

**MINUTES**  
**REGULAR WORKSESSION**  
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA  
CITY COUNCIL CHAMBERS - YUMA CITY HALL  
ONE CITY PLAZA, YUMA, ARIZONA  
**February 28, 2017**  
**6:00 p.m.**

**CALL TO ORDER**

**Deputy Mayor Knight** called the Regular City Council Worksession to order at 6:00 p.m.

Councilmembers Present:	Shelton, Wright, Miller, Thomas, Craft, and Deputy Mayor Knight
Councilmembers Absent:	Mayor Nicholls
Staffmembers Present:	City Administrator, Gregory K. Wilkinson
	Utilities Director, Jay Simonton
	Purchasing and Contracts Manager, Robin Wilson
	Human Resources Director, Ron Corbin
	Various department heads or their representatives
	City Attorney, Richard W. Files
	City Clerk, Lynda Bushong

**I. RELAY FOR LIFE COMMUNITY**

**John Courtis**, Executive Director of the Yuma Chamber of Commerce, described how Relay for Life of Yuma has grown. It started 21 years ago with a small number of teams and a few dozen participants raising a few thousand dollars - now it is considered the number one cancer fundraiser in the Four Corners Region. It raises over \$200,000 a year for cancer research, advocacy, treatment, and outreach. He thanked the City for the wonderful customer service received at the Civic Center and Desert Sun Stadium and presented Deputy Mayor Knight and City Council with a plaque from the American Cancer Society and Relay for Life designating Yuma as a Relay Community.

**II. INDUSTRIAL DEVELOPMENT AUTHORITY: YUMA REGIONAL MEDICAL CENTER MASTER LEASE AND SUBLEASE**

**Wayne Benesch**, attorney for the Industrial Development Authority (IDA), explained that the Internal Revenue Code provides that the interest on funds loaned by a lender can be deemed tax exempt for certain types of projects including industrial development, job creation, multi-family housing, education, and medical projects. The Master Lease and Sublease will enable Yuma Regional Medical Center (YRMC) to purchase much needed equipment and software to upgrade their systems throughout the hospital and its various facilities. With the \$20 million provided, YRMC will replace their business system, expand the electronic health records and billing system, upgrade the Cancer Center Varian equipment, and expand interventional radiology and the robotic surgery department.

The new equipment and software will be obtained through a Lease Purchase Agreement in which the Banc of America Public Capital Corporation will provide the funding for the purchase and will then lease the equipment and software to the IDA who will in turn sublease it to YRMC. Payments will be made by YRMC directly to the bank and neither the IDA nor the City can, under any circumstances, be

held liable. In the event that there are any issues with repayment, the only recourse is for the lender to take the equipment back from YRMC. An emergency clause has been included in the proposed resolution due to the three-week timeframe for locking in the interest rate for the financing, which is currently set for closing on March 14, 2017.

**Knight** pointed out that while Benesch stated that the lease and sublease is for \$20 million the Request for City Council Action states that it could be up to \$30 million. **Benesch** explained that a slightly greater amount was requested because they were not sure exactly how much the funding will work out to be, but at this point all information points to the number being \$20 million. **Shelton** asked what interest rate has been locked in. **Benesch** stated that the interest rate is 2.13%.

### III. REGULAR CITY COUNCIL MEETING AGENDA OF MARCH 1, 2017

#### Motion Consent Agenda Item B.6 – Bid Award: Main Street Water Treatment Plant Filters 1-4 Rehabilitation/Upgrades (award construction contract to LPC Construction in the amount of \$2,357,048.98)

**Wright** asked how the potential failure was identified. **Simonton** stated that the concrete support structure for one of the filters failed in 1999. All of the filters were constructed at the same time, so it is anticipated that a similar issue may arise with the remaining filters. **Wright** asked if this will be the first time that the City will be installing a backwash blower. **Simonton** explained that the current backwash process only involves water, but the new system will utilize air to decrease the water used to backwash the four filters from 400,000 gallons to 300,000 gallons. **Wright** asked what material will be used for the support structure under the new filters. **Simonton** responded that it will be a corrosion resistant polymer material which is expected to last at least 50-60 years. **Wright** asked at what capacity the plant operates at. **Simonton** explained that in the winter the plant usually operates at 50% capacity, but the capacity increases during the summer.

**Wright** asked if all 12 filters are used when the plant is operating at 50% capacity. **Simonton** stated that they are, but taking the four filters offline to complete the project will not impact the operation of the plant. **Wright** asked if the upgrades will not only increase efficiency but also reduce operating costs. **Simonton** stated that the reduced water usage should result in savings. He added that this is the first of three phases that will take place over the next six to eight years during which it is hoped that all 12 filters will be addressed. **Wright** asked if the control system will also be replaced. **Simonton** stated that it will, adding that the current system is operated manually while the new system will allow for the automation of some of the plant's processes.

#### Motion Consent Agenda Item B.7 – Consent to Assignment: Lab Services for Forensic Drug Testing (from Southwest Laboratories to Laboratory Corporation of America Holdings)

**Knight** asked if Laboratory Corporation of America has a local laboratory. **Wilson** stated that they do but may mail off some samples to another branch. **Wilson** further explained this action is essentially to change the laboratory's name in their current contract with the City.

Introduction of Ordinance O2017-007 – Compensation and Benefits for Presiding Municipal Judge  
(establish compensation and benefits from and after January 1, 2018)

**Knight** asked how far below the market rate the salary for the Presiding Municipal Judge will be after the adoption of this ordinance. **Corbin** stated that out of the top 17 cities in the state, this will put Yuma at about 15, which is not even at medium market.

**IV. EXECUTIVE SESSION/ADJOURNMENT**

There being no further business, **Deputy Mayor Knight** adjourned the meeting at 6:26 p.m. No Executive Session was held

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Lynda L. Bushong, City Clerk

APPROVED:

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Douglas J. Nicholls, Mayor