



# New Meeting Minutes

Greater Yuma Port Authority.

Jan 25, 2024 at 9:00 AM MST

@ Yuma International Airport, Conference Room

## **Attendance**

### **Present:**

Members: Buna George, Russ Jones, Gary Knight, Gary Magrino, Tony Reyes (remote), Nieves Riedel, Matias Rosales, Trevor White

Guests: Alejandro Figueroa, Yuma County EDC, Frank Sanchez, Yuma County Engineering, Wayne Benesch, GYPA Legal, Buna George, LG Advising LLC, Javier Vargas, Councilman, City of San Luis, Jenny Torres, City of San Luis Interim City Manager

### **Absent:**

Members: Ian McGaughey

#### I. Call to order

Meeting was called to order at 9:05am by Chairman Rosales.

#### II. Roll call

A quorum was confirmed by Executive Director with 6 of 7 directors present. Gary Magrino, representative of the Cocopah Tribe informed the board that Alan Heck is no longer with the Tribe and a new representative will be appointed in the near future.

#### III. Pledge of Allegiance

#### IV. Welcome and Introduction of newly appointed GYPA Board Members:

Chairman Rosales welcomed both Mayor of San Luis, Nieves Riedel and Mr. Russ Jones of RL Jones Custom House Brokers to the GYPA Board.

Bothe Nieves Riedel and Russ Jones expressed their gratitude with their introductions and their appointments to serve on the board.

- A. City of San Luis: Nieves Riedel, Mayor of the City of San Luis, appointed by the City of San Luis 11/22/2023.

 [Riedel.1.pdf](#)

 [Riedel.2.pdf](#)

- B. City of Yuma: Russ Jones, Principal of RL Jones CustomHouse Broker, appointed by City of Yuma City Council 12/6/2023.

- V. Discussion and possible action to name newly appointed City of Yuma Representative as secretary/treasurer for the organization until the next board election, to be held June 2024.

Prior to the City of Yuma appointing Wayne Gale from 1st Bank Yuma to the GYPA board, Terry F. from 1st Bank Yuma served as the secretary/treasurer. Upon Mr. Gale's appointment, the role of secretary/treasurer was transferred to him.

It is up to the board of directors to transfer the role to Mr. Russ Jones, City of Yuma representative as secretary/treasurer until board elections which occur June 2024 at the annual meeting.

It is know that Mr. Jones is well versed in finance and has great capacity to undertake the role of secretary/treasurer.

**Motion:**

Motion to remove Wayne Gale and approve Russ Jones as GYPA's secretary/treasurer until June 2023

Motion passed unanimously

- VI. Discussion and possible action to approve meeting minutes for November 16, 2023.

 [Meeting Min.11.16.23.pdf](#)


**Motion:**

Motion to approve as presented

Motion passed unanimously

- VII. Discussion and possible action approving financial reports ending 11/2023.

 [Check Regsiter. Ending 11.30.2023.pdf](#)

 [Master Budget. Ending.11.30.2023.pdf](#)

**Motion:**

Motion to approve as presented

Motion passed unanimously

- VIII. Discussion and possible action to approve meeting minutes for December 20, 2023.

 [New Meeting Minutes for 12.20.2023.pdf](#)


**Motion:**


Motion to approve as presented

Motion passed unanimously

IX. Discussion and possible action to approve Financials ending December 30, 2023.

Motion to approve as presented

 [12.1.23 thru 12.31.23 check register.pdf](#)

 [Master Budget. Ending12.31.23.pdf](#)

**Motion:**

Abstain: Russ Jones, as he was not on the board at that time. Motion passes.

X. Discussion on 3rd party legal counsels opinions regarding funds and distributions

Mr. Wayne Benesch from Benesch Shadle and White brought forth the opinion from Spencer Fane to the board and explained their opinion. He stated that according to the opinion, and referring to the GYPA bylaws and articles, that a draw to the member entities would be possible at the discretion of the board.

A. GYPA Legal Council Benesch, Shadle and White (Letter attached from Spencer Fane, a Phoenix Firm)

Board of directors instructed legal council to seek outside council regarding distributions among the entities. A cap of \$5k was placed on outside services. Legal to provide an update on their findings.

At the end of December, Mr. Benesch reached out and asked for an increase from the \$5k limit, Executive Director authorized an additional \$2,500 to this task for its completion.

Mr. Benesch explained the legal opinion and the organizations ability to distribute funds to its member entities.


The letter also addressed any lobbying measures. As a non-profit, GYPA is prohibited from approaching legislators individually and can not support a candidate in elections. However, each individual member in their own roles can engage in lobbying individually.

Nieves Riedel stated she would like for a consultant to put a plan together for the organizations future and the City of San Luis wants to continue to be a partners in the Port Authority. She also noted that the City of San Luis does not have a property tax base and needs to establish one to help the community residents.

Mr. Magrino thanked Nieves for clarifying the City of San Luis position on the GYPA. He stated that the organization is looking for long term growth. He also acknowledged that the manner in which the City of San Luis has grown has "choked" the commercial port on Ave E with the housing and commercial developments. He anticipates that more logistic based companies will be making their way to this region.

Gary Knight also thanked Nieves for her comments and clarification on the City's stance. He noted that the City of San Luis benefits most than the other entities and though the real estate development was a means to an end, it was not the end of the organizations existence.


Russ Jones added that the City of San Luis spearheaded the efforts for a Port Authority. He added that the GYPA has a fiduciary duty to all the industrial parks of the region and the organization still has a vital role top bring in, international development to the region.

 [Ltr. to GYPA - Distributions to Governmental Entity Members-Lobbying \(1.8.2024\)\(2606058.1\).pdf](#)

B. Suggestions as posed by the City of San Luis (Nieves Riedel)

Chairman Rosales was instructed by Mayor Riedel to add this item to the agenda. Discussion was relayed to be regarding outlining the City of San Luis' intentions in hiring its own firm to undertake this task on behalf of the GYPA.

- XI. Discussion or organizational longevity, bylaw amendments, and future operating budgets. (Gary Knight)

 [2024.2025 Forecasted Budget \(1\).pdf](#)

This item was moved up on the agenda at the direction of the Chairman, as it was appropriate to discuss this prior to voting on making draws.

Councilmember Knight brought forth that the forecasted 2024/2025 budget provided a forecast of revenues of only \$140,000 from interest earned on the current funds the organization holds.

He would like to see what our targets budget numbers are before the retreat.

Tony Reyes stated that the organization is not financially stable at this moment and there needs to be a plan for additional funding that avoids cash calls to the member entities for the organization to live within its means.

Russ Jones brought forth the reestablishing of AIDA as a funding mechanism as well as incorporating additional private and public sector members for additional funding.

Noting that the Nogales Port Authority relies on mostly contributions from the private sectors in the area.

Tony Reyes also made mention of the possibility to develop a district as a source of revenue. That is something to consider for discussion at the retreat.

Nieves Riedel asked for the funds to remain with the organization, for now, to keep the money local and to discuss further after the retreat.


No action was taken on this item, just discussion.


- XII. Discussion and possible action regarding GYPA funds and distributions.


**Motion:**

Motion to continue this item to a later date:


- A. Direction on Yuma County's funding request for \$150,000 for their "Mill and Fill" project for Highway 95 between County 22 and County 17, Yuma County CIP Project 1.2409.

 [GYPA Ltr to M. Rosales \(2\).pdf](#)

 [Scan\\_0055 \(3\) \(1\).pdf](#)

 [YC.Approval.10.16.23 \(1\).pdf](#)

- B. Direction on City of San Luis Resolution 2295, dated November 2023, accepting the proposed \$155,000 distribution.

 [0200 001.pdf](#)

- C. Discussion on funding a feasibility study, in partnership with the City of San Luis, for private vehicle operations through San Luis II. (Nieves Riedel)

XIII. Discussion and possible action regarding final project accounting for Magrino Phase 4, ARPA Funding and Yuma County Loan.

The entirety of the final (Phase 4) project was undertaken by Yuma County and its engineering and grant department. Because the contractor did not meet the project deadlines, there was a penalty assessed. This negotiations brought forth a surplus of \$117,198.07 from fees collected. Yuma County has asked if GYPA would consider donating the surplus funds back to Yuma County to allocate to other projects/community needs (ex: ambulance equipment in Tacna).

 [FINAL Total Project Cost MAGRINO CIP No. 1.2204FIN.pdf](#)

**Motion:**

Motion to table this item to a future date.

Motion passed unanimously.

XIV. Discussion and possible action regarding \$3.1million surplus investment to the Arizona State Treasury.

This item brought forth by ED. The short term CD from 1st bank matures on February 7th. The AZ state treasury has different investment pools that the funds can be placed into. Some pools are short term and are treated like a money market account, 24 hours turnaround time for withdrawal. There are also long term investment pools for 6/12/18/24+months.

*Mr. Jones and I had an email exchange and his suggestion to split the long term between the two. The stock one would be in longer depending on performance. The other half would be in the TB's which is the lower growth lower risk pool.*

The following email was received by Deputy Treasurer that offers a detailed explanation on the investment structure:

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**You have 4 LGIP investment options. Two are daily liquidity pools, meaning once set up you can deposit and withdraw funds daily as long as requests are in by 10 a.m. Arizona time. The other two LGIPs are medium term funds with a floating NAV. They have monthly liquidity with a 5 day notice. Because the NAV (Net Asset Value) of the fund floats we only recommend money that is not needed for 18 months or longer go into these funds as there is the risk that the value of the deposit could go down if the value of the bonds drop as interest rates rise.**

The difference between pools 5 and 7 and 500 and 700 is that 5 and 500 invest in credit instruments such as commercial paper and short term corporate bonds. Pools 7 and 700 only invest in US Treasuries and other instruments with an explicit guarantee from the US Government.

More information can be found on our website on the LGIP at this link:

<https://www.aztreasury.gov/local-government-investment-pool>

Mark T. Swenson | Deputy Treasurer  
Office of the State Treasurer Arizona

 [6.30.23 AZ Investment Options Handout \(1\) \(1\).pdf](#)

The board discussion was to find the highest rate of return for the GYPA funds, either through the treasury or a traditional banking investment models, possibly through some of the local banks. Executive director noted that the funds are currently being held at 1st Bank Yuma in a short term CD. Newly appointed Treasurer would like some time to familiarize himself with the organizations financials.

**Motion:**

Executive director was instructed to shop interest rates and funding methods for GYPA investments and to keep funds as local as possible.

Motion passed unanimously.

- XV. Discussion and possible action in scheduling a retreat in Q1 of 2024 to refine and delineate future activities and projects.

Direction was given to the executive director to:

- Schedule a time, date and location
- Reach out to Ramirez Advisors, as a participant in the retreat.
- Find an outside moderator

A. Recommended retreat facilitator: Ramirez Advisors

Discussion yielded to ask Mr. Ramirez to participate in the Retreat vs. facilitate it, as his insight to the board was most valuable with a seat at the table.

- XVI. Discussion and possible action regarding an advertisement opportunity by the City of San Luis complimentary to an article being published by Focus Media Group.

The advertising packages that are available are as follows:

- Double Page Color Advertisement (limited) - \$10,990
- Full Page Color Advertisement - \$7,990
- Half Page Color Advertisement - \$4,990
- Quarter Page Color Advertisement - \$3,490

 [Greater Yuma Port Authority \(GYPA\) Letter.pdf](#)

**Motion:**

Motion to continue item to a later date.

Motion passed unanimously.

- XVII. Discussion and possible action regarding a request from Yuma County to sign a letter of support from their submission of a RAISE Grant application for the Ave E extension project connecting highway 95 to SR-195.

 [Support Letter Template 3 Organizations-cities \(1\).docx](#)


**Motion:**

Motion to sign support letter

Motion passed unanimously

- XVIII. Executive Director Report

Executive Director presented the meetings she had attended and reviewed possible future initiatives to the board. Ms. George also noted she is relocating her operations of LG Advising from 748 Archibald Street Suite 3 in San Luis to a new office space located in the City of Yuma. The board noted that the GYPA needs a permanent office and that a space was available in downtown Yuma as a possible outfit.

 [1.25.24 Executive Report.pdf](#)

- A. January through June Board Meeting Schedule

Goal is to adhere to the 4th week of each month as stated in the ByLaw's.

January 25th

\*\*February 21st

March 28th

April 25th

May 23rd


June 20th (Board Elections)

- XIX. Discussion/direction to Executive Director regarding items covered in executive report.

None.

- XX. Chairman's Report

Chairman stated he was pleased with the direction that things were progressing, most of his concerns had been addressed throughout the meeting.

 [Ramirez Advisors. 2022 v 2023.pdf](#)

- XXI. Call to the public: Public is allotted 3 minutes to address the GYPA Board of directors.

None.

- XXII. Summary of current events

Board members may discuss events attended on behalf of the Port Authority, may present a summary of current events, and update the schedule for future meetings, as appropriate. No legal action will be taken pursuant to A.R.S. §

None.

XXIII. Adjourn

Meeting adjourned at 10:40am