:** Employee Trust Board Member

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

**Categories:** Red Category

Mr. Andrade,

This email is to acknowledge and confirm our phone conversation regarding your interest in resigning from the board. On behalf of the city, we greatly appreciate your support, time, and commitment to Employees Benefit Trust Board. I will inform Chairman Sanchez and board members during our next meeting.

Thank you for your service.

*Olivia Jenkins, Manager*



Human Resources Department  
San Luis, AZ 85349  
P: (928)341-8579|F: (928)722-6773  
[ojenkins@cityofsanluis.org](mailto:ojenkins@cityofsanluis.org)  
[www.cityofsanluis.org](http://www.cityofsanluis.org)

**CONFIDENTIALITY NOTICE:** This e-mail, and any attachment to it are **STRICTLY CONFIDENTIAL** and contain privileged and confidential information intended only for the use of the intended recipient. If the reader of this e-mail is not the intended recipient, or the employee or agent responsible for delivering it to the intended recipient, you are hereby notified that reading it is strictly prohibited. If you have received this e-mail in error, please immediately notify the sender by reply e-mail at [ojenkins@cityofsanluis.org](mailto:ojenkins@cityofsanluis.org) and delete it and all attachments from your system. Thank you.

**AGREEMENT AND DECLARATION OF TRUST  
FOR CITY OF SAN LUIS EMPLOYEE BENEFIT TRUST**

THIS AGREEMENT AND DECLARATION OF TRUST was made and entered into this first day of September 2011, between CITY OF SAN LUIS, a municipal corporation hereinafter referred to as the "City" and certain persons hereinafter referred to as the "Trustees" to administer the Trust in accordance with the terms and provisions of this instrument.

**WITNESSETH:**

WHEREAS, A.R.S. § 11-981 authorizes the City of San Luis to establish a self-funded insurance program for health benefits for its Employees.

WHEREAS, A.R.S. § 11-981 requires the establishment of a health benefits trust for the purposes of management and administration of this program; and

WHEREAS, A.R.S. § 11-981 also requires the establishment of the health benefits trust board to administer the health benefits trust.

WHEREAS, CITY OF SAN LUIS, hereinafter designated and referred to as "City", and certain employees of said City hereinafter designated and referred to as "Employees", desire to enter into a program of providing and maintaining health and welfare benefits for Employees of the City and certain members of their families, hereinafter designated and referred to as "Dependents", which program is to be administered by the Trustees; and

WHEREAS, to effect the aforesaid purpose it is mutually desirable by and between the parties hereto to declare and create a Trust which establishes a Trust Fund for and in the manner more particularly set forth herein; and

WHEREAS, the Trustees and City which accept this Agreement and Declaration of Trust and agree to be bound by the provisions hereof shall, upon acceptance by the parties hereto, be deemed a party to this Agreement and Declaration of Trust.

Now THEREFORE, in consideration of the promises, covenants, agreements, terms, obligation and duties herein set forth, it is understood and agreed as follows:

**ARTICLE 1  
DEFINITIONS**

It is mutually understood and agreed by and between the parties hereto that the following are and shall be the definitions:

Section 1.01 The term "Employee Benefit Trust" shall mean the program of benefits to be established by the Trustees pursuant to this Agreement and Declaration of Trust.

**Section 1.02** The term "Employee" shall mean all persons who have met the eligibility requirements as defined in the written instrument for the Employee Benefit Trust and who have properly enrolled for and made appropriate contributions for coverage under said Trust, and who are not eligible for benefits under any other health program to which the City makes contributions.

**Section 1.03** The term "Dependent" shall mean all persons who have met the eligibility requirements for being a dependent of the Employee as defined in the written instrument for the Employee Benefit Trust and who have been properly enrolled for and made appropriate contributions for coverage under the Employee Benefit Trust, and who are not eligible for benefit under any other health program which the City makes contributions.

**Section 1.04** The phrase "Trust Agreement" shall mean and refer to this Agreement and Declaration of Trust and any modification or amendments thereto.

**Section 1.05** The term "Fund" as used shall mean the Trust Fund created by this instrument, and shall mean generally the monies, property, contracts, or things of value, tangible or intangible, received and held by the Trustees for the uses, purposes, and Trust set forth therein, and those things of value which compromise the corpus and additions to the Fund.

**Section 1.06** The term "Trustees" as used herein shall mean the Trustees and their successors provided for in the Trust Agreement.

**Section 1.07** The name of the Trust is and shall be City of San Luis Employee Benefit Trust.

**Section 1.08** The phrase "City Contributions" does and shall mean the contributions made by the City of San Luis to the Fund for the Employee Benefit Trust.

**Section 1.09** The phrase "Employee Contribution" does and shall mean the contributions made by the Employees of the City of San Luis to said Fund.

**Section 1.10** The term "City" does and shall mean the City of San Luis, a municipal corporation organized and existing under the laws of the State of Arizona.

**Section 1.11** The phrase "Plan Document" does and shall mean the written instrument containing the provisions for self-funded health and welfare benefits of the Employee Benefit Trust.

**Section 1.12** The phrase "Contract Administrator" does and shall mean the person or firm employed by the Trustees who is responsible for the processing of claims and

payment of benefits, administration, accounting, reporting and other services contracted for by the Trustees.

**ARTICLE II  
PURPOSE OF TRUST AND APPLICATION OF THE FUND**

**Section 2.01 FUND** There is hereby declared and created the City of San Luis Employee Benefit Trust: To establish a Trust Fund to provide benefits for, but not limited or restricted to Life, Accidental Death and Dismemberment, Basic or Major Medical coverage's for accidents or sickness, Dental; and any other benefits as determined by the Trustees for the Employees and their Dependents; whether through self-funded or insured programs or both.

**Section 2.02 PRINCIPAL OFFICE** The Trust shall have its principal office in the City of San Luis, County of Yuma, state of Arizona and hereinafter designated and referred to as Principal Office.

**ARTICLE III  
POWERS AND DUTUES OF TRUSTEES**

**Section 3.01 APPOINTMENTS OF TRUSTEES** The Employee Benefit Trust shall be administered by the Trustees. The Mayor shall nominate individuals to serve as Trustees overseeing the management and administration of the Trust. The City Council shall consider and may appoint any individual so recommended, provided that the appointed Trustees conform to the requirements of Section 3.02.

**Section 3.02 NUMBER AND IDENTITY** The Trustees shall consist of five (5) persons, consisting of no more than one (1) member of the City Council and no more than (1) Employee of the City.

**Section 3.03 ACCEPTANCE** Each Trustee so appointed shall accept the appointment in writing and shall confirm in writing that the Trustee hereby accept the Trust and Trusteeship and declares they will receive and hold the Fund by virtue of this Trust Agreement for the uses and purposes and with the powers and duties herein set forth and none other. The Trustees shall faithfully keep and hold any and all monies they receive as Trustees for the purpose of the Trust and keep adequate and proper records thereof.

**Section 3.04 TRUSTEES' TERM** Each Trustee shall serve a five-year term. A Trustee may be reappointed of no more than one additional consecutive term. Notwithstanding the foregoing, the initial terms for the first five (5) Trustees shall be as follows: one (1) Trustee to serve an initial term of one (1) year; two (2) Trustees to serve an initial term of two (2) years; and two (2) Trustees to serve an initial term of three (3) years. The Trustees shall determine among themselves which of the first five (5) Trustees shall serve the one year, two year, and three year terms. This shall result in Trustees rotating appointments every two (2) to three (3) years.

**Section 3.05 EXECUTIVE ADVISORS** The Board of Trustees shall include as Executive Advisors, the City's Finance Director, or their designee, and the City's Human Resource Director, or their designee, and the City Manager, or their designee. Such Executive Advisors shall attend all meetings of the Board of Trustees.

**Section 3.06 DUTIES** The Trustees shall hold, manage, care for and keep the Fund and collect the income and increments thereof, and shall keep and maintain adequate and proper records to render an external annual audit, accounting and reports as hereinafter mentioned. The Trustees shall employ or hire such agents, attorneys, accountants, actuaries, employees or other persons and to lease premises and equipment as may be necessary or desirable in administering the Fund and carrying out its purposes and the fees, salaries, wages emoluments or compensation of any and all such persons shall be paid from the Fund. When acting upon the advice of counsel for the Trust, the Trustees shall be relieved of all responsibility for acts done or not done. The Trustees may incur any expenses for supplies, rental of space or other items or anything else believed to be necessary or desirable in administering the Fund and carrying out the objects and purposes of this Trust and Trust Agreement. The Trustees shall have all right, power and authority to do all those things which, in the opinion of the Trustees may be necessary or desirable for the administration and operation of accomplishments of the objects and purposes of the Fund and this Trust and Trust Agreement.

In addition, the Trustees shall establish terms and conditions for the Employee Benefit Trust including, but not limited to:

- A. Establish terms and conditions of coverage including exclusions of coverage;
- B. Establish provisions for eligibility requirements to enroll for coverage;
- C. Ensure that all claims are processed promptly;
- D. Administer the Trust Fund pursuant to this Agreement;
- E. Designate a risk management consultant or insurance administrator licensed pursuant to Title 20, Chapter 2, Articles 3 Or 9 of the Arizona Revised Statutes, and such license shall be verified by the Board of Trustees at time of the designation;
- F. Provide financial oversight of the Trust Fund by evaluating claim expenses and reserve amounts;
- G. Review the Trust Fund quarterly to insure sufficient funds exist to pay outstanding and future benefits, to pay for losses or claims or any combination of insurance and direct payment, and to pay for risk management consultation;
- H. Make recommendations to the City Manager on financial issues relating to the self-insured programs;
- I. Comply with all requirements of State and Federal laws relating to self-insurance programs;
- J. Take all necessary precautions to safeguard the assets of the Trust;
- K. Maintain minutes of its meetings.

**Section 3.07 TRUSTEES' AUTHORITY** The Trustees shall have the power to enter in contracts, procure insurance policies, or provide such benefits through self-funding, and to place into effect and maintain the desirable schedule of benefits. The Trustees, in carrying out the purposes of this Trust Agreement, shall have the power and the right to provide the intended benefits under this Trust by means of direct or self-funding by the Trust and/or by the procurement of group insurance contracts (permissible under the laws of Arizona) including group insurance contracts issued to and in the name of the Trust, together with such other forms of contracts issued by qualified insurance companies authorized to do business in the State of Arizona as may be selected by the Trustees for the purpose of providing for all or part of the benefits provided under this Trust. The Trustees are hereby expressly authorized to pay to any insurance company as may be selected by the Trustees, the required insurance premiums in connection with such group insurance contracts issued to the Trust. Whether or not benefits are provided by means of direct or self-funding or by the procurement of group insurance, such decision shall be at the sole and exclusive discretion of the Trustees.

Should the Trustees select or provide for any policy or any program of self-funding, no claims for benefits or no claims for liabilities shall be brought against the Trustees. The sole and exclusive liability of said Trustees in the management and operation of any program of self-funding shall be limited to due care in the selection of administrators, claim representatives, actuaries, or other officials charged with the administration of such a program of self-funding. In the event that submitted claims of Employees and/or Dependents exceed the funds available, the claims shall be paid in the order received.

**Section 3.08 DEPOSITS AND INVESTMENTS** All corpus or portions of the Fund not expended under Article III may be deposited by the Trustees in the name of the Trust in such depository or depositories as the Trustees shall from time to time select, and any such deposit or deposits should carry or bear interest. The Trustees are empowered to receive for the benefit of the Fund such interest as might accrue on the above deposits. If not so deposited, any accumulated funds not currently required for the purposes of this Trust, shall be invested by the Trustees in reasonable secure, reasonable liquid investments.

The Fund may accumulate dividends or experience rating refunds or other monies, if any accruing from any insurance policy or policies deposits or investments. Such dividends, refunds or other monies or all of them, shall be held in the Fund, applied to the payment of self-funded claims, the payment of insurance premiums, or held, used or applied as herein set forth.

**Section 3.09 COMPENSATION** The Trustees shall receive no compensation for their services except for reimbursement of actual reasonable expenses incurred.

**Section 3.10 WITHDRAWALS** All checks, drafts, vouchers or other withdrawals from the Fund or depositories and the transfer or liquidating of insurance policies or

investments shall first be authorized by the Trustees and then signed by appropriate signatories as determined by the Trust, except that checks for claims payment under the self-funded benefit provision of this Trust may be signed by an authorized representative of the Contract Administrator responsible for administering the self-funded benefit.

**Section 3.11 CHAIRMAN, VICE-CHAIR, AND SECRETARY** The Trustee shall elect from among themselves at their first meeting a Chairman, Vice-Chair and Secretary of the Trustees. The Chairman shall preside at all meetings of the Trustees and who shall be empowered to perform ministerial duties of the Trustees as the Trustees may from time to time delegate to him. The Vice-Chair will preside in the Chairman's absence. The Secretary shall keep minutes of all meetings, proceedings, and acts of the Trustees, which records shall be available at the said Principal Office for inspection by all the Trustees and interested persons during usual business hours. Such records and minutes need not be verbatim.

**Section 3.12 MEETINGS** The Trustees shall hold a regular meeting as soon as practical after being appointed and regular meetings shall be held periodically at least four (4) times each year after the first regular meeting. The Trustees shall determine the time and place of the regular meeting of the Board. Special meetings of the Trustees may be called by the Chairman. At least seven (7) days written notice designating the time and place of the annual, regular or any special meeting shall be given to the Trustees. Any meeting at which all Trustees are present shall be subject to the open meeting law established by Arizona Statute.

**Section 3.13 PROXY** Any Trustee, or any other person duly authorized in writing by an absent Trustee, may cast a vote on behalf of such absent Trustee. Any such authorization must be given for each meeting.

**Section 3.14 QUORUM** To constitute a quorum or special meeting of the Trustees, there must be present in person or by proxy at least three (3) Trustees.

**Section 3.15 VOTING** Each Trustee shall have one (1) vote. All actions by and decisions of the Trustees shall be the affirmative vote of a majority of the Trustees attending a duly called meeting of the Trustees at which there is a quorum present.

**Section 3.16 FISCAL YEAR AND AUDIT** The accounting year of the Fund shall be on a fiscal year basis, commencing on the first day of July and ending on the last day of June of the following year and similarly each and every year thereafter. Any report required by law, city, county, state or federal, or the respective subdivisions thereof, shall be made by the Trustees. The Trustees shall have an external annual audit and accounting of the Trust Fund by a Certified Public Accountant in accordance with good accounting practices, at the end of each fiscal year. The CPA shall certify to the accuracy of his audit and accounting. A statement of the results of each audit shall be available for inspection by authorized persons at the Principal Office of the Trust. Copies of the audit

and generalized statements of the accounting and reports shall be delivered to each Trustee after each audit or at other times when necessary and a copy maintained in the City Recorder's office for a period of five (5) years.

**Section 3.17 REGULATIONS** The Trustees shall have the power to adopt rules and regulations for the administration of the Fund and/or Trust, which shall be consistent with the covenants, terms, conditions, obligation and duties as set forth in this Trust Agreement, and such rules and regulations shall be binding upon all persons dealing with the Fund and upon any and all persons claiming any benefit hereunder.

**Section 3.18 BONDS** The Trustees shall procure fidelity bonds for the Trustees and persons authorized to receive, handle, deal with or draw upon the monies in the Fund for any purpose whatsoever, said bonds to be in such reasonable amount to reasonably aid in reimbursing bondable loss of money, and shall meet the requirements as may be required, from time to time by applicable United States or State law. Such are to be obtained from reputable fidelity or surety company or companies as the Trustees shall determine. If convenient, and in conformity with the law, such bonds may be position bonds. The cost of the premiums on such bonds shall be paid out of the corpus or income of the fund. If any fidelity or surety company refuses to bond or write a bond for any Trustee, or other persons as described in this section, said Trustee or person shall not serve and shall resign or be terminated.

**Section 3.19 DEFENSE** The Trustees shall institute, prosecute, maintain or defend any proceeding at law or inequity concerning the Trust Fund or the assets thereof, at the sole cost and expense of the Trust Fund, and to compromise, settle, and adjust any claims and liabilities asserted against or in favor of the Trust Fund or of the Trustees; but the Trustees shall be under no duty or obligation to institute, maintain, or defend any action, suit, or other legal proceeding unless it shall have been indemnified to its satisfaction against any and all loss, cost, expense, and liability it may sustain or anticipate by reason thereof.

#### **ARTICLE IV TRUSTEE AND SUCCESSOR TRUSTEES**

**Section 4.01 TRUSTEE TERMINATION** The term of any Trustee shall automatically terminate upon the earliest of the following: death; resignation; removal of a Trustee by a majority vote of the City Council; or for a Trustee who is an employee of the City of San Luis, the termination of such employment.

In the event of the death, resignation, or removal of an appointed Trustee, the City Council shall designate a successor to such Trustee from recommendations from the Mayor, who, upon acceptance of his/her appointments in writing, shall succeed to the legal interest of his/her predecessor. Upon the effective date of the death, resignation or removal, the Trustee shall be discharged from any further duty or responsibility under the

Trust and any and all property in his or her possession or control which belongs to the Plan or Trust shall be delivered to the Chairman (or to the Secretary, if the Chairman is resigning, removed, or deceased.)

Section 4.02 TRUSTEE RESIGNATION A Trustee may resign by giving sixty (60) days prior written notice to the Chairman. The Chairman may exercise discretion to waive or reduce the sixty (60) day requirement, but shall not waive the written-notice requirement. The notice shall state the effective date of the resignation. The resignation shall take effect on its stated effective date unless a new Trustee is appointed and accepts the appointment prior to the stated effective date of the resignation.

Section 4.03 SUCCESSORS The Trustees, and their successors from time to time acting hereunder, shall have all the rights, powers and duties of the original Trustees named herein and the insurance company or companies and Contract Administrator shall be immediately notified of any successor.

Section 4.04 SUCCESSORS' LIABILITY No successor Trustee shall be liable or responsible for any act or defaults of his/her predecessor, or for any losses or expenses resulting from or occasioned by anything done or neglected to be done in the administration of the Fund or Trust prior to his/her appointment as Trustee, nor shall he/she be required to inquire into or take any notice of the prior administration of the Fund or Trust. A successor Trustee is solely responsible for his/her actions as set forth in Article III.

Section 4.05 SUCCESSORS' TERM The appointed successor Trustee shall complete the initial term of his predecessor.

## **ARTICLE V CONTRIBUTIONS TO THE FUND**

Section 5.01 CONTRIBUTIONS In order to effectuate the purpose hereof, the City and/or Employees shall contribute to the Fund an amount determined by the Trustees, to be necessary to pay for the benefits provided hereunder. The City and/or Employee contribution shall be due and payable as of the first day of the month as determined by the Trustees.

Section 5.02 CITY CONTRIBUTIONS ARE NOT WAGES The City contributions to paid into the Fund shall not constitute or be deemed wages due to Employees, nor shall the City contributions in any manner be liable for or subject to the debts, contracts, or liabilities of the City; neither the City, any Employee, nor any Dependent under the Plan shall have any rights, title, or interest in the Fund, except as otherwise specifically provided herein.

**Section 5.03 PAYMENTS IN LIEU OF BENEFITS** No Employee shall have any right to receive any part of his own or the City contributions paid to him in lieu of benefits.

**Section 5.04 PAYROLL DEDUCTIONS** All Employees' contributions shall be paid by payroll deductions. The City shall remit all monies obtained through payroll deductions in a lump sum to the Fund, at least once per month, or as otherwise determined by the Trustees.

**Section 5.05 PAYMENT** All contributions shall be payable to name of the Trust, and shall be paid in the manner and form determined by the Trustees.

**Section 5.06 REPORTS** The City shall make all reports required by the Trustees. The Trustees may at any time have an audit made by an independent Certified Public Accountant of the wage records of the City in connection with their contribution and/or reports.

**Section 5.07 IRREVOCABILITY OF CONTRIBUTIONS** Subject to the provisions providing for termination of this Trust Agreement in Article XII, all contributions to the Fund shall be irrevocable, and under no circumstances shall any monies properly paid into the Fund, or any part of the Fund, be revocable by or payable to the City or any Employee, nor shall any of the same be used for or diverted for purposes other than for the exclusive program of benefits for Employees and beneficiaries provided hereunder.

## **ARTICLE VI PAYMENT OF BENEFITS**

**Section 6.01 METHOD OF PAYMENT** The Trustees shall arrange for the disbursement of benefits under the Employee Benefit Trust through a Contract Administrator appointed by the Trustees for any self-funded benefits or through insurance company for fully-insured benefits.

**Section 6.02 PROTECTION OF EMPLOYEES** Prior to payment to an Employee or his Dependents, all assets of the Trust shall be owned by the Trust and shall not be liable in any way for any debt or obligation of any Employee or the City. To the extent permitted by law, all Trust benefits shall be exempt from attachment, garnishment, and levy of execution, bankruptcy proceedings, or other legal process at any time subject to the Trustee's possession and control; but in any event such assets shall be subject to such process only to the extent of such Employee's benefits hereunder as they fall due.

**Section 6.03 CLAIM TO BENEFITS** No Employee, Dependent, or other beneficiary shall have any right or claim to benefits under the Employee Benefit Trust except as specified in the policy or policies or contract or contracts or self-funded benefits procured or entered into pursuant to Article II and III. Any disputes as to eligibility time, amount,

or duration of benefits shall be resolved by the appropriate insurance carrier or Contract Administrator, under and pursuant to the policy or contract; and the Employees, Dependents, or other beneficiary shall not have a right or claim in respect thereto, against the Funds, or Trustees. Any dispute as to eligibility, type, amount, time or duration of benefits provided by the Fund as self-funded, shall be decided by the Trustees, and all disputes shall be finally settled pursuant to Article VII.

**Section 6.04 FAILURE TO PAY BENEFITS** Neither the City, nor the Trustees shall be liable for the failure or omission, for any reason, to pay any benefits under the Employee Benefit Trust. If for any reason including, but not limited to, epidemics, catastrophes, or normal depletion, the Trustees determine that self-insured funds are insufficient to pay the current claims, the amount of benefits payable to an Employee or Dependent shall, in all events, be limited to the extent that sufficient self-insured funds are available to the Trustees for the payment of all such claims; and in such event, benefit payments to Employees or Dependents shall be limited to the extent that sufficient funds are available from the Trust Fund, and shall be further prorated in such amounts that all such claims shall be treated proportionately equal to the ratio that such total claims bear to the funds that are available for such payment. If any controversy or dispute exists concerning such matters, all disputes or controversies shall be settled by the dispute provision contained in Article VII.

## **ARTICLE VII CONTROVERSIES AND DISPUTES**

**Section 7.01 DISPUTES** The Trustees shall have the power to construe, interpret and apply the provisions of this Agreement and Declaration of the Trust or any amendments, rules or regulations adopted thereto, and the terms used herein and any construction, interpretation or application adopted in good faith shall be final and binding upon the City, beneficiaries, administrators, and/or legal representatives.

**Section 7.02 BENEFITS CLAIM SETTLEMENT** The Trustees may in their sole discretion compromise or settle any disputed benefits claim or benefits claim controversy in such manner as they deem best, and any decision made by a majority of the Trustees in compromise or settlement or a disputed benefits claim or benefits claim controversy, or any compromise or settlement agreement entered into by the Trustees shall be conclusive and binding upon all parties interested in this Fund.

**Section 7.03 DISPUTE OF POWERS** In the event there shall be any disagreement between the Trustees and the Contract Administrator over exercise of powers granted herein, the Trustees shall prevail, and the service organization shall have no liability to any person with respect to such act or omission in the event it shall give notice in writing of its dissent from such act to each Trustee and to the City.

**ARTICLE VIII  
RESPONSIBILITY**

**Section 8.01 RESPONSIBILITY** The Trustee shall only be responsible for monies when and only after such are received in accordance herewith. The Trustees, or Successor Trustees, shall only be responsible for any liability arising from their respective gross negligence, bad faith or willful misconduct in handling of the monies actually received in hand by them for execution and administration of the terms of the Fund. The Trustees and Successors shall not be responsible for the action or omission of their Co-Trustees, Successors, nor for the actions or omissions of other agents, or for any of the actions or omissions of any insurance company or its agents, servants, or representatives, including, but not limited to non-payment of claims by an insurance company or insurance companies for any reason. The City shall hold harmless the Trustees or Successor Trustees from all such claims except those arising from his/her own willful misconduct, bad faith or gross negligence. (No Trustee or Successor Trustee shall be entitled to any indemnification or court costs or attorney's fees for any liability arising from his/her own willful misconduct, bad faith or gross negligence.)

**Section 8.02 OTHER PERSONS AND INTERPRETATIONS** No person who is dealing with the Trustees shall be obligated to see the application of any monies or property of the Fund, or to see that the terms of this Trust Agreement have been complied with or to inquire as to the necessity of expediency of any act of the Trustees. Every instrument executed by the Trustees or by their direction shall be conclusive in favor of every person who in good faith relies upon it, that (a) at the time of the delivery of the instrument this Trust Agreement was in full force and effect, (b) the instrument was executed in accordance with the terms and conditions of this Agreement and (c) the Trustees were duly authorized to execute the instrument or direct its execution

**ARTICLE IX  
AMENDMENTS**

**Section 9.01 AMENDMENTS** It is anticipated that in the administration of this Trust, conditions may arise that are not foreseen at the time of execution of this Agreement, and it is the intention of the Trustees, and each and every party or person to this Agreement that the power of amendment which is herein granted be exercised in order to carry out the spirit, object and purposes of this Trust. Therefore, the general power is granted to the Trustees, by all parties to this Agreement, to amend this Agreement upon the consent and unanimous agreement of the Board of Trustees, and all parties to the Trust and all persons claiming any interest hereunder are and shall be bound thereby. Any such amendment shall be signed by the Trustees or Successor Trustee

**ARTICLE X  
NONVESTING OF RIGHTS**

**Section 10.01 RIGHTS** No Employee, Dependents, beneficiary, nor any other person or group nor their respective successors, assignees nor legal representatives shall have any right, title or interest, vested or otherwise, in or to the Fund, Trust, corpus, (income or increments thereto) insurance dividends, cash value, if any, or insurance or benefits or monies payable there from, payments from the Fund, or in or to the eligibility requirements for benefits as changed or altered. Any participating Employee who withdraws or ceases to participate in the Employee Benefit Trust does hereby and shall expressly waive and forfeit any right, title or interest in and to the Fund, its corpus and assets. No Employee, nor his Dependents, beneficiary, nor any other person or group nor their respective successors, assignees nor legal representative shall have any right in or to the Trust, Fund, corpus, insurance, interest, dividends, cash value, if any, of insurance, interest, income, benefits, or any benefits or money payable there from, or anything arising out of or in this Trust during the term of this agreement and any benefits he or they may have is forever terminated and discharged upon the Employee's loss of employment with the City (quitting, discharge, or otherwise), or when this Trust Agreement is terminated, wound up, and dissolved. No benefit, right or interest is transferrable or assignable by the Employee to another Employee or person, corporate or otherwise except to physicians, hospitals and any other person or institution furnishing medical services within the terms of this Trust Agreement. No monies, property, or equity, of whatsoever nature, in the Fund, nor insurance policies or benefits or monies payable there from, nor investments, nor deposits nor any part of portion of the Fund, shall be subject in any manner by any Employee, or person claiming through such Employee, to ownership, anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, garnishment, attachment, execution, mortgage, lien or charge of whatsoever nature or kind, and any attempt to cause the same is and shall be null and void.

**ARTICLE XI  
PROVISIONS RELATING TO INSURANCE COMPANY**

**Section 11.01** No insurance company which may issue any policies or contracts for the purpose of fulfilling the terms of this Agreement shall be deemed to be a party to this Trust Agreement, nor shall it be responsible for the validity of this Trust Agreement, nor is this Trust Agreement in any manner for the benefit of any insurance company or companies.

**Section 11.02** An integral part of the trust will be an aggregate stop loss and specific stop loss insurance. Stop loss coverage will be provided by an authorized carrier licensed to execute contracts in the State of Arizona.

**ARTICLE XII  
TERMINATION OF TRUST**

**Section 12.01 TERMINATION BY THE TRUSTEES** This Trust may be terminated after ninety (90) days advance written notice duly executed by all the Trustees.

**Section 12.02 TERMINATION BY THE CITY** This Trust may be terminated after ninety (90) days advance written notice duly executed by the City. If the Trust is in a deficit position, including the claims lag determined by the Trustees, the City and Employees will share in the liability of the Trust.

**Section 12.03 NOTIFICATION OF TERMINATION** Upon termination of the Trust in accordance herewith, the Trustees shall forthwith notify all Employees in writing and also all other necessary parties.

**Section 12.04 CONCLUDING THE TRUST** Notwithstanding any provisions herein concerning the duration and termination of this Trust, the Trust shall continue in existence for so long a period as may be necessary to wind up its affairs; and the Trustees shall continue as Trustees for the purpose of winding up the affairs of the Trust.

**Section 12.05 FUNDS REMAINING** Upon termination of this Trust, any and all monies remaining in the Fund after the payment of all unpaid claims and/or insurance premiums and other expenses and obligation of the Trust, shall be paid or used for the continuance of one or more of the benefits of the character hereinabove contemplated, until such monies have been exhausted.

**Section 12.06 FINAL ACCOUNTING** As such time as the Trust is terminated, the Trustees shall render a final accounting of the affairs of the Trust and the Trust Fund to the City and all Employees, and thereafter there shall be no claim or action against the Trustees and they shall have no further responsibility or duties and they shall be discharged.

**ARTICLE XIII  
MISCELLANEOUS**

**Section 13.01 LAWSUITS** In the event any suit, action or proceeding is brought against the Trust, Trustees, one or more of the Trustees or the Fund, in connection with any matter arising out of the administration of the Trust of Fund in connection with this Trust Agreement or in connection with any action or omission of the Trustees or any one or more of the Trustees, or in the event of any suit, action or proceeding commenced by the Trustees, including but not limited to a request for a judicial settlement of accounts, a suit for construction, a bill of interpleader, or any other matter relating to the Trust, the Trustees shall have the power and authority to employ counsel to represent them or one or more of them in any such suit, action or proceeding, including counsel fees and all

other costs, shall be paid from the Fund as long as the Trustees have acted in good faith and until final judgment has been rendered that the Trustees have acted in bad faith, gross negligence or willful misconduct, and in the event of such judgment, the Trust shall be entitled to recover all sums paid to or for Trustees for counsel fees and other costs. It is the intent to indemnify the Trustees against all honest mistakes in judgment and all acts of omissions that are not deliberate or willful violations of the duties of the Trustees. In addition, the trustees shall have the right to commence and prosecute such suits, actions or proceedings as seem to them, necessary and proper in order to protect the interest of the trust and Fund, and, in this connection, the Trustees shall have the same rights and reimbursements for costs concerning the prosecution of such suites as heretofore described in defending lawsuits.

**Section 13.02 WORKER'S COMPENSATION** The insurance coverage contemplated by this Trust Agreement shall not apply in any case which is compensable under Worker's Compensation Laws.

**Section 13.03 SITUS** The City of San Luis, County of Yuma, State of Arizona shall be deemed the situs of the Fund created hereunder. All questions pertaining to validity, construction and administration shall be determined in accordance with the laws of such State and County. This Trust Agreement is deemed, made, executed and delivered in such State.

**Section 13.04 CONSTRUCTION** Wherever any words are used in the Trust Agreement in the masculine gender, they shall be construed as though they were also in the feminine or neuter gender in all situations where they would so apply, and wherever any words are used in this Trust Agreement in the singular form, they shall be construed as though they were also used in the plural form in all situations where they would so apply, and wherever any words are used in this Agreement and Declaration of Trust in the plural form they shall be construed as though they were also in the singular form in all situations where they would also apply.

**Section 13.05 SEVERABILITY** Should any provision or term in this Trust Agreement be deemed or held unlawful or invalid for any reason, such fact shall not adversely affect the provisions herein contained unless such illegality shall make impossible or impractical the functioning of the Trust, and in such case the appropriate parties shall immediately adopt a new provision to take the place of the illegal or invalid provision.

**Section 13.06 INTERNAL REVENUE** This Trust Agreement is being entered into and the City contributions are being made upon the condition and understanding of the City that all payments made by the City to this Fund are legally deductible as a business expense of the City for tax purposes under State and Federal laws, and that the same are not taxable to the Employee for compensation. The parties hereto individually and collectively agree to take or cause to be taken any and all steps that may be necessary or advisable in order to obtain and maintain a tax-exempt status for this Trust. If any

provisions of this Trust Agreement are held to render contributions by the City into the Trust non-deductible for tax purposes, or taxable to the Employee, or to render income received by such Trust non-exempt from taxation, the necessary steps to remedy such non-deductibility or taxability shall be taken immediately.

Section 13.07 CAPTIONS It is understood and agreed that the captions headings are for convenience only and are not and shall not be a part of this Trust Agreement and in no manner whatsoever define, limit or expand any of the items, obligations or conditions hereof.

**ACCEPTANCE**

The undersigned Trustees hereby accepts the foregoing Agreement and Declaration of Trust and agrees to be bound by the provision thereof.

**BOARD OF TRUSTEES**

<u><i>Victoria H. Lynch</i></u>	<u>3/14/2012</u>
Trustee	Date
<u><i>Garcia Duhaime</i></u>	<u>3/14/12</u>
Trustee	Date
<u><i>Hubbuck</i></u>	<u>3/14/12</u>
Trustee	Date
<u><i>Umsaloppi</i></u>	<u>3/14/12</u>
Trustee	Date
<u><i>[Signature]</i></u>	<u>3/14/12</u>
Trustee	Date

**ACCEPTANCE**

The undersigned City hereby accepts the foregoing Agreement and Declaration of Trust and agrees to be bound by the provisions thereof.

**CITY OF SAN LUIS**

<u><i>Juan Escamilla</i></u>	<u>3/15/12</u>
Mayor	Date



# AGENDA ITEM REVIEW FORM

## Regular City Council Meeting

5.D.

Meeting Date: 03/13/2019

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 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)**

### SUMMARY:

#### San Luis Facility Development Corporation

Olivia Jenkins has resigned from the Board after years of dedicated service. Note, it is up to the Board under their by-laws to elect who among them will be secretary.

Carlos A. Arroyo-Pelayo Marco A. Pinzon submitted applications. On March 6, 2019, Council instructed staff to move forward with candidate Marco. A. Pinzon.

The operating contract expires in December this year, so the Board will be working on the contract this year.

### Other Information

<u>Requirements for Board Members:</u> -Adult Resident of San Luis -5 Directors	<u>Current Directors (3 Year Terms Expiring July 29, 2021)</u>	
	President	Jenny Torres
	Vice President	John Starkey
	Secretary	<b>Vacant</b>
	Director	Alex Joe Harper
	Director	Maria Gonzalez

### **(Created in 2005 under ARS 10-3201 et seq. Non-Profit Corporations)**

The City of San Luis created this corporation under the statutes that allow any entity to create a non-profit organization. Board members meet as necessary to decide and vote on the detention center project directions, usually matters regarding the operator's contract, the bond indenture, or the building. Their meetings are open to the public and follow the Open Meeting Law.

Purpose: The purpose of this Corporation was to own the San Luis Regional Detention and Support Center for economic development in the City of San Luis. The operation is paying for the bonds which financed its construction. The corporation holds the agreements with the Federal Government for detainees. It has had various operators. LaSalle Corrections has been operating it since April of 2017.

### RECOMMENDATION / SUGGESTED MOTION:

**I MOVE TO APPOINT MARCO A. PINZON AS DIRECTOR TO THE SAN LUIS FACILITY DEVELOPMENT CORPORATION.**

N/A

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**Fiscal Impact**

**IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:** No  
**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):**

There is no fiscal impact to making appointments of directors and officers to municipal corporations.

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**Attachments**

Articles of Incorporation  
By-laws  
Application ArroyoPelayo  
Application Pinzon

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AZ CORPORATION COMMISSION  
FILED



01228046

MAY 26 2005

**"EXP"** ARTICLES OF INCORPORATION

FILE NO. 1205093-9

OF

**SAN LUIS FACILITY DEVELOPMENT CORPORATION**  
(An Arizona Nonprofit Corporation)

KNOW ALL MEN BY THESE PRESENTS THAT:

The undersigned, being a natural person of the age of 18 years or more, and a resident of the State of Arizona, acting as an Incorporator of a Corporation under Section 10-3101 et seq. of the Arizona Revised Statutes (the "Arizona Nonprofit Code"), as amended, adopts the following Articles of Incorporation:

**ARTICLE I**

**NAME**

The name of the Corporation is SAN LUIS FACILITY DEVELOPMENT CORPORATION (hereinafter referred to as the "Corporation").

**ARTICLE II**

**DURATION**

The period of duration of the Corporation is perpetual.

**ARTICLE III**

**REGISTERED OFFICE AND AGENT**

The initial registered office of the Corporation shall be:

767 North First Avenue, P.O. Box 1170, San Luis, Arizona 85349

and the name of the initial registered agent at such address is:

Rosalicia Cordova, 767 North First Avenue, P.O. Box 1170, San Luis, Arizona 85349

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**ARTICLE IV**

**PURPOSES, POWERS AND OBJECTS**

**Section 4.01. Purposes.** The Corporation is organized exclusively for the purpose of financing, owning and/or operating one or more public projects in the State of Arizona (collectively, the "Project") that effect economic development in the City of San Luis, Arizona (the "City") or the County of Yuma (the "County"), and to otherwise provide facilities, equipment and other physical plant and related support to the Project.

**Section 4.02. Powers.** The Corporation shall have the following powers:

(a) To receive and maintain a fund or funds of real or personal property, or both, and to use and apply the whole or any part of the income therefrom and the principal thereof for the purposes as hereinabove set forth.

(b) To have one or more offices and to conduct and carry on any of its business at any place in the State of Arizona as may be determined by the Board of Directors.

(c) To buy or otherwise acquire, sell or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate or otherwise deal in and with real, personal and mixed property of all kinds and any rights or interest therein for any purposes of the Corporation and the Project.

(d) To borrow money and secure the repayment of monies borrowed for any purpose of the Corporation.

(e) To have and exercise any and all of those powers specified in the Arizona Nonprofit Code.

(f) To do all and everything necessary, suitable and proper for the accomplishment of any of the purposes or the attainment of any of the objectives or furtherance of any of the powers hereinbefore set forth, either alone or in corporation with other corporations, firms, governmental authorities or individuals, and to do every other act or acts, thing or things incidental or appurtenant to and growing out of or connected with the aforesaid objects or purposes or any part or parts thereof, provided the same be not inconsistent with the laws under which the Corporation is organized.

**ARTICLE V**

**DISSOLUTION**

No individual of the Corporation shall have any right, title or interest in the assets of the Corporation. The Corporation may dissolve and wind up its affairs in the manner now or hereafter permitted or provided by the Arizona Nonprofit Code. Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, transfer all of the assets of the Corporation to the City. Any

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such assets not so disposed of shall be disposed of by a court of competent jurisdiction for the county in which the principal office of the Corporation is then located, exclusively for such purposes, or to such organization or organizations as said court shall determine, which are organized and operated exclusively for such purposes.

**ARTICLE VI**

**DIRECTORS**

The number of Directors who shall conduct and manage the affairs of the Corporation shall be five. The names of the persons and their addresses constituting the first Board of Directors, are:

Rosalicia Cordova  
767 North First Avenue  
P.O. Box 1170  
San Luis, AZ 85349

Nep Ramirez  
767 North First Avenue  
P.O. Box 1170  
San Luis, AZ 85349

Nieves Garcia Riedel  
767 North First Avenue  
P.O. Box 1170  
San Luis, AZ 85349

Rosa Varela  
767 North First Avenue  
P.O. Box 1170  
San Luis, AZ 85349

John Starkey  
767 North First Avenue  
Post Office Box 1170  
San Luis, Arizona 85349

Directors may be removed and vacancies on the Board of Directors shall be filled as provided by the Bylaws.

The Corporation shall indemnify its Directors to the full extent permitted by Arizona law. The personal liability of a Director to the Corporation for monetary damages for breach of fiduciary duty as a Director shall be limited to the full extent provided by Arizona law.

**ARTICLE VII**

**OFFICERS**

The Board of Directors may appoint a President, one or more Vice Presidents, a Secretary, a Treasurer and such other officers or assistant officers as the Board of Directors believes will be in the best interest of the Corporation. The officers shall have such duties as may be prescribed in the Bylaws of the Corporation and shall serve at the pleasure of the Board of Directors.

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### ARTICLE VIII

#### COMPENSATION

No compensation shall be paid to the Directors or officers of the Corporation, as such, for their services. However, nothing herein contained shall be construed to preclude the Corporation from paying any Director or officer reasonable compensation for other services rendered by such Directors or officers consistent with the purposes of the Corporation.

### ARTICLE IX

#### BYLAWS

The Corporation may adopt Bylaws which shall contain provisions not inconsistent with these Articles of Incorporation, setting forth the rights, privileges, powers, duties and responsibilities of the Directors and officers. The Directors of the Corporation, as may be provided in the Bylaws, shall have the power, from time to time, to make, alter and amend the Bylaws as they shall deem proper for the management of the affairs of the Corporation.

### ARTICLE X

#### COVENANTS REGARDING OPERATIONS

- (a) The Corporation shall not have any employees or engage in any business or activity other than in connection with or relating to the activities permitted in Article IV hereof.
- (b) The Corporation shall not consolidate or merge with or into any other entity or convey, transfer or lease its properties and assets substantially as an entirety to any entity through liquidation, dissolution or otherwise.
- (c) The Corporation shall not dissolve or liquidate, in whole or in part, if any obligation under the Indenture of Trust (the "Indenture"), between the Corporation and corporate trustee named therein, as trustee, is outstanding (or any obligation refunding such obligation is outstanding).
- (d) The funds and other assets of the Corporation shall not be commingled with those of any other entity.
- (e) The Corporation shall not hold itself out as being liable for the debts of any other entity.
- (f) The Corporation shall not form, or cause to be formed, any subsidiaries nor shall the Corporation acquire any interest as a general or limited partner in any partnership or as a member in any limited liability company.

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(g) The Corporation shall act solely in its corporate name and through its duly authorized officers or agents in the conduct of its business, and shall conduct its business so as not to mislead others as to the identity of the entity with which they are concerned.

(h) The Corporation shall maintain corporate records and books of account and shall not commingle its corporate records and books of account with the corporate records and books of account of any other entity. The books of the Corporation may be kept (subject to any provision contained in the statutes) inside the State of Arizona at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation.

(i) The Board of Directors of the Corporation shall hold appropriate meetings to authorize all of its corporate actions. Regular meetings of the Board of Directors shall be held not less frequently than once per annum.

(j) The Corporation shall at all times ensure that its capitalization is adequate in light of its business and purpose.

(k) Except to the extent set forth in an Indenture, no guarantees of loans or other indebtedness to third parties shall be made by the Corporation.

(l) No director of the Corporation shall be personally liable to the Corporation or its members for monetary damages for breach of fiduciary duty as a director; provided, however, that this Article shall not eliminate or limit the liability of a director to the extent the elimination or limitation thereof is prohibited by Title 10 of the Arizona Revised Statutes, as amended from time to time. For the purposes of this Article, the term "director" includes a trustee and a person who serves on the board or council of the Corporation in an advisory capacity.

(m) The income of the Corporation shall not inure to the benefit of any private person.

**ARTICLE XI**

**OTHER INDEBTEDNESS**

Except to the extent set forth in the Indenture, the Corporation shall not incur, assume or guaranty any indebtedness.

**ARTICLE XII**

**ASSETS**

The Corporation shall not transfer to any person or entity any assets of the Corporation except pursuant to the Indenture.

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**ARTICLE XIII**

**BANKRUPTCY/INSOLVENCY**

The Corporation shall not, without the affirmative vote of the entire Board of Directors of the Corporation, (a) institute any proceedings to adjudicate the Corporation as bankrupt or insolvent, (b) consent to the institution of bankruptcy or insolvency proceedings against the Corporation, (c) file a petition seeking or consenting to reorganization or relief under any applicable federal or state law relating to bankruptcy with respect to the Corporation, (d) consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Corporation or a substantial part of its property, (e) make any assignment for the benefit of the Corporation's creditors; (f) cause the Corporation to admit in writing its inability to pay its debts generally as they become due; or (g) take any action, or cause the Corporation to take any action, in furtherance of any of the foregoing (any of the above foregoing actions, a "Bankruptcy Action"). No Director or officer of the Corporation shall (to the extent permitted by applicable law) be liable to the Corporation on account of such Director's or officer's good faith reliance on the provisions of this Article and the Corporation shall not have any claim for breach of fiduciary duty or otherwise against any Director or officer for failing to take any Bankruptcy Action.

**ARTICLE XIV**

**MEMBERSHIP**

The Corporation shall not have any members or membership rights as such terms are defined in the Arizona Nonprofit Code.

**ARTICLE XV**

**INCORPORATOR**

The name and address of the Incorporator is:

<u>Name</u>	<u>Address</u>
Jorge C. Albala	8601 North Scottsdale Road Suite 300 Scottsdale, Arizona 85253-2742

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## ARTICLE XVI

### AMENDMENT

The right is expressly reserved to amend these Articles of Incorporation or any Article herein in any manner or respect now or hereafter permitted or provided for by the Arizona Nonprofit Code; provided, however, the Corporation shall not amend, alter, change or repeal any provision contained in these Articles of Incorporation without the unanimous vote in favor thereof of the entire Board of Directors.

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26<sup>th</sup> IN WITNESS WHEREOF, I, the undersigned incorporator, have set my hand, as of the  
day of May, 2005.

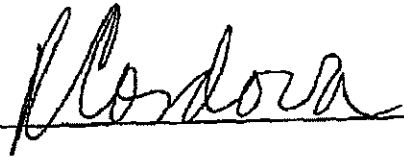
Jorge C. Albala  
Jorge C. Albala, Incorporator

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**ACCEPTANCE OF APPOINTMENT AS STATUTORY AGENT**

Rosalicia Cordova, having been designated to act as Statutory Agent for San Luis Economic Development Corporation, hereby consents to act in that capacity until removed or her resignation is submitted.

Dated: May 20, 2005.



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ARIZONA CORPORATION COMMISSION  
CORPORATIONS DIVISION

Phoenix Address: 1300 West Washington  
Phoenix, Arizona 85007-2929

Tucson Address: 400 West Congress  
Tucson, Arizona 85701-1347

NONPROFIT  
CERTIFICATE OF DISCLOSURE  
A.R.S. Section 10-3202.D.

San Luis Facility Development Corporation  
EXACT CORPORATE NAME

- A. Has any person serving either by election or appointment as officer, director, trustee, or incorporator in the corporation:
1. Been convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
  2. Been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, or restraint of trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
  3. Been or are subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the execution of this Certificate wherein such injunction, judgment, decree or permanent order:
    - (a) Involved the violation of fraud or registration provisions of the securities laws of that jurisdiction?; or
    - (b) Involved the violation of the consumer fraud laws of that jurisdiction?; or
    - (c) Involved the violation of the antitrust or restraint of trade laws of that jurisdiction?

Yes  No

B. IF YES, the following information MUST be attached:

- |   |  |
|---|--|
| 1. Full name and prior name(s) used.                        | 6. Social Security number.   |
| 2. Full birth name.   | 7. The nature and description of each conviction or judicial action, date and location, the court and public agency involved and file or cause number of case. |
| 3. Present home address.                                    |  |
| 4. Prior addresses (for immediate preceding 7-year period). |  |
| 5. Date and location of birth.                              |  |

C. Has any person serving either by election or appointment as an officer, director, trustee or incorporator of the corporation, served in any such capacity or held such interest in any corporation which has been placed in bankruptcy or receivership or had its charter revoked, or administratively dissolved by any jurisdiction?

Yes  No

IF YOUR ANSWER TO THE ABOVE QUESTION IS 'YES', YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

- |   |   |
|---|---|
| 1. Name and address of the corporation.   | 4. Dates of corporate operation.  |
| 2. Full name, including alias and address of each person involved.  | 5. A description of the bankruptcy, receivership or charter revocation, including the date, court or agency and the file or cause number of the case. |
| 3. State(s) in which the corporation: <ol style="list-style-type: none"> <li>(a) Was incorporated.</li> <li>(b) Has transacted business.</li> </ol> |   |

D. The fiscal year end adopted by the corporation is 10/01/05.

Under penalties of law, the undersigned incorporators/officers declare that we have examined this Certificate, including any attachments, and to the best of our knowledge and belief it is true, correct and complete, and hereby declares as indicated above. THE SIGNATURE(S) MUST BE DATED WITHIN THIRTY (30) DAYS OF THE DELIVERY DATE.

BY John Starkey DATE 5-23-05 BY Jorge C. Alcala DATE 5-26-05  
 TITLE John Starkey, Community Development Services Department TITLE Jorge C. Alcala, Incorporator

DOMESTIC CORPORATIONS: ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. (If more than four incorporators, please attach remaining signatures on a separate sheet of paper.)

If within sixty days, any person becomes an officer, director, or trustee and the person was not included in this disclosure, the corporation must file an AMENDED certificate signed by all incorporators, or if officers have been elected, by a duly authorized officer.

FOREIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.

CF: 0001 - Non-Profit  
Rev: 9/00

ARIZONA CORPORATION COMMISSION  
CORPORATIONS DIVISION

Phoenix Address: 1300 West Washington  
Phoenix, Arizona 85007-2929

Tucson Address: 400 West Congress  
Tucson, Arizona 85701-1347

NONPROFIT  
CERTIFICATE OF DISCLOSURE

A.R.S. Section 10-3202.D.

San Luis Facility Development Corporation  
EXACT CORPORATE NAME

- A. Has any person serving either by election or appointment as officer, director, trustee, or incorporator in the corporation:
1. Been convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
  2. Been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, or restraint of trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
  3. Been or are subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the execution of this Certificate wherein such injunction, judgment, decree or permanent order:
    - (a) Involved the violation of fraud or registration provisions of the securities laws of that jurisdiction?; or
    - (b) Involved the violation of the consumer fraud laws of that jurisdiction?; or
    - (c) Involved the violation of the antitrust or restraint of trade laws of that jurisdiction?

Yes \_\_\_ No X

B. IF YES, the following information MUST be attached:

1. Full name and prior name(s) used.
2. Full birth name.
3. Present home address.
4. Prior addresses (for immediate preceding 7-year period).
5. Date and location of birth.
6. Social Security number.
7. The nature and description of each conviction or judicial action, date and location, the court and public agency involved and file or cause number of case.

C. Has any person serving either by election or appointment as an officer, director, trustee or incorporator of the corporation, served in any such capacity or held such interest in any corporation which has been placed in bankruptcy or receivership or had its charter revoked, or administratively dissolved by any jurisdiction?

Yes \_\_\_ No X

IF YOUR ANSWER TO THE ABOVE QUESTION IS "YES", YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

1. Name and address of the corporation.
2. Full name, including alias and address of each person involved.
3. State(s) in which the corporation:
  - (a) Was incorporated.
  - (b) Has transacted business.
4. Dates of corporate operation.
5. A description of the bankruptcy, receivership or charter revocation, including the date, court or agency and the file or cause number of the case.

D. The fiscal year end adopted by the corporation is 10/01/2005.

Under penalties of law, the undersigned incorporators/officers declare that we have examined this Certificate, including any attachments, and to the best of our knowledge and belief it is true, correct and complete, and hereby declares as indicated above. THE SIGNATURE(S) MUST BE DATED WITHIN THIRTY (30) DAYS OF THE DEIVERY DATE.

BY Mendora DATE 5/23/05  
 TITLE Rosalinda Cordova, City Administrator/City Clerk

BY Nep Ramirez DATE 5/23/05  
 TITLE Nep Ramirez, Finance Director

BY Rosa Varela DATE 5/23/05  
 TITLE Rosa Varela, Counsel Member

DOMESTIC CORPORATIONS: ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. (If more than four incorporators, please attach remaining signatures on a separate sheet of paper.)

If within sixty days, any person becomes an officer, director, or trustee and the person was not included in this disclosure, the corporation must file an AMENDED certificate signed by all incorporators, or if officers have been elected, by a duly authorized officer.

FOREIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.

CF: 0001 - Non-Profit  
Rev: 9/00

**KUTAK ROCK LLP**

SUITE 300  
8601 NORTH SCOTTSDALE ROAD  
SCOTTSDALE, ARIZONA 85253-2742

480-429-5000  
FACSIMILE 480-429-5001

www.kutakrock.com

ATLANTA  
CHICAGO  
DENVER  
DES MOINES  
FAYETTEVILLE  
IRVINE  
KANSAS CITY  
LITTLE ROCK  
LOS ANGELES  
OKLAHOMA CITY  
OMAHA  
PASADENA  
RICHMOND  
WASHINGTON  
WICHITA

JORGE C. ALBALA  
jorge.albala@kutakrock.com  
(480) 429-5000

May 26, 2005

VIA FACSIMILE 602-542-4100

Arizona Corporation Commission  
Incorporation Division - **EXPEDITED**  
1300 West Washington  
Phoenix, AZ 85007

RECEIVED

MAY 26 2005

ARIZONA CORPORATION COMMISSION  
CORPORATIONS DIVISION

Re: San Luis Facility Development Corporation

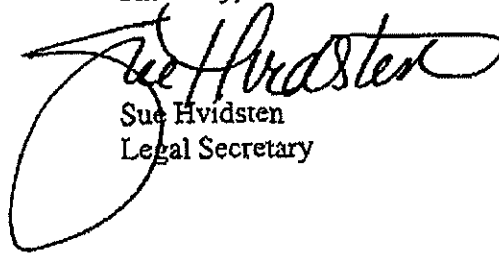
Dear Sir or Madam:

For the purpose of forming a corporation, attached are the Articles of Organization ("Articles") and Nonprofit Certificate of Disclosure ("Certificate") for the above-referenced company. Please provide me with an approved set of these Articles and Certificate.

Please bill fees for this transaction to our account number 001511.

Should you have any questions or comments, please contact me at 480-429-5000.

Sincerely,



Sue Hvidsten  
Legal Secretary

Attachment

SUITE 300  
8601 NORTH SCOTTSDALE ROAD  
SCOTTSDALE, ARIZONA 85253-2742  
480-429-5000  
FACSIMILE 480-429-5001

**FACSIMILE TRANSMISSION**

DATE: May 26, 2005

TO: ARIZONA CORPORATION COMMISSION

NAME	FAX NO.	PHONE NO.
INCORPORATION DIVISION EXPEDITED	602-542-4100	602-542-3135

If you experience any problems in receiving these pages, please call (480) 429-4875 as soon as possible. Thank you.

FROM: Jorge C. Albala

EMPL. NO.: 5087

SECRETARY: Sue Hvidsten

RE: San Luis Facility Development Corporation

CLIENT NUMBER: 154405-2	
NUMBER OF PAGES, INCLUDING COVER PAGE: 12	CONFIRM: YES

MESSAGE:

PLEASE EXPEDITE THIS REQUEST AND CHARGE THE APPLICABLE FEES TO ACCOUNT NUMBER 001511.

PLEASE ACKNOWLEDGE RECEIPT OF THE DOCUMENT TYPE DESCRIBED HEREIN.

Thank you.

RECEIVED

MAY 26 2005

ARIZONA CORP. COMMISSION  
CORPORATIONS DIVISION

**CONFIDENTIAL FACSIMILE TRANSMISSION**

The information contained in this facsimile and the accompanying pages is intended solely for the addressee(s) named above. If you are not an addressee, or responsible for delivering these documents to an addressee, you have received these documents in error and you are strictly prohibited from reading or disclosing it. The information contained in these documents is highly confidential and may be subject to legally enforceable privileges. Unless you are an addressee, or associated with an addressee for delivery purposes, you may violate these privileges and subject yourself to liability if you do anything with these documents or the information it contains other than calling us immediately at the number listed above and returning these documents to us at once.

Operator: \_\_\_\_\_

Department No. [ ]  
Profit Center No. [ ]

GROUP CODE (FAXES)	
<input type="checkbox"/>	7100 - Personal
<input checked="" type="checkbox"/>	7200 - Local
<input type="checkbox"/>	7300 - Long-Distance
<input type="checkbox"/>	7400 - International

**BYLAWS**  
**OF**  
**[SAN LUIS FACILITY DEVELOPMENT CORPORATION]**  
(An Arizona Nonprofit Corporation)

**ARTICLE I**

**NAME**

The name of the Corporation is [SAN LUIS FACILITY DEVELOPMENT CORPORATION] (hereinafter referred to as the "Corporation").

**ARTICLE II**

**MEMBERSHIP**

The Corporation shall not have any members or membership rights as such terms are defined in Section 10-3101 et seq. of the Arizona Revised Statutes, or the corresponding sections of any future Arizona nonprofit code.

**ARTICLE III**

**BOARD OF DIRECTORS**

**Section 3.01. General Powers.** The affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors shall have the powers and duties necessary for the administration of the Corporation's affairs and for the operation and maintenance of any and all Corporation property. The Directors shall in all cases act as a Board; and they may adopt such rules and regulations for the conduct of their meetings and the management of the Corporation as they deem proper, not inconsistent with these Bylaws, the Articles of Incorporation or the laws of the State of Arizona.

**Section 3.02. Other Powers and Duties.** Without limiting the generality of the foregoing, the Board of Directors shall be empowered and shall have the duties as follows:

- (a) To borrow funds and to give security therefor in order to pay any expenditure or outlay required pursuant to the authority granted by the provisions of the Articles of Incorporation and these Bylaws, and to execute all such instruments evidencing such indebtedness as the Board of Directors may deem necessary; and such indebtedness shall be the obligation of the Corporation.

(b) To establish one or more bank accounts for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors.

(c) To keep and maintain, or cause the same to be kept and maintained, detailed, accurate records in chronological order of receipts and expenditures affecting the Corporation.

(d) To prepare not less often than once per year a statement showing all receipts, expenses or disbursements since the last such statement.

(e) To meet at such intervals as shall be deemed appropriate by the Board of Directors.

(f) To buy or otherwise acquire, sell or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate or otherwise deal in and with real, personal and intangible property of all kinds and all rights or interests therein for any purpose of the Corporation.

(g) To enter into contracts for services and facilities for the benefit of the Corporation and to do all acts that a natural person could do for the benefit of the Corporation.

(h) In general, to carry on the administration of the Corporation, to do all of those things necessary and reasonable in order to carry out the governing, administration and operation of the Corporation.

**Section 3.03. Number.** The Board of Directors shall consist of five Directors.

**Section 3.04. Election and Term of Office.** Directors shall be elected to serve terms of three years. The Directors shall hold office until their successors have been elected and held their first meeting. Directors shall be elected by the City Council of the City of San Luis, Arizona (the "City").

**Section 3.05. Vacancies.** Vacancies in the Board of Directors shall be filled by the City Council of the City. Each person so elected or appointed shall be a Director for the remainder of the term of the Director so replaced.

**Section 3.06. Removal of Members of Board of Directors.** Any Director may only be removed, with or without cause, with the approval of the City Council of the City; and a successor may then and there be elected to fill the vacancy and unexpired term thus created. Any Director whose removal has been proposed shall be given an opportunity to be heard at such meeting.

**Section 3.07. Quorum.** At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business; and the act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of

Directors, unless otherwise provided in these Bylaws. If, at any meeting of the Board of Directors, there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At such adjourned meeting subsequently held, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

**Section 3.08. Annual Meetings.** An annual meeting of the Board of Directors shall be held each year in a month selected by the Board of Directors. At such annual meeting, officers of the Corporation shall be appointed by the Board of Directors.

**Section 3.09. Special Meetings.** Special meetings of the Board of Directors may be called by the President on at least twenty-four (24) hours notice to each Director, given personally or by mail, electronic transmission, telephone, telegraph or facsimile, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors may also be called by the President in like manner and on like notice upon the request of a majority of the Directors.

**Section 3.10. Location of Meetings.** All meetings of the Board of Directors shall be held at such location as shall, from time to time, be designated by the Board of Directors.

**Section 3.11. Waiver of Notice.** Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting; and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall constitute a waiver of notice by him or her of the time and place thereof; unless the Director attends the meeting for the express purpose of objecting to the transaction of any business before the meeting which is not lawfully called or convened.

**Section 3.12. Action Taken Without Meeting.** The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

**Section 3.13. Meetings by Telephone.** One or more Directors may participate in a meeting of the Board of Directors by means of a conference telephone or similar communications arrangement by which all participants in the meeting can hear each other at the same time. Such participation shall be equivalent for all purposes to attendance in person at such meeting.

## ARTICLE IV

### OFFICERS

**Section 4.01. Designation.** The principal officers of the Corporation shall be a President, one or more Vice Presidents (at the option of the Board of Directors), a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors, and such assistant officers as the Board of Directors shall, from time to time, designate. The President shall be a member of

the Board of Directors and the Vice President(s), Treasurer and Secretary may, but need not, be members of the Board of Directors.

**Section 4.02. Election and Term of Officers.** The officers of the Corporation shall be elected annually by the Board of Directors, and shall hold office at the pleasure of the Board of Directors. One person may hold concurrently any two offices; provided, however, that the offices of President and Secretary shall not be held by the same person. The office of Vice President need not be filled.

**Section 4.03. Removal of Officers.** Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his or her successor elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose.

**Section 4.04. Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by a majority vote of the members of the Board of Directors.

**Section 4.05. President.** The President shall be the chief executive officer of the Corporation and, subject to the control of the Directors, shall, in general, supervise and control all of the business and affairs of the Corporation. He or she shall preside at all meetings of the Board of Directors. He or she shall cause to be called regular and special meetings of the Board of Directors in accordance with these Bylaws. He or she shall have the power to appoint committees from among the members of the Board of Directors, from time to time as he or she may, in his or her discretion, decide is appropriate to assist in the conduct of the affairs of the Corporation. He or she shall sign and make all contracts and agreements in the name of the Corporation. He or she shall enforce these Bylaws and perform all of the duties incident to the position and office and which are required by law.

**Section 4.06. Vice President.** The Vice President shall have the powers and authority and shall perform all functions and duties of the President in the absence of the President or his or her inability, for any reason, to exercise such powers and functions or perform such duties.

**Section 4.07. Secretary.** The Secretary shall keep all minutes of the meetings of the Board of Directors and minutes of all meetings of the Corporation; he or she shall have charge of such books and papers as the Board of Directors may direct; and he or she shall, in general, perform all duties incident to the office of Secretary.

**Section 4.08. Treasurer.** The Treasurer shall have the responsibility for supervising the Corporation's funds and shall be responsible for supervising all receipts and disbursements in books belonging to the Corporation. He or she shall, in general, perform all of the duties incident to the office of Treasurer.

**Section 4.09. Agreements, Deeds, Checks, Etc.** All agreements, deeds, leases, checks and other instruments of the Corporation shall be executed by any officer of the Corporation or by any other person or persons designated by the Board of Directors.

## **ARTICLE V**

### **NONPROFIT CORPORATION**

This Corporation is a nonprofit corporation organized under Arizona law. No Director or officer shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof; and in no event shall part of the funds or assets of the Corporation be paid as salary or compensation to, or distributed to, or inure to the benefit of, any member of the Board of Directors or officer of the Corporation; provided, however, (a) that reasonable compensation may be paid to any Director or officer while acting as an agent or employee of the Corporation for services rendered in effectuating the purposes of the Corporation; and (b) that any Director or officer may, from time to time, be reimbursed for actual and reasonable expenses incurred in connection with the administration of the affairs of the Corporation.

## **ARTICLE VI**

### **AMENDMENT**

These Bylaws may be amended by the Board of Directors by a vote of two-thirds of the votes entitled to be cast by the Board of Directors at a meeting of the Board of Directors, provided that written notice has been given to each member of the Board of Directors at least two weeks prior to the date of said meeting.

## **ARTICLE VII**

### **INDEMNIFICATION**

The Corporation shall indemnify Directors and officers of the Corporation to the maximum extent permitted by Arizona law, as amended from time to time.

## **ARTICLE VIII**

To the extent permitted by applicable law, no Director or officer of the Corporation shall have individual liability for the payment or performance of debts or obligations of the Corporation.

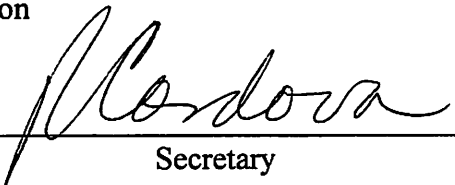
## **ARTICLE IX**

### **ENACTMENT CLAUSE**

These Bylaws of the Corporation, as amended and approved by the Board of Directors, shall become effective immediately.

IN WITNESS WHEREOF, the undersigned has hereunto set the official hand and seal of the Corporation this 11th day of October, 2005.

[SAN LUIS FACILITY DEVELOPMENT CORPORATION], an Arizona Nonprofit Corporation

By   
Secretary

February 20, 2019

City of San Luis Council.  
Re: Boards and Commissions Application.

Attached to this letter you will find my application for the Economic Development Board and the Facility Management Board. As you can observe in my application, I have a solid experience participating in social organizations boards both as a board member at large and as an executive committee member.

Being a resident of Yuma County for over 20 years and of the City of San Luis for over 9 years, I came to realize that my social organizations involvement has been with organizations that serve the City of San Luis, but whose headquarters are located in the cities of Somerton and Yuma, not in San Luis.

I believe the experience I have acquired with my participation in the organizations mentioned in my application and others I did not include to avoid over-extending the application, have equipped me with the knowledge, abilities, and skills necessary to contribute to the development of the City of San Luis. The former, plus the fact that I recently concluded the academic requirements for the Doctor in Organizational Leadership with emphasis in Organizational Development will allow me to add to the quality of the work the boards perform for the city.

Thanks in advance for considering my application and giving me the opportunity to serve my community.

Sincerely,

Carlos A. Arroyo-Pelayo



**City of San Luis  
Board and Commission  
Volunteer Appointment Application**

(Please return application to City Hall, 1090 East Union Street, P.O. Box 1170 San Luis, AZ 85364)

Name: Carlos A. Arroyo-Pelayo Date: 02/19/2019  
Residence Address: 1469 East B Street Home Phone: N/A  
Mailing Address: P O Box 2114 Alternatate Phone: (928) 271-2094

The City of San Luis requires all board and commission members to be residents of the City of San Luis. Do you live with in the corporate limits of the City of San Luis?  Yes  No  
Years Resided in San Luis 9 1/2 Years Resided in Arizona 20+

List three Boards and/or Commissions you are interested in serving on:

- 1) Facility Development Corporation 2) Economic Development Commission 3) Planning & Zoning Commission

Why are you interested in becoming a member of the Board(s) and/or Commission(s) you have selected?

After over nine years as a resident and a witness of the progress and growth the city has experience I believe is the right time to collaborate in making San Luis the best place to live and do business possible. It takes the effort of a community to create a positive change that will benefit generations to come. I am eager to put my education and experience o the service of the city of San Luis.

**Members are expected to attend all meetings of the Board/Commission unless otherwise excused. If a member is absent without excuse from three or more consecutive meetings, the City Council may remove this member from the Board/Commission and appoint another individual to serve the remainder of the term**

The time commitment required for each board and commission varies depending upon the number of scheduled meetings and preparation time for those meetings. How much time can you commit to participate on a board or commission? Please be specific, i.e. number of hours weekly, monthly or quarterly.

I can be available for meetings every two weeks from 5:00 PM up to 8:00 PM, except for Thursdays.

**\*BOARD AND COMMISSION APPLICATION\***

If a resume is attached, the Education, Work Experience and Civic Involvement portions listed below need to be completed.

<b>Education:</b>	<b>Score</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
	Low					High

School	Degree	Year
Grand Canyon University	Doctor of Organizational Leadership	Academic 2018, Graduating 2019
NAU	Master's in Education	2006
CETYS Universidad	Master's in Human Resources Mgmt.	1993
CETYS Universidad	B.S. in Planning Engineering	1983

**Work Experience:**

Company	Position	Dates
Crane School Dist.	Teacher	2014 to Present
AWC	WIA Instructor	2013 to 2014
Campeños Sin Fronteras	Deputy Director/HR Director	2012 to 2014
Gadsden School Dist.	Migrant Interventionist/Advocate	2007 to 2012

**Civic Involvements:**

Organization	Position	Dates
Sunset Community Health Center, Inc.	Board Member/Vice-Chair of the Board	2007 to 2015/2015 to Present
Campeños Sin Fronteras, Inc.	Board Member/Chair of the Board	2006 to 2009/2009 to 2012

**Additional Qualifications:**

Experienced presenter with bilingual abilities. Currently delivering consulting services south of the border in the areas of Professional Development and Human Capital Development with focus on Strategic Planning, Motivation, and Social Responsibility.

**TOTAL SCORE** \_\_\_\_\_

Personal References, including addresses and phone numbers:

- 1) Judge M. Figueroa, 350 W. Main Street, P O Box 458, Somerton, AZ, (928) 627-2722, 627-8152
- 2) David Rogers, 2060 W. 24th Street, Yuma, AZ, (928) 819-8999
- 3) Olivia Zepeda, 2020 S. Ave. 8E, Yuma, AZ, (928) 580-4174

Applicant Signature 

2-20-2019  
Date

**\*\*Applications will remain on file in the Office of the Mayor and Council for one year from the above date\*\***

**Notice:** In accordance to the San Luis City Code, Chapter 2, Section 2-4-6, The City of San Luis under Committees and Commissions states, Council may create such committees and commissions, standing or special, as it deems necessary. They shall consist of as many members and shall perform such duties as the council may require and shall exist at the pleasure of the council. For more information regarding rights and provisions of the San Luis City Codes, call (928) 341-8520

Carlos A. Arroyo-Pelayo  
P O Box 2114  
San Luis, AZ 85364  
U.S. (928) 271-2094  
[carlosaarroyop@hotmail.com](mailto:carlosaarroyop@hotmail.com)

## EDUCATION

### **Grand Canyon University, Phoenix, AZ**

D. Ed. In Organizational Leadership with  
emphasis in Organizational Development

Presently

### **Northern Arizona University, Yuma, AZ**

Master's in Education (With Distinction)

### **CETYS Universidad, Mexicali, México.**

Master's in Human Resources  
B.S. Planning Engineering

## PROFESSIONAL EXPERIENCE

### **Crane School District, Yuma, AZ.**

**2014-Present**

**Teacher** – Guide the learning process toward the achievement of curriculum goals and—in harmony with the goals—establish clear objectives for all lessons, units, projects and the like, while communicating these objectives to students. Assesses the accomplishments of students on a regular basis and provides progress reports as required.

### **Arizona Western College, WIA Program, Yuma, AZ.**

**2013-2014**

**ABE Instructor (Part time)** – Provide instruction utilizing effective teaching methods and strong communication skills to deliver course content. Establish academic goals and objective for students' success. Measure students' learning outcomes and progress.

### **Campeños Sin Fronteras, Inc., Yuma County, AZ.**

**2012-2014**

**Deputy Director/Human Resources Director** - Served as the internal leader of the organization, provided a strong day-to-day leadership presence and supported an open-door policy among all staff. Instilled a human capital development and coaching culture within CSF; upgraded human resources functions including: training, development, compensation and benefits, employee relations, performance evaluation and recruiting. Organized and supported Board of Directors monthly and special meetings, reviewed minutes and organized agenda. Covered for Executive Director when out of the office.

### **Gadsden School District, Migrant Education Program, San Luis, AZ.**

**2007-2012**

**Migrant Interventionist** – Developed and delivered instruction in the area of mathematics aimed to improve the learning experience of the migrant students attending our school. Worked with teachers, students, and parents to identify their weakness and improve their performance in a small group setting and collaborated with colleagues to identify students' learning outcomes and increase students' retention. Assisted in the organization and administration of assessments. Met and oriented parents on parenting and education issues.

**Migrant Advocate/Advisor** – Provided orientation to Migrant students and parents to ease transition into middle school/high school environment. Connected with families in order to empower and inform parents. Sponsored extracurricular Migrant student activities. Conducted after school and summer school programs for Migrant students. Made presentations at parent meetings to increase their involvement in the students' education. Implemented an intensive home visitation program to confer and assist parents on parenting and education issues related to their children's development and access to education opportunities to support healthier family and community relationships.

**Crane School District, Migrant Education Program, Yuma, AZ.**

**2004-2007**

**Migrant Advocate/Advisor** – Provided orientation to Migrant students and parents to ease transition into middle school/high school environment. Connected with families in order to empower and inform parents. Sponsored extracurricular Migrant student activities. Conducted after school and summer school programs for Migrant students. Made presentations at parent meetings to increase their involvement in the students' education. Implemented an intensive home visitation program to confer and assist parents on parenting and education issues related to their children's development and access to education opportunities to support healthier family and community relationships.

**Instructor – English as a Second Language** – Developed course structure using different engagement forms, strategies and techniques. Administered assessments using BEST.

**LANGUAGES**

English and Spanish bilingual 100%

**LICENSES AND CERTIFICATIONS**

Arizona Elementary Education Teaching Certification

- Spanish Bilingual K-12 Endorsement
- Mathematics Specialist K-8 Endorsement

Arizona Notary Public

**VOLUNTEER ACTIVITIES**

**Sunset Community Health Center (SCHC)**

**Vice-Chair of the Board**

**2015 to Present**

**Board Member**

**2007 to Present**

SCHC operates six health clinics though out Yuma County, Arizona providing primary health care, dental services, and behavioral health services with an operational budget of 32 million dollars.

Present duties include serving on the executive committee, understand the responsibilities of the board chair and be able to perform these duties in the chair's absence. Participate as a vital part of the board leadership. Attend all board meetings. Assume responsibilities of the chair in the absence of the board chair. As a board member, approving annual budget, audit reports, and material business decisions; being informed of, and meeting all legal and fiduciary responsibilities. Maintain knowledge of the organization and personal commitment to its goals and objectives. Represent SCHC at the local, state and national levels at conferences, symposiums, and workshops. Serve as the chair of the personnel committee.

**Campesinos Sin Fronteras (CSF)**

**Chair of the Boar**

**2009-2012**

**Board Member**

**2006-2012**

CSF provides health education, housing and human services to migrant & seasonal farm workers and other members of the low-income community in Yuma County, Arizona, with an operational budget of 1.5 million dollars.

Duties included serving on the executive committee. Provide governance leadership and strategic planning support. Planning, presiding over, and facilitating board and committee meetings. Partnering with the CEO to ensure that board resolutions were carried out. Being a trusted advisor to the CEO as s/he develops and implements strategic plan. As a board member, approving annual budget, audit reports, and material business decisions; being informed of, and meeting all, legal and fiduciary responsibilities. Reviewing outcomes and metrics created by the organization for

evaluating its impact, and regularly measuring its performance and effectiveness using those metrics. Coordinating an annual performance evaluation of the CEO. Assisting the CEO and Nominations Committee in recruiting board members. Periodically consulting with board members on their roles and helping them assess their performance.

## **MEMBERSHIPS**

Alpha Chi, National College Honor Society – Member  
The Honor Society of Phi Kappa Phi – Member  
Community Leadership Alliance of Yuma County (CLA) – Founding Member  
Arizona Interagency Farm Workers Service Coalition (AIFC) – Member  
Yuma County Farm Workers Service Coalition (YCFWSC) – Founding Member

## **CONFERENCE PRESENTATIONS**

AZ-TESOL Conference	Phoenix, AZ, 2005
TESOL Rocky Mountain Regional Conference	Phoenix, AZ, 2006
Arizona Interagency Farmworkers Service Coalition (AIFC)	Tucson, AZ, 2007
2007 National Migrant Education Conference	Phoenix, AZ, 2007
2008 National Migrant Education Conference	Orlando, FL, 2008
2009 National Migrant Education Conference	San Antonio, TX, 2009
2010 National Migrant Education Conference	Anaheim, CA, 2010
2011 National Migrant Education Conference	New Orleans, LA, 2011
2012 National Migrant Education Conference	Portland, OR, 2012

## **OTHER PROFESIONAL ACTIVITIES**

- U. S. Dep. of Education Title I, Part C, Parent Involvement Focus Group Participant.
- 2007 National Migrant Education Conference, Parents Subcommittee Chairperson.
- U.S. Space and Rocket Center, Space Academy for Educators, Program Instructor.
- Arizona Migrant Education Program Prospective Re-Interview Process Auditor.

## **AWARDS**

- U. S. Space & Rocket Center, Space Academy for Educators “Right Stuff” Medal
- Northern Arizona University “Community of Learners” Award and Medal

## **PUBLICATIONS**

Volunteers and Decision-Making, 2013  
Virtual Leadership, 2013  
Organization Effectiveness and Success, 2013  
Stakeholders Conflicts in Organizations, 2013  
Public Policy and Stakeholders, 2013  
Learning in a Systems Context, 2014  
Vision: Where are we Going? 2015  
Competitive Advantage, 2016

All publications available at <https://gcu.academia.edu/CarlosAArroyo>



**City of San Luis  
Board and Commission  
Volunteer Appointment Application**

(Please return application to City Hall, 1090 East Union Street, P.O. Box 1170 San Luis, AZ 85364)

Name: Marco A. Rinzon Date: 2/27/19  
Residence Address: 1544 N. IRAN AWK Home Phone: 927 722-0034  
Mailing Address: PO BOX 6281 Alternatate Phone: (927) 785-0029

The City of San Luis requires all board and commission members to be residents of the City of San Luis.  
Do you live with in the corporate limits of the City of San Luis?  Yes  No  
Years Resided in San Luis 14 yrs Years Resided in Arizona 16 yrs

List three Boards and/or Commissions you are interested in serving on:  
1) SLFDC 2) \_\_\_\_\_ 3) \_\_\_\_\_

Why are you interested in becoming a member of the Board(s) and/or Commission(s) you have selected?  
IT IS IMPORTANT TO BE PART OF BE INVOLVE IN YOUR LOCAL GOVERNMENT, TO HELP AND MAINTAIN A GOOD AND POSITIVE GOVERNMENT AGENCY.

Members are expected to attend all meetings of the Board/Commission unless otherwise excused. If a member is absent without excuse from three or more consecutive meetings, the City Council may remove this member from the Board/Commission and appoint another individual to serve the remainder of the term

The time commitment required for each board and commission varies depending upon the number of scheduled meetings and preparation time for those meetings. How much time can you commit to participate on a board or commission? Please be specific, i.e. number of hours weekly, monthly or quarterly.

ANYTHING AFTER 5PM I AM AVAILABLE. IF ANYTHING COMES BEFORE 5PM I WILL MAKE ARRANGEMENT TO BE PRESENT

**\*BOARD AND COMMISSION APPLICATION\***

If a resume is attached, the Education, Work Experience and Civic Involvement portions listed below need to be completed.

<b>Education:</b>	<b>Score</b>	1	2	3	4	5
	Low				High	

School	Degree	Year
COLEXICO H.S.	DIPLOMA	1995
IMPERIAL VALLEY COLLEGE	30 CREDITS	2002 - 2005
ARIZONA WESTERN COLLEGE	20 CREDITS	2014 2015

**Work Experience:**

Company	Position	Dates
EXPRESS LUBE	MANAGER	2012 PRESENT
Meinhardt	MANAGER	2009 - 2012
EXPRESS LUBE	MANAGER	2002 - 2009

**Civic Involvements:**

Organization	Position	Dates
CITY of San Luis	CITY COUNCIL Member	2010 - 2014
PLANNING & ZONING	Commission Member	2017 - Present
INDUSTRIAL Development	Board Member	2015 - Present

**Additional Qualifications:**

**TOTAL SCORE** \_\_\_\_\_

Personal References, including addresses and phone numbers:

- 1) ROGELIO LOYA 590 ARCELA DR S.L. (928) 919-1608
- 2) JOE DIAZ 1759 D St. S.L. 928 919-0003
- 3) ANDREI GONZALEZ (928) 580-0708

Applicant Signature \_\_\_\_\_ Date 2-27-19

**\*\*Applications will remain on file in the Office of the Mayor and Council for one year from the above date\*\***

**Notice:** In accordance to the San Luis City Code, Chapter 2, Section 2-4-6, The City of San Luis under Committees and Commissions states, Council may create such committees and commissions, standing or special, as it deems necessary. They shall consist of as many members and shall perform such duties as the council may require and shall exist at the pleasure of the council. For more information regarding rights and provisions of the San Luis City Codes, call (928) 341-8520.



## AGENDA ITEM REVIEW FORM

### Regular City Council Meeting

5.E.

**Meeting Date:** 03/13/2019

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

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

**Action Requested:** Motion  
Ordinance

#### ITEM:

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)**

- A. Motion to approve the reading of Ordinance No. 389 by title only  
(City Clerk to read Ordinance No. 389 by title only)
- B. Action on Ordinance No. 389

#### SUMMARY:

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 1982 code provision on Officers was never amended after a 2009 amendment to the code changed how the Chief of Police is appointed, and a 2014 amendment changed how the Clerk is appointed. The following table shows the conflicting provisions.

Section 3-1-1 of the 1982 Code Now Codified as Section 31-01	Amendments
CHAPTER 31: CITY OFFICERS  § 31.01 OFFICERS. There is hereby created the offices of City Manager, City Clerk, City Marshal (Chief of Police), City Attorney and City Magistrate who shall be appointed by the Council, and who shall serve at the pleasure of the Council, but subject to § 31.26.  (Prior Code, § 3-1-1)	CHAPTER 32: POLICE DEPARTMENT  § 32.02 APPOINTMENT OF OFFICERS.  The Chief of Police shall be appointed by the City Manager, whose appointment shall be confirmed by the City Council, and shall serve at the pleasure of the City Manager on terms and conditions as may be approved by the City Council. The Chief of Police shall be subject to the direction of the City Manager. . . .  (Prior Code, § 4-1-2) (Ord. 9, passed 6-26-1980; Ord. 245, passed 9-13-2006; Ord. 281, passed 12-22-2009)

CHAPTER 31: CITY OFFICERS  
§ 31.21 CITY CLERK.

(A) . . . The City Clerk shall be appointed and removed by the City Manager subject to ratification of the Council, . . .

(Ord. 331, passed 11-12-2014)

This Ordinance deletes the Chief of Police and City Clerk from the earlier code (Section 31.01), creates a chapter for the provisions on the City Clerk and moves the definition of City Marshal (same as Chief of Police) to the chapter on the Police Department.

**RECOMMENDATION / SUGGESTED MOTION:**

**A. I MOVE TO APPROVE THE READING OF ORDINANCE NO. 389 BY TITLE ONLY.**

(City Clerk to read Ordinance No. 389 by title only)

**B. I MOVE TO APPROVE AND ADOPT ORDINANCE NO. 389.**

N/A

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**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 merely a cleanup ordinance. There is no fiscal impact related to this item.

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**Attachments**

Ordinance No. 389

Ord No. 281 passed 2009

Ord No. 331 passed 2014

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# *Ordinance*

OFFICE OF THE  
MAYOR  
CITY OF SAN LUIS

**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.**

**WHEREAS**, in 1982, City Council passed Ordinance No. 282 establishing a Town Code;

**WHEREAS**, Section 3-1-1 of the 1982 Town Code included that the City Clerk and the Chief of Police as officers who served at the pleasure of City Council;

**WHEREAS**, on December 22, 2009, City Council passed Ordinance No. 281, which provides that the City Manager shall appoint the Chief of Police, the City Council shall confirm the appointment and approve the employment contract, and the Chief of Police serves at the pleasure of the City Manager;

**WHEREAS**, on November 12, 2014, City Council passed Ordinance No. 331, which provides that the City Manager shall appoint the City Clerk subject to ratification by the City Council;

**WHEREAS**, the 1982 provisions for City Clerk and Chief of Police that contradict the later ordinances remained in the current code under Chapter 31 at Section 31.01;

**WHEREAS**, Chapter 31 should only contain those offices that serve at the pleasure of the City Council;

**WHEREAS**, Section 31.21 regarding the Clerk should be moved to a Chapter created for the Clerk; and

**WHEREAS**, Section 31.22 regarding the Chief of Police should be moved to Chapter 32 regarding the Police Department;

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and City Council of the City of San Luis, Arizona, as follows:

**Section 1.** City Code Section 31.01 shall be amended to read:

§31.01 OFFICERS.

There is hereby created the offices of City Manager, City Attorney and City Magistrate who shall be appointed by the Council, and who shall serve at the pleasure of the Council, but subject to § 31.26.

**Section 2.** City Code Section Number 31.21 shall be reserved and shall read:

§31.21 RESERVED.

**Section 3.** There shall be created in the City Code a new Chapter numbered 31A and titled, "City Clerk."

**Section 4.** The contents of City Code Section 31.21 shall be renumbered in Chapter 31A. as Section 31A.01 and shall read:

§ 31A.01 CITY CLERK:

(A) *Creation of office; appointment; duty and responsibility generally.* The Office of the City Clerk is created and established. All officers and employees assigned to that office shall perform their duties subject to the supervision of the City Clerk, who shall report directly to the City Manager. The City Clerk shall supervise the department in accordance with applicable personnel ordinances and shall exercise such powers and perform such duties as are conferred and required by applicable ordinance, resolution or other lawful directives. The City Clerk shall be appointed and removed by the City Manager subject to ratification of the Council, and shall serve and receive such compensation as shall be determined in accordance with applicable personnel policies. It shall be the duty of the City Clerk, or his or her deputy or designee, to attend all meetings of the Council unless by request he or she is excused therefrom by the Mayor individually or by the Council. The City Clerk shall be responsible for recording minutes and presenting them to the Council for approval.

(B) *Specific duties.* The duties of the Clerk shall be as follows:

(1) *Signatures.* The Clerk shall seal and attest all licenses, permits and such other documents as shall require the formality.

(2) *Treasurer.* The duties of treasurer of the city shall be delegated to the Finance Director, who shall have the care, control and custody of the money of the city.

(3) *Agendas.* The Clerk shall prepare the agenda of Council meetings.

(4) *Elections.* The Clerk shall be in charge of and responsible for the conduct of all city elections.

(5) *Records management.* The Clerk shall be the custodian of all city records, as follows:

(a) *Documents not assigned to other officers.* The Clerk shall be the custodian of all documents belonging to the city which are not assigned to the custody of some other officer.

(b) *Maintenance of indices.* The Clerk shall keep and maintain a proper index to all documents and records kept by him, so that ready access thereto and use thereof may be had.

(c) *Maintenance of official documents and records.* The Clerk shall maintain all official documents and records of the city.

(6) *Additional duties.* In addition to the duties provided in this section, the Clerk shall perform such other duties and functions as may be required by statute, ordinance, or other direction of the Mayor and City Council

**Section 5.** City Code Section Number 31.22 shall be reserved and shall read:

§31.22 RESERVED.

**Section 6.** The contents of City Code Section 31.22 defining the City Marshal as the Chief of Police shall be incorporated into City Code Section 32.01 and Section 32.01 shall read:

§ 32.01 CREATED; COMPOSITION.

There is hereby established a Police Department. The Police Department shall be composed of a chief and other personnel as are authorized by the Council. The City Marshal shall be the Chief of Police.

**PASSED, ADOPTED and APPROVED** by the Mayor and City Council of the City of San Luis, Yuma County, Arizona this \_\_\_\_day of March, 2019.

\_\_\_\_\_  
Gerardo Sanchez, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Sonia Cornelio, City Clerk

\_\_\_\_\_  
Kay Marion Macuil, City Attorney



# *Ordinance*

OFFICE OF THE  
MAYOR  
CITY OF SAN LUIS

## **ORDINANCE NO. 281**

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF SAN LUIS, ARIZONA AMENDING THE CITY CODE BY REPEALING THE POSITION OF PUBLIC SAFETY DIRECTOR AND AMENDING PROVISIONS REGARDING THE POLICE DEPARTMENT AND THE FIRE DEPARTMENT; REPEALING ANY CONFLICTING PROVISIONS; AND PROVIDING FOR SEVERABILITY

Whereas, the City of San Luis pursuant to Ordinance No. 245 created the position of Public Safety Director and eliminated the positions of Chief of Police and Fire Chief;

Whereas, the position of Public Safety Director was never filled; and

Whereas, the City Council desires to eliminate the position of Public Safety Director and return to an organizational structure of a Police Department headed by a Chief of Police and a Fire Department headed by a Fire Chief;

NOW THEREFORE BE IT ORDAINED, by the Mayor and Council of the City of San Luis, State of Arizona, as follows:

Section 1: Section 3-2-8 of the City Code of the City of San Luis, entitled Public Safety Director, is hereby repealed.

Section 2: Section 4-1-1 of the City Code is hereby amended to read as follows:

Sec. 4-1-1 Created; Composition

There is hereby established a police department. The police department shall be composed of a chief and such other personnel as are authorized by the council.

Section 3: Section 4-1-2 of the City Code is hereby amended to read as follows:

Sec. 4-1-3 Composition of Officers

The Chief of Police shall be appointed by the City Manager, whose appointment shall be confirmed by the City Council, and shall serve at the pleasure of the City Manager on such terms and conditions as may be approved by the City Council. The Chief of Police shall be subject to the direction of the City Manager. The City Manager shall provide for the appointment of as many police officers as may from time to time be deemed necessary for the safety and good order of the city.

Section 4: Section 4-1-4 of the City Code is hereby amended to read as follows:

Sec. 4-1-4 Departmental Rules and Regulations

The police department shall be operated and managed in accordance with such departmental rules and regulations as may from time to time be recommended by the chief of police and approved by the city manager.

Section 5: Section 4-2-1 of the City Code is hereby amended to read as follows:

Sec. 4-2-1 Created; Composition

There is created a Fire Department for the city which shall consist of a Fire Chief and as many firemen as may from time to time be deemed necessary by the City Manager for the safety and good order of the city.

Section 6: Section 4-2-2 of the City Code is hereby amended to read as follows:

Sec. 4-2-2 Departmental Rules and Regulations

The Fire Department shall be operated and managed in accordance with such departmental rules and regulations as may from time to time be recommended by the Fire Chief and approved by the City Manager.

Section 7: Section 4-2-3 of the City Code is hereby amended to read as follows:

Sec. 4-2-3 Compensation

The Fire Chief and the firemen shall be compensated as may be determined by council.

Section 8: Section 4-2-4 of the City Code is hereby amended to read as follows:

Sec. 4-2-4 Appointment, Powers and Duties of Chief

The Fire Chief shall be appointed by the City Manager, whose appointment shall be confirmed by the City Council, and shall serve at the pleasure of the City Manager on such terms and conditions as may be approved by the City Council. The Fire Chief shall be subject to the direction of the City Manager. It shall be the duty of the Fire Chief to:

- A. Be accountable for the personnel, morale and general efficiency of the fire department;
- B. Direct the operations of the fire department, subject to the rules and regulations thereof;
- C. Be present at all fires, if possible, and plan and direct the extinguishment thereof. During the progress of a fire the authority of the fire chief shall be absolute in all matters directly concerning the extinguishment of fire and the disposition of property endangered by it;
- D. Conduct suitable drill or instruction in the operation and handling of equipment, first aid and rescue work, salvage, a study of buildings in the city, water supplies and all other matters generally considered essential to good firemanship and safety of life and property from fire;
- E. Assist the proper authorities in suppressing the crime of arson by investigating or causing to be investigated the cause, origin and circumstances of all fires;
- F. Inspect buildings and premises and serve written notice upon the owner or occupant to abate, within a specified time, any and all fire hazards that may be found. For the purpose of conducting such inspection, the chief is empowered to enter any and all buildings and premises within the city at any reasonable hour. Any person served with such written notice shall comply and notify the chief of his compliance within a reasonable time;
- G. Keep complete records of all fires, inspections, apparatus and equipment personnel and other information about the work of the department open to inspection by the city manager and furnish to the city manager such information upon request;
- H. Enforce or cause to be enforced all ordinances, laws and regulations of the city and state, insofar as they pertain to fire and safety.

Section 8: Section 4-2-5 of the City Code is hereby amended to read as follows:

Sec. 4-2-5 Appointment and Duties of Firemen

The City Manager shall provide for the appointment of as many firemen as may from time to time be deemed necessary for the safety and good order of the city. The firemen shall be subject to supervision by the Fire Chief.


Section 9: In the event of a conflict between the provisions of this Ordinance and any other ordinance, code, resolution, regulation, or policy of the City of San Luis, the conflicting provisions are hereby repealed, superseded, and replaced.

Section 10: If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

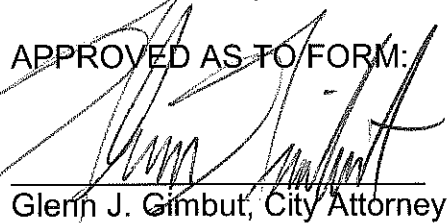
PASSED AND ADOPTED by the Mayor and Council of the City of San Luis, Arizona, this 22nd day of December, 2009.

  
Juan Carlos Escamilla, Mayor

ATTEST:

  
\_\_\_\_\_  
Sonia Guello, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Glenn J. Gimbut, City Attorney

CONFORMED COPY  
2014-25212 MISCELLANEOUS  
11/25/2014 11:29:41 AM Pages: 6 Fees: \$8.50  
Requested By: CITY OF SAN LUIS  
Recorded By: nvasquez  
Robyn Stallworth Pouquette County Recorder, YUMA County AZ



**WHEN RECORDED MAIL TO:**

**CITY OF SAN LUIS  
ATTN: SONIA CORNELIO, CITY CLERK  
P.O. BOX 1170  
SAN LUIS, ARIZONA 85349**

The above area is to be reserved for recording information

\*\*\*\*\*

**CAPTION HEADING:**

Ordinance No. 331:  
Amending the San Luis City Code Title III-Administration



# Ordinance

OFFICE OF THE  
MAYOR  
CITY OF SAN LUIS

NO. 331

AN ORDINANCE OF THE CITY OF SAN LUIS, ARIZONA, AMENDING THE SAN LUIS CITY CODE TITLE III-ADMINISTRATION; CHAPTER 31-CITY OFFICERS; CHAPTER 32-POLICE DEPARTMENT; CHAPTER 33-FIRE DEPARTMENT AND CHAPTER 35-FINANCES; REPEALING ANY CONFLICTING PROVISIONS; AND PROVIDING FOR SEVERABILITY.

WHEREAS, the City Council adopted the San Luis City Code on October 10, 2012; and,

WHEREAS, there is a need periodically to update said Code to reflect current conditions; and,

WHEREAS, current city operations are not reflected in the administrative positions as described in Chapter 31 and Chapter 32, and therefore need to be updated; and,

WHEREAS, Chapter 33, Fire Department, contains certain references to Fire Codes that have been superseded and therefore need to be amended; and,

WHEREAS, Chapter 35 of the City Code has remained unchanged since the City of San Luis was first incorporated as a Town more than thirty years ago, at a time when the City Manager controlled all operations concerning city finances and the duties of finance director, and, as a result only reflect the form of use of warrants in the event the issuance of warrants becomes necessary; and,

WHEREAS, current city financial operations are conducted by a finance department, yet these operations are not reflected in Chapter 35, therefore, it is desired to update these provisions to coincide with current operations; and,

WHEREAS, Chapter 35, City Tax Code needs to be updated to reflect the most recent tax code amendments that have been adopted by City Council.

NOW THEREFORE BE IT ORDAINED by the Mayor and Council of the City of San Luis, Arizona as follows:

SECTION 1: That Chapter 31, City Officers, § 31.02, Treasurer and Collector of Taxes, of the City Code of the City of San Luis, Arizona shall be and is hereby repealed.

SECTION 2: That Chapter 31, City Officers, § 31.20, City Manager, subsection 31.20(A)(5)(i) of the City Code of the City of San Luis, Arizona regarding the powers and duties of the City Manager shall be amended to read as follows:

(i) Supervise the purchase of all materials, supplies, and equipment for which funds are provided in the budget; let contracts necessary for operation or maintenance of city services in accordance with the purchasing provisions of the City Code; receive sealed bids for purchase or contracts in accordance and present them to Council for approval in accordance with the purchasing provisions of the City Code or state or federal law, and advise the City Council on the advantages or disadvantages of contract or bid proposals. The Manager may issue rules governing purchasing procedures within the administrative organization as Council shall approve.

SECTION 3: That Chapter 31, City Officers, Section 31.21, City Clerk, of the City Code of the City of San Luis, Arizona shall be amended to read as follows:

§ 31.21 City Clerk.

(A) Creation of office; appointment; duty and responsibility generally.

The Office of the City Clerk is created and established. All officers and employees assigned to that office shall perform their duties subject to the supervision of the City Clerk, who shall report directly to the City Manager. The City Clerk shall supervise the department in accordance with applicable personnel ordinances and shall exercise such powers and perform such duties as are conferred and required by applicable ordinance, resolution or other lawful directives. The City Clerk shall be appointed and removed by the City Manager subject to ratification of the Council, and shall serve and receive such compensation as shall be determined in accordance with applicable personnel policies. It shall be the duty of the City Clerk, or his or her deputy or designee, to attend all meetings of the council unless by request he or she is excused therefrom by the Mayor individually or by the Council. The City Clerk shall be responsible for recording minutes and presenting them to the council for approval.

(B) Specific duties.

The duties of the clerk shall be as follows:

(1) Signatures. The clerk shall seal and attest all licenses, permits and such other documents as shall require the formality.

(2) Treasurer. The duties of treasurer of the city shall be delegated to the finance director, who shall have the care, control and custody of the money of the city.

(3) Agendas. The clerk shall prepare the agenda of council meetings.

(4) Elections. The clerk shall be in charge of and responsible for the conduct of all city elections.

(5) Records management. The clerk shall be the custodian of all city records, as follows:

a. Documents not assigned to other officers. The clerk shall be custodian of all documents belonging to the city which are not assigned to the custody of some other officer.

b. Maintenance of indices. The clerk shall keep and maintain a proper index to all documents and records kept by him, so that ready access thereto and use thereof may be had.

c. Maintenance of official documents and records. The clerk shall maintain all official documents and records of the city.

(6) Additional duties. In addition to the duties provided in this section, the clerk shall perform such other duties and functions as may be required by statute, ordinance, or other direction of the mayor and city council.

SECTION 4: That Chapter 31, City Officers, § 31.22, City Marshal, of the City Code of the City of San Luis, Arizona be amended to read as follows:

The Marshal shall be the Chief of Police.

SECTION 5: That Chapter 32, Police Department, § 32.03, of the City Code of the City of San Luis, Arizona be amended to delete “Tax Collector” from the duties of the Chief of Police.

SECTION 6: That Chapter 33, Fire Department, § 33.09, Acknowledgment of Right-of-Way, of the City Code of the City of San Luis, Arizona be amended to change 600 feet to 500 feet to be consistent with State law.

SECTION 7: That Chapter 33, Fire Department, § 33.10, Fire Alarms, of the City Code of the City of San Luis, Arizona be amended to change the title of this section to “False Fire Alarms” and further amended to read as follows:

It is unlawful for any person knowingly to turn in or cause to be turned in a false fire alarm.

SECTION 8: That Chapter 33, Fire Department, § 33.12, Adoption of the Uniform Fire Prevention Code, of the City Code of the City of San Luis, Arizona be repealed as this section has been superseded by § 150.008 of the San Luis City Code entitled “ADOPTION OF NFPA1: UNIFORM FIRE CODE 2003.”

SECTION 9: That the title of Chapter 35, Finances, of the City Code of the City of San Luis, Arizona is hereby amended to be “Chapter 35, Finance Department.”

SECTION 10: That Chapter 35, Finances, §35.01, Issuance of Warrants, of the City Code of the City of San Luis, Arizona is hereby renumbered to be §35.02.

SECTION 11: That §35.01, Finance Department; Creation; Composition; Finance Officer’s Duties; Bond shall be added to the City Code of the City of San Luis, Arizona to read as follows:

§35.01 Finance Department; Creation; Composition; Finance Officer’s Duties; Bond

(A) There is created a finance department.

(B) The finance department shall consist of the finance officer, who shall be the head of the department and all employees assigned thereto. All such employees shall perform their duties subject to the supervision of the finance officer, who shall operate under the direction of the manager and report to the manager. The finance officer shall supervise the department in accordance with the personnel policies of the city and shall exercise such powers and perform such duties as are customarily conferred and required by this Code, applicable ordinances, resolutions or lawful directives. The finance officer shall be appointed by the manager and shall be in the classified service of the city. It shall be the duty of the finance officer to:

- (1) Monitor and oversee the city accounting system.
- (2) Be responsible for implementing the purchasing rules and regulations of the city in accordance with Chapter 36 of the City Code
- (3) Exercise general supervision and control over all inventories of the city.
- (4) Administer and serve as liaison for assessment collection of city's privilege taxes.
- (5) Encumber funds.
- (6) Oversee the collection of enterprise revenues in conjunction with the Utilities Department of the City.
- (7) Oversee grants and intergovernmental agreements and provide financial liaison and coordinating assistance to participating agencies and city departments.

- (8) Coordinate annual audit activities with independent auditors.
- (9) Oversee city payroll in conjunction with the Human Relations Department of the City.
- (10) Pay lawful bills submitted to the city in accordance with the budget adopted by the council and appropriations made by the council.
- (11) Oversee and supervise, in a reasonable and prudent manner, investments of city monies in accordance with city policies and state law.

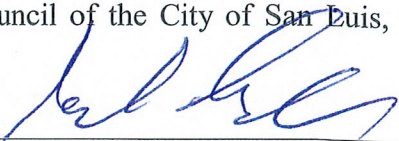
(C) As the office shall be performing the duties of Treasurer, it shall be subject to those bonding provisions of state law.

SECTION 12: That Chapter 35, Finances, § 35.15, City Tax Code, "ADOPTED BY REFERENCE", of the City Code of the City of San Luis, Arizona be amended to show the most recent City Tax Code amendments that have been adopted by Ordinance.

SECTION 13: In the event of a conflict between the provisions of this Ordinance and any other ordinance, resolution, regulation, or policy of the City of San Luis, the conflicting provisions are hereby repealed, superseded, and replaced, and the provisions of this Ordinance shall govern.

SECTION 14: If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction such decision shall not affect the validity of the remaining portions of this Ordinance.

PASSED AND ADOPTED by the Mayor and Council of the City of San Luis, Arizona, this 12<sup>th</sup> day of November 2014.

  
Gerardo Sanchez, Mayor

ATTEST:

  
Sonia Cornelio, City Clerk

APPROVED AS TO FORM:

  
Glenn Gimbut, City Attorney



## AGENDA ITEM REVIEW FORM

### Regular City Council Meeting

5.F.

**Meeting Date:** 03/13/2019

**Department Head:** Lizandro Galaviz, Director of Parks & Recreation, Parks & Recreation Department

**Submitted By:** Crystal Fragozo, Administrative Assistant, Parks & Recreation Department

**Action Requested:** Discussion Item - No Action to be  
Taken  
Motion

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### ITEM:

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)**

### SUMMARY:

Year after year the Parks & Recreation Department has strived in providing our community with great entertainment for our 4th of July festivities. This year, we are working very hard to continue to amaze our community with great musical performances that make their 4th of July experience memorable. That is why we currently have a proposal regarding an amazing musical guests Los Chatos, La Cachimba & Inspector, for our 4th of July event. These musical performers provide a festive and upbeat musical act that we believe our community will enjoy. Inspector is a Ska band from Nuevo Leon, Mexico who has produced many hits such as Amargo Adios and toured many countries around the world. Los Chatos are a rock band who perform tributes to many legendary rock bands in the United States & Mexico. La Cachimba is a Calexico/Mexicali band who will perform Spanish rock classics for our community during our Fourth of July celebration. We are confident that these musical performers will provide a great atmosphere and amazing live entertainment for our community who deserve the very best Fourth of July Celebration.

Staff would like to present this contract as a potential musical performance for the upcoming Fourth of July Celebration. Staff is currently working on other bands who may be able to participate in this celebration as well. Once the agreements are received, staff will once again present them to Council for direction. Staff is also open to any recommendations and directions from Council so that this Fourth of July Celebration can be a great success.

If Council decides to recommend moving forward with the musical guests mentioned above, staff would like to consider the promoter, Eder Flores doing business as La Cachimba Promotions, to be the sole source provider since he is the Authorized Agent/Business Manager for La Cachimba, Los Chatos and Inspector. Musical artists are unique. Therefore under Purchasing Code §36.02 - Exclusive Services, where Mr. Flores is the sole provider in booking these professional musical performers, other quotes or bidding is not required. Staff would request that City Council approve the contract between the City of San Luis and professional musical bands, La Cachimba, Los Chatos and Inspector, whose manager is Mr. Eder Flores for the 2019 Fourth of July Celebration.

If this request of sole source provider were to be approved, staff is requesting to use a prepaid account to pay the deposit of \$4,400.00. Per the Performance Agreement Section 2: Compensation, as

compensation for such concert, the City shall on or before the end of the first set of the performance on the date of the concert pay the Representative, a total fee of \$8,800.00. The City agrees to pay one-half of this fee on or before March 21, 2019, and the remainder on or before the time of performance on July 04, 2019.

**RECOMMENDATION / SUGGESTED MOTION:**

**I MOVE TO APPROVE THE CONTRACT WITH LA CACHIMBA BOOKING IN THE AMOUNT OF \$8,800.00 AS PRESENTED.**

N/A

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**Fiscal Impact**

<b>IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:</b>	YES
<b>CITY/STATE/FEDERAL FUNDS:</b>	CITY
<b>TOTAL:</b>	\$8,800.00
<b>BUDGETED AMOUNT:</b>	Budgeted for Fiscal Year 2019
<b>AVAILABLE AMOUNT TO TRANSFER:</b>	N/A
<b>ACCT NAME &amp; GL#/REMAINING BALANCE BEFORE PURCHASE:</b>	Special Services - 100-145-80005

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

Fiscal impact as described above.

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**Attachments**

Band Contract  
Exclusive Service / Sole Source Request  
Invoice

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## **PERFORMANCE AGREEMENT**

This agreement ("Agreement") is made this \_\_\_\_ day of March 2019, the date of the last Party to sign, between Eder Ramiro Flores doing business as La Cachimba Booking of 920 West L. Moreno Street, Calexico, CA 92231 (the "Representative") and the City of San Luis, incorporated under the laws of Arizona, having its principal office at 1090 East Union Street, P.O. Box 1170, San Luis, Arizona 85349 (the "City"). The Representative represents La Cachimba, Los Chatos, and Inspector (the "Bands"). The City and the Representative may be referred to individually as the "Party" and collectively as the "Parties."

### **SECTION 1. PERFORMANCE OF CONCERT**

Pursuant to the terms and provisions of this Agreement, Representative shall cause the Bands to perform a concert at the Joe Orduño Park, 965 North Park Avenue, San Luis, Arizona, at approximately the following times:

- Los Chatos at 7:15 p.m. on July 4<sup>th</sup>, 2019 for the duration of one hour.
- La Cachimba at 8:30 pm on July 4<sup>th</sup>, 2019 for the duration of one hour.
- Inspector at 10:30 pm on July 4<sup>th</sup>, 2019 for the duration of one hour and fifteen minutes.

City shall be responsible for providing the stage and any public address or sound equipment for the performance.

### **SECTION 2. COMPENSATION**

As compensation for such concert, the City shall on or before the end of the first set of the performance on the date of the concert pay the Representative, a total fee of \$8,800.00. The City agrees to pay one-half of this fee on or before March 21, 2019 and the remainder on or before the time of performance on July 4, 2019.

### **SECTION 3. SECURITY**

City shall provide sufficient security so that no unauthorized person will have access to the stage area or backstage area. The Representative will provide names of persons or guests authorized to be backstage. If security backstage passes and/or laminates are to be used, a representative of the Representative will supply to the City a photo copy of the pass system to be used for the performance.

City shall also provide security for the purpose of the general safety of the event.

City shall take reasonable precautions to prevent theft or damage of the Representative's musical instruments and equipment set-up for the performance under this Agreement.

#### **SECTION 4. ADVERTISING**

The City agrees to use its best efforts to promote the performance under this Agreement in local media and community calendars. The Representative shall supply to the City graphics and/or photos to support the promotion.

#### **SECTION 5. NO RECORDING**

The concert to be given under this Agreement shall not be broadcast or recorded in any manner or form, without the prior, express, and written consent of Representative.

#### **SECTION 6. INABILITY OF THE REPRESENTATIVE TO PERFORM**

Neither Representative nor the Band shall be liable to City for Band's failure to appear or perform by reason of or due to the illness or physical disability, except for return of all monies paid under this Agreement.

#### **SECTION 7. CANCELATION**

If a Party cancels for reasons other than those in Section 6, the following liquidated damages apply. In the event that the City or the Representative cancels the concert 14 to 35 days before the date of the performance under this Agreement, the cancelling Party will pay the other Party one-half (50%) of the fee in the amount of \$4,400.00 as liquidated damages. In the event the City or the Representative cancels the concert 13 days or fewer before the performance, the cancelling Party will pay the other Party the full amount of the fee of \$8,800.00.

#### **SECTION 8. INSURANCE**

The Representative shall at its expense, for the performance contracted hereunder: (1) insure the instruments and equipment belonging to the Representative against, theft, loss or damage; (2) carry public liability insurance providing for a minimum of \$1,000,000.00 per person, \$2,000,000.00 per occurrence and/or accident, \$2,000,000.00 aggregate, and \$1,000,000.00

for property damage; and (3) procure a policy for accident or damages on or to the premises, under the control or use of Joe Orduño Park, in the amounts set forth in item (2) above.

The Representative shall procure, pay for, and deliver to City the policies of insurance covering the risks described in the preceding paragraph. All insurance companies issuing such policies shall have what is commonly known as an "A" rating with A.M. Best Company and shall insure City. Certificates of insurance shall be delivered to City before the effective date of this Agreement, and new policies shall be delivered fourteen (14) days before the old policies expire. If the Representative fails to deliver the policies in the manner stated to City, City may obtain the required policies and charge their costs to the Representative, and the City may deduct these costs from any sums due and owing to the Representative. If the policy or policies of insurance is/are a "claims made" policy, it/they shall be maintained for two (2) years following termination of this Agreement.

All such insurance policies shall be first payable in case of loss by means of a standard noncontributory clause, shall be written by such companies, on such terms, in such form and for such periods and amounts as the City shall from time to time designate or approve, shall be primary and without right of contribution from other insurance which may be available, shall waive any right of setoff, counterclaim, subrogation, or any deduction in respect of any liability of the Representative or City, shall provide that with respect to the City, the insurance shall not be invalidated by any action or inaction by the Representative, including but not limited to any representations made by the Representative in the procurement of such insurance, and shall provide that they shall not be cancelled or amended without at least [30] days' prior written notice to the City. The Representative grants the City full power and authority as attorney irrevocable of the Representative to cancel or transfer such insurance, to collect and endorse any checks issued in the name of the Representative and to retain any premium and to apply the same to the obligations promised by this Agreement.

## **SECTION 9. ASSIGNMENT**

Neither Party shall assign or transfer this Agreement without the prior, express, and written consent of the other Party.

## **SECTION 10. NOTICES**

Any notice given in connection with this Agreement shall be given in writing and delivered either by hand through a process server to the Party or by overnight delivery service the Party at that Party's address stated at the top of this Agreement. Any Party may change its notice address by giving written notice of the change in accordance with this section.

**SECTION 11.  
GOVERNING LAW**

It is agreed that this Agreement shall be governed by, construed, and enforced in accordance with the laws of Arizona. The venue for any cause of action shall be in the courts of the State of Arizona.

**SECTION 13.  
ARBITRATION OF DISPUTES**

All disputes, claims, and questions regarding the rights and obligations of the Parties under the terms of this Agreement are subject to arbitration. Either Party may make a demand for arbitration by filing such demand in writing with the other Party within 30 days after the dispute first arises. After such demand, arbitration shall be conducted by an arbitrator agreed to by both Parties acting under the rules of commercial arbitration of the American Arbitration Association.

**SECTION 14.  
MISCELLANEOUS PROVISIONS**

**Required e-verify:** Pursuant to A.R.S. §41-4401(A), the Representative warrants its compliance with all federal immigration laws and regulations that relate to its employees and its compliance with § 23-214, subsection A, e-verify. A breach by the Representative of this warranty shall be deemed a material breach of the contract that is subject to penalties up to and including termination of the contract. The City retains the legal right to inspect the papers of any contractor or subcontractor employee who works under this Agreement to ensure that the Representative or Representative's subcontractor or subcontractors are complying with this warranty.

**Notice of Arizona Conflict of Interest Law:** This contract is subject to cancellation if there is a conflict of interest under the provisions of A.R.S. § 38-511.

**Non-Liability of City Officials and Employees:** Except for mandamus and other special actions, no member, official or employee of the City shall be personally liable to the Representative, or any successor in interest, in the event of any default or breach by the City or for any amount that may become due to the Representative or successor, or under any obligation under the terms of this Agreement.

**Israel Certificate:** Representative hereby certifies that it is not boycotting Israel nor will it boycott Israel for the duration of this Agreement.

**Headings:** The descriptive headings of the paragraphs of this Agreement are inserted for convenience only, and shall not control or affect the meaning or construction of any of the provisions of the Agreement.

**Authority:** The undersigned represent to each other that they have full power and authority to enter into this Agreement, and that all necessary actions have been taken to give full force and effect to this Agreement. The Representative and the City warrant to each other that the individuals executing this Agreement on behalf of their respective Parties are authorized and empowered to bind the Party on whose behalf each individual is signing.

**Attorney's Fees and Costs:** If either Party brings a legal action either because of a breach of this Agreement or to enforce a provision of this Agreement, the prevailing Party will be entitled to reasonable attorney's fees and court costs.

**No Third-Party Beneficiaries:** There are no third-party beneficiaries to this Agreement, and no person or entity not a Party hereto shall have any right or cause of action hereunder.

**Timing:** Time is of the essence.

**Counterparts:** This Agreement may be executed in counterparts, any of which shall be deemed to be an original

## **SECTION 15. BUSINESS LICENSE**

Representative shall obtain a City of San Luis, Arizona business license before the City shall make any payments.

## **SECTION 16. SEVERABILITY**

The invalidity of any portion of this Agreement shall not be deemed to affect the validity of any other provision. If any provision of this Agreement is held to be invalid, the Parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both Parties subsequent to the expungement of the invalid provision.

## **SECTION 17. ENTIRE AGREEMENT**

This Agreement shall constitute the entire Agreement between the Parties and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either Party except to the extent incorporated in this Agreement.

## **SECTION 18. MODIFICATION OF AGREEMENT**

Any modification of this Agreement, rider or additional obligation assumed by either Party in connection with this Agreement shall be binding only if placed in writing and signed by each


Party or an authorized representative of each Party.

The Parties have executed this Agreement in the day, month and year first set forth above.

City of San Luis, Arizona

La Cachimba Booking

\_\_\_\_\_  
Tadeo Azael De La Hoya  
City Manager

  
\_\_\_\_\_  
Eder Flores  
Representative for Los Chatos, La Cachimba,  
& Inspector.

Attest:

Approved as to form

\_\_\_\_\_  
Sonia Cornelio  
City Clerk

\_\_\_\_\_  
Kay Marion Macuil  
City Attorney



# City of San Luis

## Parks & Recreation Department

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Recreation Youth Center Cultural Center Aquatic Center Parks

### Exclusive Service/Sole Source Request

February 16, 2019

To: Monica Castro, Finance Director

Angelica Cifuentes, Procurement and Budget Compliance Officer

From: Louie Galaviz Parks and Recreation Director

Jesus Meza Asst. Parks and Recreation Director

RE: Contract with Eder Flores doing business as La Cachimba Promotions (Authorized Agent/Business Manager for La Cachimba, Los Chatos and Inspector)

Requesting under §36.02 if there is one firm, company, or individual capable of providing the service or commodity, and that service or commodity cannot be acquired from others, those services or commodities can be acquired without bidding. Since there is no requirement of bidding pursuant to this section, a waiver by Council when it approves such a purchase is not required. It is appropriate that there be a written explanation explaining why quotes were not obtained. Because this is a unique service, because if one wishes a concert performance from these particular performing artists, it is something that cannot be acquired from others, bidding would serve no purpose other than unnecessary time, expense, and effort on the part of city staff. This memo is offered as that explanation.

Louie Galaviz



Parks and Recreation Director

**Eder Flores****INVOICE**

920 W L Moreno St.  
 Callexico, CA 92231

INVOICE #1019  
 DATE: 2/16/2019

**TO:**  
 City of San Luis  
 Parks & Recreation Department  
 1015 N. Main Street  
 San Luis, AZ 85349  
 (928) 341-8535

MANAGER	P.O. NUMBER	REQUISITIONER	CONTACT PERSON	EVENT DATE	TERMS
Eder Flores	N/A	Parks & Recreation Dept.	Jesus Meza	July 04, 2019	Due on receipt

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
1	Entertainment performance deposit requested for La Cachimba, Los	\$4,400.00	\$4,400.00
	Chatos and Inspector, professional entertainers participating in the 2019		
	Fourth of July Celebration on Thursday July 04, 2019 at the Joe Orduño		
	Park from 6:00 pm – 12:00 am. Deposit is requested to be made by		
	Thursday March 21, 2019 to secure booking of entertainment		
	Performances.		
1	Remaining balance due at the end entertainment performance	\$4,400.00	\$4,400.00
	on Thursday July 04, 2019.		

SUBTOTAL	\$8,800.00
SALES TAX	\$0.00
SHIPPING & HANDLING	n/a
TOTAL DUE	\$8,800.00

Make all checks payable to Eder Flores.

**THANK YOU FOR YOUR BUSINESS!**



## AGENDA ITEM REVIEW FORM

### Regular City Council Meeting

5.G.

**Meeting Date:** 03/13/2019

**Department Head:** Jose A. Guzman, Director of Planning & Zoning, Planning & Zoning Department

**Submitted By:** Jose A. Guzman, Director of Planning & Zoning, Planning & Zoning Department

**Action Requested:** Motion  
Ordinance  
Public Hearing

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### ITEM:

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

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

### SUMMARY:

The property is located on 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 and common areas.

### GENERAL PLAN:

This area is designated as Neighborhood in the City of San Luis 2020 General Plan. The activities proposed will be consistent with that designation (Chapter 2, Page 19-20). The Neighborhood Land Use designation allows all types of residential development.

### ANALYSIS:

In 2007, the Arizona Legislature adopted legislation that required municipalities to certify that all new subdivision had an assured 100-year water supply. On February 11, 2011, the City of San Luis was designated by the Arizona Department of Water Resources (ADWR) as having a 100-year adequate water supply. Consequently, individual subdivisions do not have to submit additional certification.

### PLANNING AND ZONING COMMISSION MEETING:

This item was presented to the Planning and Zoning Commission during their regular meeting of January 8, 2019.

Review comments were sent out to the applicant's engineer on December 24, 2018. At the time of the Commission meeting, staff did not receive the revised plans, in an effort to be proactive and be more

development friendly, staff recommended approval of the final plat for Subdivision Case No. 2018-0634F. The recommendation was subject to the condition that before presenting this item to City Council, the applicant had to address the review comments. The Planning Commission approved staff's recommendations.

The applicant submitted the revised plans on January 17, 2019. When the plans were submitted the development was changed from condominiums to townhouses. Due to the change, the plans were mostly the same but required an extensive review because different regulations apply to condominiums and townhouses. Staff reviewed the revised plans and send out comments to the applicant in a letter dated February 24, 2019.

The revised plans were resubmitted on March 7, 2019. Staff reviewed the revised plans and send out comments to engineering on comments letter dated March 7, 2019.

**SUMMARY:**

Staff recommends approval of Subdivision Case No. 2018-0634F subject to the conditions of approval attached to this report.

**RECOMMENDATION / SUGGESTED MOTION:**

**I MOVE TO CONTINUE THIS ITEM UNTIL THE APPLICANT HAS ADDRESSED THE STAFF COMMENTS TO STAFF'S SATISFACTION.**

N/A

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**Fiscal Impact**

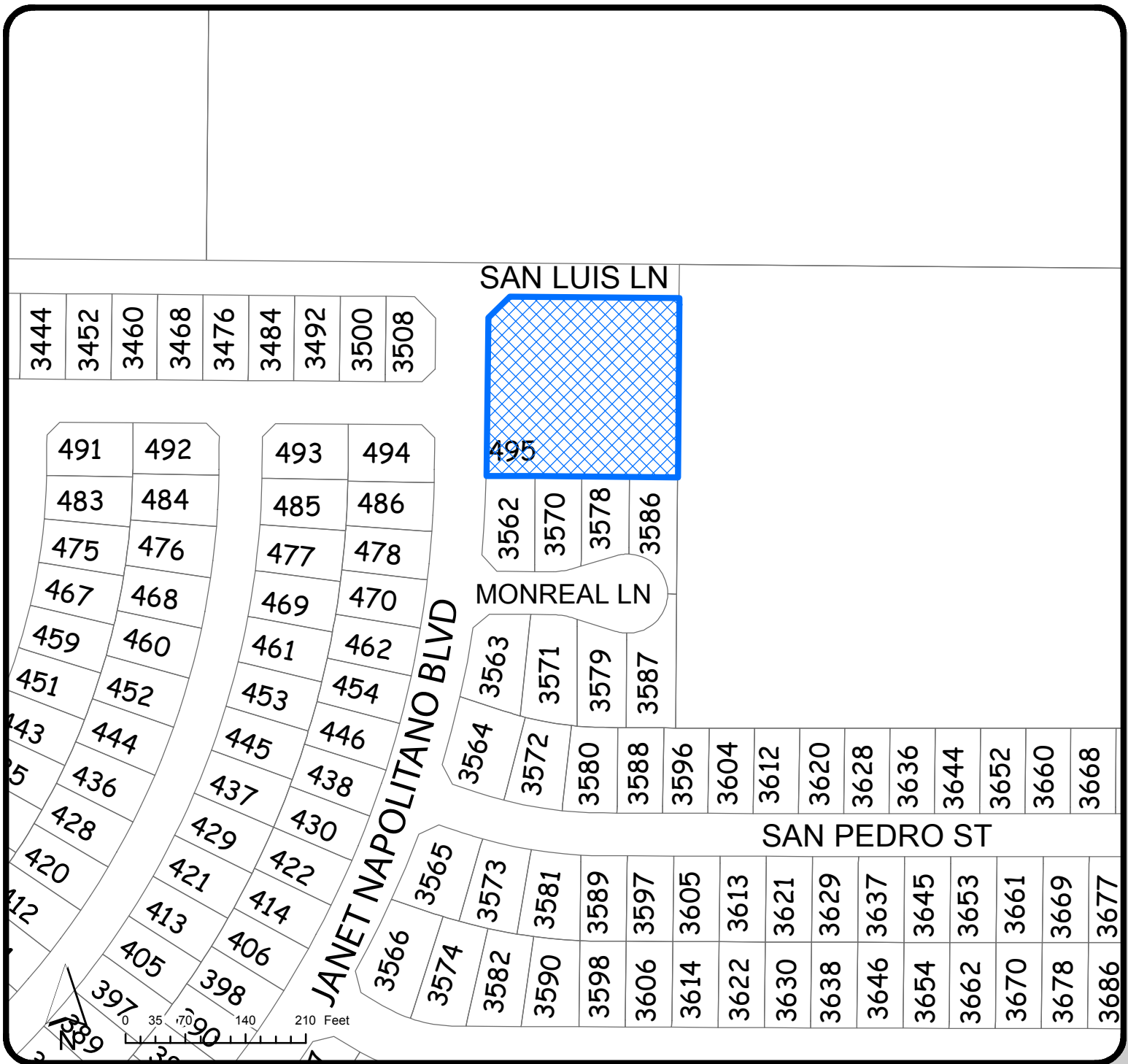
**IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:** N/A  
**CITY/STATE/FEDERAL FUNDS:** N/A  
**TOTAL:** N/A  
**BUDGETED AMOUNT:** N/A  
**AVAILABLE AMOUNT TO TRANSFER:** N/A  
**ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE:** N/A  
**FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):**  
N/A

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**Attachments**

Location Map  
Aerial Picture  
Yuma County Airport Authority Comments (11-28-18)  
Arizona Game and Fish Department Comments (12-6-18)


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LOCATION OF SUBJECT PROPERTY

# Location Map

SUBDIVISION

 Parcel: 777-52-900  
 Address: 495 N JANET NAPOLITANO BLVD  
 Legal: Subdivision: BIENESTAR ESTATE 9B TRACT B Section: 09 Township: 11S Range: 24W

**Date:**  
11/26/18

**Checked By:**  
ROMAN PACHECO



**Prepared By:**  
ISAAC GUTIERREZ

**APPROVED BY:**  
JOSE A. GUZMAN

**Case No.**  
2018-0634F



LOCATION OF SUBJECT PROPERTY

# Location Map

# SUBDIVISION



Parcel: 777-52-900

Address: 495 N JANET NAPOLITANO BLVD

Legal: Subdivision: BIENESTAR ESTATE 9B TRACT B Section: 09 Township: 11S Range: 24W

**Date:**

11/26/18

**Checked By:**

ROMAN PACHECO

PLANNING AND ZONING



GIS

**Prepared By:**

ISAAC GUTIERREZ

**APPROVED BY:**

JOSE A. GUZMAN

**Case No.**

2018-0634F



November 27, 2018

**SUBDIVISION CASE NUMBER: 2018-0634F**

**CASE SUMMARY:** A request by Vianey Vega, Vega and Vega Engineering, P.L.C., on behalf of Comite de Bienestar Inc., property owner, for the Final Plat approval for Bienestar Estates Condominiums. This subdivision will contain approximately 1.05 acres and is proposed to be divided into 12 condominiums and three tracts for private road, utilities, landscape and common areas, Assessor's Parcel No. 777-52-900 located at 495 N. Janet Napolitano Boulevard, San Luis, Arizona (Tract "B" – Bienestar Estates 9B Subdivision).

**PUBLIC MEETING: January 8, 2019**

**COMMENTS DUE: December 6, 2018**

Your comments on this case will help us prepare an accurate and timely staff report. Your comments on this case will be inserted "as is" into the staff report with your name, department, and telephone number, should the applicant have any questions. Your comments are a public record and will be available to the public, media, and the applicant, in addition to the Commission hearing this case. Please complete the section below and return via e-mail. For additional information please contact the Planning and Zoning Department at (928) 341-8563 or at [P&Z@cityofsanluis.org](mailto:P&Z@cityofsanluis.org).

Thank you,

Jose A. Guzman  
Director of Planning and Zoning  
Attachment: Location Map, & Final Plat

COMMENTS       NO COMMENTS

**Enter Comments below:**

The property is located near Rolle Airfield where aviation activity is expected to increase in the near future. It is recommended to submit an Avigation Easement acknowledging aviation activities. Thank you for the opportunity to comment.

**Date:**

11/28/18

**Agency:**

Yuma County Airport Authority

**Phone:**

928-726-5882

**Return to:** [P&Z@cityofsanluis.org](mailto:P&Z@cityofsanluis.org)



November 27, 2018

**SUBDIVISION CASE NUMBER: 2018-0634F**

**CASE SUMMARY:** A request by Vianey Vega, Vega and Vega Engineering, P.L.C., on behalf of Comite de Bienestar Inc., property owner, for the Final Plat approval for Bienestar Estates Condominiums. This subdivision will contain approximately 1.05 acres and is proposed to be divided into 12 condominiums and three tracts for private road, utilities, landscape and common areas, Assessor's Parcel No. 777-52-900 located at 495 N. Janet Napolitano Boulevard, San Luis, Arizona (Tract "B" – Bienestar Estates 9B Subdivision).

**PUBLIC MEETING: January 8, 2019**

**COMMENTS DUE: December 6, 2018**

Your comments on this case will help us prepare an accurate and timely staff report. Your comments on this case will be inserted "as is" into the staff report with your name, department, and telephone number, should the applicant have any questions. Your comments are a public record and will be available to the public, media, and the applicant, in addition to the Commission hearing this case. Please complete the section below and return via e-mail. For additional information please contact the Planning and Zoning Department at (928) 341-8563 or at [P&Z@cityofsanluis.org](mailto:P&Z@cityofsanluis.org).

Thank you,

Jose A. Guzman  
Director of Planning and Zoning  
Attachment: Location Map, & Final Plat

.....  
 COMMENTS       NO COMMENTS

**Enter Comments below:**

The Department recommends utilizing the Online Environmental Review Tool (<https://azhgis2.esri.com>) to obtain baseline information on Special Status Species, Arizona's Species of Greatest Conservation Need, and Species of Economic and Recreation Importance as well as project specific recommendations.

**Date:**

12/6/2018

**Agency:**

Arizona Game and Fish Department

**Phone:**

(928)341-4069

**Return to:** [P&Z@cityofsanluis.org](mailto:P&Z@cityofsanluis.org)



## AGENDA ITEM REVIEW FORM

### Regular City Council Meeting

6.A.

**Meeting Date:** 03/13/2019

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

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

**Action Requested:** Motion

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### ITEM:

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)**

### SUMMARY:

The Regional Center for Border Health (Border Health) is in the process of building a Medical Mall to be located just off Avenue E near 24<sup>th</sup> Street. Western Alliance Bank is providing construction financing. The U.S. Department of Agriculture (USDA) is providing permanent financing. One of the conditions of the construction loan is that Border Health grants Western Alliance Bank a lien on all property interests of Border Health. One of those property interests is a 2001 lease for land parcels the San Luis Public Health Community Facilities District (District) entered into with Border Health. It is a thirty-year lease which ends in December 2031 (12 years and about 9 months left on it). A copy of the lease is attached. At the end of the lease, the District (City) will get back all parcels being leased plus an additional parcel, plus all improvements. This is a development for the Walk-In Clinic that cost Border Health over 3 million at the outset. Under the terms of the lease, there is a first lien in favor of USDA as the lender for the Walk-In Clinic. This is a lien on the leasehold. In other words, if foreclosed, all they would get is the right to lease the land from the District under the terms of the lease. A second lien on the leasehold means if foreclosed, they must satisfy the first lien and still lease from the District under the terms of the lease. Since there really is no equity here, why any lien at all? The answer is that this is a federal requirement of loan for the Medical Mall, that the lender gets a lien on everything, whether it makes sense or not. The terms of the lease require that the Board must approve any lien that is to be placed on the property. As a result, a request is made for board approval. Staff is recommending approval conditioned upon the lien terminating upon any termination of the lease. By this condition, it will not interfere in any property interest of the District.

### RECOMMENDATION / SUGGESTED MOTION:

**I MOVE 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 EAST 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.**

N/A

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**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):**

There is no fiscal impact to this item. The District (City) will get the parcels back at the termination of the lease with or without the lien.

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**Attachments**

Lease

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LEASE AGREEMENT

This Lease is made and executed on the 5th day of December, 2001, by and between SAN LUIS PUBLIC HEALTH COMMUNITY FACILITIES DISTRICT (City of San Luis, Arizona), which is a Community Facilities District having its offices at 23222 First Street, P.O. Box 1170, San Luis, Arizona, 85349, hereinafter referred to as "Lessor", and WESTERN ARIZONA AREA HEALTH EDUCATION CENTER, INC. (WAAHEC), a nonprofit corporation organized and existing under the laws of the State of Arizona, having its principal office at 202 S. First Ave., Suite 102, Yuma, Arizona, hereinafter referred to as "Lessee".

SECTION ONE  
DEMISE, DESCRIPTION, AND USE OF PREMISES

A. Lessor leases to Lessee and Lessee leases from Lessor, for the purpose of conducting on the premises any lawful business, and specifically for the purpose of constructing a facility in which WAAHEC will manage the proposed Regional Center for Border Health, the certain premises located in the City of San Luis, Yuma County, Arizona, and more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference.

B. As used in this Lease Agreement, the term "premises" refers to the real property described herein and any improvements located on the property from time to time during the term of this Lease Agreement.

SECTION TWO  
TERM

The term of this Lease shall be a period of thirty (30) years commencing on the date of loan closure and the first day financing is available for construction as referenced herein. Lessee agrees to give notice to Lessor of the date of loan closure within a period of ten (10) days of close. The date contained in said notice shall be

considered the date of commencement of this lease.

It is understood that Lessee will be obtaining financing to construct a Border Health Facility as provided in Sections Seven and Eleven herein. The term of said financing shall not exceed thirty (30) years. In the event the debt for said financing acquired by Lessee to construct the Border Health Facility is not retired on or before the end of the term of this lease, Lessee shall have a right to extend the term of this lease for such length of time as may be necessary to retire the debt incurred by said financing, but said extension shall not exceed a period of an additional ten (10) years. In the event of a need for extension, written notice shall be given to the Lessor by Lessee at least ninety (90) days prior to expiration of the initial term of this lease with the requested additional period of lease extension. Lessee agrees to provide such documentation as may be requested by Lessor to establish the status of retirement of said construction financing and the need for such additional term. Any extension of this lease shall not be for any period longer than needed for retirement of said debt. The period of extension shall be established in writing and approved by both Lessor and Lessee. Lessor agrees to not unreasonably withhold approval of said extension.

**SECTION THREE**  
**RENT**

Lessee, as rent, agrees to pay all legal costs and expenses of the CFD incurred up to the date of loan closure as referred to herein. Said costs and expenses shall not exceed \$7,500.00. Lessee additionally, during the term of this lease, agrees to pay an amount in rent equal to the administrative costs of the Lessor said sum to not exceed the amount of \$2,500.00 during any calendar year. Lessor agrees to bill Lessee for said administrative charges and Lessee shall pay those charges within thirty (30) days of receipt. Failure to timely pay rent shall be considered a material breach of this Lease Agreement.

As additional rent, Lessee will be acquiring an additional lot for parking, said parcel being described on Exhibit "B" hereto. Said lot shall be deeded to the Lessor upon the termination of this lease or upon payment of the indebtedness described in Section 7 herein, whichever first occurs, free and clear of all liens.

**SECTION FOUR**  
**POSSESSION**

Possession of the leased premises shall be granted to Lessee on or before the first day of commencement of the term of this lease referred to in Section Two herein.

**SECTION FIVE**  
**WASTE AND NUISANCE PROHIBITED**

Lessee shall not commit, or suffer to be committed, any waste on the demised premises, or any nuisance.

**SECTION SIX**  
**LESSOR'S RIGHT OF ENTRY**

Lessee shall permit Lessor to enter upon the demised premises at all reasonable times for the purpose of inspecting the premises.

**SECTION SEVEN**  
**ENCUMBRANCE OF LESSEE'S LEASEHOLD INTEREST**

It is understood and agreed that Lessee will encumber by mortgage or deed of trust, or other proper instrument, its leasehold interest and estate in the demised premises, together with all buildings and improvements placed by Lessee on the premises, as security for any indebtedness of Lessee. The beneficiary of such deed of trust or holder of such mortgage or lien shall hereinafter be referred to as the "First Lien Holder." The execution of any mortgage, or deed of trust, or other instrument, or any sale, either by judicial proceedings or by virtue of any power reserved in a mortgage or deed of trust, or conveyance by Lessee to the holder of the indebtedness, or the exercising of any right, power, or privilege reserved in any mortgage or deed of trust, shall not be held as a violation of any of the terms or conditions of this lease agreement, or as an assumption by the holder of the indebtedness personally of the obligations of this lease agreement. No encumbrance, foreclosure, conveyance, or exercise of right shall relieve Lessee from its liability under this Lease Agreement.

**SECTION EIGHT**  
**FURTHER LEASING AND ASSIGNMENT**

A. Lessee may lease the premises in whole or in part without Lessor's consent, but the making of any such lease shall not release Lessee from, or otherwise affect in any manner, any of Lessee's obligations under this Lease Agreement.

B. Lessee shall not assign or transfer this Lease Agreement, or any interest in this Lease Agreement, without the prior, express, and written consent of Lessor, which consent may not be unreasonably withheld, and a consent to an

assignment shall not be deemed to be a consent to any subsequent assignment. Any assignment without consent shall be void, and shall, at the option of Lessor, terminate this Lease Agreement.

C. Save and except for the provisions of Section Seven above, neither this Lease Agreement nor the leasehold estate of Lessee nor any interest of Lessee under this Lease Agreement in the demised premises or any buildings or improvements on the demised premises shall be subject to involuntary assignment, transfer, or sale, or to assignment, transfer, or sale by operation of law in any manner whatsoever. Any such attempted involuntary assignment, transfer, or sale shall be void and of no effect and shall, at the option of Lessor, terminate this Lease Agreement.

**SECTION NINE**  
**NOTICES**

A. All notices, demands, or other writings in this Lease Agreement provided to be given or made or sent, or which may be given or made or sent, by either party to the other, shall be deemed to have been fully given or made or sent when made in writing and deposited in the United States mail, registered and postage prepaid, and addressed as follows:

TO LESSOR: District Manager, 23222 First Street, P.O. Box 1170, San Luis, Arizona, 85349.

TO LESSEE: Executive Director, 202 S. First Ave., Suite 102, P.O. Box 5715, Yuma, Arizona 85366

TO CITY OF SAN LUIS: City Manager, 23222 First Street, P.O. Box 1170, San Luis, Arizona, 85349.

TO FIRST LIEN HOLDER: United States Department of Agriculture, \_\_\_\_\_

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B. The address to which any notice, demand, or other writing may be given or made or sent to any party as above provided may be changed by written notice given by such party as above provided.

**SECTION TEN**  
**TAXES AND ASSESSMENTS**

A. *Taxes.* Lessee shall pay and discharge as they become due, promptly and before delinquency, all taxes, assessments, rates, charges, license fees, municipal liens, levies, excises, of every name, nature and kind whatsoever, including all governmental charges of whatsoever name, nature, or kind, which may be levied, assessed, charged, or imposed, or which may become a lien or charge on or against the demised premises, or any part of the demised premises, the leasehold of Lessee in and under this Lease Agreement, the premises described in this Lease Agreement, any building or buildings, or any other improvements now or hereafter on the demised premises, or on or against Lessee's estate created by this Lease Agreement that may be a subject of taxation, or on or against Lessor by reason of its ownership of the fee underlying this Lease Agreement, during the entire term of this Lease Agreement, excepting only those taxes specifically excepted below.

B. *Contesting taxes.* If Lessee shall in good faith desire to contest the validity or amount of any tax, assessment, levy, or other governmental charge agreed in this section to be paid by Lessee, Lessee shall be permitted to do so, and to defer payment of such tax or charge, the validity or amount of which Lessee is so contesting, until final determination of the contest, upon given to Lessor written notice thereof prior to the commencement of any such contest, which shall be at least fifteen (15) days prior to delinquency.

#### SECTION ELEVEN

#### CONSTRUCTION OF REGIONAL CENTER FOR BORDER HEALTH FACILITY

A. Lessee shall undertake its best efforts to construct a facility in which WAAHEC will manage a Regional Center for Border Health. In the event that Lessee is unable, for any reason, to commence construction of the facility on or before December 1, 2001, either party terminate this Lease Agreement by giving to the other thirty (30) days written notice thereof.

B. *Alterations, improvements, and changes permitted.* Lessee shall have the right to alter, improve, and make changes to any building that may from time to time be on the premises as Lessee may deem necessary.

C. *Disposition of new improvements.* Any new building constructed by Lessee on the premises, and all alterations, improvements, changes, or additions made in or to the premises shall be the property of Lessor, and Lessee shall have only a leasehold interest therein, subject to the terms of this Lease Agreement.

#### SECTION TWELVE

#### REPAIRS AND DESTRUCTION OF IMPROVEMENTS

A. *Maintenance of improvements.* Lessee shall, throughout the term of this Lease Agreement, at its own cost, and without any expense to Lessor, keep and maintain the premises, including all buildings and improvements of every kind that may be a part of the premises, and all appurtenances to the premises, including sidewalks adjacent to the premises, in accordance with the terms of the first deed of trust encumbering this lease and the building and improvements to be placed upon the premises and, except as specifically provided in this Lease Agreement, restore and rehabilitate any improvements of any kind that may be destroyed or damaged by fire, casualty, or any other cause whatsoever.

B. *No obligation by Lessor to make improvements.* Lessor shall not be obligated to make any repairs, replacements, or renewals of any kind, nature, or description, whatsoever to the demised premises or any buildings or improvements on the demised premises.

C. *Lessee's compliance with laws.* Lessee shall, at all times, also comply with and abide by all federal, state, county, municipal, and other governmental statutes, ordinances, laws, and regulations affecting the demised premises, the improvements on or any activity or condition on or in the premises, including, but not limited to, the zoning ordinances and building codes of the City of San Luis.

D. *Damage to and destruction of improvements.* The damage, destruction, or partial destruction of any building or other improvement that is a part of the demised premises shall not release Lessee from any obligation under this Lease Agreement, except as expressly provided below. In case of damage to or destruction of any such building or improvement, Lessee shall at its own expense promptly repair and restore it to a condition as good or better than that which existed prior to the damage or destruction. Without limiting the obligations of Lessee, it is agreed that the proceeds of any insurance covering damage or destruction shall be made available to Lessee for repair or replacement.

E. *Damage or destruction occurring toward end of term.* In spite of anything to the contrary in the immediately preceding paragraphs of this section, in case of destruction of the building on the premises or damage to the building from any cause so as to make it untenable occurring during the last five years of the term of this Lease Agreement, Lessee, if not then in default under this Lease Agreement, may elect to terminate this Lease Agreement by written notice served on Lessor within ninety (90) days after the occurrence of the damage or destruction. In the event of such termination, there shall be no obligation on the part of Lessee to repair or restore the building or improvements nor any right on the part of Lessee to receive any proceeds collected under any insurance policies covering the building or any part of the building. On such

termination, taxes, assessments, and any other sums payable by Lessee to Lessor, save and except the deeding of the lot as additional rent referred to in Section Three hereunder, under this Lease Agreement shall be prorated as of the termination date. In the event any rent, taxes, or assessments shall have been paid in advance, Lessee shall not be entitled to any rebate for any such payment for the unexpired period for which payment shall have been made.

F. *Election not to terminate.* If, in the event of destruction or damage during the last five years of the term of this Lease Agreement, Lessee does not elect to terminate this Lease, the proceeds of all insurance covering the damage or destruction shall be made available to Lessee for repair or replacement, and Lessee shall be obligated to repair or rebuild the building as provided above.

### SECTION THIRTEEN UTILITIES

Lessee shall fully and promptly pay for all water, gas, electric, telephone service, and other public utilities of every kind furnished to the premises throughout the term of this Lease Agreement, and all other costs and expenses of every kind whatsoever of or in connection with the use, operation, and maintenance of the premises and all activities conducted on the premises, and Lessor shall have no responsibility of any kind for any such utilities.

### SECTION FOURTEEN LIENS

*Lessee's duty to keep premises free of liens.* Except as provided by Section 7 of this lease agreement and except as may otherwise be approved by a duly adopted resolution of Lessor, which approval Lessor agrees will not be unreasonably withheld, Lessee shall keep all and every part of the premises and all buildings and other improvements at any time located on the premises free and clear of any and all mechanics, material suppliers, and other liens for or arising out of or in connection with work or labor done, services performed, or materials or appliances used or furnished for or in connection with any operations of Lessee, any alteration, improvement, or repairs or additions that Lessee may make or permit or cause to be made, or any work or construction, by, for, or permitted by Lessee on or about the premises, or any obligations of any kind incurred by Lessee, and at all times promptly and fully to pay and discharge any and all claims on which any such lien may or could be based, and to indemnify Lessor and all of the premises and all buildings and improvements on the premises from and against any and all such liens and claims of liens and suits or other proceedings pertaining to the premises.

SECTION FIFTEEN  
REDELIVERY OF PREMISES

A. At the expiration or earlier termination of this Lease Agreement, Lessee shall peaceably and quietly quit and surrender to Lessor the premises in good order and condition subject to the other provisions of this Lease Agreement.

B. In the event of the non-performance by Lessee of any of the covenants of Lessee undertaken in this Lease Agreement, this Lease Agreement may be terminated as provided elsewhere in this instrument.

SECTION SIXTEEN  
INSURANCE

A. *Indemnification.* To the fullest extent permitted by law, the Lessee shall defend, indemnify and hold harmless the Lessor, its agents, officers, officials, and employees from and against all tortious claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted from the acts, errors, omissions, work, or services of Lessee, its agents, officers, officials, and employees or its subtenants, their agents, officers, officials, and employees, or any matter arising from or relating to Lessee's or their subtenants' use and occupancy of the demised premises of any nature, kind, or description, whatsoever. Lessee's duty to defend, hold harmless and indemnify Lessor, its agents, officers, officials, and employees shall arise in connection with any tortious claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting therefrom, caused by any acts, errors, omissions, work, or services of Lessee, its agents, officers, officials, and employees or its subtenants, their agents, officers, officials, and employees, or any matter arising from or relating to Lessee's or their subtenants' use and occupancy of the demised premises of any nature, kind, or description, whatsoever. The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

B. *Liability Insurance.*

(i) *Insurance Requirements.* Lessee shall purchase and maintain in effect throughout the term of lease stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of B++6, or approved unlicensed in the State of Arizona with policies and forms satisfactory to the Lessor. Lessee's insurance shall be primary insurance as respects the Lessor, and any insurance or self-insurance

maintained by the Lessor shall not contribute to it. Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the Lessor. The insurance policies, except Workman's Compensation, shall contain a waiver of transfer rights of recovery (subrogation) against the Lessor, its agents, officers, officials and employees for any claims arising out of any acts, errors, omissions, work, or services of Lessee, its agents, officers, officials, and employees or its subtenants, their agents, officers, officials, and employees, or any matter arising from or relating to Lessee's or their subtenants' use and occupancy of the demised premises of any nature, kind, or description, whatsoever. The Lessor reserves the right to request and to receive, within ten (10) working days, certified copies of any and all of the herein required insurance policies and/or endorsements. The Lessor shall not be obligated, however, to review same or to advise Lessee of any deficiencies in such policies and endorsements, and such receipt shall not relieve Lessee from, or deemed a waiver of, the Lessor's right to insist on strict fulfillment of Lessee's obligations under this Lease Agreement. The insurance policies required by this Lease Agreement shall name the Lessor, its agents, officers, officials, and employees as Additional Insureds.

(ii). *Liability Insurance.* Lessee shall maintain in effect throughout the term of this lease broad form personal injury and property damage liability insurance covering the premises in amounts of *at least* \$1,500,000.00 for injury to or death of any one person, and \$3,000,000.00 for injury to or death of any number of persons in one occurrence, and property damage liability insurance in the amount of *at least* \$1,000,000.00.

#### SECTION SEVENTEEN NOTICE OF DEFAULT

A. Lessee shall not be deemed to be in default under this Lease Agreement unless Lessor shall first give to Lessee and to the First Lien Holder, thirty (30) days written notice of the default and Lessee and/or the First Lien Holder fails to cure the default within thirty (30) days, or, if the default is of such a nature that it cannot be cured within 30 days, Lessee and/or the First Lien Holder fails to commence to cure the default within the period of thirty (30) days or fails thereafter to proceed to the curing of the default with all possible diligence.

B. *Lessor's rights in the event of Lessee's default.* If Lessee shall fail or neglect to observe, keep, or perform any of the covenants, terms, or conditions contained in this Lease Agreement on its part to be observed, kept, or performed, and the default shall continue for a period of ten (10) days after written notice from Lessor to both the Lessee and the First Lien Holder setting forth the nature of Lessee's default,

then and in any such event, Lessor shall have the right at its option, on written notice to Lessee and the First Lien Holder, to terminate this Lease Agreement and all rights of Lessee under this Lease Agreement shall then cease, without further notice or demand of any kind.

**SECTION EIGHTEEN**  
**EFFECT OF EMINENT DOMAIN**

A. *Effect of total condemnation.* In the event the entire demised premises shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this Lease Agreement shall terminate and expire as of the date of such taking, and Lessee shall then be released from any liability thereafter accruing under this Lease Agreement.

B. *Effect of partial condemnation.* In the event a portion of the demised premises shall be so appropriated or taken and the remainder of the property shall not be suitable for the use then being made of the property by Lessee, or if the remainder of the property is not one undivided parcel of property, Lessee shall have the right to terminate this Lease Agreement as of the date of the taking on giving to Lessor written notice of termination within forty-five (45) days after Lessor has notified Lessee in writing that the property has been so appropriated or taken.

C. *No termination upon partial taking.* If there is a partial taking and Lessee does not so terminate this Lease agreement, then this Lease Agreement shall continue in full force and effect as to the part not taken, and the rental to be paid by Lessee during the remainder of the term, shall remain in full force and effect without adjustment of any kind, nature, or description.

D. *Condemnation award.* In the event of the termination of this Lease Agreement by reason of the total or partial taking of the premises by eminent domain, then in any such condemnation proceedings, Lessor and Lessee shall be free to make claim against the condemning or taking authority for the amount of any damage done to them, respectively, as a result of the condemning or taking.

**SECTION NINETEEN**  
**SURRENDER OF LEASE**

The voluntary or other surrender of this Lease Agreement by Lessee, or a mutual cancellation of this Lease Agreement, shall not work a merger, and shall, at the option of Lessor, terminate all or any existing leases, subleases or subtenancies, or may, at the option of Lessor, operate as an assignment to it of any or all such leases, subleases

or subtenancies.

SECTION TWENTY  
EFFECT OF LESSEE'S HOLDING OVER

Any holding over after the expiration of the term of this Lease Agreement, with the consent of Lessor, shall be construed to be a tenancy from month-to-month, and shall otherwise be on the terms and conditions specified in this Lease Agreement, so far as applicable.

SECTION TWENTY-ONE  
GENERAL PROVISIONS

A. *Time is of Essence; Binding Effect*

Time is of the essence of this agreement. Such agreement shall be binding upon and inure to the benefit of the heirs, personal representatives, successors, and assigns of the parties.

B. *Waiver*

If either party fails to require the other party to perform any provision of this Lease Agreement, that failure does not prevent the party from later enforcing that provision. Neither party is released from any responsibilities or obligations imposed by law or this Lease Agreement if the other party fails to exercise a right or remedy.

C. *Governing Law and Venue*

(i) The laws of the State of Arizona govern this Agreement as to validity, interpretation, and performance. The parties must institute and maintain any legal actions or other judicial proceedings arising from this Agreement in a court of competent jurisdiction in Yuma County, Arizona.

(ii) This agreement is subject to the cancellation provisions of Arizona Revised Statute §38-511, as amended.

D. *Severability*

If any terms, parts, or provisions of this Agreement are for any reason invalid or unenforceable, the remaining terms, parts, or provisions are nevertheless valid enforceable.

E. *Counterparts*

This agreement may be executed in multiple counterparts, each of which shall constitute one and the same instrument.

F. *Attorney Fees and Costs*

If either party brings an action or proceeding for failure to observe any of the terms or provisions of this agreement, the prevailing party may recover, as part of the action or proceeding, all litigation, arbitration and collection expenses, including, but not limited to, witness fees, court costs, and reasonable attorneys fees.

G. *Integration*

This Agreement contains the entire agreement between the parties, and no oral or written statements, promises, or inducements made by either party or its agents not contained or specifically referred to in this Agreement is valid or binding. All modifications to this agreement must be in writing, signed in endorsed by the parties.

H. *Interpretation*

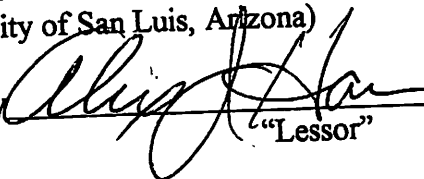
In interpreting the provisions of this lease, the agreement shall not be construed either for or against either party, but this agreement shall be interpreted in accordance with the general tenor of the language in an effort to reach an equitable result.

**SECTION TWENTY-TWO**  
**ADDITIONAL DOCUMENTS**

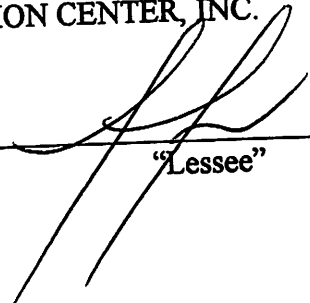
The parties agree to execute whatever papers and documents may be necessary to effectuate the terms of this Lease Agreement.

IN WITNESS WHEREOF, each party to this agreement has caused it to be executed on the date indicated below.

SAN LUIS PUBLIC HEALTH  
COMMUNITY FACILITIES DISTRICT  
(City of San Luis, Arizona)

By  \_\_\_\_\_  
"Lessor"

WESTERN ARIZONA AREA HEALTH  
EDUCATION CENTER, INC.

By  \_\_\_\_\_  
"Lessee"

Approved as to form:

*[Handwritten Signature]*  
\_\_\_\_\_  
Attorney for Lessor

STATE OF ARIZONA     )  
  ) S.S.  
County of YUMA         )

On this 5<sup>th</sup> day of December, 2001, before me, the undersigned Notary Public, personally appeared Alex Joe Harper, who acknowledged himself/herself to be the Chairman of SAN LUIS PUBLIC HEALTH COMMUNITY FACILITIES DISTRICT (City of San Luis, Arizona), and acknowledged that he/she, being authorized so to do, executed the foregoing instrument for the purpose therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

*[Handwritten Signature]*  
\_\_\_\_\_  
Notary Public

My Commission Expires:  
Nov. 14, 2005



STATE of ARIZONA COUNTY of YUMA  
Signed before me this 5<sup>th</sup> day  
of December 2001  
*[Handwritten Signature]*  
Cynthia Salcido - Notary Public  
My Commission Expires November 14, 2005

STATE OF ARIZONA     )  
  ) S.S.  
County of YUMA         )

On this 5<sup>th</sup> day of December, 2001, before me, the undersigned Notary Public, personally appeared Amanda Aguirre, who acknowledged himself/herself to be the Executive Director of WESTERN ARIZONA AREA HEALTH EDUCATION CENTER, INC., an Arizona corporation, and acknowledged that he/she, being authorized so to do, executed the foregoing instrument for the purpose therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

*[Handwritten Signature]*  
\_\_\_\_\_  
Notary Public

My Commission Expires:  
Nov. 14, 2005



STATE of ARIZONA COUNTY of YUMA  
Signed before me this 5<sup>th</sup> day  
of December 2001  
*[Handwritten Signature]*  
Cynthia Salcido - Notary Public  
My Commission Expires November 14, 2005

**EXHIBIT A**

Lots 139, 140, 175, and 176, LAS VILLAS DE SAN LUIS PHASE 2, according to the plat of record in the Office of County Recorder of Yuma County, Arizona in Book 15 of Plats, page 98;

Except all oil, gas, and other hydrocarbon substances, helium or other substances of a gaseous nature, coal, metals, minerals, fossils, fertilizers of every name and description, together with all uranium, thorium or any other material which is or may be determined by the laws of the United States, or of this State, or Decisions of Court, to be peculiarly essential to the production of fissionable materials, whether or not of commercial value, as reserved to the State of Arizona, pursuant to the Arizona Revised Statutes and Patent recorded in Fee No. 1997-28682, records of Yuma County, Arizona.

**EXHIBIT B**

Lot 174, LAS VILLAS DE SAN LUIS PHASE 2, according to the plat of record in the Office of County Recorder of Yuma County, Arizona in Book 15 of Plats, page 98;

Except all oil, gas, and other hydrocarbon substances, helium or other substances of a gaseous nature, coal, metals, minerals, fossils, fertilizers of every name and description, together with all uranium, thorium or any other material which is or may be determined by the laws of the United States, or of this State, or Decisions of Court, to be peculiarly essential to the production of fissionable materials, whether or not of commercial value, as reserved to the State of Arizona, pursuant to the Arizona Revised Statutes and Patent recorded in Fee No. 1997-28682, records of Yuma County, Arizona.