

GREATER YUMA PORT AUTHORITY

MEETING MINUTES: May 25, 2017

DIRECTORS

PRESENT: Matias Rosales, Chair
William Gresser
Gary Magrino
Frank Rascon
Tony Reyes
Omar Heredia

DIRECTORS

ABSENT:

EX-OFFICIO (Non-voting)

MEMBERS

PRESENT: None

OTHERS

PRESENT: Wayne Benesch, Legal Counsel
Gary Knight, City of Yuma
Tim Eisenmann
Rod Sebree
Susan Thorpe, County Administrator

1. CALL TO ORDER

The meeting was called to order at 9:00 a.m. by Chair Matias Rosales. The meeting was held at Greater Yuma Economic Development Corporation Conference Room, 899 E. Plaza Circle, Suite 2, Yuma Arizona. The Pledge of Allegiance was led by the Chairman.

The Chair then introduced the newly appointed representative for the Cocopah Tribe, Omar Heredia. Mr. Heredia reported that he had worked for the Tribe for six years and was honored to be appointed as one of the two tribal representatives to the GYPA Board.

2. ACTION TO APPROVE THE MINUTES OF THE FEBRUARY 23, 2017 AND APRIL 4, 2017 REGULAR BUSINESS MEETINGS

Bill Gresser moved to approve the minutes of the February 23, 2017 and April 4, 2017 regular meetings as presented, seconded by Mr. Reyes, the motion carried unanimously.

3. ADMINISTRATOR'S REPORT TO THE BOARD

In the absence of Linda Matthias, the Treasurer Bill Gresser circulated a financial status report prepared by Ms. Matthias. He reported he had reviewed the bank statements during a meeting with Ms. Matthias and that the reports correctly stated the status of the information contained in the bank statements. He also delivered checks for Felix Fencing, Globalspex and American Self Storage which had been prepared by Ms. Matthias. The checks were duly signed by Chairman Rosales and Mr. Gresser. Mr. Benesch was directed to forward the checks to the Vendors. Mr.

Gresser now has the check book in his possession and will hold it in his possession until further direction from the Board. There was a question about the comment on the Financial Report about cash calls being made in June and it was clarified that the invoices will be sent out in June for payment after July 1, 2017. Mr. Gresser noted an increase in the America Self Storage billing and Ms. Thorpe suggested that we could eliminate that bill by transferring storage from the current storage facility to the County storage facilities. There was also a question on the increase in attorney's fees from prior months and whether this was in part because of issues with posting of notices and other matters regarding proper posting of Meetings. Mr. Benesch responded that these issues were certainly a factor in billings for the preceding month. There was also a question as to when the City of Yuma would be paying its initial payment for reactivating as a member in the Authority.

4. CHAIRMAN'S REPORT

Chair Matias Rosales noted that he would work closely with the City Clerk in San Luis to obtain status report for preparing Agendas and carrying out the correct posting of meeting notices. He reported on the need for a new email address rather than that of the current Administrator Linda Matthias. He requested that all invoices be copied to him in the event that Linda Matthias ceases her activities as Administrator, and during any transition period thereafter.

5. DISCUSSION AND POSSIBLE ACTION REGARDING ACTIVE RECRUITMENT FOR A GYPA EXECUTIVE DIRECTOR

Ms. Thorpe indicated that the posting had been made and that four new applications had been received. These were screened out by the HR Department at Yuma County for not meeting the standards in the posting. There was extensive discussion regarding whether the high level requirements for qualification combined with the relatively low proposed compensation of \$50,000 per year was reducing the pool of interested parties. There was discussion about the words "or equivalent" in relating to the qualification standards, and Mr. Reyes suggested that this added flexibility. Chairman Rosales requested copies of all applications be forwarded to him for review. There was further discussion about the posting and the salary amount and there will be some appropriate adjustments made. The County will forward copies of all applications to members of the Personnel subcommittee.

6. DISCUSSION AND POSSIBLE ACTION REGARDING UTILITY IMPROVEMENT FOR MAGRINO INDUSTRIAL PARK FOR FUTURE GROWTH.

The Chairman discussed the need for attention to increasing the level of utilities to the Gary J. Magrino Industrial Park. Southwest Gas is working with the City of San Luis presently and there is a question as to what the Port's needs will be in order to determine the sizing of gas lines. Mr. Magrino noted that in earlier years, questions had arisen that involved ascertaining the status of users on the Mexican side of the border since that might impact the sizing of the utility lines. There was further discussion about the need for improving the level of water service to the park area and the Chairman reported that Jenny Torres from the City of San Luis would be coming to

the next meeting to make a presentation on this. Mr. Sebree noted that with the current development in the park, they had already exhausted the capability of the current water supply system and that steps would have to be taken in the very near future to correct the situation.

7. DISCUSSION AND POSSIBLE ACTION REGARDING GIS PLANNING FEATURE FOR NEW WEBSITE FOR MAGRINO INDUSTRIAL PARK.

Chairman Rosales reported on a GIS Planning Feature that could be used on the GYPA website. The Chairman became familiar with the feature and it appears that the City of San Luis may purchase the device which is fairly expensive. It may be possible for the GYPA to enter into an IGA with City of San Luis for use of the device for a fee. This will be explored further in the future.

8. DISCUSSION AND POSSIBLE ACTION REGARDING COCOPA TRIBAL COUNCIL'S DECISION FOR THE REENTRY OF THE CITY OF YUMA UPON THE SAME TERMS AS APPROVED BY THE CITY OF SAN LUIS AND YUMA COUNTY.

Mr. Magrino reported that the Cocopah Tribe had approved reactivation of the City of Yuma's membership upon such terms and conditions as were agreeable to the County and the City of San Luis. Chairman next called on Mr. Knight to report on the status of reactivation of the City of Yuma's membership. There was discussion about the understanding that the City of Yuma would pay a \$50,000 cash call prior to the end of fiscal 2017 and would also pay the cash call in fiscal 2017-2018. Mr. Knight reported as soon as an invoice was submitted, the City would pay that invoice for 2017. He requested that two separate invoices be submitted rather than one invoice for \$100,000. Upon Motion by Mr. Magrino, seconded by Mr. Reyes it was unanimously resolved reactivating the City of Yuma membership and voting rights upon payment of the sum of \$50,000 before June 30, 2017 and upon the understanding that they will resume paying regular cash calls beginning the fiscal year July 1, 2017. The Chairman requested that Mr. Knight determine who the appointees as Board members from the City of Yuma will be and report them at the earliest opportunity.

9. DISCUSSION AND POSSIBLE ACTION REGARDING POSSIBLE UPDATED INFORMATION ON MARGINO INDUSTRIAL PARK PERIMETER BLOCK WALL.

The Chairman reported that the block wall under construction at the Industrial Park was 90 percent complete. He indicated he would email photos to all members of the Board, but requested that nobody respond with any commentary. He reported that the contractors leaving 40 feet on the West end unfinished and they are holding back the sum of \$3,000 from the final payment until that portion is complete. There are engineers from the County and the City of San Luis also checking the entry to the Park to ensure that it is appropriately aligned. He also noted an issue with a Century Link "box" which is right on line with the wall, and that the wall may have to be realigned slightly in order to accommodate the location of the box. The Chairman will report further as events occur.

At this point Mr. Reyes left the meeting.

10. DISCUSSION AND POSSIBLE ACTION REGARDING A MARKETING PLAN FOR THE GYPA.

There was discussion over what photos should be put on the website. The Chairman noted that the City of San Luis IT department could assist with photos for marketing purposes. There will be some expense incurred and the Chairman ask that the Board consider approving expenses of up to \$1,000 to be charged by the City of San Luis in assisting in this project. Upon motion by Mr. Rascon, seconded by Mr. Magrino it was unanimously resolved authorizing payment up to \$1,000 to the City of San Luis for services in developing marketing materials for the website. There was also discussion about consulting with Kevin Tunell at Yuma County and a coordinated effort to design a new logo for the Authority.

11. CALL TO THE PUBLIC

Mr. Knight introduced Kevin Adam, representative from the Transportation and Trade Corridor Alliance (TTCA). The organization is seeking comments on modernization of the NAFTA Treaty. They are seeking out the benefits of the NAFTA Treaty and trying to accumulate materials which will show the value of the Treaty to our border area and all of Arizona. Mr. Magrino noted that in the past, the member agencies had worked together to come up with a coordinated message to send through the Port Authority on such matters. Mr. Adam will put together a draft commentary focusing on the economic impact of free trade and the matter will be brought back and placed on the agenda for the next regular Board meeting.

12. DISCUSSION AND POSSIBLE ACTION FOLLOWING STATUS UPDATE OF THE MAGRINO INDUSTRIAL PARK PROPERTY SALES/LEASE ACTIVITY.

It was noted that the listing agreement with International Commercial Real Estate, LLC has expired and that no new proposals have been received as yet. Mr. Sebree reported that he believes a proposal for further development of the 30 areas of improved GYPA property may be forthcoming in the near future. There was discussion among Board members on the development of a marketing plan. The Chairman indicated he needed to be able to review plats of the undeveloped property in order to seek proposals and Mr. Benesch reported he could furnish some additional plats that might be of assistance. Chairman indicated that he had been talking with regional and national developers during a major convention in Las Vegas over the preceding weekend and was hoping to receive proposals from one or more of those contacts. Mr. Gresser suggested that the Authority may have to look to a regional or national company to make an appropriate proposal for the development of Port of Entry Industrial Park. Mr. Magrino noted that, in prior years, the CBRE company had discussion with the Authority and indicated that they would prepare a proposal but would expect payment in the neighborhood of \$20,000 to do so. The Chairman noted that people seeking to develop a marketing plan would need data from the GIS “widget” which had been discussed previously in the meeting. He noted that any proposals received would be placed on the agenda for the next regular meeting.

The Chairman, without objection, changed the order of agenda items and moved on to item 14.

14. DISCUSSION AND POSSIBLE ACTION FOR TRANSFERRING GYPA OFFICE FROM MATTHIAS RESIDENCE TO COUNTY FACILITY.

Ms. Thorpe indicated she needed the key to the storeroom in order to access the stored records. Mr. Gresser will obtain the key from Ms. Matthias. If the items at the Matthias household are limited to a couple of boxes of records and the computer, Mr. Gresser can recover those and deliver them to the County. The storage materials will be moved with the assistance of County personnel. There was discussion on whether Ms. Matthias would be continued in her role as administrator. She has limited availability due to her husband's serious medical condition. It was determined that she should be kept on and that payments for her services should be continued through the transition period of moving the office and the process of obtaining a new administrator. The Chairman will contact Ms. Matthias about her wishes. There was also discussion about recognizing Ms. Matthias for her many years of service as well as recognizing Dr. Reed, retired Board member for his many years of service on the Board.

15. DISCUSSION AND POSSIBLE ACTION REGARDING ADOPTION OF POLICY FOR PROCUREMENT.

The Chairman next called on Mr. Benesch to report. Mr. Benesch noted he had previously discussed the legal memorandum written by his firm regarding procurement and that GYPA did not fall under the state procurement statutes. However, he said that there were a couple of Attorney General opinions which stated that any entity which expended public funds should have an appropriate policy for insuring that the public's money was properly spent, and that this would almost necessarily involve competitive bidding at some level. There was discussion about what standards were in place at the City of San Luis, Yuma County and the City of Yuma as to when competitive bidding was desirable or required. The consensus was that the Board wants a simple policy. The Chairman reported he was going to attend the Arizona Mexico Commission Plenary next week and he will talk to other Authority's and other entities while there in order to gain an idea of what might be the appropriate standards.

16. UPDATE REPORT ON CONSTRUCTION OF R.L. JONES PROJECT AT MAGRINO INDUSTRIAL PARK.

Mr. Sebree gave a report on the status of construction on the R.L. Jones Project. The space in the project has all been spoken for, and there are many additional contacts with interested parties. There was discussion about the presence of the Federal Safety and Inspection Services decision to have an agent locally three days a week being a factor in creating additional interest in the Park. The presence of the agent could change to five days a week in the event of additional business. This allows food items to flow through this Port of Entry which makes it very attractive to shippers. Traffic at the Port is up over 8% at the first quarter. Mr. Rascon noted that the season ended early, or this increase would have been even more substantial. They are still experiencing some delays with ADOT inspection, but everything else at the Port is being handled very promptly and efficiently. Mr. Rascon also noted the need to increase Port hours to further increase the level of traffic. Calexico is open later in the day and with the date light savings time, has a significant advantage over San Luis POE with current duty hours.

17. DISCUSSION AND POSSIBLE ACTION REGARDING RFPS FOR ACCOUNTING AND AUDIT SERVICES.

Mr. Benesch reminded the Board that RFPs had been prepared for accounting and auditing services in the latter part of 2016. No further action has been taken. Mr. Benesch was directed to recirculate the RFPs with a copy to Ms. Thorpe at the County and the items will be discussed at a future meeting.

The Board next discussed the regularly scheduled meeting for the month of June. The meeting will be held the last Thursday of the month, June 29. The Chairman indicated that he would like to schedule the meeting in the City of San Luis at the regularly scheduled time of 9:00 a.m. All present concurred.

13. DISCUSSION AND POSSIBLE ACTION REGARDING THE LOAN AGREEMENT BETWEEN GREATER YUMA PORT AUTHORITY AND THE COCOPAH INDIAN TRIBE.

There was a motion by Mr. Gresser that the Board go into Executive Session which was seconded by Mr. Rascon, and unanimously passed.

POSSIBLE EXECUTIVE SESSION FOR DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH GYP A LEGAL COUNSEL REGARDING GYP A 'S LOAN AGREEMENT BETWEEN GREATER YUMA PORT AUTHORITY AND THE COCOPAH INDIAN TRIBE UNDER THE PROVISIONS OF A.R.S. §38-431.03(A)(3)(4)(6).

EXECUTIVE SESSION WILL BE ADJOURNED AND REGULAR SESSION WILL BE RECONVENED

The regular meeting was reconvened at 10:27 a.m. Those Board members present were Rosales, Gresser, Rascon, Magrino and Heredia. The Chairman reported that the Board was comfortable with the proposal for renewal as presented by the Cocopah Tribe in Executive Session and that the Board would proceed with negotiation of terms. It was determined to call a Special Meeting for the next Tuesday, May 30. The Chairman requested that a plat be provided in order to ascertain the location of some acreage which was part of the proposal. Mr. Gresser noted that a check should be made payable to the Cocopah Tribe in the amount of \$14,000 for interest for the month of June 2017. It was noted that the Cocopah's Council meets the second week of the month. The Chairman directed that the interest check be delivered to the Cocopah's following the meeting.

18. ADJOURN

There being no further business upon a motion by the Chairman and second by Mr. Rascon the meeting adjourned at 10:49 a.m.

GREATER YUMA PORT AUTHORITY

Meeting Minutes: May 25, 2017

Page 7

GREATER YUMA PORT AUTHORITY

Matias Rosales, Chair

ATTEST:

William Gresser, Secretary/Treasurer
GYPA Administrator