

NOTICE OF MEETING OF THE SAN LUIS FACILITY DEVELOPMENT CORPORATION

In accordance with section 38-431.01 of the Arizona Revised Statutes of the State of Arizona, notice is hereby given to the Members of San Luis Facility Development Corporation and to the general public that the Board Members of the San Luis Facility Development Corporation will hold a **Special Meeting at 5:00 p.m. on Tuesday, August 22, 2023**. The meeting will take place at City Hall in **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 recording. Parents in order to exercise their rights may either file written consent with the City Clerk to such recording, 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 APPROVED BY:

/s/ Kay M. Macuil, Attorney for the San Luis Facility Development Corporation

AVISO DE JUNTA DE LA CORPORACIÓN

De acuerdo con los Estatutos del Estado de Arizona "A.R.S § 38-431.01", se le informa a los miembros de la Corporación San Luis Facility Development Corporation y al público en general que los miembros de la Corporación San Luis Facility Development Corporation, tendrán una **Junta Especial el día 22 de Agosto, 2023 a las 5:00 p.m.** La junta se llevará a cabo en el **Salón 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, ubicada 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 APROBADO POR:

/f/ Kay M. Macuil, Abogada de la San Luis Facility Development Corporation

AGENDA
SAN LUIS FACILITY DEVELOPMENT CORPORATION
San Luis Council Chambers
1090 E. Union Street
San Luis, Arizona 85349
AUGUST 22, 2023
5:00 p.m.

PLEASE TAKE NOTICE THAT BOARD MEMBERS MAY ATTEND THE MEETING BY TELEPHONIC COMMUNICATION

PLEASE TAKE NOTICE: *The Chair or Acting Chair may change the order of the items.*

PLEASE TAKE NOTICE: *If authorized by law and by a majority vote of a present quorum of the Board of Directors, 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 Board retires to executive session which will not be open to the public.*

1. CALL TO ORDER/ROLL CALL

2. CONSENT AGENDA

All matters are considered to be routine by the Commission 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.

2. A. Minutes 2023-01-26

3. DISCUSSION AND POSSIBLE ACTION ITEMS:

3. A. Discussion and possible action on any and all matters regarding using the Operating Reserve/Repair/Contingency Account to purchase a new A.C. to replace one that stopped working in the San Luis Regional Detention and Support Center's kitchen.
(Monica Castro, Finance Director)

4. ADJOURNMENT

Suggested adjournment by President: "Since we have come to the end of the items on the agenda and there is no further business, the meeting is adjourned."

San Luis Facility Development Corporation

2. A.

Meeting Date: 08/22/2023

Summary

Minutes 2023-01-26

Attachments

Minutes

MINUTES
SAN LUIS FACILITY DEVELOPMENT CORPORATION
San Luis Council Chambers
1090 E. Union Street
San Luis, Arizona 85349
January 26, 2023
3:30 p.m.

PLEASE TAKE NOTICE THAT BOARD MEMBERS MAY ATTEND THE MEETING BY TELEPHONIC COMMUNICATION

PLEASE TAKE NOTICE: *The Chair or Acting Chair may change the order of the items.*

PLEASE TAKE NOTICE: *If authorized by law and by a majority vote of a present quorum of the Board of Directors, 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 Board retires to an executive session that will not be open to the public.*

1. CALL TO ORDER/ROLL CALL President Jenny Torres called the meeting to order at approximately 3:32 p.m.

THOSE PRESENT:

Director Marco Pinzon
Director Eulogio Vera
President Jenny Torres

OTHERS PRESENT:

Kay Macuil, General Counsel
Janet Taylor, Clerk of the Board
Ruben Lopez, IT Technician
Monica Castro, Director of Finance
Antonio Sandoval, Water Supervisor-Public Works
David Rivas, Warden, LaSalle Detention Center
Thomas Carroll, Assistant Warden, LaSalle Detention Center

THOSE NOT PRESENT:

Secretary Maria Gonzalez
Director Alex "Joe" Harper

2. CONSENT AGENDA

All matters are considered to be routine by the board 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.

2.A. MINUTES OF:

Regular meeting held February 27, 2020

Regular meeting held May 17, 2021

MOTION: President Jenny Torres and Director Marco Pinzon to approve the consent agenda. **Motion passed unanimously.**

The vote was as follows:

President Jenny Torres Aye

Director Eulogio Vera Aye

Director Marco Pinzon Aye

3. DISCUSSION AND POSSIBLE ACTION ITEMS:

3. A. Presentation followed by discussion and possible action on any and all matters regarding using the Operating Reserve/Repair/Contingency Account for a water softening system or other capital expenses of the San Luis Regional Detention and Support Center. **(Warden David Rivas and City Finance Director Monica Castro)**

Warden David Rivas gave a PowerPoint presentation and explained the failure of the current Culligan Water Softener system used at the detention center. Warden Rivas explained the need for a new system and how and what the recent failings were. He also explained the costs of trying to keep it repaired, including maintenance call expenses.

The Warden offered an alternative company, Diamond Brooks. He explained the pros and cons and stated complete replacement would be the best option. The quote would include replacing the steel tanks with fiberglass tanks. Train staff to maintain control panels instead of paying the current servicer Culligan \$175 per visit to enter a code. Replacement by Diamond Brooks would also include PVC piping, more tech support, and replacement parts available online. A one (1) year warranty for all equipment and a five (5) year warranty on parts and equipment. The total cost for total replacement would be \$91,005.40.

Culligan's total cost is \$59,821.18, including replacing panels with PVC piping. Replacement of Steel Manifold. Tanks would not be replaced and eventually corrode. Steel manifold diaphragms would need to be replaced annually, and control panels could only be serviced by Culligan as well as replacements parts.

Warden Rivas also went over the cost-benefit analysis of having Culligan do the replacement, which was only to switch out the front panels and not replace the tanks, as opposed to Diamond Brooks, which included replacing the tanks with fiberglass tanks.

Mr. Pinzon asked if an expense this big is worth just doing the front and not everything completely.

Warden Rivas responded we need to do everything completely.

Mr. Pinzon asked if Mr. Rivas was proposing Diamond Brooks's proposal to replace everything, not Culligan's. Warden Rivas responded yes. He had discussed this with Mr. Eason agreed and took it to Rodney Cooper, the Executive Director, and he also agreed. Warden explained that the system shut down one (1) tank at a time.

Director Vera commented that it was about 2022 when it was last functional. Mr. Vera stated that right now, we have a manganese water treatment which was the cause of the dark water back in 2012. Back then, the city wasn't treating manganese. 2015-2016, the manganese treatment was added to the well. Mr. Vera asked Mr. Rivas if he thought his operations would still suffer without the water softener.

Warden Rivas responded, yes. The only thing keeping the inmates calm is the 500-gallon water tank, the drinking water, and Diamond Brook bringing us 5-gallon water containers, around 15 a week for the staff. So we still buy water.

Mr. Vera explained that in 2015, the city experienced the same problem with a water filtration system with the same lack of support.

President Torres discussed the list of capital projects LaSalle had and that it had been reviewed, she expressed her biggest concern: if there were a need for a new roof, that would be \$300 or \$400 thousand. We need to have a plan for how we would do it. Should we leave additional funding in the contingency fund, and what amount? After discussion, the roof was not an issue. If we approve this project, there might not be additional funding for projects down the pipeline. LaSalle would have to pay for it out of their operations.

Warden Rivas explained they review the following year's budget, and they let finance know what is needed in advance so that it is not a surprise to them, and they are aware of what is required, and they plan for them.

Warden Rivas also explained that the security camera system isn't in the best condition, and they may have to piece together some timelines, but it is working. The water system is not, and that is what he is asking for first.

Monica Castro explained the waterfall system to Director Vera, who is new to the board.

Mr. Vera asked Monica if they were required to get quotes as the city is required to do.

Monica Castro, Finance Director, replied it is encouraged. Yes, we would like to see them do that. We are the ones safeguarding the funds. She provided an example of the waterfall, how the funds are disbursed, and how the account cannot fall below \$300,000.00.

Mr. Pinzon stated that the detention center is in much better financial shape now than it was a few years back. It was agreed by those present.

Antonio Sandoval, Water Supervisor for the City of San Luis, was present and available for questions. He commented that he wanted to make sure LaSalle chose the right system. And asked if they had done a study on the water to see if this was the right system and equipment for them.

Mr. Vera asked that the system be calibrated to the type of water in the facility. And make sure a water analysis is done. Or confirmation from the vendor that their filtration system is adequate.

MOTION:

Director Marco Pinzon and Director Eulogio Vera approve the use of the operating reserve/repair/contingency account to purchase a water softener system in the amount not to exceed \$91,540.00. **Motion passed unanimously.**

The vote was as follows:

Director Marco Pinzon	Aye
Director Eulogio Vera	Aye
President Jenny Torres	Aye

4. NEW ITEMS OF BUSINESS FOR FUTURE AGENDAS

Vice Chair Position
Future inspections using maintenance cost or outsourcing.
Directors wanting to continue to serve.

5. ADJOURNMENT

Meeting adjourned at approximately 4:19 p.m.

San Luis Facility Development Corporation

3. A.

Meeting Date: 08/22/2023

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

Submitted By: Janet Taylor, Legal Secretary, Attorney's Office

ITEM:

Discussion and possible action on any and all matters regarding using the Operating Reserve/Repair/Contingency Account to purchase a new A.C. to replace one that stopped working in the San Luis Regional Detention and Support Center's kitchen. **(Monica Castro, Finance Director)**

SUMMARY:

A.C. Stopped Working in the Heat of the Summer

On Monday, August 14, 2023, the Warden alerted staff that the air conditioning unit ("A.C.") for the San Luis Facility Detention Center's kitchen went out. The Warden informed staff that It was from an original installation in 2007, 16 years in service. On that Monday, the outside temperature was 110°F and peaked on Thursday at 111°F only to dip into the nineties when clouds and then rain rolled in on Friday and over the weekend.

Proposals

The Warden had obtained two proposals to remove the old and install a new A.C. Arizona Valley Refrigeration Heating and Cooling, L.L.C. ("Arizona Valley") was the low bid at \$37,050.50. (They were \$817.70 lower than Valle Air Conditioning, L.L.C.) Both bids are attached to this agenda item. Arizona Valley agreed to invoice after the installation. This has given staff time to arrange for this Board Meeting.

Account Balance and Detention Center Waterfall

The U.S. Bank Trustee informed staff that \$551,419.73 has built up in the Operating Reserve / Repair/ Contingency Account. In January 2023, the Board agreed to use the same account to purchase a water softener system. Before that purchase, the balance was \$420,000.00, so the account was able to rebound. The balance after the purchase of \$37,050.50 will be approximately \$514,369.23.

The federal agencies pay directly into the U.S. Bank's Trust Account for the services of the Detention Center. The U.S. Bank Trustee pays out to each account in the below order as funding is available. This order of priority is called a "waterfall" and is found in the language of the contract (called the "Trust Indenture") between the U.S. Bank and the San Luis Facility Development Corporation.

The Waterfall under the Trust Indenture (references to the sections of the Trust Indenture):

All revenue is deposited in the General Account and disbursed in this priority (5.06 (a))

1. Bond Interest, see 5.06 (b)(i),
2. Restore Bond Reserve if necessary under 5.02; see 5.06(b),
3. Bond Principal, see 5.06(b)(ii),
4. Operation & Maintenance Costs, see 5.06 (c),
5. Trustee Fees, see 5.06(c) (sub-account of the Operating Account),
6. Operator Fee, see 5.06(d),

Through the 2018 Operating Agreement with LaSalle, the \$35,000

City Business License Fee is paid equally with the 6% of Operation & Maintenance Costs paid to LaSalle. Note: LaSalle will be setting up a meeting with staff to discuss that the waterfall has not funded this fee.

7. Operating/Reserve/Repair/Contingency pay up to \$10,000 per month until there is \$300,000 in the account, see 5.06(e)

8. Surplus, see 5.06(f).

Procedure to Pay

For the Trustees at U.S. Bank to pay, they must have a requisition approved by the Board. The staff has prepared the attached letter, so the Trustee can release the funds from the Operating Reserve / Repair / Contingency account for the A.C.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE THE USE OF THE OPERATING RESERVE / REPAIR / CONTINGENCY ACCOUNT TO PAY ARIZONA VALLEY REFRIGERATION HEATING AND COOLING, L.L.C. FOR REMOVAL OF THE OLD A.C. AND INSTALLATION OF A NEW A.C. FOR THE DETENTION CENTER'S KITCHEN AND APPROVE THE ATTACHED REQUISITION.

Attachments

Low-AZ Valley Refrigeration
High-Valle Air Conditioning
Requisition to Trustees to Pay from Reserve Account



Proposal

Proposal submitted to SLRDSC La Salle Correction West	Phone (928) 627-6500	Date 8-10-2023
Street 406 N. Ave D.	Job name 15 Ton Package Unit	
City, State and Zip Code San Luis, Az 85349	Job location RTU # 21	
Architect Martin	Date of plans	Job phone

We hereby submit specifications and estimates for:

Remove and Dispose Existing 15 Tons. Package unit

Provide and install new ICP 15 ton gas pack unit 460 volts 3 phase Model; RGH181LSCUOAAAT

Re use electrical disconnect, gas line and drain

Re wire unit and startup check operation

Crane service

5 Year Compressor Warranty. 1 Year Parts and Labor

We propose hereby to furnish material and labor – complete in accordance with above specifications, for the sum of:

(Thirty Seven Thousand fifty dollars and 00/100) Dollars \$ 37,050.50

Payment to be made as follows:

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specification involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Authorized Signature: Martin

Note: This proposal may be withdrawn by us if not accepted within: _____ Days

Acceptance of proposal – The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outline above.

Date of acceptance: _____ Signature _____

Signature _____

Valle Air Conditioning LLC

P.O. Box 990 PMB 247
San Luis, AZ 85349 US
valle.airconditioningllc@gmail.com



Estimate

ADDRESS	SHIP TO	ESTIMATE	1080
Lasalle Correccytions West	Lasalle Correccytions West	DATE	08/09/2023
406 North Ave D	406 North Ave D		
San Luis, AZ 85349	San Luis, AZ 85349		

DATE		DESCRIPTION	QTY	RATE	AMOUNT
08/09/2023	New A/C equipment	<p>COMPLETE INSTALLATION HIGH-EFFICIENCY GAS HEAT/ELECTRIC COOLING PACKAGED 15 TON. INCLUDES:</p> <ul style="list-style-type: none">•ICP POWER EXHAUST VERT LG•ICP 15T G/E PKG 460V 3PH•SURCHARGE. <p>• One-piece, high efficiency gas heating and electric cooling with a low profile, prewired, tested, and charged at the factory</p> <p>• Dedicated vertical or horizontal air flow duct configuration models. No field kits required.</p> <p>• Full perimeter base rail with built-in rigging adapters and fork truck slots</p> <p>• Pre-painted exterior panels and primer-coated interior panels tested to 500 hours salt spray protection</p> <p>• Fully insulated cabinet</p> <p>• Two-stage cooling with independent circuits and control on all models</p> <p>• Redundant gas valve for two stage gas heating capacity control</p> <p>• Exclusive IGC solid-state control for on-board diagnostics with LED error code designation, burner control logic and energy saving indoor fan motor delay</p> <p>• High efficiency, gas heat with induced draft flue exhaust design</p> <p>• Scroll compressors on all models</p> <p>• All units have high and low pressure switches</p> <p>• Two inch disposable fiberglass type return air filters in dedicated rack with tool-less filter access door</p> <p>• Refrigerant circuits contain a liquid line filter drier to trap dirt and moisture</p>	1	35,000.00	35,000.00T

- Exclusive non-corrosive composite condensate pan in accordance with ASHRAE 62 Standard, sloping design; end drain
- Belt drive evaporator-fan motor and pulley combinations available to meet most applications
- Access panels with easy grip handles provide quick and easy access to the blower and blower motor, control box, and compressors.
- “No-strip” screw system has superior holding power and guides screws into position while preventing the screw from stripping the unit’s metal.
- Newly designed terminal board facilitates simple safety circuit troubleshooting and simplified control box arrangement
- Standard outdoor temperature cooling operation range up to 125°F (52°C) and down to 35°F (2°C)
- TXV metering devices on all models to precisely control refrigerant flow
- Large, laminated control wiring and power wiring drawings are affixed to unit to make troubleshooting easy
- Capable of thru-the-base or thru-the-curb gas line routing
- Single point gas and electrical connections

SUBTOTAL	35,000.00
TAX	2,874.20
<hr/>	
TOTAL	\$37,874.20

Accepted By

Accepted Date

SAN LUIS FACILITY DEVELOPMENT CORPORATION
P.O. Box 1170
San Luis, Arizona 85349

August 22, 2023

Mr. Keith Marshall
Vice President
U.S. Bank Global Corporate Trust Services
633 W. Fifth Street, 24th Floor
Los Angeles, CA 90071

Ms. Zsamé Morgan
Treasury Financial Manual Analyst and
Trust Officer
U.S. Bank, Global Corporate Trust Services
West Side Flats St. Paul
60 Livingston Avenue
Saint Paul, Minnesota 55107

Via e-mail Keith.Marshall@usbank.com

Via e-mail zsame.morgan@usbank.com

Re San Luis Facility Development Corporation
Issuer-Approved Requisition for Air Conditioner Replacement

Dear Mr. Marshall and Ms. Morgan:

Please consider this letter the issuer-approved requisition for funds from the Operating Reserve/ Repair /Contingency Account to pay by check the capital expense of \$37,050.50 to Arizona Valley Refrigeration Heating and Cooling, L.L.C. for emergency work and replacement of the San Luis Regional Detention and Support Center's Kitchen Air Conditioner which has ceased working. Attached is the low bid from said vendor, including contact information.

On August 22, 2023, the San Luis Facility Development Corporation Board approved the above-described request for funds and this letter at a duly noticed open meeting.

Please do not hesitate to ask if you have any questions or would like additional information. If I am unavailable, please contact Monica Castro, Finance Director.

Sincerely,

Jenny Torres, President

APPROVED AS TO FORM:

Kay Marion Macuil, General Counsel

ATTEST:

Janet Taylor, Clerk of the Board

Copy: David Rivas, Warden
Enclosure: Fully Executed Vendor Bid