

**MINUTES
SPECIAL MEETING
THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF SAN LUIS
COUNCIL CHAMBERS
1090 E. Union Street San Luis, Arizona 85349
October 2, 2024
7:30 p.m.**

1. CALL TO ORDER/ROLL CALL President Gary Black called the meeting to order at approximately 7:32 p.m.

THOSE PRESENT:

Director Joe Harper
Vice President Marco Pinzon
President Gary Black

OTHERS PRESENT:

Kay Marion Macuil, City Attorney
Janet Taylor, Clerk of the Board
Jenny Torres, Acting City Manager
Glenn Gimbut, City Attorney
Roula Encinas, Director of Finance
Gerry Hunt, Regional Center for Border Health
Alex Bajarano, Regional Center for Border Health
Jose Antonio Maldonado, Multi-Media Production and Operations Specialist
Albert Moreno, IT Technician

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 OF

- Meeting held June 19, 2019

MOTION: Director Joe Harper and Vice President Marco Pinzon approved the minutes of the meeting held June 19, 2024. **Motion passed unanimously.**

The vote was as follows:

President Gary Black	Aye
Director Joe Harper	Aye
Vice President Marco Pinzon	Aye

3. DISCUSSION AND POSSIBLE ACTION ITEMS:

**3. A. Discussion and possible action of engagement of Glenn Gimbut as Issuer Counsel.
(Glenn Gimbut, Assistant City Attorney)**

Mr. Gimbut explained that with any bond issue, some lawyer must sign as issuer's counsel, guaranteeing that all proceedings were legal and the bonds were legally issued. That guarantee lasts the life of the bonds or the lawyer's life. Whichever comes first. Mr. Gimbut stated that he would be guaranteeing the \$80,000,000 bond issue. The usual fee is that the bigger the bond, the bigger the fee. He is proposing half of the fee on the market. This is paid solely from the bonds. It is not a city obligation in any way, shape, or form. The fee is \$20,000.00, and it was stated that it was up to the board whether or not to approve it. This is paid solely from the bonds. If there is no bond issue, there is no pay.

MOTION: Director Joe Harper and Vice President Marco Pinzon approved engaging Glenn Gimbut as issuer's counsel for the bond issue identified in Resolution No. 2024-01 to be paid only from the proceeds of said issue at closing and at such rates or amounts as are customary for such representation. **Motion passed unanimously.**

The vote was as follows:

President Gary Black	Aye
Director Joe Harper	Aye
Vice President Marco Pinzon	Aye

3. B. Discussion and possible action on any and all matters regarding Resolution No. 2024-01. A resolution of the Board of Directors of the Industrial Development Authority of the City of San Luis, Arizona, granting final approval of the issuance of debt in the maximum stated principal of \$80,000,000, in one or more series or issuances, the proceeds of which are to be lent to the Regional Center for Border Health, Inc. (Glenn J. Gimbut, General Counsel of the IDA Board)

Mr. Gimbut explained that this is a proposed bond issue for the expansion of the Medical Mall in San Luis into a true hospital with beds, emergency services, etc. He explained that an IDA bond issue is not an obligation of the city or the citizens of San Luis in any way, shape, or form. It is to be paid solely by the Regional Center for Border Health. Mr. Gimbut explained what would happen if this project went belly-up and that the bondholders would go after the Regional Center for Border Health. Mr. Gimbut stated that when Mr. Hunt was speaking at the TEFRA hearing, he explained that they have had feasibility studies, appraisals, and other things done to justify the loan.

Mr. Gimbut stated that Mr. Black had asked him if there was a limitation on bonds for the IDA, and the answer is no. There is a limitation in federal law of how much of the bond issue can be tax-exempt from federal taxation. That is why you are seeing one or more series or issuances in this bond. Mr. Gimbut explained that the bonds for the Medical Mall were two (2) issuances. Part of the bonds were tax-free, and part of the bonds were taxable, and they would do the same thing here.

President Gary Black thanked Mr. Gimbut for clarifying that. Mr. Black stated that, at one time, the IDA could only approve \$30,000.000 per year. And that is why he was asking.

MOTION: Vice President Marco Pinzon and Director Joe Harper approved Resolution No. 2024-01 to finance the Border Health Medical Campus/San Luis Community Hospital in the form as presented. **Motion passed unanimously.**

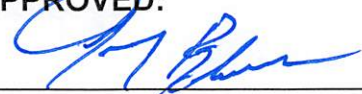
The vote was as follows:

President Gary Black	Aye
Director Joe Harper	Aye
Vice President Marco Pinzon	Aye

4. ADJOURNMENT

Meeting adjourned at approximately 7:39 p.m.

APPROVED:



Gary Black, President

ATTEST:



Janet Taylor, Clerk of the Board

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Industrial Development Authority 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.



Janet Taylor, Clerk of the Board