

MINUTES
Regular Meeting
San Luis City Council
San Luis Council Chamber
1090 E. Union Street
April 08, 2015
7:00 p.m.

APPROVED by Council
Date: March 26, 2014
Clerk's Office: /s/ S. Cornelio

CALL TO ORDER Mayor G. Sanchez called the Regular City Council meeting to order at approximately 6:59 p.m.

ROLL CALL

PRESENT: Mayor Gerardo Sanchez
Vice-Mayor Matias Rosales
Council Member Ruben Walshe
Council Member Gloria Torres
Council Member Maria C. Ramos
Council Member Africa Luna-Carrasco
Council Member Maria C. Ramos
Council Member Mario Buchanan Jr.

OTHERS PRESENT: Robert Eads, City Manager
Tadeo De La Hoya, Assistant to the City Manager
Sonia Cornelio, City Clerk
Andrea Moreno, Police Department
Aracely de la Hoya, Senior Services Director
Chris Kasid, Parks & Recreation Director
Daniel Paz, IT Director
Eulogio Vera, Public Works Director
Geraldine Gutierrez, PIO/Asst. to Mayor and Council
Hank Green, Fire Chief
Isaac Gutierrez, GIS Technician
Jennifer Cisneros, Asst. Parks & Recreation Director
Joaquin Campa, Building Inspector
John Starkey, Building Safety Director
Jose Guzman, Asst. Planner
Kay Macuil, Assistant City Attorney
Katie St. Louis, Finance Director
Maria Sabori, Human Resources Senior Analyst
Rosendo Morales, Municipal Judge
Victor Figueroa, Police Lieutenant
Yolanda Dueñas, Fleet/Facilities Department

Francisca Guzman, Translator
Lyz Gonzalez, HR Specialist
Kassandra Ramirez, HR Technician
Juan Castillo, Utilities Department
Marco Santana, Police Department
Miguel Alvarez, Police Department
Cesar Neyoy, Bajo El Sol
Lucy Lopez, San Luis AZ News
Andrea Ruiz, Municipal Court
Xochitl Lopez, Public Works
Omar Heredia, HR Training Coordinator
Pam Green, Visitor
Diane Umphress, Amberly's Place

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member M. Buchanan Jr.

INVOCATION

The Invocation was made by Mr. Hank Green, Fire Chief.

PROCLAMATIONS/PRESENTATIONS

- **Proclamation-Establishing Stand-Up for Transportation April 9, 2015**
- **Proclamation-National Library Week April 12-18, 2015**
- **Proclamation-National Public Safety Telecommunications Week April 12-18, 2015**

Mayor G. Sanchez thanked San Luis Police Department Tele-communicators for the great job they do for the community.

- **Proclamation-PowerTalk 21 Day April 21, 2015**

Proclamations were read by Mrs. Sonia Cornelio, City Clerk.

- **Introduction/Presentation of new City of San Luis hires**

Mrs. Maria Sabori, HR Senior Analyst, introduced to Mayor and Council new hires for the 1st quarter, Xochitl Lopez, Public Works, Samuel Gonzalez, Public Works, Nadia Karina Santos, Municipal Court, Omar Heredia, Human Resources, Domingo Sosa, IT Department and John Carrillo, Police Department. She also introduced Marco Rodriguez, Senior Center who was hired during the last quarter and was not introduced then.

Mayor G. Sanchez welcomed all new hires and asked them to represent the City of San Luis.

- **Presentation of awards to City of San Luis employees for their years of service**

Mr. Isaac Gutierrez, GIS Technician and Chairman to the Employee and Recognition Awards Program, presented awards for 10 Years of Service to Andrea Ruiz, Gerardo Munoz, Joaquin Campa, Paulino Lara, Damian Miller, Gustavo Padilla and a 15 Years of Service Award to Alfredo Campa. This presentation was followed by a round of applause.

CONSENT AGENDA

MINUTES OF

- Regular Council meeting held February 25, 2015
- Regular Council meeting held March 11, 2015

DISBURSEMENTS from March 16, 2015 to March 27, 2015

Total disbursements \$703,450.49

(Seven-Hundred, Three-Thousand, Four-Hundred, Fifty- Dollars and Forty-Nine Cents)

1. Discussion and possible action on any and all matters regarding ratification of the purchase of a Vapex odor control system from James, Cooke, and Hobson Inc., for Lift Station 300 for an amount not to exceed \$110,000.00 and waive purchasing procedures as permitted under San Luis City Code Section 36.01(H). This system has the ability to treat multiple locations within the vicinity of its installation, hence a more efficient system, which will also provide operational money savings to the City.

2. Discussion and possible action to waive and authorize purchasing procedures for the renewal of the Standard Software Management Agreement with “New World Systems” to obtain software support service over the next five (5) years beginning July 1, 2015.

3. Discussion and possible action to ratify and clarify approval of partial settlement of tax litigation with Arizona Public Service Company.

MOTION: Vice-Mayor M. Rosales/Council Member A. Luna-Carrasco to approve the consent agenda as presented. Motion passed unanimously.

DISCUSSION AND POSSIBLE ACTION ITEMS:

4. Presentation followed by discussion on any and all matters regarding the current benefits plan and the proposed changes to the City of San Luis benefits plan for Fiscal Year 2015/2016 as presented by Ms. Susan Posada, City of San Luis Benefits Consultant.

Ms. Susan Posada, City of San Luis Benefits Consultant, made a presentation that is included in the complete agenda packet which is in file in the Office of the City Clerk. The presentation included the following slides: Stop Loss Administration Renewal, Proposed Changes in the Blue Cross Blue Shield/Mayo US/Mexico Plan, Proposed Changes in the Blue Cross Blue Shield/Mayo Mexico Only Plan, Dental Benefits Renewal Options, Vision Benefits Renewal, Short-Term Disability Renewal, Standard Voluntary, Transwestern Mexico Medical & Life. Her presentation also included, 2015 Renewal Recommendations, Employer and Employee Contribution Sheet, City of San Luis 2015 Annual Premium Comparison, and Employer & Employee Contribution Calculations for 2014-2015 Plan and 2015-2016 Renewal Options.

Russell Garrett from Mayo Clinic, made a report of claims received by Mayo Clinic. He informed that there is an approximately 9% increase in medical and 21% increase in pharmacy and those two combined is a total of 10% from last year. He informed that the dental increase was approximately 5%.

Mayor G. Sanchez asked if there has been drastic increase in Mexican claims in regards to pharmacy.

Mr. Garrett replied that as of this presentation there has been no increases.

Ms. Posada replied that pharmacy claims from Mexico are hard to keep track of, because they are lumped in the Mexico medical plan. She added that the claims have increased in Mexico because in part of a major claim and the requirement in Health Care Reform. She added that the dental claims have also increased because of the plan was restructure and more people wanted to utilize the plan in Mexico and is less expensive than the US Dental Plan.

Mayor G. Sanchez asked if Mayo Clinic has an overview of the charges that go to them in regards to the pharmacy claims. He mentioned that in one instance a medication that costs \$4.00 in the US there was a charge of \$110.00 in Mexico. He added that by looking at this, it has brought a red flag on these charges.

Ms. Posada commented that this has been a concern. She mentioned that she had a joint meeting with Southwest Service Administrators (SSA) and Mayo Clinic regarding this issue. She added that there has been only one complaint received, but then the information was requested from the employee was not given. Furthermore, she added that she does not see the claims, but when Mayo sees a claim that is odd, then they reject the claim. Ms. Posada asked Mayor Sanchez to please provide that information

to them so that this can be investigated. She explained that the total increase will be approximately 20% increase because of the funding level, so that claims can be continued to be paid. She mentioned that the reason for the 20% is that there is a 9% difference just through the cost of insurance. Ms. Posada informed that Mayo is the one that calculates the figures. She added that she is recommending a plan change. Also, she informed because of the increase of 20%, Mayo went to other stop loss carriers to do a bid and all of them came up higher and there were other declines because of the Mexico network and a lot of carriers are afraid to take that risk. She stated that the number presented are not firm, because the reports from Symetra only cover thru March 31, 2015, so it will take another four (4) weeks to get the final number from them, and added that there is anticipation that the rates will go higher than the 20%.

Vice-Mayor M. Rosales asked if employees pay for the office visit, will they get reimbursed.

Ms. Posada replied they can if they use an in network provider, they have to have the doctor fill out a claim form, because the doctors have to have the doctor fill out claim form. The doctors need the form and the diagnosis code to send it to Mayo for payment, because they are obligated legally to have all those codes in order to pay the claim; but if the employee uses an out-of-network they will not get reimbursed.

Vice-Mayor M. Rosales mentioned that the reason he is asking is because he has heard stories that employees are being charged more than what the copay is.

Ms. Posada commented those are the kinds of things that she needs to be aware of, because once this is reported, that doctor will lose their contract. She added that during the open enrollment, employees are asked to bring the explanation of benefits when they see something is not right.

Mayor G. Sanchez asked if the premiums are negotiated, for example a normal office visit is at \$50.00, but because the patient has insurance they charge \$100.00.

Ms. Posada replied that they have a schedule that is based on the Blue Cross Blue Shield rates.

Mr. Garret commented that SSA has a schedule with the allowable rates that they will pay for services, depending on the procedure code, which means that they will bill \$80.00 for the procedure.

Mayor G. Sanchez mentioned that the City was already aware that the premiums are going to increase, because of the Affordable Health Care Act, has impacted everyone. He commented that staff do not know if the City will be able to afford the Mexican Insurance increases. But this is something that needs to be looked at and also take a look as to what is been charged. He stated that there are not complaints about Mayo Clinic, they have been great. He mentioned that the City of San Luis health benefits are

the best in the area. He thanked Ms. Posada and Mr. Gerrett for their great presentation and work.

Ms. Posada stated that it is the employee's responsibility to keep the claims down, the wellness program is a great program for the City and staff need to continue encouraging employees in order to keep the plan affordable.

5. Discussion and possible action on any and all matters regarding the expenditure of funds to purchase and install a new motor in San Luis Engine #1, pay for the fire pump repairs of San Luis Ladder #1 a combined total not to exceed \$35,000.00 and to waive formal purchase requirements as permitted by Section 36.01(H) of the San Luis City Code.

Mr. Hank Green, Fire Chief, informed that this item is to authorize the expenditure of funds for repairs in San Luis Engine #1 (SLE1), to purchase and install a new motor; and San Luis Ladder #1 (SLL1), to repair the fire pump, with a combined total not to exceed \$35,000.00. The request is also to waive formal purchase requirements as permitted by Section 36.01(h) of the San Luis City Code. He informed that San Luis Ladder #1 had its fire pump rebuilt by the City of Yuma Fire Department and the Yuma City Shop. This rebuild was required for SLL1 to pass its annual pump certification test. Their invoice is for \$11,982.39. Furthermore, he informed that SLE1 had the head and gaskets replaced over the past several years. A coolant leak was recently identified and the apparatus was returned to the original repair facility to determine the problem and potential for any repairs to be covered by warranty. The engine block is damaged and needed to be replaced; the current problem is not related to previous repairs. The purchase and replacement of the new motor is projected to be less than \$23,000.00. The combined total expenditures are estimated not to exceed \$35,000.00. Mr. Green stated that a capital project was funded in FY 2015 to either purchase a new fire engine or if the department was the recipient of an Assistance to Fire Fighter Grant, pay the grant matching share. Since the department was not the recipient of the grant, therefore the grant funding balance of \$600,000.00 remains untouched.

MOTION: Council Member M. Rosales/Council Member M. C. Ramos to authorize the expenditure of funds as presented to pay RWC International and the City of Yuma City Shop and to waive formal purchasing requirements as permitted by Section 36.01(H) of the San Luis City Code due to the Yuma City Shop being the sole source in the area and that the evaluation for repairs has already been done at RWC International. Motion passed unanimously.

6. Discussion and possible action on any and all matters regarding the purchase of a forty foot (40') by fifty-three foot (53') metal building to be constructed at the City Shop in an amount not to exceed \$75,000.00.

Mr. John Starkey, Building Safety Director, informed that staff already went out to bid, and bids are due on April 9, 2015. He stated that the reason for this been presented

during this meeting is that staff wants to fast track the project and get it done before the end of fiscal year 2015. Staff will get the foundation design and then staff will go out to bid to hire a contractor to do the demolition work for the foundation and by the time the metal structure is received the footing will be already designed. Mr. Starkey informed that in addition of the building staff is also requesting the erection of the building.

Vice-Mayor asked if this will be a replacement or an addition to the mechanic shop.

Mr. Starkey replied that this will be an addition of three (3) new bays.

Mr. Robert Eads, City Manager, stated that Mr. Starkey has a very short time to work on this project, this is why staff is requesting the approval of 40x53 foot metal building.

MOTION: Council Member M. Buchanan Jr./Vice-Mayor M. Rosales to direct City staff to purchase at 40x53 metal building from the lowest responsible bidder not to exceed \$75,000.00 Motion passed unanimously.

7. Discussion and possible action on any and all matters regarding the award of construction services to LPC Construction Inc., in the amount of \$18,991.01 for the construction of the San Luis Business Incubator IT Room, and that procurement procedures to obtain three (3) quotes be waived as permitted in Section 36.01(H) of the San Luis City Code and Council to authorize a budget transfer in the amount of \$19,000.00 from Council Contingency to the Business Incubator Capital Outlay, Improvement Building.

Ms. Jenny Torres, Community Development Director, informed that during the construction of the Business Incubator, Century Link made a significant investment in bringing fiber optic to our community. She added that during a meeting with Century Link along with the Industrial Park Association to try to convince them bring that broadband into the Industrial Park. They agreed to install fiber optic at Industrial Avenue to provide services to the business incubator tenants. She mentioned that the business incubator budget did not include the design and construction of an IT room, and it was decided to put this room inside the facility to alleviate the cost. Ms. Torres informed that she requested quotes for the IT room and LPC Construction, which is the original contractor. She informed that the reason she is asking to waive the purchasing procedures is because if the city goes out to bid and another company is the lowest bidder then the one (1) year warranty will be void because the IT room will be built inside. She informed that she has \$20,000.00 available from the department budget, but it is not doable to transfer funds from one department to another, for this reason staff is requesting to transfer this amount from Council Contingency.

Mr. Robert Eads, City Manager, commented that the incubator belongs to the general fund, for this reason it cannot be transfer to the business incubator, since it belongs to the enterprise fund.

MOTION: Council Member G. Torres/Council Member A. Luna-Carrasco to award the contract to LPC Construction Inc., in the reasonable negotiated amount of \$18,991.01, waive the procurement procedures as permitted in Section 36.01(H) of the San Luis City Code, and authorize the transfer of \$19,000.00 from Council Contingency to the Business Incubator Capital Outlay, Improvement Building. Motion passed unanimously.

8. Discussion and possible action on any and all matters regarding the City Department of Public Works entering into contract with American Pavement Preservation for application of Type 2 slurry and potential application of Type 3 slurry on Juan Sanchez Boulevard for Pavement Preservation Project-FY15. Subject purchase is attached to City of Yuma, Bid #2010000419, for a total amount not to exceed \$180,000.00.

Mr. Eulogio Vera, Public Works Director, stated that staff recommends implementing Slurry Seals to some of the streets to further the City's pavement preservation measures. He informed that American Pavement will perform a test run of Type 3 slurry from Juan Sanchez Boulevard, a test area has been done in that area. If type 3 does not work in said area, then chip seal will be done as originally planned.

Mayor G. Sanchez commented that he has received several compliments regarding the work that is being done in Juan Sanchez Boulevard.

Mr. Vera informed that if staff continues to move with the type 3 slurry, it will be applied from 1st Avenue to 8th Street.

Mr. Robert Eads, City Manager asked if the other street has been identified.

Mr. Vera replied that the selection of streets is mainly because the prep work is complete. He informed that staff have done Rio Sereno, Los Portales and Bienestar Estates.

Mayor G. Sanchez commented that this is something that needs to be done every year.

MOTION: Vice-Mayor M. Rosales/Council Member M.C. Ramos to approve Public Works Department to contract with American Pavement Preservation for pavement preservation project FY 2015, for the total purchase not to exceed \$180,000.00 using the City of Yuma bid price as permitted under City of San Luis Code Section 3.09. Motion passed unanimously.

9. Discussion and possible action on any and all matters regarding setting a Public Hearing and adoption of Resolution No. 1092. A resolution of the Mayor and Council of the City of San Luis, Arizona, adopting a Notice of Intention to Impose Special Water Connection Surcharge.

Ms. Kay Macuil, Assistant City Attorney, informed that the Public Works Department has undertaken the construction of a waterline on County 25th Street between Avenue D and Avenue E in San Luis. She added that the City is trying to recover costs for water services by adding reasonable surcharges on the land benefited. She mentioned that under the Arizona State Statutes a public hearing must be set up not less than 30 days from the adoption of the Notice of Intention. She added that this resolution is to adopt the "Notice of Intention of Impose Special Water Connection Surcharge".

Mayor. G. Sanchez asked Ms. Macuil to please explain where the waterline is located.

Ms. Macuil replied that there is a waterline in County 25th Street, as developers develop the area they will pay a one-time charge to connect. This will help recover the cost of the waterline.

MOTION: Council Member M. Buchanan Jr. /Council Member A. Luna-Carrasco to set a public hearing for Wednesday, May 13, 2015 at 7:00 p.m. in the San Luis Council Chambers located at 1090 E. Union Street, San Luis, Arizona, and to adopt "Notice of Intention to impose special water connection surcharge and approve and adopt Resolution No. 1092. Motion passed unanimously.

10. Discussion and possible action on any and all matters regarding the Employee Annual Picnic this year's location at Waylon's Water Park and purchase of food and use of amenities in the amount of \$7,500.00 and waiver of purchasing procedures as permitted under San Luis City Code Section 36.01(H).

Ms. Maria Sabori, HR Senior Analyst, informed that this year staff would like to change the location of the Employee Annual Picnic. This will benefit and promote stable workplace relationships as well as to encourage more employees to get to know their fellow employees in a relaxed environment. This year HR staff will be changing venue to Waylon's Water Park located in Yuma, AZ. She stated that last year's event cost about \$10,000.00, Waylon's Water Park is charging only \$7,500.00 for food and use of the amenities and employees will be allowed to stay all day if they wish, but the City's event will be only from 10:00 a.m. to 2:00 p.m. Ms. Sabori stated that HR staff is requesting a waiver of Purchase Procedure under City code 36.01(h) since there is only one water park in the area and the cost is reasonable and in line with what the City has paid in previous year for the event.

Mayor G. Sanchez asked what will be served during the picnic.

Ms. Sabori stated that staff was able to work out vouchers, from which the employee and their immediate family will be able to choose from their menu.

Mayor G. Sanchez stated that this will be a great time for staff and City Council to interact with each other.

Ms. Sabori stated that this will be a good change, since all other events have been held in the Jose Orduño Park. She mentioned that the water park is amazing and will be a good change.

Vice-Mayor M. Rosales asked if there will be a limit for them employee and their family.

Ms. Sabori explained that this event will be only for employee and immediate family members only. She added the HR staff will be at the door welcoming employees. The Employee Picnic will be held June 6, 2015.

MOTION: Council Member R. Walshe/Council Member G. Torres to approve purchase for an amount not to exceed \$7,500.00 in order to locate the Employee Annual Picnic at Waylon's Water Park and to waive purchasing procedures under City Code 36.01(H), due to having only one available water park in the area. Motion passed unanimously.

11. Summary of current events by Mayor, Council Members, City Manager, and/or City Staff pursuant to A.R.S. §38-431.02 (K).

Mr. Hank Green, Fire Chief, informed that Border 2020 a binational planning group for hazardous materials will be meeting on April 9-10 in San Luis Rio Colorado, Sonora, Mexico. The San Luis Fire Department will be teaching a Traffic Incident Management Course on April 10, 2015 from 1:00 p.m. - 5:00 p.m.

Vice-Mayor M. Rosales informed that he attended the Border Trade Alliance (BTA) that was held in Washington D.C., where he met with Senators and Congressmen from Arizona, Texas and California to promote port of entry infrastructure, more funding for NADBANK and transportation. He mentioned that Senator Jeff Flake and John McCain will visit in August 2015.

Mayor G. Sanchez informed that on May 20-21, 2015, he will be visiting Washington D.C. to attend the plenary meeting for the Binational Bridges and Border Crossing group. He mentioned that during this meeting San Luis Port II will be discussed. He stated that San Luis will be represented during this visit.

Mr. Eulogio Vera, Public Works Director, gave a brief report on Main Street Project. He added that some paving has been done on Main Street. Archibald and First Avenue is complete; Arizona Department of Transportation (ADOT) is working in installing signs and crosswalks. He commented that staff is constantly informing them of any issues that have aroused. Mr. Vera informed that staff has completed C Street sewer line.

He added that he is working with a local engineer on the design of C Street and between Archibald and Main Street. He mentioned that his goal is get this project built before the end of Fiscal Year 2015, but still waiting on design.

Council Member R. Walshe asked what the completion date is for Main Street Project.

Mr. Vera replied that their target date is late June 2015.

Vice-Mayor M. Rosales asked if ADOT have explained what they are doing on 1st Avenue, are they going to have any speed controls or stop sign in the cross street of B Street.

Mr. Vera mentioned that they will be installing speed control signs that will be enforced by the City. He added that the speed limit can be lowered once this street is transferred to the City.

CALL TO THE PUBLIC

Mr. Jose Mojardin and Mr. Nitant Soni from the San Luis Middle School Rocket Club introduced their teams to Mayor and Council. They informed that they will be making a power point presentation during the Regular Council meeting scheduled for April 22, 2015. They mentioned that both teams have made it to the Team America Challenge; they asked Mayor and Council for their contribution to the club in order to represent San Luis, Arizona.

Mr. Francisco Vasquez, San Luis Middle School, informed that the competition will be held in Washington D.C. He mentioned that this year San Luis Middle school is making history inside the competition, because it is very hard to qualify as middle school, and for one middle school to have two teams in this completion is even harder. He stated that his team is very proud to represent San Luis, Arizona.

Ms. Diane Umphress, Amberly's Place, stated that April is Child Abuse Awareness month, for this reason the pinwheel is the symbol used to represent it. She informed that on April 9, 2015 staff will place a pin wheel garden with approximately 549 in San Luis Middle School. Each pin wheel will represent the child what was provided with services during the last year. Ms. Umphress commented that they are working in whipping out abuse in Yuma County and the only way this can be done is brining attention and letting people that it is ok to report abuse. She invited Mayor and Council to attend this event that will start at 9:00 a.m. Ms. Umphress introduced the new San Luis advocate.

Ms. Zaida Alvarez, San Luis and Yuma Advocate, stated that she is very excited to be part of San Luis. She mentioned that she is very proud and will make her best. She added that she will be in San Luis three (3) days a week.

Mr. Juan Castillo, 471 N. Ismael Solorio Court, San Luis, Arizona, stated that he attended a party at the park (retention basin) in Bienestar 9B. One of the attendees to this party wanted to go to the restroom, but there is no restroom in this park. He mentioned that there was port-a-potty but not sure if this was brought by the party host or if it was there because of construction. He added that it is very embarrassing that the retention basins there do not have restrooms for children. He asked if it is possible for the City to build restrooms in that area.

Mayor G. Sanchez replied that retention basins are not parks and if the City installs a restroom in there and it rains the possibility of contamination is high. He added that staff will look into this issue before installing restrooms.

Mr. Castillo commented that the retention basins in Bienstar 9A & 9B have playground equipment installed, and they are been used as park. He asked Mayor and Council to please consider his comment.

12. Adjournment

MOTION: Council Member G. Torres/Council Member M. Buchanan Jr. to adjourn the meeting at approximately 8:54 p.m. Motion passed unanimously.



Certification of Council Minutes

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Council meeting of the San Luis City Council held on April 8, 2015. I further certify the meeting was dully called and held and that the quorum was present and that the City Council approved these minutes at their Regular Council meeting held on May 13, 2015.

Dated this 14th day of May 2015.

/s/ Sonia Cuello, City Clerk