

**MINUTES  
SPECIAL MEETING  
SAN LUIS FACILITY DEVELOPMENT CORPORATION  
San Luis Council Chambers  
1090 E. Union Street  
San Luis, Arizona 85349  
OCTOBER 29, 2025  
5:30 p.m.**

**CALL TO ORDER/ROLL CALL** President Jenny Torres called the meeting to order at approximately 5:30 p.m.

**THOSE PRESENT:**

Director Maria Gonzalez  
Vice President Joe Harper  
Director Marco Pinzon  
Director Eulogio Vera  
President Jenny Torres

**OTHERS PRESENT:**

Kay Marion Macuil, City Attorney, Attorney for the Corporation  
Janet Taylor, Legal Assistant, Clerk of the Board  
Roula Encinas, Finance Director  
Miguel Ramirez, Assistant Finance Director  
David Rivas, Warden LaSalle Corrections  
Thomas Carroll, Assistant Warden LaSalle Corrections  
Antonio Maldonado, Multi-Media Production & Operations Specialist  
Albert Moreno, IT Technician

**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:**

- Regular Meeting held July 23, 2025

**MOTION: Director Eulogio Vera and Director Marco Pinzon approved the minutes of the meeting held July 23, 2025. Motion passed unanimously.**

**The vote was as follows:**

Director Maria Gonzalez	Aye
Vice President Joe Harper	Aye
Director Marco Pinzon	Aye
Director Eulogio Vera	Aye
President Jenny Torres	Aye

**DISCUSSION AND POSSIBLE ACTION ITEMS:**

**3.A. Discussion and possible action on any and all matters regarding Resolution No. 2025-01: A resolution of the San Luis Facility Development Corporation authorizing reimbursement to LaSalle Corrections from the Operating Reserve/Repair/Contingency Fund for the replacement and installation of three (3) HVAC units. (Kay Marion Macuil, General Counsel to the Board)**

Ms. Macuil discussed the new HVAC units, the last one installed in September. She stated that the Warden was present if anyone had any questions. And the total cost came to \$ 104,328.37.

Director Pinzon asked if these were the original equipment that we are replacing, and the Warden responded; Yes, that they were from 2007.

**MOTION: Director Marco Pinzon and Director Maria Gonzalez approved Resolution No. 2025-01 for the purchase of the three (3) HVAC units purchased and related expenses to come from the Bond Operating Reserve/Repair/Contingency Account in an amount not to exceed \$104,328.37. Motion passed unanimously.**

**The vote was as follows:**

Director Maria Gonzalez	Aye
Vice President Joe Harper	Aye
Director Marco Pinzon	Aye
Director Eulogio Vera	Aye
President Jenny Torres	Aye

**3.B. Discussion and possible action on any and all matters regarding Resolution No. 2025-02. A resolution of the Board of the San Luis Facility Development Corporation in support of the San Luis Regional Detention and Support Center, ratifying the 2025 Amended and Restated Agreement with U.S. Bank Trust Company and LaSalle Corrections to extend the forbearance of the bonds until April 30, 2027; repealing conflicting provisions; and providing for severability. (Kay Marion Macuil, General Counsel)**

Kay Marion Macuil explained to the board that since the writing of this agenda item this did go to court in Minnesota and that there is an actual change. She instructed the board to refer to page seven (7) in the forbearance agreement handout. It summarizes what went into the forbearance agreement.

Ms. Macuil stated that we have been in forbearance since September 2024 and that this new forbearance will take us out to April 30, 2027. The terms start on page seven (7). Ms. Macuil explained the Fiscal Impact, which is included in this agenda item. She also discussed the steps of the waterfall in the new forbearance agreement.

President Jenny Torres asked the board if they had any questions explaining that this was not the board's first rodeo with forbearance.

Finance Director Roula Encinas explained that we have not received a business license fee for many years.

President Torres stated that more on this item will be discussed in Item No. 3E. This was a court order.

**MOTION: Director Marco Pinzon and Director Maria Gonzalez approve Resolution No. 2025-02 Ratifying the Amended and Restated Agreement regarding temporary Forbearance, Operation of Project and Project Revenues executed July 31, 2025. Motion passed unanimously.**

**The vote was as follows:**

Director Maria Gonzalez	Aye
Vice President Joe Harper	Aye
Director Marco Pinzon	Aye
Director Eulogio Vera	Aye
President Jenny Torres	Aye

**3.C. Discussion and possible action on any and all matters regarding the ratification of the Intergovernmental Service Agreement with the U.S. federal agency Immigration and Customs Enforcement ("ICE") to provide detention services for five (5) years. (Kay Marion Macuil, General Counsel)**

Kay Macuil, General Counsel, explained to the board that the San Luis Facility Development Corporation's General Counsel and La Salle Correction's Chief Financial Officer were able to negotiate a \$40 per head increase, a guaranteed minimum of 100 detainees, and a \$5.83 per mile mileage rate for transportation, due to the specialized secure buses that are used for transportation. Detention Services are to be provided under the detailed terms and standards provided in the Intergovernmental Service Agreement ("IGSA") from March 1, 2025, through February 28, 2030. The IGSA is attached. The President of the San Luis Facility Development Corporation signed the IGSA on February 28, 2025. The recommendation for this item is to ratify the IGSA.

President Torres stated that in previous boards, we were directed to examine forbearance and negotiate these contracts with federal agencies to make our operations more feasible, which was part of the negotiations that LaSalle and the Facility Corporation undertook to increase those rates.

Ms. Macuil added that this would take us out five years.

**MOTION: Director Eulogio Vera and Director Marco Pinzon move to ratify the 2025 Intergovernmental Service Agreement with ICE for detention services for five (5) years as presented. Motion passed unanimously.**

**The vote was as follows:**

Director Maria Gonzalez	Aye
Vice President Joe Harper	Aye
Director Marco Pinzon	Aye
Director Eulogio Vera	Aye
President Jenny Torres	Aye

**3.D. Discussion and possible action on any and all matters regarding the ratification of the Intergovernmental Service Agreement with the U.S. federal agency Marshals Service ("ICE") to provide detention services for three (3) years.**

Ms. Macuil explained that the SLFDC General Counsel and the Chief Financial Officer were able to negotiate the following with the U.S. Marshals Service Intergovernmental Agreement ("IGSA"). She stated that the contracts are with the board, not with LaSalle. The transportation increase goes straight to LaSalle; they don't go through the operating agreement or the trustees.

The per head, per diem rate increases from \$104.84 to \$140.00. The hourly rate for transportation to court, medical appointments, hospital, and the Marshals Service Justice Prisoner and Alien Transportation System increases from \$35.17 to \$38.50. The IGSA is extended starting March 1, 2025, for 36 months (which is 3 years) to February 29, 2028

**MOTION: Director Marco Pinzon and Vice President Joe Harper move to ratify the 2025 Intergovernmental Services Agreement with the U.S. Marshals Service for three (3) years of Detention Services as presented. Motion passed unanimously.**

**The vote was as follows:**

Director Maria Gonzalez	Aye
Vice President Joe Harper	Aye
Director Marco Pinzon	Aye
Director Eulogio Vera	Aye
President Jenny Torres	Aye

**3.E. Discussion and possible action on any and all matters regarding a third amendment to the Operating Agreement with LaSalle Corrections to clarify payments of the City of San Luis License Fee, and variable fees for the City of San Luis and LaSalle corrections before, during and after the forbearance periods. (Kay Marion Macuil, General Counsel)**

Ms. Macuil stated that the city is audited annually by an independent auditor, who examines the entire arrangement related to this project. Although the board is separate from the city, it is appointed by the city, and therefore, the auditor views it as an arm of the city. She stated that the auditor said a little clean-up was needed because of all these forbearances; the bottom of the waterfall isn't being addressed. Basically, what it's saying is that the bottom of the waterfall for the business license for the city of LaSalle variable incentive fee, the city's variable incentive fee before, during, and what is going to happen to them after the forbearance.

Ms. Roula Encinas, Finance Director, explained that she had the correct amount of the unpaid business license fees. It was not, as she stated earlier, the amount as of September 2024, which will be written off, is 300, almost 10 thousand for the issuer fees that we are not going to receive. We have accounts receivable of 1,245,000,000 as of September 2024. After that, we will not accrue anything until April 2027, when the third forbearance agreement ends.

Regarding the variable incentive fee, we never received anything. We did not have the capacity that it was required for reimburse to the city. Ms. Encinas stated that she believed it was three dollars (3) per inmate, and we did not get anything.

Per the auditor's request, we are cleaning up the balances on the general fund and the Detention Center fund as well. We are requesting that this item be submitted to you.

Ms. Macuil asked Ms. Encinas if we were writing off some of the back debt. Ms. Encinas responded that we are writing off \$310,000.00.

Mr. Pinzon asked if that was what hadn't been paid.

Ms. Encinas responded; No, we haven't received \$1,245,000.00, and it is still pending to receive.

President Torres commented that when we first started this forbearance, we would suspend the license fee; we never received it, and now we are at a million dollars that we are not going to receive, so the auditors are recommending that we write some of that off. Ms. Torres stated that in the future, we can negotiate on how to get a portion of that back.

**MOTION: President Jenny Torres and Director Maria Gonzalez approve the attached Third Amendment to the Operating and Management Agreement with LaSalle Corrections LLC. Motion passed unanimously.**

**The vote was as follows:**

Director Maria Gonzalez	Aye
Vice President Joe Harper	Aye

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

## **EXECUTIVE SESSION**

**4.A. Discussion and possible action to hold an executive session pursuant to A.R.S. §38-431.03(A) (3), (4) and (7) on any and all matters regarding the possibility of leasing land for a cell tower for discussion or consultation for legal advice with the San Luis Facility Development Corporation's legal counsel in order to consider the Corporations' position and instruct its legal counsel. (Kay Marion Macuil, General Counsel)**

**MOTION: Director Marco Pinzon and Director Eulogio Vera moved to go into Executive Session. Motion passed unanimously.**

**The vote was as follows:**

Director Maria Gonzalez	Aye
Vice President Joe Harper	Aye
Director Marco Pinzon	Aye
Director Eulogio Vera	Aye
President Jenny Torres	Aye

## **MOTION TO GO BACK INTO SPECIAL SESSION:**

**MOTION: Director Marco Pinzon and Director Maria Gonzalez move to go back into Special Session. Motion passed unanimously.**

**The vote was as follows:**

Director Maria Gonzalez	Aye
Vice President Joe Harper	Aye
Director Marco Pinzon	Aye
Director Eulogio Vera	Aye
President Jenny Torres	Aye

## **NEW ITEMS OF BUSINESS FOR FUTURE AGENDAS**

There was no new business.

**ADJOURNMENT:** President Jenny Torres adjourned the meeting at approximately 6:14 p.m.