

MINUTES
Regular Meeting
San Luis City Council
San Luis Council Chamber
1090 E. Union Street
January 14, 2015
7:00 p.m.

APPROVED by Council Date: February 11, 2015 Clerk's Office: /s/ S. Cornelio
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CALL TO ORDER Mayor G. Sanchez called the Regular City Council meeting to order at approximately 7:01 p.m.

ROLL CALL

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

OTHERS PRESENT: Robert Eads, City Manager
Tadeo De La Hoya, Director of Operations
Melissa Lopez, Deputy City Clerk
Aracely De La Hoya, Senior Center Director
Chris Kasid, Parks & Recreation Director
Daniel Paz, I.T. Director
Domingo Sosa, Graphic Arts Specialist
Eulogio Vera, Public Works Director
Geraldine Gutierrez, PIO/Asst. to the City Council
Glenn Gimbut, City Attorney
Hank Green, Fire Chief
James Neujahr, Chief of Police
Jenny Torres, Community Development Director
John Starkey, Building Safety Director
Jose Guzman, Assistant Planner
Kassandra Ramirez, Human Resources Department
Kay Macuil, Assistant City Attorney
Katie St. Louis, Finance Director
Lyz Gonzalez, Human Resources Department
Manuel Rojas, Assistant Public Works Director
Maria Sabori, Human Resources Department
Olivia Jenkins, Utilities Director
Osvaldo Rodriguez, Facilities Department
Victor Figueroa, San Luis Police Lieutenant
Yolanda Dueñas, Facilities Department

Francisca Guzman, Translator
Guillermina Fuentes, Resident
Jose Leonardo Suarez, Resident
Lupita Eads, Visitor
Malva Alvarez, Border Fitness Gym
Marco A. Pinzon, Resident
Miguel Alvarez, Border Fitness Gym
Ralph Velez, Visitor

PLEDGE OF ALLEGIANCE

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

INVOCATION

The Invocation was made by Mr. Hank Green

PRESENTATIONS

- Presentation/Introduction of new City of San Luis hires

Mr. Tadeo De La Hoya, Director of Operations, introduced the new hires for October, November and December 2014. The new employees are for the Fire Department, Office of the City Attorney, Parks & Recreation, Police Department, Facilities Department and Administration.

Mayor G. Sanchez welcomed the new employees and reminded them to make the City of San Luis proud.

- Presentation of plaque to Mr. Agustin Rodriguez as Employee of the Year 2014
Mr. Tadeo De La Hoya, Director of Operations, presented the Employee of the Year 2014 award to Mr. Agustin Rodriguez.

Mayor G. Sanchez read the plaque and congratulated Mr. Agustin Rodriguez.

CONSENT AGENDA

-MINUTES OF

- Regular Council meeting held December 10, 2014
- Special Council meeting held December 17, 2014

-DISBURSEMENTS from December 1, 2014 to January 2, 2015

Total disbursements \$1,721,357.37

(One Million, Seven-Hundred, Twenty-One Thousand, Three-Hundred, Fifty-Seven Dollars and Thirty-Seven Cents)

MOTION: Council Member G. Torres/Vice Mayor M. Rosales to approve the Consent Agenda as presented. Motion passed unanimously.

DISCUSSION AND POSSIBLE ACTION ITEMS:

1. Discussion and possible action on any and all matters regarding the appointment of Border Trade Alliance (BTA) members. **(Tadeo De La Hoya)**

Mr. Tadeo De La Hoya, Director of Operations, explained that with the departure of former City Manager Ralph Velez and former Council Member Joe Harper, there are two openings to be filled by appointing members to the serve on the Border Trade Alliance.

Mayor G. Sanchez recommended Vice Mayor M. Rosales as the Elected Official and Mr. Tadeo De La Hoya, Director of Operations, as the staff member to serve on the Border Trade Alliance.

MOTION: Council Member M. Buchanan Jr./Council Member A. Luna-Carrasco to appoint Tadeo De La Hoya to serve on the BTA Board of Directors. Motion passed unanimously.

MOTION: Council Member M. Buchanan Jr./Mayor G. Sanchez to appoint Vice Mayor Matias Rosales to serve on the BTA Board of Directors. Motion passed unanimously.

2. Discussion and possible action on any and all matters regarding the removal of the current representatives and appointment of a representative to serve on the Regional Council on Aging (RCOA). **(Tadeo De La Hoya)**

Mr. Tadeo De La Hoya, Director of Operations, stated that this request came from Council Member G. Torres and Ms. Aracely De La Hoya, Senior Center Director, to remove the current member and appoint Agustin Rodriguez to replace the current member to serve on the Regional Council on Aging (RCOA).

Mayor G. Sanchez asked if Mr. Sanchez was giving reports to the City of San Luis of the meetings. Mr. De La Hoya responded that Mr. Sanchez never provided reports.

Council Member G. Torres mentioned that Mr. Sanchez has been really sick and he has been serving on this board for a long time, and it is time for him to be replaced due to medical conditions.

MOTION: Council Member G. Torres/Council Member M. Buchanan Jr. to remove Mr. Hector Sanchez as the RCOA representative and appoint Mr. Agustin Rodriguez as the RCOA representative. Motion passed unanimously.

3. Discussion and possible action of any and all matters regarding the appointment of a member to serve on the Greater Yuma Port Authority (GYPA). **(Tadeo De La Hoya)**

Mr. Tadeo De La Hoya, Director of Operations, explained that former Council Member Joe Harper needs to be replaced to serve on the Greater Yuma Port Authority and it has also been brought to his attention after the Agenda was distributed that Frank Rascon's term to serve on the GYPA has expired, therefore he can be reappointed if that is the desire of the City Council.

Mayor G. Sanchez added that he spoke to Mr. Rascon a few weeks ago and he has good ideas in regards to the Port of Entry II and recommends reappointing Mr. Rascon and Vice Mayor Matias Rosales as the Elected Official.

MOTION: Council Member M. Buchanan Jr./Council Member M.C. Ramos to appoint Vice Mayor Matias Rosales to replace Mr. Joe Harper to serve on the Greater Yuma Port Authority (GYPA). Motion passed unanimously.

MOTION: Vice Mayor M. Rosales/Council Member A. Luna-Carrasco to reappoint Mr. Frank Rascon to serve on the Greater Yuma Port Authority (GYPA). Motion passed unanimously.

4. Discussion and possible action on any and all matters regarding the approval of the Memorandum of Understanding between the City of San Luis and United Way for the Volunteer Income Tax Assistance Program (VITA). **(Tadeo De La Hoya)**

Mr. Tadeo De La Hoya, Director of Operations, stated that United Way is no longer interested in the Memorandum of Understanding, therefore, he asked the Mayor and City Council to table the item.

MOTION: Vice Mayor M. Rosales/Council Member G. Torres to table the item. Motion passed unanimously.

5. Discussion and possible action on any and all matters regarding the approval of the Agreement between the City of San Luis and Border Fitness Gym, L.L.C., for a fitness/wellness program for City employees. **(Tadeo De La Hoya)**

Ms. Maria Sabori, Human Resources Department, explained that staff is requesting the approval of the Mayor and City Council of the agreement with Border Fitness Gym and help promote a healthier life style for City employees. She added that currently the medical claims have gone up drastically within the last three months totaling over

\$300,000.00. The Human Resources Department believes that contracting with the local gym will give employees a head start to a future well established wellness program as having healthy employee reduces costly medical claims, being absent from work, stress and chronic medical conditions for employees. The agreement consists of full membership; the City will pay \$1,000.00 administrative fee and \$25.00 per month per employee for up to 50 employees.

Mayor G. Sanchez asked if no employees go to the gym, the City will not pay nothing, the payment will be as an employee attends the gym. He had an issue with the agreement as it stated that a flat fee was going to be paid, meaning that if no employee or all 50 employees attended the gym the same amount was going to be paid. Ms. Sabori responded that the agreement was modified to reflect that change.

Mayor G. Sanchez mentioned that one major problem is obesity and asked if Border Fitness Gym provided a nutrition program. Mr. Miguel Alvarez, Border Fitness Gym, responded that at the moment the gym does not provide a nutrition program, however there are personal trainers and they are working towards a nutrition certification. Furthermore, Mr. Alvarez commented that the \$25.00 monthly fee is for the usage of the facility in San Luis or Somerton, the administrative fee of \$1,000.00 provides the flexibility of adding or removing employees on a monthly basis and added that he wants to see on the agreement that a 30 day notice will be given to the gym when removing an employee. Mr. Alvarez explained how the agreement was originally drafted in regards to the flat fee to be paid by the City.

Mr. Glenn Gimbut, City Attorney, explained that the \$1,000.00 administrative fee is on the agreement, but the 30 day notice notification is not. Mr. Gimbut added that he has a problem with being a 30 day notice as this will carry over to the next month and asked if it can be a 15 day notice instead and there has to be an administrative coordination of keeping track of who is attending. Mr. Alvarez stated that the gym is being flexible with the prices as they want to work with the City and a 15 day notice is not feasible with them. Mr. Gimbut said that he will have to rework the agreement to include that clause.

Council Member G. Torres stated that she does not agree with this issue as taxpayers money is being used for this purpose. She contacted other cities to inquire if they offered something like this to their employees and they said no; she believes a Work Session needs to be held to discuss this matter and express the City Council's concerns.

Vice Mayor M. Rosales asked how the gym will know who is attending and how many days a week for the 30 day notice to function. Ms. Malba Alvarez, Border Fitness Gym, responded that the gym uses a computerized system that keeps track of daily visits of their members. Ms. Alvarez added that there are other entities that sponsor annual memberships for their employees and a family member. Members will have access to

the facility and all classes offered except to the karate lessons. Ms. Alvarez went over the gym's working schedule.

Council Member G. Torres asked how many employees does the City have. Ms. Sabori responded that there are 210 full time employees. Council Member G. Torres said that up to 50 employees will receive this benefit and asked what about the rest of the employees and added that this is another reason as to why she does not agree with this item. Ms. Sabori stated that it is on a first come first serve basis and based on the report, employees enrolled and not attending will be removed and employees on the waiting list then will have the opportunity to attend the gym.

Council Member A. Luna-Carrasco stated that she agrees with Council Member G. Torres in regards to only limiting this benefit to up to 50 employees as this is not fair. Mr. De La Hoya mentioned that the City budgeted for 50 employees and the number can be raised. Other cities do provide this benefit to employees, some pay a partial amount of the fee, some have their own gym; the City of San Luis has never done it and it is to establish a wellness program.

Vice Mayor M. Rosales asked how many employees are there at the Police and Fire Departments and if they have their own gym. Mr. De La Hoya responded that there are 54 employees at the Police Department and 34 employees at the Fire Department and they do have gym equipment but they do not have a full equipped gym. Vice Mayor M. Rosales said that the odds of employees from those 2 departments might not use Border Fitness Gym.

Council Member G. Torres asked Mr. De La Hoya if the City had a gym. Mr. De La Hoya responded that the City does not have a gym.

Mayor G. Sanchez explained that the affordable act is adding stipulations and if a corporation has a wellness clinic they get discounts and if a city has a wellness program they will also obtain discounts and hopefully it will equal the City's premiums. Furthermore, Mayor G. Sanchez added that the average cost for a depressive person per year is approximately \$3,000.00; the approximate cost for a person diagnosed with diabetes is \$14,000.00; a bypass surgery cost is approximately \$39,000.00; a back pain injury cost is approximately \$5,000.00 so implementing a wellness program will help. The City of San Luis is self-insured and it is up to the City and employees to take care of themselves as the premiums will go up based on the affordable act and the trend between 40%-60% and eventually the City will not be able to afford health insurance. Therefore the City needs to think how to reduce claims and premiums by promoting that employees are healthy.

Ms. Sabori stated that the comparison between November and December of 2014 the claims difference was \$100,000.00.

Vice Mayor M. Rosales asked what the budgeted amount for this item is. Ms. Sabori responded it is \$15,000.00

Mr. Robert Eads, City Manager, expressed that the City thinks about the individual and having a healthy employee produces better work performance. Mr. Eads said that he supports this item 100% but the problem could be that there is a limit of 50 employees and the City has more than 50 employees. This is something that is new and will see what the turnout is and if need be, he will come back to the Mayor and City Council to request allocation of funds for this program.

Council Member M. Buchanan Jr. stated that if the City will be saving thousands of dollars on health insurance claims then implementing a wellness program will help and avoid high insurance claims. In the past the City has made mistakes that cost millions of dollars and he supports this program. Although, it is taxpayers' money, it is for a good cause and will promote having healthier employees for the City.

Ms. Sabori added that this program was scheduled to begin at the beginning of the fiscal year, therefore if there is a need to enroll more employees, there are some funds still available for this program.

Council Member A. Luna-Carrasco clarified that she is not against this program but wanted to voice her concern of fairness to all City employees.

Mr. Alvarez said that he understands the concern of using taxpayers' money, however as a business owner, he said this is a good investment as he has employed 25 employees from the community so that income is being returned to families from the City of San Luis

Mayor G. Sanchez asked if the City Council could vote on a contract if it will be modified. Mr. Gimbut responded that if the outlines are acceptable by Border Fitness Gym and the City Council, then yes, the City Council can vote. It would be that employees must register on or before the 10th day of each month with Border Fitness Gym, they will bill for that number that have registered, at the end of each month. Mr. Alvarez stated that he is not in agreement with that clause. Mr. Eads added that what Mr. Gimbut is trying to say is that there is a prorating from that point on, make sure that they are on the books by that time and then Border Fitness Gym can bill from that point forward.

MOTION: Vice Mayor M. Rosales/Council Member M. Buchanan Jr. to approve the contract as presented and as amended. Motion passed with 5 ayes and 2 nays by Council Members G. Torres and M.C. Ramos.

6. Discussion and possible action on any and all matters regarding the approval of contract as written with ALSCO, a uniform company, providing uniforms service for City Public Works, Parks & Recreation, Fleet Services, Meter Readers and Facilities employees and that the procurement procedures be waived as permitted in Section 36.01.H of the San Luis City Code. **(Eulogio Vera)**

Mr. Manuel Rojas, Assistant Public Works Director, explained that as discussed at the Council meeting held December 17, 2014 and as suggested by Council Member M. Buchanan Jr., staff met with ALSCO to discuss the terms as disclosed at the December 17th Council meeting, currently the City has a 2 year contract with 3 years annually where the City can renew or discontinue the contract. Previously the contract stated that it was for a 5 year period, however it was discussed and recommended that the contract be for 1 year. After discussion and keeping the same bids, staff and the vendor opted for the 2 year contract and annually for 3 years.

Council Member M. Buchanan Jr. stated and asked that the City made a 24 month contract and the City has 90 days prior to the expiration date to let them know if the City is satisfied with their service before the contract ends and then staff will notify the City Council to override the contract for the following year.

Mr. Glenn Gimbut, City Attorney, responded that on the annual date, the City has 90 days prior to the anniversary date of the contract, the City would have to give the vendor notice of termination.

Mr. Rojas added that if the item is approved, after the 24 months of the contract and before the 90 days, he can provide a report to the Mayor and Council at a Work Session to inform them of the results.

Mayor G. Sanchez said that he wants to make sure that there is accountability and that the uniforms are not torn and that no employee is to be washing their uniform as this is not acceptable. The employee's uniform is their protection.

MOTION: Council Member M. Buchanan Jr./Council Member A. Luna-Carrasco to approve for the reasons shown in the staff report at the Work Session of December 17, 2014, and the Agenda Item Review Form, pursuant to Section 36.01.H of the City Code, that the formal purchasing procedures be waived and a formal contract for uniform services be entered into with ALSCO in accordance with their submitted proposal. Motion passed unanimously.

7. Discussion and possible action on any and all matters regarding the approval of City Hall Master Seal MTR project as quoted by DPE Construction, Inc. for the amount of \$12,816.00. **(Eulogio Vera)**

Mr. Manuel Rojas, Assistant Public Works Director, explained that they met with different vendors on a pavement preservation class; one of the vendors stopped by the City of San Luis and performed an assessment of the City's streets and one of the comments made was the City Hall parking lot. Highway Users' staff will use a crackseal preservation method to try to seal the crack and it is a recommendation of staff to apply the master seal mtr to help preserve the parking lot at City Hall; such action was discussed with former City Manager, Mr. Ralph Velez, and this is a budgeted item for fiscal year 2015. Currently they have approximately 75% of the parking lot at City Hall crack sealed and if approved staff will continue with the other half at City Hall, Fire and Police parking lots.

MOTION: Council Member G. Torres/Council Member A. Luna-Carrasco to approve Master Seal MTR project as stated for a total amount of \$12,816.00. Motion passed unanimously.

8. Discussion and possible action on any and all matters regarding the purchase of a new Utility Truck for the Water Division for the amount of \$32,961.77 for the Public Works Department. **(Eulogio Vera)**

Mr. Manuel Rojas, Assistant Public Works Director, explained that for fiscal year 2014, they had a truck and a utility truck for the Water Department, after review of operations it was determined that they needed a travel unit and also for administration. The current Expedition was transferred to the MA crew and a suburban was purchased. By having the new service truck one of the older service trucks can be sold; a particular service truck had the engine rebuilt twice under warranty and they are having issues with the 2006 service truck. Mr. Rojas added that this is a budgeted item.

MOTION: Council Member A. Luna-Carrasco/Council Member M. Buchanan Jr. to approve the purchase of equipment as stated for the Department of Public Works, Water Division for a total of \$32,961.77. Motion passed unanimously.

9. Discussion and possible action on any and all matters regarding the purchase of a new Caterpillar CB24B Roller Compactor for the amount of \$58,074.07, a new 2015 Chevy regular cab 4x4 truck for the amount of \$28,729.19 and a new 2015 Chevy crew cab for the amount of \$29,600.79 for the Public Works Department-Highway Users Division for a total purchase of \$116,404.05. **(Eulogio Vera)**

Mr. Eulogio Vera, Public Works Director, stated that these items are budgeted items and he is trying to replace all fleet; currently the City has a 15 year old roller compactor of over one ton so this only helps the patching with a better quality and the with the new projects the City needs a better one. The one currently being used will be utilized for small projects.

MOTION: Vice Mayor M. Rosales/Council Member M.C. Ramos to approve purchase of equipment as stated for the Department of Public Works for a total of \$116,404.05. Motion passed unanimously.

10. Discussion and possible action on any and all matters regarding the allocation of new funds for the Department of Public Works-Solid Waste Division for purchase of Toter brand residential garbage containers for the amount of \$34,981.47. Subject purchase is attached-National IPA #120576-01 contract awarded to the City of Tucson.
(Eulogio Vera)

Mr. Eulogio Vera, Public Works Director, explained that the City purchased the allotted amount purchased in the past years, which is 155 containers, this year there are only 106 containers left. Containers are being replaced faster than anticipated.

Council Member G. Torres asked what the cost is for replacing the containers. Mr. Vera responded that the first replacement is free of charge due to wear and tear. If a container is to be replaced due to abuse, there is a fee of \$50.00 for the replacement.

Mayor G. Sanchez commented that it is a good figure, but the drivers that collect the residential trash need to be aware of some of the damage done to the containers when trash is being collected.

MOTION: Council Member R. Walshe/Vice Mayor M. Rosales to approve the allocation of new funds for Department of Public Works, Solid Waste Division for purchase of new Toter brand residential garbage containers for the total amount of \$34,981.47. 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).

Vice Mayor M. Rosales reported that several Elected Officials attended the Joe Orduño for the inauguration of the pet's solid waste pick-up. He added that hopefully people will notice and start using them.

Mayor G. Sanchez reported that he received 6 phone calls congratulating him for this program. He thanked the Parks & Recreation Department for their help.

CALL TO THE PUBLIC

Mr. Ralph Velez, PO Box 6791, Goodyear, AZ, stated that the position of City Manager gets cursed, called names and is not the most liked person; he went through these things in San Luis and did not bother him because the City has employees that are passionate and love their jobs and that makes the job easier for the City Manager.

Another element is the City Council, as he recalls that the former Mayor did not want to sign his contract, 6 Elected Officials did want him here but 1 did not and he almost left, however he committed himself and cleaned house as that is what he was asked to do when he got hired and he thinks that the City made a lot of progress. The only thing that did not happen was one economic development project but it will come. Mr. Velez added that working for the City of San Luis was his most gratifying job that he has had in 34 years. When the City bought \$50 million worth of insurance for \$38,000.00...that came from New York and they know that the City is serious and stable and he asks that the City continues to work as a group because in the long run it does nothing but help the environment and the City. He thanked the Mayor and Council for the opportunity to have served the City of San Luis.

12. Adjournment

MOTION: Council Member Mario Buchanan Jr./Vice Mayor M. Rosales to adjourn the meeting at 8:15 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 January 14, 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 February 11, 2015.

Dated this 12th day of February 2015.

/s/ Sonia Cuello, City Clerk