

MINUTES
Regular Council Meeting
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
March 22, 2023
6:00 p.m.

1. CALL TO ORDER/ROLL CALL

Mayor Nieves Riedel called the Regular City Council meeting to order at approximately 6:00 p.m.

PRESENT: Mayor Nieves Riedel
Vice Mayor Luis E. Cabrera
Council Member Maria Cecilia Cruz
Council Member Tadeo De La Hoya
Council Member Matias Rosales
Council Member Gloria Torres
Council Member Javier Vargas

OTHERS PRESENT: Ralph Velez, Interim City Manager
Jenny Torres, Assistant City Manager
Kay Macuil, City Attorney
Sonia Cornelio, City Clerk
Adela Cortez, Director of Human Resources
Angel Ramirez, Fire Chief
Aracely De La Hoya, Senior Services Manager
Debora Luna, Accountant II
Domingo Sosa, Graphics and Media Specialist
Edgar Esparza, Billing & Collections Manager
Ernesto Prieto, Police Sergeant
Eulogio Vera, Director of Public Works
Francia Alonso, Acting Public Information Officer
Glenn Gimbut, Assistant City Attorney
Heriberto Vargas, Public Works Supervisor
Jose Luis Cisneros, Acting Assistant Director of Parks & Recreation
Manuel Hernandez, Project Manager
Maria Sabori, Risk Manager
Marco Santana, Police Lieutenant
Melissa Lopez, Deputy City Clerk
Miguel Alvarez, Interim Chief of Police
Miguel Ramirez, Finance Accounting Manager
Monica Castro, Director of Finance
Olivia Jenkins, Government & Foreign Affairs Coordinator
Roula Encinas, Finance Operations Manager
Ruben Lopez, I.T. Technician

Viviana Briones, Office Assistant
Yolanda Dueñas, Facilities Supervisor
Brian De La Hoya, Resident
Cesar Neyoy, Reporter
Christian Cuevas, Interpreter
Columba Nuñez, Resident
Elias Gonzalez, Resident
Fabher Sanchez, Resident
Jesus Mendoza Atondo, Resident
Lucky Hoyos, Resident
Lucy Lopez, Reporter
Roman Rubio, Resident
Ruben Walshe, Resident
Veronica Zavala, Resident

2. PLEDGE OF ALLEGIANCE

Council Member Tadeo Azael De La Hoya led the Pledge of Allegiance.

3. INVOCATION

Mr. Ramirez, Pastor – Asamblea Apostolica, led the invocation.

4. CALL TO THE PUBLIC

Ms. Luisa Arreola, 3685 San Pedro Street, San Luis, AZ, stated that she is there because of what happened during the last Council meeting. She wanted to give her testimony when she attended a Council meeting in January 2023, she was not able to finish her statement while she was bringing up her concern regarding a new hotel as one (1) of the Council Members interrupted her. For her it was intimidating as she was not allowed to finish what her worry was about the safety issue for the children. She has received some phone calls where citizens do not feel safe about voicing their opinion. Ms. Arreola added that people voted for the City Council to represent residents and to listen to their concerns and for citizens to be allowed to voice their opinion without feeling the repercussion; she is involved with the community, is an educator and is a union leader and people are not happy they are not be able to express their opinion.

Mr. Bruce Luna, 16590 S. Avenue 2 ½ E, Yuma, AZ, commented his children attend Yuma High School and was there due to the Sexual Assault Awareness Month Proclamation. He read a portion of the proclamation adding that when a kid comes to someone and says something happened, there are laws that teachers, principals and faculty are responsible for. He provided an example of a minor child who was in the restroom at the high school and a boy who is 18 years old walks in. He expects the San Luis Police Department to abide to the law, because the City of Yuma is not.

Additionally, he mentioned that a couple of years ago, Yuma Union High School District did not allow the police flag at the graduation and the only people who stood up out of all Police Departments was the City of San Luis. He asked the City of San Luis to stand up to protect the children.

Mr. David Hernandez Zepeda, 1965 Nadia Street, San Luis, AZ, stated he would like to see the support from the local governing body towards trans rights and the trans community, specially trans youth in the community. He mentioned that the Legislature in Arizona, politicians are attacking the youth to score political points that result dangerous and according to studies 53% of trans youth have seriously considered suicide. It is not true that trans youth are more prone to suicide because of their gender identity but because of the mistreatment society and the stigma by society. He asked the Mayor and City Council to lead against these attacks in the youth of this community by the Arizona Legislature. The city can show their support by placing trans flags at city facilities.

5. PROCLAMATIONS/PRESENTATION

5. A. Cesar Chavez Day March 31, 2023

5. B. National Public Safety Telecommunicators Week April 9 - 15, 2023

5. C. Autism Awareness Month April 2023

5. D. Child Abuse Prevention Month April 2023

5. E. Records and Information Management Month April 2023

5. F. Sexual Assault Awareness Month April 2023

Mrs. Sonia Cornelio, City Clerk, read the title of the Proclamations.

5. G. Presentation of Award to Mr. Jesus Mendoza Atondo for assisting the San Luis Police Department. (Marco Santana, Police Lieutenant)

Mr. Marco Santana, Police Lieutenant, presented Mr. Jesus Mendoza Atondo the Citizen Award for Valor, for a life-threatening incident that occurred when a police officer was fighting for his life as he was assaulted. Mr. Mendoza Atondo is a Corrections Officer with the Arizona Department of Corrections.

Mr. Miguel Alvarez, Interim Chief of Police, stated this is very well deserved and a significant award, specifically as Mr. Mendoza Atondo was off duty and was risking his life to save the life of a Police Officer who was about to be disarmed...it takes a very courageous person. He thanked Mr. Mendoza Atondo for his courage.

Mr. John Matos, Warden of Lewis Prison, mentioned they are proud to have Mr. Mendoza Atondo as part of the agency.

Mr. John McAdori, Warden of Arizona State Prison Complex - Yuma, expressed that he is proud of Mr. Mendoza Atondo and congratulated him.

Mr. Mendoza Atondo thanked the San Luis Police Department adding that he did not do it for an award but because it was the right thing to do.

Mayor Nieves Riedel thanked Mr. Mendoza Atondo for his courageous action.

6. CONSENT AGENDA

6. A. MINUTES OF

- Regular Council meeting held February 22, 2023
- Special Council meeting held March 1, 2023
- Work Session held March 1, 2023

6. B. Disbursements from February 28, 2023 to March 15, 2023

Total disbursements \$1,569,160.26

(One Million, Five Hundred Sixty-Nine Thousand, One Hundred Sixty Dollars and Twenty-Six Cents)

MOTION: Council Member Tadeo Azael De La Hoya/Council Member Javier Vargas to approve the Consent Agenda as presented. Motion passed unanimously.

The vote was as follows:

Mayor Nieves Riedel	Aye
Vice Mayor Luis E. Cabrera	Aye
Council Member Maria Cecilia Cruz	Aye
Council Member Tadeo Azael De La Hoya	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

7. DISCUSSION AND POSSIBLE ACTION ITEM:

Public hearing followed by discussion and possible action on any and all matters regarding Resolution No. 2259. A Resolution of the Mayor and City Council of the City of San Luis, Arizona, amending water, wastewater, and sanitation rates and charges, providing an effective date for said charges, repealing any conflicting provisions, and providing for severability. (Edgar Esparza, Billing and Collections Manager)

A. Open Public Hearing

MOTION: Council Member Tadeo Azael De La Hoya/Council Member Matias Rosales to open the Public Hearing. Motion passed unanimously.

The vote was as follows:

Mayor Nieves Riedel	Aye
Vice Mayor Luis E. Cabrera	Aye
Council Member Maria Cecilia Cruz	Aye
Council Member Tadeo Azael De La Hoya	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

1. Staff Presentation

Mr. Edgar Esparza, Billing & Collections Manager, provided a PowerPoint presentation that included factors affecting the city such as inflation and water and wastewater overview and needs. He added that the primary mission is to provide reliable and sustainable utilities services to our residents. The current revenue is not sufficient to fund needed repairs, replacements and improvements of infrastructure; current rates do not cover the cost of providing services; current infrastructure is not sufficient to support the city's needs and sustainability; the City of San Luis has not increased utility rates since 2017. He demonstrated a graph that contained a utilities rate, history and timeline. The utility fund is assigned to an enterprise fund which is a self-supporting funds. This means that water, wastewater and solid waste services are funded through rates, fees and charges paid by residents; tax revenue is not used to support the utility services. The city does not use utility funding to pay for any of street improvements, Parks, Fire or Police projects.

Mr. Eulogio Vera, Director of Public Works, stated that last year, Public Works processed, treated and distributed over 1.2 billion gallons of water to residents, schools, churches and community. The city served approximately 7,900 residential water accounts. Last year staff received and treated over 580 million gallons of waste water. There are approximately 7,800 residential accounts in wastewater. Current challenges for water and wastewater are increasing demand, aging storage and treatment system, insufficient back-up for proper maintenance, rehabilitation & repairs, and maintaining compliance with Federal and State regulations.

Mr. Manuel Hernandez, Project Manager, stated that the city serves approximately 7,800 accounts in solid waste. Approximately 13,000 tons of solid waste are collected per year, which is an average of 1.64 tons per account and operate five (5) routes using five (5) trucks. Some of the challenges being faced are aging equipment, five (5) trucks on route, the average age of our side loaders is 12 years, industry standard for replacement is eight (8) years, lack of redundancy, spare trucks, industry standard for spare trucks is five (5) to one (1), five (5) route trucks to one (1) spare truck. The upcoming Capital Improvement Projects to deal with the challenges are the purchase of two (2) new solid waste side loaders (lead time on solid waste side loaders is approximately 18 months), hire additional Heavy Equipment Operators, which totals approximately \$1 million.

Ms. Monica Castro, Director of Finance, explained the financial outlook of the city. Year to date expenses are exceeding revenues for Solid Waste, Wastewater and Water. In the year that ended on June 30th, 2022, Wastewater started to show losses. Fiscal Year 2024 Budget demonstrate the same trend for the three (3) divisions. Staff projects losses will continue for Solid Waste, Wastewater and Water not only in 2024 but in the following years; the city is not able to secure financing. At the moment, the fund balance for Wastewater is \$3.2 million and \$33.7 million are needed for capital spending and those are not enough funds to complete the capital improvements. The city will continue to go to red numbers and go below the minimum fund balance needed, which is \$1.4 million. These reserves are needed to face any financial downturn in the economy; the general fund cannot sustain the operations as explained by Mr. Esparza. She added that for Water, it is the same situation, there is a positive balance at the moment, however that balance is not enough to cover the necessary capital spending needed. The expenses are more than the revenues being received and staff has been utilizing reserves to maintain the regular operations of the fund, which is a very bad practice. The city has not been operating at full capacity due to the lack of resources and has not been able to provide appropriate maintenance to the infrastructure. Currently, the funds balance for Solid Waste is \$5,000.00; the minimum fund balance is \$500,000.00 which is four (4) months of operational expenses.

Mr. Esparza stated that the proposed rate schedule was prepared and analyzed by Willdan Financial Services. The proposed rate schedule provides fair, reasonable, justifiably rates and fees of service, ensure adequate funding to cover cost of service and includes yearly rate adjustments. He clarified that the utility bill includes 30% water, 45% wastewater, 20%solid waste and 5% taxes and went over the proposed new rates with an effective date of April 27, 2023, if approved and the yearly adjustments commencing January 1st of each year through 2027. He also explained how the current and proposed new rates compare to other cities. The PowerPoint presentation is attached to the complete agenda packet filed at the City Clerk's Office.

He concluded by stating that revenues are insufficient to provide reliable services to residents, the City of San Luis utilities cannot continue to sustain the maintenance and operations for future years. The City of San Luis does not have sufficient revenues to be in compliance. This utility rate adjustment will provide an opportunity to enhance the community and better serve residents.

2. Call to the public on this item

Mayor Nieves Riedel commented that at the last meeting she stopped and adjourned the meeting because it was getting out of control. She asked Council Members to act in a manner they will not offend anyone and asked the same from the public. She asked to have a civil meeting and if not she will ask the Police Department to escort the person that is being disrespectful. She added that although studies have been paid for in the past and nothing was done, it is time to move on. Public services are needed, whereas a subscription to Netflix and a soda are not.

Vice Mayor Luis E. Cabrera commented that during the last Council meeting, it was mentioned that nothing has been done in the past. He clarified that he started his term as Council Member in December 2020 and began his term during a pandemic. He thinks that because everyone was in the middle of a pandemic, many different services and things were paused because there was a lot of uncertainty and for him, it was not the time to approve the increase to the utility rates. The city was conservative with spending and was not in the red; there were funds to sustain and there are still funds today in the three (3) areas, one (1) is about to run out. He believes the City Council is acting on time. He feels confident to make his decision and do the right thing. He thanked his fellow Council Members for being present tonight adding that the decision to be made is tough as it will impact the community in many different ways.

Council Member Javier Vargas commented that he listened to the arguments last week, but never heard a good reason as to why this item was never presented to the City Council even though it was necessary. He asked Council Members to work together for the benefit of the city.

Mr. Roman Rubio, resident, proposed to have a collaboration meeting with city staff and all those involved in the matter being discussed. He received his certification as an Opportunities Advisor, which means they are using investment money and established with the tax cuts and the job acts of 2017 to assist cities and neighborhoods that need certain funds to avoid raising taxes while addressing the city's capital financial issues.

B. Close Public Hearing

MOTION: Council Member Tadeo Azael De La Hoya/Council Member Javier Vargas to close the Public Hearing. Motion passed unanimously.

The vote was as follows:

Mayor Nieves Riedel	Aye
Vice Mayor Luis E. Cabrera	Aye
Council Member Maria Cecilia Cruz	Aye
Council Member Tadeo Azael De La Hoya	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

C. Action on Resolution No. 2259

MOTION: Council Member Matias Rosales/Vice Mayor Luis E. Cabrera to approve and adopt Resolution No. 2259 and provide an effective date of April 27, 2023. Motion passed unanimously.

The vote was as follows:

Mayor Nieves Riedel	Aye
Vice Mayor Luis E. Cabrera	Aye
Council Member Maria Cecilia Cruz	Aye
Council Member Tadeo Azael De La Hoya	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

8. SUMMARY OF CURRENT EVENTS

Vice Mayor Luis E. Cabrera reported the groundbreaking took place today for the connection of Urtuzuastegui Street to Avenue F, although he was not able to attend the event, he knows residents are happy about this.

Council Member Matias Rosales added to the Vice Mayor's comment and thanked staff involved in this since they have been working on this project for the past four (4) years. He reported his attendance to the farewell reception for Consul Jose Antonio Larios who was reassigned to Dubai.

Council Member Maria Cecilia Cruz reported she attended the Safety Event, which was a well-attended event and thanked staff and organizations for participating.

Mayor Nieves Riedel reported that she alongside with Council Member Maria Cecilia Cruz and Interim Chief of Police Miguel Alvarez attended a board meeting at Arizona Western College (AWC) and was impressed by the job they are doing for the community's youth.

Council Member Maria Cecilia added to the Mayor's comment that it is an honor and pleasure to hear another board member from Parker to say that he wants what is happening here at AWC at his community. She thanked Ms. Susana Zambrano and her staff for the amazing work they are doing. On a separate note, she added she attended the Be Active Event hosted by the San Luis Parks & Recreation, which motivates people to get out there and be physically active.

Council Member Matias Rosales invited the public to the Cesar Chavez parade scheduled for Saturday beginning at 9:00 a.m. at Joe Orduño.

Mr. Bryan De La Hoya, resident, invited the public and community to attend the Special Olympics Event, which will take place on Saturday.

9. ADJOURNMENT

MOTION: Council Member Matias Rosales/Vice Mayor Luis E. Cabrera to adjourn the Regular Council meeting at approximately 7:28 p.m. Motion passed unanimously.

The vote was as follows:

Mayor Nieves Riedel	Aye
Vice Mayor Luis E. Cabrera	Aye
Council Member Maria Cecilia Cruz	Aye
Council Member Tadeo Azael De La Hoya	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

APPROVED:

Nieves Riedel, Mayor

ATTEST:

Sonia Cornelio, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular City Council meeting of the City Council of the City of San Luis, Arizona, held on March 22, 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Sonia Cornelio, City Clerk