

MINUTES
Regular Council Meeting
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
November 8, 2023
6:00 p.m.

APPROVED by Council
Date: 12/13/2023
Clerks Office: [Signature]

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 Matias Rosales
Council Member Gloria Torres
Council Member Javier Vargas

ABSENT: Council Member Tadeo Azael De La Hoya
(Attending the Border Trade Alliance Conference)

OTHERS PRESENT: Jenny Torres, Acting City Manager
Kay Macuil, City Attorney
Sonia Cornelio, City Clerk
Adela Cortez, Director of Human Resources
Angel Ramirez, Fire Chief
Antonio Maldonado, Video Production Specialist
Armando Esparza, Director of Economic Development
Carlos Muela Jr., Police Officer
Crystal Ochoa, Administrative Coordinator
Damian Miller, Police Sergeant
Domingo Sosa, Graphics and Media Specialist
Edgar Esparza, Billing & Collections Manager
Emmanuel Aldama, Police Officer
Enrique Lopez, Assistant Fire Chief
Ernesto Cardenas Jr., Police Officer
Eulogio Vera, Director of Public Works
Francia Alonso, Public Information Officer
Jose Luis Cisneros, Acting Director of Parks & Recreation
Lizette Varela, Assistant Director of Parks & Recreation
Marco Santana, Police Lieutenant
Melissa Lopez, Deputy City Clerk
Michelle Boucher, Police Administrator
Miguel Ramirez, Finance Accounting Manager
Nancy Juarez, Administrative Coordinator

Nigel Reynoso, Acting Chief of Police
Olivia Jenkins, Operations Coordinator
Roula Encinas, Finance Operations Manager
Ruben Lopez, I.T. Technician
Stephanie Pereda, Human Resources Coordinator
Christian Cuevas, Simultaneous Translator
Fabher Sanchez, Resident
Mark Concha, Resident
Mark Reader, Managing Director Stifel, Nicolaus &
Company, Incorporated

2. PLEDGE OF ALLEGIANCE

Council Member Javier Vargas led the Pledge of Allegiance.

3. INVOCATION

Mr. Nigel Reynoso, Acting Chief of Police, led the invocation.

4. CALL TO THE PUBLIC

Ms. Jenny Torres, Acting City Manager, introduced Mr. Armando Esparza, Director of Economic Development.

Mr. Esparza stated he is a San Luis native and as many young students after graduating from high school he moved to Phoenix for better opportunities. He has had a long time in economic development working in state, regional and federal programs. He is really excited to take on the role of the new Director of Economic Development for the City of San Luis.

Ms. Torres also introduced Mr. Omar Ortez Guerrero, Mayor of the City of Magdalena, Sonora, and other guests who visited the City of San Luis due to the execution of the Sister Cities Agreement amongst both cities.

Mayor Omar Ortez Guerrero stated that he is happy to visit the City of San Luis and thanked Mayor Nieves Riedel for considering them as a Sister City and welcoming them to the community. He also thanked the Mexican Consul Dulce Maria Valle Alvarez for coordinating the agreement between both cities.

Mr. Jose Rene Torres Rivera, Municipal Director of Art, Culture and Tourism, thanked Mayor Nieves Riedel, Council Members, Consul Dulce Maria Valle Alvarez and city staff adding that they are very happy to be here in their sister city, San Luis, Arizona, with the firm purpose of strengthening ties and mechanisms that contribute to the development and strengthening of our communities.

5. PROCLAMATIONS/PRESENTATIONS

5. A. Proclamation - Law Enforcement Records Personnel Week November 6-10, 2023

5. B. Proclamation - GIS Day November 17, 2023

Mrs. Sonia Cornelio, City Clerk, read the proclamations by title only.

5. C. Retirement presentation of Police K9s Nicky & Laika. (Damian Miller, K9 Sergeant)

Mr. Damian Miller, K9 Sergeant, stated that tonight Police K9s Nicky and Laika will retire. He added that Police K9s provide presentations, drug seizures and apprehensions of felons. From the first day the Police Department gets these dogs and are selected, they run some tests. From that moment these dogs go home with their Handler and the training begins. These dogs are taken to their Handler's home and are introduced to their families and are brought to work every day not realizing how much they will learn from each other and love them. He added that to train the dogs it takes patience, consistency and repetition (PCR). Sergeant Miller proceeded with he last call to Dispatch for Police K9s Nicky and Laika.

Mr. Nigel Reynoso, Acting Chief of Police, presented K9s Nicky and Laika with a retirement plaque thanking them for their years of service to the community of the City of San Luis.

5. D. Presentation and recognition of the 2023 - 1st, 2nd, and 3rd Quarter Awardees by the Employee Recognition and Awards Program (ERAP) for their outstanding work with the City of San Luis. (Enrique Lopez, ERAP Chair)

Mr. Enrique Lopez, Asssitant Fire Chief and ERAP Chair, recognized and congratulated the recipients for the first three (3) quarters of this year for the Achievement Award, Award of Excellence and Employee of the Quarter.

6. CONSENT AGENDA

6. A. MINUTES OF

- Work Session October 4, 2023

6. B. DISBURSEMENTS FROM OCTOBER 18, 2023 TO NOVEMBER 1, 2023

Total \$1,303,012.39

(One Million, Three Hundred Three Thousand, Twelve Dollars and Thirty-Nine Cents)

6. C. Discussion and possible action on any and all matters regarding the contract with Yuma Community Food Bank for Fiscal Year 2023-2024, Correction to Section 4.1. (Jenny Torres, Assistant City Manager)

6. D. Discussion and possible action on any and all matters regarding the contract with the Campesinos Sin Fronteras for the 29th Dia del Campesino event on December 1, 2023, in San Luis, Arizona, for the Fiscal Year 2023-2024. (Jenny Torres, Assistant City Manager)

MOTION: Council Member Gloria Torres/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 Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

7. DISCUSSION AND POSSIBLE ACTION ITEMS:

7. A. Discussion and possible action on any and all matters regarding a contract for Parking Lots Curbing for the East San Luis Community Park. (Jose L. Cisneros, Acting Director of Parks and Recreation)

Mr. Jose L. Cisneros, Acting Director of Parks and Recreation, stated this item is to ratify the contract with Evans Custom Concrete for the curbing of the East San Luis Community Park. Having the curbing and any other component of the park is very important as it helps mitigate the accumulation of the sand, assists with the maintenance costs and allows staff to begin having activities at the park. Evans Custom Concrete has been a great partner for this project. They are very trustworthy and have proven to be very reliable in addition to being familiar with the project. The estimate was reviewed by Mr. Eulogio Vera, Director of Public Works, and considered it to be reasonable. Staff is asking the Mayor and City Council to approve the ratified contract to waive formal purchasing procedures as allowed per the City Code – Section 3.5.10F per the justification mentioned.

MOTION: Council Member Javier Vargas/Council Member Maria Cecilia Cruz to ratify the contract with Evans Custom Concrete, L.L.C., for curbing at the East San Luis Community Park in the amount of \$159,922.71 and waive purchasing procedures for the justifications 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 Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

7. B. Discussion and possible action on any and all matters regarding correction to the Sister City agreement approved on September 27, 2023. (Olivia Jenkins, Operations Coordinator)

Ms. Francia Alonso, Public Information Officer, stated that the only amendment to the agreement is changing the name from Magdalena de Kino to Magdalena, Sonora.

MOTION: Council Member Javier Vargas/Council Member Gloria Torres to approve revised agreement with Sister City Magdalena, Sonora, Mexico. 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 Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

7. C. Discussion and possible action on any and all matters regarding the transfer of funds for ambulance autobody repairs. (Angel Ramirez, Fire Chief)

Mr. Angel Ramirez, Fire Chief, explained that in December of 2022, one (1) of their ambulances was involved in an accident on Highway 95. This ambulance has been in repairs for approximately ten (10) months. A check was issued last fiscal year, which caused some confusion and staff did not budget for this year's budget and that is the reason they have to get money from the Merrill Project to be able to pay for the repairs from the ambulance. The ambulance is ready to be picked up.

MOTION: Vice Mayor Luis E. Cabrera/Council Member Maria Cecilia Cruz to approve the transfer of funds in the amount of \$17,755.89 from money budgeted for a potential Community Development Block Grant which was not awarded to San Luis this year, to the Fire Department's Vehicle Maintenance Fund to pay for ambulance repairs. 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 Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

7. D. Discussion and possible action on any and all matters regarding Resolution No. 2295. A resolution of the Mayor and City Council of the City of San Luis, Arizona, accepting a proposed distribution from the Greater Yuma Port Authority. (Jenny Torres, Acting City Manager)

Ms. Jenny Torres, Acting City Manager, stated that the Greater Yuma Port Authority Board of Directors met and there was a proposal that was provided to the city's representative, Council Member Matias Rosales, stating that the Greater Yuma Port Authority was willing to distribute a total of \$155,000.00 back to the original communities that were part of the Greater Yuma Port Authority. The \$155,000.00 represents the \$100,000.00 for the original deposit and the \$55,000.00 is for the last cash call. The cash call is the contribution that the city would make every year. By resolution, each community within the Greater Yuma Port Authority has to approve it in order for the municipalities to get their money back.

Council Member Matias Rosales clarified that it is \$105,000.00 for the deposit and \$50,000.00 for the cash call. The direction was for every board entity to go back to their respective council. The Greater Yuma Port Authority is meeting on November 16, 2023, for the board to ratify and approve it. With this, it gives the board direction that everyone is agreeing to the disposition of some of the funding from this year's funds.

MOTION: Vice Mayor Luis E. Cabrera/Council Member Javier Vargas to approve and adopt Resolution No. 2295 with the correction of the amounts and accept the proposed distribution of \$155,000.00 from the Greater Yuma Port Authority. 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 Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

7. E. Discussion and possible action on any and all matters regarding Order No. 2023-11. An Order of the Mayor and City Council of the City of San Luis, Arizona approving the Downtown San Luis Master Drainage Plan. (Jenny Torres, Acting City Manager)

Ms. Jenny Torres, Acting City Manager, explained that this plan although it was not officially adopted it had been presented to the Mayor and City Council a couple of months ago. However, in order for the city to begin making changes to the ordinance to remove the on-site retention requirement of certain areas that have been already addressed, this master plan needs to be adopted.

MOTION: Council Member Matias Rosales/Council Member Gloria Torres to approve Order No. 2023-11, approving the Downtown San Luis Master Drainage Plan. 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 Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

7. F. Discussion and possible action on any and all matters regarding Order No. 2023-12. An Order of the Mayor and City Council of the City of San Luis, Arizona, (1) authorizing and directing the acquisition of all property necessary for the construction of a new storm water retention basin and storm water collection system by dedication, donation, purchase, exchange, or under the power of eminent domain as a matter of public necessity, and (2) authorizing the transfer of funds to make up the shortfall from the general fund for the acquisitions, and (3) authorizing the City Manager to take any and all actions in furtherance of the acquisitions. (Jenny Torres, Acting City Manager)

Ms. Jenny Torres, Acting City Manager, stated that as part of the drainage plan, there was a recommendation for the city to acquire specific lots that would allow construction of a retention basin area to take over the drainage of specific areas. Staff has hired CEI to do the acquisition, the appraisal has been conducted and staff is ready to make an offer on the property. The property the city is looking into acquiring is located on 720 2nd Avenue, San Luis, AZ, as well as the properties across the street from this address, next to Tacos El Chipilon.

Vice Mayor Luis E. Cabrera asked what is being planned for those properties?

Ms. Torres responded that staff does not just want to make it a retention area but something walkable that will look good for the community. It has not been discussed in detail but are looking at different options to make it accessible to the public; the main focus is to beautify all of downtown.

MOTION: Council Member Matias Rosales/Vice Mayor Luis E. Cabrera to approve Order No. 2023-12, the authorization of budget transfers from the accounts as stated in the fiscal impact and authorize the City Manager to take such action as may be needed to close escrow according to the terms in the offer packages. 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 Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

7. G. Discussion and possible action on any and all matters regarding Resolution No. 2294. A resolution of the Mayor and City Council of the City of San Luis, Arizona, authorizing and directing the entering into an Intergovernmental Agreement with Yuma County to construct with federal funds five foot paved shoulders and edge line rumble strips on Avenue B, between County 18th Street and County 23rd Street, an area within Yuma County and also partially within the limits of the City of San Luis, Arizona, superseding conflicting provisions, and providing for severability. (Eulogio Vera, Director of Public Works)

Mr. Eulogio Vera, Director of Public Works, indicated that this Intergovernmental Agreement is with Yuma County, they were able to secure some federal funding, which is Highway Safety Improvement Program (HSIP). Usually this type of funding is secured when there are fatalities, it includes a portion of roadway within the City of San Luis limits. This IGA commits the city to pay a portion of the design and construction of the project. An estimated total cost was included with the agenda item. Once the project is designed and goes out to bid, the numbers received will be the ones the city will be committed to. At this point the estimated city's committed amount is a little over \$9,000.00 for the design and approximately \$75,000.00 for the construction. The County will be paying the remainder, it is pro-rated based on the percentage of the roadway that is within the city's jurisdiction. The design will be invoiced to the city in Fiscal Year 2024, it is not a budgeted item, but it is something staff want to move forward with. The construction invoice will be invoiced in Fiscal Year 2026. This project will increase the shoulder width beyond the edge stripe, five (5) foot paved shoulders.

MOTION: Council Member Javier Vargas/Council Member Matias Rosales to approve and adopt Resolution No. 2294. 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 Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

7. H. Discussion and possible action on any and all matters regarding Resolution No. 2296. A resolution of the Mayor and City Council of the City of San Luis, Arizona, approving an Intergovernmental Agreement with the United States General Services Administration jointly to improve Urtuzuastegui Street; repealing conflicting provisions; and providing for severability. (Eulogio Vera, Director of Public Works)

Mayor Nieves Riedel expressed for the City Council to consider continuing this item to a future council meeting at the request of staff.

MOTION: Vice Mayor Luis E. Cabrera/Council Member Javier Vargas to continue the item to a future Council meeting on November 21, 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 Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

7. I. Presentation by Stifel, Public Finance Advisors on revenue through a primary property tax followed by discussion and possible action on any and all matters regarding Resolution No. 2297. A resolution of the Mayor and City Council of the City of San Luis, Arizona, ordering and calling a Special Election to be held on May 21, 2024, in and for the City of San Luis, Arizona, to submit to the qualified electors of San Luis the proposed amount to be raised by a primary (ad valorem) property tax. (Sonia Cornelio, City Clerk)

Ms. Jenny Torres, Acting City Manager, indicated that Mr. Mark Reader, Managing Director, from Stifel, Nicolaus & Company, Incorporated, will be making a PowerPoint presentation.

Mr. Reader stated that he has worked with the City of San Luis for a number of years. He added that he will be providing a presentation and following it, is a potential calling of election for a primary property tax for the Mayor and City Council to consider to go to the voters in May 2024 for the purpose of a property tax to help diversify the revenues of the city's general fund. The city's general fund has tremendous pressure on it because the city is growing and have significant capital improvement needs within the city. This option is a way to diversify revenues outside sales tax and state shared revenues. Legislature has not always been friendly to the cities and each year they look at ways in which to reduce the shared revenue.

For the primary property tax, vote approval is required in Arizona for all property tax elections. The City of San Luis has never levied a property tax whether that be for a capital or for maintenance and operation. The limitation on the amount of primary property tax levied by a city is rooted in the Arizona Constitution. He added that the amount limitation as listed on the resolution would be on the ballot question is referenced in terms of tax dollars and not a tax rate. Once the set amount is determined, state statute allows any city to increase it each year by approximately two (2) percent to allow for some inflation. In Arizona, the cities can call the election for primary property tax to be held only in May for the following fiscal year if successful. The proposed amount to be levied is determined by the City Council and if approved by the voters, the dollar amount is the maximum levied each year. Therefore, if approved, each budget year, the city would consider what that primary property tax levy to be. If the election is successful, the city will determine how the monies from the primary property tax rate would be used within the city's general fund budget. He briefly explained the tax based growth and the county's valuation of its residents property tax base. This is how property taxes are levied in Arizona. He explained the three (3) different scenarios as illustrated on his PowerPoint presentation. Staff asked him to calculate a tax rate and an estimated cost to the homeowners within the city based on different revenue desires.

Scenario 1 - \$1.8 million, calculates a tax rate of \$1.54 per \$100.00 of assessed value

Scenario 2 - \$2 million, calculates a tax rate of \$1.72 for the additional \$200,000.00 of revenue for the city's budget.

Scenario 3 - \$2.5 million, calculates a tax rate of \$2.14.

In perspective of what would cost residents, based on owner occupied residential homes for the moment and based on the county's records the average property value, this is not market value, is \$106,603.00 assessed at ten (10) percent, equals \$10,660.03, then dividing it by \$100.00 equals \$106.60 multiplying it by \$1.54, totaling an estimated annual tax impact of \$165.00 or monthly an estimated tax impact of \$13.71, as demonstrated in Scenario 1. For Scenario 2, totaling an estimated annual tax impact of \$183.00 or monthly an estimated tax impact of \$15.24. For Scenario 3, totaling an estimated annual tax impact of \$229.00 or monthly an estimated tax impact of \$19.05. There are also commercial and agricultural properties. His presentation included the overlapping tax rates within the boundaries of the City of San Luis. There are other cities that have implemented a primary property tax, including the Cities of Somerton and Yuma. The PowerPoint presentation is included with the agenda item filed with the City Clerk.

Mr. Reader commented that he would work closely with staff and prepare a voter information pamphlet that would be mailed to all voters describing why the city is having the election, what the moneys will be used for and include the table in his PowerPoint presentation in the pamphlet.

MOTION: Vice Mayor Luis E. Cabrera/Council Member Javier Vargas to approve Resolution No. 2297. 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 Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

8. SUMMARY OF CURRENT EVENTS

Vice Mayor Luis E. Cabrera reported that the Founder's Day Parade took place on Saturday, November 4, 2023, without any traffic complaints. On a separate note, he and Council Member Maria Cecilia Cruz and Matias Rosales attended the Gala for Comité de Bien Estar's Cancer Hispanic Group and was happy that the City of San Luis pitched in and is providing support to all those cancer survivors. He also attended the Spooktacular Carnival on October 28, 2023, organized by the Parks & Recreation Department.

Council Member Matias Rosales reported he also attended the Campesinos Sin Fronteras Gala Dinner at the Cocopah Casino, the funds will be used for their new building.

Council Member Maria Cecilia Cruz reported she attended the Walk to End Alzheimer's, it was a very well attended event and the purpose was to raise funds and approximately \$50,000.00 were raised, the goal was \$70,000.00.

Mayor Nieves Riedel thanked the Parks & Recreation Department for organizing the city's parades and other activities. She also congratulated Ms. Jenny Torres and those employees recognized by the ERAP Committee.

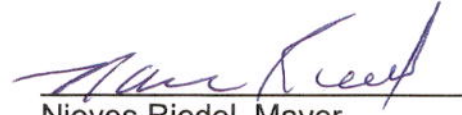
9. ADJOURNMENT

MOTION: Council Member Javier Vargas/Vice Mayor Luis E. Cabrera to adjourn the Regular Council meeting at approximately 7:06 p.m. Motion passed unanimously.

The vote was as follows:

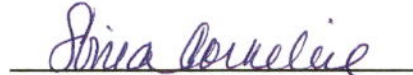
Mayor Nieves Riedel	Aye
Vice Mayor Luis E. Cabrera	Aye
Council Member Maria Cecilia Cruz	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye
Council Member Javier Vargas	Aye

APPROVED:



Nieves Riedel, Mayor

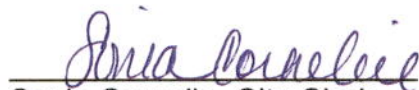
ATTEST:



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 November 8, 2023. I further certify that the meeting was duly called and held and that a quorum was present.



Sonia Cornelio, City Clerk