

APPROVED by Council
Date: March 27, 2019
Clerk's Office: /s/ Sonia Cornelio

MINUTES
Work Session
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
March 6, 2019
6:30 p.m.

1. CALL TO ORDER/ROLL CALL: Mayor Gerardo Sanchez called the Work Session to order at approximately 6:32 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
Sonia Cornelio, City Clerk
Kay Marion Macuil, City Attorney
Angel Ramirez, Fire Chief
Eulogio Vera, Director of Public Works
Francia Alonso, Assistant to Council/PIO
Glenn Gimbut, Assistant City Attorney
Jenny Torres, Economic Development Manager
Jesus Meza, Assistant Director of Parks & Recreation
Joaquin Campa, Building Official
Jorge Mungaray, IT Technician
Jorge Perez, Billing & Collections Manager
Lizandro Galaviz, Director of Parks & Recreation
Martha Jimenez, Building Inspector
Monica Castro, Director of Finance
Richard Jessup, Chief of Police
Concepcion Ulloa, Resident
Guillermina Fuentes, Resident

2. ITEMS FOR DISCUSSION ONLY

2. A. Presentation followed by discussion and possible directions to staff on any and all matters regarding the amendments to City Code Chapter 150: Building Regulations. (Joaquin Campa, Building Official)

Mr. Joaquin Campa, Building Official, made a powerpoint presentation regarding the proposed adoption of the 2018 International Building Code, 2018 International

Residential Code, 2018 International Existing Building Code, 2018 International Property Maintenance Code, 2018 International Swimming Pool and Spa Code, 2012 International Plumbing Code, 2012 International Mechanical Code, 2009 International Energy Conservation Code and 2014 National Electrical Code. A copy of this presentation is included in the complete agenda packet filed in the City Clerk's Office. Mr. Campa informed that the City of Yuma adopted the international building codes for this reason the city would like to also adopt them. He added that the amendments will be prepared for the city and will be presented for approval. He informed that currently the city is utilizing a 2003, 2006 and 2008 editions of the different codes.

Mayor Gerardo Sanchez asked what is going to happen when a resident wants make an addition to their home, but the home was constructed with the old code regulations.

Mr. Campa replied that the new addition will have to be built in conformance of the new building code regulation, and the inspector will have to make a walk through the home to see if there are any problems that need to be replaced and bring it up to code.

Mayor Gerardo Sanchez stated that he worries about the inspector doing the inspection of the whole house because of the addition and at the end if something is not in compliance, the project will be more expensive than expected.

Mr. Campa explained that if something needs to be replaced, then it will be an engineer's call to determine what needs to be replaced from the old section of the home.

Mr. Glenn Gimbut, Assistant City Attorney, explained that by doing an addition to the home it does not trip wire the whole house having to be reconstructed. He mentioned that the new addition is governed by the existing building code, if it is unsafe according the code, then what it is unsafe will have to be made safe.

Council Member Matias Rosales asked about the change on the energy conservation code, in reference to hot water. He stated that the building code is made for the nation, but 70% of the states have cold weather and in this area the weather is the opposite. He asked if the new change is something that the city wants to do.

Mr. Campa replied that the energy conservation code is mandatory, he stated that the hot water can be turned off just like a water heater. He added that insulation in pipes will help in this hot weather.

There was no further discussion on this item.

2. B. Discussion and possible action on any and all matters regarding the appointment of seven members to the San Luis Economic Development Commission. (Jenny Torres, Economic Development Manager)

Ms. Jenny Torres, Economic Development Manager, informed that the seven (7) members' term expired on October 18, 2018. She stated that the vacancies were published in social media, the city's website and the LED sign to recruit new members. She informed that four (4) letters of interests were received from the existing Economic Development Commission members and three (3) additional applications of interested candidates. Ms. Torres stated that staff reached out to Mr. Mario Jauregui to see if he was interested in becoming a member to represent the industrial industry and also Mr. Gustavo McGrew. She added that they did express their interest but they did not meet the deadline to submit their application. Furthermore, she stated that she would like to have a diversification of members, and have members bring different input for the sector they represent. Ms. Torres stated that staff did not find anything in the bylaws that states that the application deadline cannot be extended if Council wishes to promote additional candidates.

Ms. Kay Marion Macuil, stated that if it is not in the bylaws then it is allowed to extend the deadline if that is Council's desire.

Ms. Torres asked Council if there are additional members that they would like to encourage, then she will reach out to them.

Vice-Mayor Maria Cecilia Torres stated that Council should choose from the current applicants, she mentioned that if the application process is opened again, then it will take longer to recruit interested candidates. She informed that she would like to recommend Joselyn Medina to the Economic Development Commission Board as she has expressed her interest in becoming a member of this board.

Mayor Gerardo Sanchez agreed with Vice-Mayor Ramos, to appoint Ms. Medina. He stated that he would like to extend the application process for two (2) weeks.

Ms. Torres asked if there is a specific person(s) that Council would like to reach out to.

Mayor Gerardo Sanchez asked Ms. Torres to reach out to Denny's to see in one of the managers will be interested.

Council Member Jose Ponce asked if there are requirement for a person to become a member of this board.

Ms. Torres replied that a member should be a resident, a business person in San Luis or they will have to have a special interest in the community.

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

Ms. Jenny Torres, Economic Development Manager, informed that the San Luis Facility Development Corporation has a vacancy. She stated that two (2) applications were received one from Mr. Carlos Arroyo Pelayo and Mr. Marco Pinzon.

Mayor Gerardo Sanchez recommended appointing Mr. Marco Pinzon to the board.

Mr. Torres stated that she will place the item in the next regular council meeting, so that Council make the appointment to the board.

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

Ms. Kay Marion Macuil, City Attorney, informed that this ordinance is a clean-up measure to the city code. She mentioned that there are different and conflicting City Codes on the appointment of the Chief of Police and City Clerk. She stated that the city adopted an ordinance in 1981 where Council directly appoints the Chief of Police and City Clerk. She informed that there is a newer ordinance in which the Chief of Police is appointed by the City Manager with the approval of City Council; with this clean-up it will also change the appointment of the City Clerk which will be appointed by the City Manager subject to ratification of the City Council.

2. E. Discussion and possible directions to staff on any and all matters regarding the proposal 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. Lizandro Galaviz, Director of Parks & Recreation, informed that this is a proposal for the 4th of July event. He provided Mayor and Council with a list of other bands which included other bands and pricing. He informed that pricing include a rider, which is to cover for

additional things that they need. He stated that staff would like to get direction from Council as how to proceed. Furthermore, he stated that a proposed band is being presented presented for consideration. He mentioned that this year's proposed budget for this event is approximately \$60,000.00, last year staff spent \$71,000.00 and received close to \$15,000.00 in sponsorships. He commented that this year staff is planning in obtaining sponsorships as last year, this will reduce the burden on the city's general fund.

Mr. Galaviz commented that if they would like to have a specific band there is still room for one more band from the three (3) being proposed. He stated that staff is looking for a bigger closing band for this event.

Mayor Gerardo Sanchez thanked Mr. Galaviz and stated that staff should guarantee the three proposed bands and to look for a 4th band. He informed that the 4th of July event is the biggest event the city provides to its citizens.

2. F. Discussion and possible directions to staff 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)

Mr. Lizandro Galaviz, Director of Parks & Recreation, informed that this item is to contract with one of the teams provided in the contract. The agreement will secure the date and provide a deposit. He stated that staff has worked with Radikal Magazine before without any issues.

3. MOTION TO ADJOURN AS CITY COUNCIL AND CONVENE AS BOARD OF DIRECTORS OF THE SAN LUIS HEALTH COMMUNITY FACILITIES DISTRICT

Ms. Kay Marion Macuil, City Attorney, explained that this district was formed to create the San Luis Walk-In Clinic. She stated that Council is the board for the district. She mentioned that there is currently a project that needs financing, for this reason the board needs to convene.

MOTION: Council Member Jose Ponce/Council Member Gloria Torres to adjourn as City Council and convene as Board of Directors of the San Luis Public Health Community Facilities District. Motion passed unanimously.

Vote was as follows:

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

3. A. Discussion and possible directions to staff on any and all matters regarding a possible lien on the lease for the Regional Center for Border Health Facility at 1896 East Babbit Lane and in favor of Western Alliance Bank as part of the Medical Mall project of Regional Center for Border Health. (Glenn Gimbut, Assistant City Attorney)

Mr. Glenn Gimbut, City Attorney, informed that this district was formed in around year 2000, during this year San Luis lack of medical health providers inside city limits. This board was created to bring medical office in the city through the Western Area Health Education Center (WAHEC) which is now Regional Center for Border Health (Border Health). This facility was built in four (4) lots that are owned by the city, the lease agreement with this organization is for 30 years and the deal was that at the end of the 30-year lease, all improvements done will be owned by the City including the additional lot. He stated that one of the provisions of the lease agreement is that the project was financed through United States Department of Agriculture (USDA), for this reason there is a lien on a leasehold to secure the USDA loan. Mr. Gimbut, added that as part of the medical mall project the financing agency is Western Alliance Bank which is providing the construction lending; permanent lending will be provided to USDA, Western Alliance Bank is requiring a blanket lien on all property interests of order health including the leasehold. He informed that he has explained during several meetings with the financing group that there is no equity; that there is a first lien ahead. Western Alliance Bank attorney explained that they are under federal reserve requirements, which requires that bank in their loans do things in certain way, including on a loan like this one is to put a lien on everything. Therefore, this item is asking for permission to put an extra lien on the leasehold, with a proposed motion that will state that the lien must leave at any time the lease terminates or ends; this way the city's interested will be protected.

Mr. Chris Thompson, Architect for the Medical Mall presented Mayor and Council with drawings and exhibits of the project. He informed that this Medical Mall will have an outpatient medical facility with separate tenant spaces that will serve different functions under one roof. This project is a \$35 million new construction project proposed in the City of San Luis that will be located off Avenue E and near County 24th Street. This project consists of two (2) different buildings. The smaller building will be an urgent care which will be a 24-hour

facility, the bigger building will include the administration offices, administration and training conference center, wellness center, fitness center, cooking and food demonstration, outpatient clinic, infusion center for cancer patients, outpatient ambulatory surgery center, Xray/CT scan and MRI facilities. He also informed that this facility will include a helipad for emergency evacuations or patients being brought to the facility. He added that a healing garden will also be included in this facility. The project has been submitted to the city for review and will be presented before Council for a conditional use permit required for the project. The project will go out to bid for contractors. He stated that Ms. Amanda Aguirre has focused in using local services whenever possible.

Mayor Gerardo Sanchez thanked Mr. Thompson and Ms. Aguirre for the great project as it is needed in the City of San Luis.

Mr. Gimbut informed that it is anticipated that the loan will be closed sometime in May 2019, as soon as the loan closes, Ms. Aguirre is anticipating in breaking ground the following day.

Council Member Matias Rosales asked what will be the date for completion of the project.

Mr. Thompson replied that the project is set to receive approval in May 2019, it is anticipated that construction will take 12 to 14 months.

4. MOTION TO ADJOURN AS BOARD OF DIRECTORS OF THE SAN LUIS HEALTH COMMUNITY FACILITIES DISTRICT AND RECONVENE AS CITY COUNCIL

MOTION: Council Member Jose Ponce/Council Member Gloria Torres to adjourn as Board of Directors of the San Luis Public Health Community Facilities District and reconvene as City Council. Motion passed unanimously.

Vote was as follows:

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

5. ADJOURNMENT

MOTION: Council Member Jose Ponce/Council Member Gloria Torres to adjourn the work session at approximately 7:46 p.m. Motion passed unanimously.

Vote was as follow:

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



Certification of Council Minutes

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Work Session Meeting of the San Luis City Council held on March 6, 2019. I further certify the meeting was duly called and held and that the quorum was present and that City Council approved these minutes at their Regular Council Meeting held on March 27, 2019.

Dated this 2nd day of April 2019.

/s/ Sonia Cornelio, City Clerk