

MINUTES
Special Council Meeting
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
San Luis, AZ 85349
October 2, 2024
7:00 p.m.

1. CALL TO ORDER/ROLL CALL

Mayor Nieves Riedel called the Special City Council meeting to order at approximately 7:00 p.m.

PRESENT: Mayor Nieves Riedel
Council Member Tadeo Azael De La Hoya – via Zoom @ 7:02 p.m.
Council Member Javier Vargas
Vice-Mayor Gloria Torres
Council Member Luis E. Cabrera
Council Member Matias Rosales – via Zoom
Council Member Mara Cecilia Cruz

OTHERS PRESENT: Jenny Torres, Acting City Manager
Kay Macuil, City Attorney
Sonia Cornelio, City Clerk
Albert Moreno, Information Technology
Eulogio Vera, Director of Public Works
Francia Alonso, Public Information Officer
Glenn Gimbut, Assistant City Attorney
Janet Taylor, Legal Secretary
Jose Antonio Maldonado, Multimedia Production & Operations Specialist
Olivia Jenkins, Administrative Services Manager
Roula Encinas, Director of Finance
Alex Bejarano, Regional Center for Border Health
Gerald W. Hunt, Attorney for Regional Center for Border Health, Inc.
Alex J. Harper, Member of the San Luis Industrial Development Authority
Gary Black, President to the San Luis Industrial Development Authority

2. PLEDGE OF ALLEGIANCE

Council Member Javier Vargas led the Pledge of Allegiance.

3. DISCUSSION AND POSSIBLE ACTION ITEMS:

3. A. Public hearing followed by discussion and possible action on any and all matters regarding a proposed financing of eighty million dollars (\$80,000,000) using the Industrial Development Authority of the City of San Luis as a financing conduit for a proposed hospital through the Regional Center for Border Health, Inc. in San Luis, Arizona. This is a public hearing required by federal law. (Glenn Gimbut, Assistant City Attorney)

Mr. Glenn Gimbut, Assistant City Attorney, explained that this is a proposed bond issue of \$80 million for a hospital to be located in the City of San Luis. This is a proposed financing for the Regional Center for Border Health, Inc. He informed that the law requires that the City Council conduct a public hearing on this topic.

A. Presentation

Mr. Gerald W. Hunt, Attorney for Regional Center for Border Health (RCBH), Inc., asked the Mayor and City Council to support this project. He indicated that RCBH understands that there is a competitive situation where San Luis will be fortunate to have two (2) different groups that want to construct healthcare facilities in the community. He highlighted that RCBH's goal is for San Luis to receive quality health care. He informed that they currently employ over 480 South Yuma County residents and own several health facilities in Somerton and two (2) facilities in San Luis, one of them being the Medical Mall. Furthermore, he explained that this project is being done to augment public healthcare in South Yuma County and not to make money from residents. He informed that the proposed hospital would include an emergency room that would be open 24/7; this would benefit the city and make it a better place to live. He outlined that the idea of this project is not just to have a good hospital but to have an affordable hospital.

B. Open Public Hearing

Mayor Nieves Riedel opened the Public Hearing.

C. Call to the Public on this Item

Ms. Glenn Gimbut, resident, recalled that in 1998, the only doctor in San Luis, Arizona, asked the Mayor and City Council to bring more health facilities to the community. During that time, the only person who stepped up was Ms. Amanda Aguirre, CEO of RCBH. The land was acquired from Ms. Nieves Riedel, and Mr. Alex J. Harper was the Mayor at that time. The City Council supported that project, and that is how medical services were expanded in the community. He mentioned that Ms. Aguirre has always shown her support for medical services in Southern Yuma County. He commented that competition is important so that costs and services are affordable.

Mayor Nieves Riedel stated that the city and the community appreciate what Ms. Aguirre has done in the community.

Mr. Alex J. Harper, resident, stated that he is proud of what has been done for medical health care in the community. Ms. Aguirre has worked hard, and he asked the Mayor and City Council to support her project.

D. Close Public Hearing

Mayor Nieves Riedel closed the Public Hearing.

3. B. Discussion and possible action on any and all matters regarding Resolution No. 2334. A resolution of the Mayor and City Council of the City of San Luis, Arizona, approving the issuance of debt issued by the Industrial Development Authority of the City of San Luis, Arizona, in the maximum stated principal amount of \$80,000,000 in one or more series or issuance, the proceeds of which are to be lent to the Regional Center for Border Health, Inc., and declaring an emergency. (Glenn Gimbut, Assistant City Attorney)

(6 votes in favor are required to pass immediately as an emergency per A.R.S. § 19-142.)

Mr. Glenn Gimbut, Assistant City Attorney, informed that Resolution No. 2334 states that the Mayor and City Council support this project and support the issuing of \$80 million for a hospital as an Industrial Development Authority bond issue. He explained that by state law on an IDA bond issue, there is no financial commitment by the city, and there is nothing on this resolution that says there is a financial commitment by the city; this is something that would have to be paid for solely by Regional Center for Border Health, Inc.

Ms. Jenny Torres, Acting City Manager, informed that if the City Council votes in favor of this resolution, the motion needs to include the emergency clause. Six (6) votes are required in order to pass immediately as an emergency.

Council Member Matias Rosales asked what would happen if RCBH was to go bankrupt?

Mr. Gimbut replied that if they go bankrupt, they will have to foreclose on the property. However, the city or the Industrial Development Authority still has no financial obligation, and the taxpayers will not be liable.

Motion: Council Member Javier Vargas/Mayor Nieves Riedel to approve and adopt Resolution No. 2334 and declare an emergency. Motion passed unanimously.

Mayor Riedel asked for a Roll Call Vote; the votes were as follows:

Mayor Nieves Riedel	Aye
Council Member Tadeo Azael De La Hoya	Aye

Council Member Javier Vargas	Aye
Vice-Mayor Gloria Torres	Aye
Council Member Luis E. Cabrera	Aye
Council Member Matias Rosales	Aye
Council Member Mara Cecilia Cruz	Aye

4. ADJOURNMENT

MOTION: Mayor Nieves Riedel/Council Member Javier Vargas to adjourn the Special Council meeting at approximately 7:23 p.m. Motion passed unanimously.

The vote was as follows:

Mayor Nieves Riedel	Aye
Council Member Tadeo Azael De La Hoya	Aye
Council Member Javier Vargas	Aye
Vice-Mayor Gloria Torres	Aye
Council Member Luis E. Cabrera	Aye
Council Member Matias Rosales	Aye
Council Member Mara Cecilia Cruz	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 Special City Council meeting of the City Council of the City of San Luis, Arizona, held on October 2, 2024. I further certify that the meeting was duly called and held and that a quorum was present.

Sonia Cornelio, City Clerk