

MINUTES OF REGULAR MEETING OF THE CITY OF SAN JUAN COMMISSION

DATE: Tuesday, October 11, 2022

TIME: 6:00 p.m.

PLACE: San Juan Memorial Library
Multipurpose Meeting Room
1010 S. Standard
San Juan, Texas 78589

MEMBERS PRESENT: Mario Garza, Mayor
Leonardo "Lenny Sanchez, Mayor Pro-Tempore
Adina "Dina" Santillan, Commissioner
Ernesto "Neto" Guajardo, Commissioner
Cris Palacios, City Attorney

STAFF PRESENT: Benjamin Arjona, City Manager
Brenda Escalante, City Secretary
Tirso Garza, Chief of Fire
Leandro Sifuentes, Acting Chief of Police
Leroy Gonzales, Director of Finance
Armandina Sesin, Library Director
Patrick Willingham, Director of Parks & Recreation
Daniel Tijerina, Director of Planning
Israel Garza, Director of Sanitation/ Public Works
Juan Carlos Martinez, Interim Director of Utilities
Mary Enriquez, Court Administrator
Pat Karr, Director of Information Technology

ORDER OF BUSINESS

- I. CALL MEETING TO ORDER:**
Mayor Mario Garza called meeting to order at 6:00 p.m.
- II. INVOCATION:**
Benjamin Arjona, City Manager led the Invocation.
- III. PLEDGE OF ALLEGIANCE:**
Mayor Mario Garza led the Pledge of Allegiance.
- IV. PUBLIC COMMENTS:**

DISCUSSION: Christian Gonzalez, Unit Director of the Boys & Girls Club, introduced himself and thanked the City Commission for their help and support. He also invited the City Commission and the community to their upcoming events. Mr. Gonzalez, along with community kids, presented the City Commission and City Manager with goody baskets in appreciation of the support the City of San Juan has shown. Luis Pena, a San Juan resident, addressed the City Commission in regards to Benjamin Arjona, the City Manager. As per Mr. Pena, the City Manager is not complying with the City's Charter. He also asked the City Commission to look into the City Manager's recent Interim Acting Chief of Police recommendation. He believes it wasn't the best choice. Mr. Pena stated that there was a poor investigation done in reference to three box cars that were removed from the sanitation yard back in June of 2021.

- V. PRESENTATIONS**
 - A. Presentation of the Texas Amateur Athletic Federation Platinum City Award.**

DISCUSSION: Patrick Willingham, Director of Parks & Recreation, announced that their department was awarded the Platinum Award by the Texas Amateur Athletic Federation. Furthermore, this was a reflection on the staff, coaches, and kids that have participated in their programs who also represent the City of San Juan, not only here in the Valley but up state as well. Mr. Willingham recognized and thanked his staff for the outstanding work. He also announced that TAAF will be awarding the City of San Juan as the Small City of the Year. Furthermore, this award

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will be formally presented to the city at the Hall of Fame Banquet in Grand Prairie, Texas on February 8th. Mr. Willingham thanked the City Commission for all their support.

B. Presentation Recognizing Warriors Taekwondo on their Achievements at a Recent International Taekwondo Competition.

DISCUSSION: Patrick Willingham, Director of Parks & Recreation, recognized Warriors Taekwondo of San Juan and their athletes. Furthermore, these outstanding athletes participated in this year's President's Cup, an International Taekwondo Championship in Jacksonville, Florida. Mr. Willingham recognized Ray Huerta as a Gold Medal winner in the 12–14-year-old category (under 49 kg division). Next, Josephine Medina. 15-17-year-old division (under 55 kg division). Lastly, Alexis Zwane, a team alternate, won silver in the 12-to 14-year-old category (under 33 kg division). He also stated that these individuals will be representing San Juan at the United States Pan-American Championship in 2023. Master Fabian Cortez gave a brief background on how Warriors Taekwondo started and thanked the city for the support.

C. Presentation on Departmental Reports: Department of Planning and Zoning, Department of Parks and Recreation, Department of Sanitation and San Juan Memorial Library.

1. Department of Planning and Zoning Monthly Report.
2. Department of Parks and Recreation Monthly Report.
3. Department of Sanitation Monthly Report.
4. San Juan Memorial Library Monthly Report.

DISCUSSION: Benjamin Arjona, City Manager, recognized two employees in the Sanitation Department for their years of service to the City of San Juan. Juan Arredondo, who has served 25 years of service, and Carlos Lopez, who has served 29 years of service. At the next City Commission meeting, Mayor Mario Garza asked to present something to them. Mayor Garza asked Daniel Tijerina, Director of Planning, if contractors are requesting roll-off containers for new subdivisions and if Code Enforcement Officers are enforcing the new ordinance. Mr. Tijerina answered yes and said that Code Enforcement Officers and Building Inspectors were going out and putting in stop work orders if the contractors weren't complying. Mayor Garza asked Israel Garza, Director of Sanitation, if they had roll-off containers at the moment, to which Mr. Garza replied yes. Mayor Garza asked to follow-up on this issue.

VI. PUBLIC HEARINGS

A. Hold a Public Hearing to Solicit Input from Interested Parties on the City of San Juan Needs under the Urban County Program Fiscal Year 36 (2023).

DISCUSSION: Benjamin Arjona, City Manager, stated this public hearing was brought before the commission on a yearly basis for assistance requests. Mr. Arjona mentioned that there had been a couple of requests which they would find in their packets, and there was one that had just been received. Mayor Mario Garza stated this was to start the process.

Mayor Mario Garza opened the Public Hearing at 6:25 p.m.

Mayor Mario Garza closed the Public Hearing at 6:25 p.m.

Commissioner Marco “Markie” Villegas motioned to approve and was seconded by Mayor Pro-Tem Leonardo “Lenny” Sanchez. Motion passed. (4-0)

B. Hold a Public Hearing for a Conditional Use Permit to Allow Dutch Bros Drive-Thru Coffee Shop at 806 W. IH 2, legally described as Lot 5, Texas National Subdivision, located on the Northeastern corner of Frontage Road and Veterans Boulevard, as Requested by Dutch Bros.

DISCUSSION: Daniel Tijerina, Director of Planning, stated the applicant is requesting a conditional use permit for a double stack drive-thru. Mr. Tijerina stated the proposed building is a 950 square foot modular building and the anticipated times at this location were 5:00 a.m. to 11:00 p.m. Monday through Sunday, which will include three shifts per day and eight employees. Furthermore, employees will be operating the kiosk by preparing and serving menu items and running orders to guests in the drive-thru, similar to how Chick-fil-A operates a double-stacked drive-thru. By utilizing this drive-thru operation, Dutch Bros has achieved a 35 second ticking time,

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which is the timeframe when a guest pulls up to the drive-thru window and drives off with their order. He mentioned that staff mailed nine (9) notices to property owners within a two hundred (200) foot radius and received no comments in favor or against this request. The Planning and Zoning Commission and staff recommend approval.

Mayor Mario Garza opened the Public Hearing at 6:27 pm.

DISCUSSION: Sam Moore with Maine and Maine Capital Group stated they were excited to invest in San Juan and thanked the commission for the opportunity. Mayor Mario Garza welcomed the Dutch Bros to San Juan.

Mayor Mario Garza closed the Public Hearing at 6:28 pm.

Commissioner Marco "Markie" Villegas motioned to approve and was seconded by Mayor Pro-Tem Leonardo "Lenny" Sanchez. Motion passed. (4-0)

- C. Hold a Public Hearing for a Conditional Use Permit for the Sale of Alcoholic Beverages (BG - Wine and Beer Retailer's Permit) at the proposed "La Loteria" Food Truck located at 101 Alta Street, as Requested by De la Cruz Food Group, LLC.**

DISCUSSION: Daniel Tijerina, Director of Planning, stated the applicant is requesting a conditional use permit for the sale of alcoholic beverages (BG – Wine and Beer Retailer's Permit) at "La Loteria" Food Truck, which will be located at the proposed Food Truck Park located at the Southwest corner of Alta and Raul Longoria Road. The applicant is proposing to sell alcohol to-go. The proposed days and hours of operation are Sunday through Friday, from noon to 10:00 p.m., and Saturdays from noon to 1:00 a.m. According to Chapter 2, Article VIII, Section 8 – Conditional Use (i), "Portable and/or temporary food concession stands need to obtain a Conditional Use Permit through the city and follow the conditions outlined in the report. He mentioned staff mailed notices to twenty-four (24) property owners within a two hundred (200) foot radius and received no comments in favor or against the request. The Planning and Zoning Commission and staff recommend approval.

Mayor Mario Garza opened the Public Hearing at 6:30 p.m.

DISCUSSION: Marcelo Gonzalez, who is representing his mother, LLC, stated that he will be in charge of the food park and the majority of the food trucks that will be operating. Mr. Gonzalez stated they are requesting the opportunity to sell micheladas in the same drive-thru that was previously approved. Mayor Mario Garza asked what type of alcohol would be sold, to which Mr. Gonzalez replied, only beer. The mayor stated this shouldn't be a problem as they've approved previous permits.

Mayor Mario Garza closed the Public Hearing at 6:31 p.m.

Commissioner Marco "Markie" Villegas motioned to approve and was seconded by Mayor Pro-Tem Leonardo "Lenny" Sanchez. Motion Passed (4-0).

- D. Hold a Public Hearing for a Conditional Use Permit to Allow a "Tovar's Food Court" at 2904 N. Raul Longoria Road, legally described as Lot 15, Northgate Manor Subdivision Phase 1, as Requested by Cesar Tovar.**

DISCUSSION: No action was taken.

- E. Consideration and Action Amending Chapter 13 Utilities, Articles 13.02 Solid Waste and Stormwater Pollution Prevention Division 2. Rates, Charges and Billing, Section 13.02.051 Customer Classification; Rate Schedule, to Modify the Rate Schedule Sec. 13.02.051 (b) to Provide for a Monthly Brush Collection Service Fee.**

DISCUSSION: Israel Garza, Director of Sanitation, stated the purpose of this ordinance is to amend Chapter 13 Utilities, Article 13.02 Solid Waste and Stormwater, in order to sustain the surge in prices of all resources needed to upkeep the City of San Juan. Mr. Garza recommended approval.

Mayor Pro-Tem Leonardo "Lenny" Sanchez motioned to approve and was seconded by Mayor Mario Garza. Motion Passes (4-0).

VII. DISCUSSION AND POSSIBLE ACTION ON ALL THE FOLLOWING MATTERS:

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- A. Hold the First Reading of the Ordinance for the Voluntary Annexation Petition of the Proposed Valley Ranch Subdivision Phase 3 and 4 being a 21.19-acre tract of land out of Lot 11, Block 27, Alamo Land and Sugar Company's Subdivision, located at the Southwest corner of Hall Acres and Cesar Chavez Road, as Requested by Esponjas Development, LTD.**

DISCUSSION: Daniel Tijerina, Director of Planning, reiterated that the city's policy for annexation purposes was processed and approved on August 23, 2022. The City Commission approved Resolution 2022-18, accepting a petition for voluntary annexation and setting dates and times for public hearings. Mr. Tijerina stated that the property owner of the subject property had submitted a petition for a voluntary annexation to the City of San Juan. Upon annexation, recording of the subdivision plat, building permits, and inspections will be processed by the city for proposed residences. Annexation of this property is being undertaken in accordance with the provisions of the Texas Local Government Code, Chapter 43, Municipal Annexation, Section 43.028 and the City Charter. Mr. Tijerina stated that staff recommended approval of the first reading of the ordinance as presented. Mayor Mario Garza asked Mr. Tijerina if he was recommending approval, to which Mr. Tijerina replied yes.

Commissioner Marco "Markie" Villegas motioned to approve and was seconded by Mayor Pro-Tem Leonardo "Lenny" Sanchez. Motion Passed (4-0).

- B. Consider Variance Request to the Construction Standard Materials to Allow a Fiberglass Sewer Manholes with Concrete Foundation at Plantation Heights Subdivision, as Requested by Quintanilla, Headley and Associates, Inc.**

DISCUSSION: Benjamin Arjona, City Manager, stated this has been an ongoing issue with different subdivisions and that they've allowed the fiberglass sewer line installation in order to expediate the construction.

Commissioner Mayor Pro-Tem motioned to approve and was seconded by Commissioner Marco "Markie" Villegas. Motion Passed (4-0).

- C. Discussion and Possible Action to Award RFB NO. 22-015-09-23 City of San Juan Sanitary Sewer Improvements Project.**

DISCUSSION: Lori Maldonado, Purchasing Agent, stated that staff advertised for bids and proposals for the replacement of the San Juan sanitary sewer. Furthermore, a pre-bid conference was held on September 9, 2022. The project consisted of installing an eight-inch sewer line to improve the existing sewer line system located at South Iowa Street. On September 23, 2022, staff received three (3) proposals from the following contractors:

1. MJA CONSTRUCTION, LLC
2. REYA CONSTRUCTION
3. MCALLEN MULTI SERVICE

Mrs. Maldonado stated that TRIMAD Consultants is recommending awarding the bid to MJA Construction as the lowest bidder. Benjamin Arjona, City Manager, mentioned these improvements were needed for the construction of the new fire station. Commissioner Marco "Markie" Villegas asked Juan Carlos Martinez if he was familiar with MJA Construction, to which Mr. Martinez replied that it's a fairly new company, but according to the references, they've been doing good work. Mayor Mario Garza asked if TRIMAD was the engineer in charge of this project, to which Mrs. Maldonado replied yes. Freddy Carmona of TRIMAD Consultants stated that after reviewing MJA's references, they concluded that they were the most responsible bidder.

Commissioner Marco "Markie" Villegas motioned to approve and was seconded by Mayor Pro-Tem Leonardo "Lenny" Sanchez. Motion Passed (4-0).

- D. Discuss and Consider Selection of the Depository Service for the City of San Juan "Depository of Public Funds" Beginning October 1, 2022 through September 30, 2024.**

DISCUSSION: Lori Maldonado, Purchasing Agent, stated that on August 24, 2022 and August 31, 2022, staff advertised for bid proposals for depository and banking services. On September 13th, staff received four proposals from the following banking institutions:

1. Texas Regional Bank
2. Plains Capital Bank

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3. Lone Star National Bank
4. Texas National Bank

Leroy Gonzales, Director of Finance, stated he included a recap of all the banks and their fees. Furthermore, Texas National Bank is coming back with no service fees. Mayor Mario Garza asked if the other banks were given the opportunity to provide much better services, maybe by waiving the service fee. Mr. Gonzales stated they all ranked the same and offered the same services, but Texas National Bank has no service fees. Commissioner Adina "Dina" Santillan stated she understood that Texas National Bank would assign a representative, to which Mr. Gonzales replied that was correct. Commissioner Marco "Markie" Villegas asked if there had been any issues with the current bank, to which Mr. Gonzalez replied, "no. Mayor Mario Garza asked what fee the city was currently paying. Mr. Arjona chimed in, stating that fees were just shy of \$20,000 per year. Commissioner Villegas asked if it was permissible, in the bidding process, to let them know what we were offering. The president of the Texas National Bank stated that they wanted to be partners with the community and that they were the only bank that submitted a bid that had a branch in San Juan. Furthermore, they have an outstanding CRA rating, meaning they give back to the community. Mayor Garza asked if this offer wouldn't change in one or two years, to which Mr. Quiroga replied, "no. He also mentioned that their branch didn't submit a bid the first time around. Moreover, he stated they've been supporting many of the city's activities and mentioned a few of their public fund partnerships. Also, the city is always welcome to contact their public sector or him. Mayor Garza asked how Texas National Bank would guarantee the city they wouldn't come back with any fees. Mr. Quiroga stated that there would be a two-year contract in place and that, on top of the no-service fee, the city would be earning interest on the depository services. Mayor Garza asked Mr. Gonzales for his recommendation. Mr. Gonzales recommended Texas National Bank.

Commissioner Adina "Dina" Santillan made motion to approve and was seconded by Commissioner Marco "Markie" Villegas. Motion Passed. (4-0)

E. Discussion and Possible Action to Approve a Letter of Commitment to the Rio Grande Valley Metropolitan Planning Organization for Local Match in Support of the Reconnecting Communities Pilot Program and Authorize the Mayor to Execute any Related Documents.

DISCUSSION: Javier Dominguez, with the RGVMPPO, stated that he was present to inform the City Commission in regards to a letter of commitment between the City of San Juan and the RGVMPPO regarding their planning grant application for the Reconnecting Communities Planning Pilot Program, which was one of the programs made available under the IIJA Infrastructure Bill this would be the second of three applications that would be submitted. They would like to complete a corridor study along important routes that run parallel to the interstate system. For Hidalgo County, it would be Business 83 and Cameron County, Business 77. They are investigating three options: first, how to make transit stops safer; second, how to make pedestrian crossings safer; and third, how to improve transit users' transit experiences. Mr. Dominguez stated that initially they had applied for a \$200,000.00 planning grant application, but since they've received interest from other planning partners to help increase the amount of local match, they would be increasing the application to three hundred thousand dollars, but that will not impact the amount they are asking from the city of San Juan, which is \$4,000.00. They are planning on submitting the application on Thursday, and if awarded, he would come back to the city to follow-up with the Inter-local Agreement. Benjamin Arjona, City Manager, asked to clarify the city's local match percent, to which Mr. Dominguez stated it is 2% of the twenty percent local match, which is \$4,000.00.

Commissioner Adina "Dina" Santillan made motion to approve and was seconded by Mayor Mario Garza. Motion Passed. (4-0)

VIII. CONTRACTUALS

A. Consider Resolution to Approve a Waterline Access Agreement between the North Alamo Water Supply Corporation (NAWSC) and the City of San Juan and AAA Family, Ltd. of La Paloma Subdivision.

DISCUSSION: Benjamin Arjona, City Manager, stated was the standard procedure for new developments. Daniel Tijerina, Director of Planning stated they are recommending approval of the resolution to approve the waterline agreement between North Alamo and the City of San Juan for the Paloma Subdivision.

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Mayor Pro-Tem Leonardo "Lenny" Sanchez made motion to approve and was seconded by Commissioner Marco "Markie" Villegas Motion Passed (4-0).

IX. CONSENT AGENDA

- A. Consider Second and Final Reading of the Ordinance for a Conditional Use Permit for a Haunted House at the San Juan Hotel located at 125 W. Business 83, legally described as Lots 1 through 6, Block 28, San Juan Original Townsite, as Requested by ZAEEE, LLC.
- B. Consider Second and Final Reading of an Ordinance Regarding Amending Chapter 5 Fire Prevention and Protection, Article 5.02 Fire code and Article 5.03 Life Safety Code, to Update the Currently Adopted International Fire Code and NFPA Life Safety Code; Providing for Effective Date; Providing for Publication; Providing for Codification; Providing for a Severability Clause; and Providing for a Repealer Clause.
- C. Consider Approval of City Commission Meeting Minutes:
- March 8, 2022

Mayor Pro-Tem Leonardo "Lenny" Sanchez made motion to approve all items under consent agenda and was seconded by Mayor Mario Garza. Motion Passed (4-0).

X. EXECUTIVE 6:51 P.M.

- A. The San Juan City Commission will Convene in Executive Session in Accordance with the Texas Open Meeting Act, Vernon's Texas Statutes and Codes Annotated, Government Code Chapter §551.071 (Consultation with Attorney).
 - 1. Pursuant to Section §551.071 CONSULTATION WITH ATTORNEY; Discussion and Possible Action Regarding the Entertainment Agreement for 2022 Noche De Paz.
 - 2. Pursuant to Section §551.071 CONSULTATION WITH ATTORNEY; Discussion and Possible Action Regarding the Proposed Collective Bargaining Labor Agreement Between the City of San Juan and the San Juan Police Officers Association.

Mayor Pro-Tem Leonardo "Lenny" Sanchez made motion to enter executive session and was seconded by Mayor Mario Garza. Motion Passed (4-0).

X. RECONVENE 7:52 P.M.

Mayor Pro-Tem Leonardo "Lenny" Sanchez made motion to reconvene and was seconded by Mayor Mario Garza. Motion Passed (4-0).

- A. The City Commission will Reconvene in Open Session to Take Necessary Action if any, in Accordance with Chapter 551, Open Meeting Subchapter E, Procedures Relating to Closed Meeting 551, Requirements to Vote or Take Final Action in Open Meeting.
 - 1. Pursuant to Section §551.071 CONSULTATION WITH ATTORNEY; Discussion and Possible Action Regarding the Entertainment Agreement for 2022 Noche De Paz.

DISCUSSION: No action was taken.

- 2. Pursuant to Section §551.071 CONSULTATION WITH ATTORNEY; Discussion and Possible Action Regarding the Proposed Collective Bargaining Labor Agreement Between the City of San Juan and the San Juan Police Officers Association.

Mayor Mario Garza made motion to approve the contract and was seconded by Mayor Pro-Tem Leonardo "Lenny" Sanchez. Motion Passed (4-0).

DISCUSSION: Jose "JP" Rodriguez thanked the City Commission and City Manager on behalf of the San Juan Police Officer Association for their patience and for trusting them with this process.

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Mr. Rodriguez stated that the City of San Juan has some of the best officers. Michael Quiroz, Patrol Officer, thanked the City Commission for all the support.

XII. DISCUSSION AND POSSIBLE ACTION ON THE FOLLOWING MATTER:

A. Discussion and Possible Action Regarding Qualifications to Award RFQ NO. 22-013-09-08 Agent of Record for Employee Health Insurance and Voluntary Products and Authorize the City Manager to Execute all Related Documents as Needed.

DISCUSSION: Benjmain Arjona, City Manager, stated that the team members who reviewed the proposals were present and that the top three submittals were included in their packets. Mr. Arjona asked the City Commission how they wanted to manage the presentations. Mayor Garza and Mr. Arjona agreed to give each company five minutes to present. Newkirk & Newkirk, Inc. from San Antonio; Jeff Everitt & Associates, Inc. from Weslaco; and Valley Risk Consulting, Inc. from McAllen, were all present and gave a five-minute presentation.

Mayor Mario Garza asked Jeff Everitt about their employee navigator and how they would assist employees without internet access. Ms. Araceli stated that they recommended face-to-face enrollment. Mr. Everitt stated that just like they offer online services, they could have booths on the ground to do face-to-face enrollments. Benjamin Arjona, City Manager, asked for clarification in regards to the gap plan. Mr. Everitt explained that the gap plan helps individuals manage out-of-pocket medical expenses, but the city needed to make sure the gap plan had no pre-x and would cover both in-patients and out-patients. Ms. Araceli stated that if selected, they would customize the platform to the city's needs. Mayor Mario Garza asked Zach Sakulenski what five municipalities they covered, to which Mr. Sakulenski replied: Port Isabel, Weslaco, Edinburg, Harlingen, and Penitas.

Mayor Mario Garza made motion to appoint Jeff Everitt & Associates, Inc. as Agent of Record. Seconded by Mayor Pro-Tem Leonardo "Lenny" Sanchez. Motion passed (4-0).

XIII. ADJOURNEMENT 8:40 P.M.

Mayor Pro-Tem Leonardo "Lenny" Sanchez made motion to adjourn and was seconded by Mayor Mario Garza. Motion Passed (4-0).

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Mario Garza, Mayor

ATTEST:



Brenda Escalante, City Secretary