

MINUTES OF REGULAR MEETING OF THE CITY OF SAN JUAN COMMISSION

DATE: Tuesday, September 12, 2023

TIME: 6:00 p.m.

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

MEMBERS PRESENT: Mario Garza, Mayor
Marco “Markie” Villegas, Mayor Pro-Tempore
Adina “Dina” Santillan, Commissioner
Ernesto “Neto” Guajardo, Commissioner
Rick Palacios, City Attorney

STAFF PRESENT: Benjamin Arjona, City Manager
Brenda Escalante, City Secretary
Tirso Garza, Fire Chief
Leandro Sifuentes, Interim Chief of Police
Leroy Gonzales, Director of Finance
Adelaida Cordero, Director of Human Resources
Armandina Sesin, Library Director
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
Ruben Guajardo, Assist. Director of Parks & Recreation/PAL Director

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 Pledge of Allegiance.
 - III. PLEDGE OF ALLEGIANCE**
Mayor Mario Garza led the Pledge of Allegiance.
 - IV. PUBLIC COMMENTS**
There were no public comments.
 - V. PRESENTATIONS**
 - A. Presentation of Texas Amateur Athletic Federation Local Athletes of the Year. [Patrick Willingham, Director of Parks and Recreation.**
- DISCUSSION:** Ruben Guajardo, Assistant Director of Parks and Recreation/Director of PAL, awarded and congratulated Jazelle Hernandez and Oziel Cantu, the TAAF Local Athlete of the Year. Mr. Guajardo took the floor and introduced Ms. Hernandez, Female Athlete of the Year, and Mr. Cantu, Male Athlete of the Year. Mr. Guajardo expressed gratitude to the City Commission and the City Manager for their assistance. Mayor Mario Garza expressed gratitude to the San Juan Parks and Recreation Department for their efforts.
- B. Presentation on Departmental Reports: Department of Planning and Zoning, Department of Parks and Recreation, Department of Sanitation, and San Juan Memorial Library.**
 - 1. Planning and Zoning Monthly Report. [Daniel Tijerina, Director of Planning]**
 - 2. Parks and Recreation Monthly Report. [Patrick Willingham, Director of Parks and Recreation]**
 - 3. Department of Sanitation Monthly Report. [Israel Garza, Director of Sanitation]**
 - 4. San Juan Memorial Library Monthly Report. [Armandina Sesin, Library Director]**

DISCUSSION: Commissioner Adina "Dina" Santillan expressed gratitude and congratulations to the city staff for their outstanding involvement in the successful National Night Out event. Mayor Pro-Tem Marco "Markie" Villegas also expressed gratitude to the city personnel for their efforts.

VI. PUBLIC HEARING/ORDINANCES

- A. Consider First Reading of an Ordinance to Amend Chapter 4 Business Regulations of the City of San Juan's Code of Ordinance by Adding Article 4.13 Amusement Redemption Machines to Ban Use and Operation of Such Amusement Redemption Machines; Providing for Effective Date; Providing for Publication; Providing for Codification; Providing for Severability Clause; and Providing for a Repealer Clause. [Daniel Tijerina, Director of Planning]**

DISCUSSION: Daniel Tijerina, Director of Planning stated that this ordinance is regarding the amusement redemption machines that are being installed in numerous establishments. Furthermore, after consulting with the City Attorney, an ordinance was drafted to prohibit the usage and operation of redemption machines inside the San Juan city limits. Commissioner Adina "Dina" Santillan inquired whether the department had received any complaints about this amusement equipment. Mr. Tijerina said that they do receive more calls, and he has seen them in various areas, as well as an individual pushing the sale of these devices. Mr. Tijerina stated that he met with the Sheriff's Office, who informed him that this was a legal matter, and that after consulting with the City Manager and City Attorney, they prepared this ordinance for consideration by the City Commission to prevent it from occurring throughout the City of San Juan. City Manager Benjamin Arjona explained that with this rule in place, the city may contact these businesses and inform them that these devices are not authorized in the city. Mayor Mario Garza inquired if this rule will ban any future enterprise linked to this sort of business.

Commissioner Ernesto "Neto" Guajardo made motion to approve all the items under consent agenda and was seconded by Commissioner Adina "Dina" Santillan. Motion Passed (4-0)

- B. Hold First Public Hearing and Consider Ordinance Adopting the Budget for the City of San Juan, Texas for the Fiscal Year Beginning October 1, 2023 through September 30, 2024. [Leroy Gonzales, Director of Finance]**

DISCUSSION: Leroy Gonzales, Director of Finance, stated the budget process was initiated by the Department of Finance on April 17, 2023. The 2023-2024 budget preparation included one-on-one (1) budget sessions with each department director on June 22, 2023, through June 24, 2023, to present the department's recommendations. Two (2) budget workshops with the City Commission were held on August 24, 2023, and August 26, 2023, to present and discuss the proposed budget. This budget includes the following recommendations:

Mayor Mario Garza opened the Public Hearing at 6:19 p.m.

Commissioner Adina "Dina" Santillan requested confirmation of the 4% salary raise for personnel. Mayor Mario Garza questioned the 4% figure and suggested that it be reconsidered and an alternative proportion of 5 or perhaps 6 offered. Mr. Arjona stated that the city will be in a strong position after considering several choices as a team with the 4%.

Mayor Mario Garza closed the Public Hearing at 6:23 p.m.

Commissioner Ernesto "Neto" Guajardo made motion to approve the first reading and was seconded by Commissioner Adina "Dina" Santillan. Motion Passed (4-0)

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

- A. Discussion and Possible Action to Award RFB NO. 23-015-08-10 City of San Juan Sgt. Leonel Trevino Sanitary Sewer Improvements Project Contract and Authorize the City Manager to Execute All Related Documents as Needed to the Most Responsible Bidder. [Lori A. Maldonado, Purchasing Agent]**

DISCUSSION: Lori Maldonado, Purchasing Agent, stated that on July 26, 2023 and August 2, 2023 staff advertised in the Advance News Journal to solicit sealed proposals for RFB NO. 23-015-08-10 City of San Juan Sgt. Leonel Trevino Sanitary Sewer Improvements Project. On August 2, 2023 a Pre-Bid Conference was held and a bid opening was held on August 15, 2023. Bids were submitted by the following:

1. REYA CONSTRUCTION
2. OMT UTILITIES
3. MCALLEN MULTI SERVICE
4. MJA CONSTRUCTION LLC
5. RDH SITE & CONCRETE, LLC
6. SAENZ UTILITY CONTRACTORS
7. DANA GENERAL CONTRACTORS

Consider the recommendation from TRIMAD Consultants, L.L.C., to award RFB No. 23-015-08-10 to OMT Utilities with a base bid amount of \$100,196.00, a 2% difference from the lowest bid. After evaluation of the submitted bids, Reya Construction was found to be the lowest bidder. All contractors were required to submit references with their bids. TRIMAD contacted all references and found that neighboring cities like Weslaco and Harlingen did not have favorable references. In addition, TRIMAD has no previous history of working with Reya Construction on any project. Therefore, it must rely on the references submitted by the contractors on quality and workmanship. Based on the reference check, Trimad cannot attest to a positive recommendation. The second-lowest bidder is OMT Utilities, which is presently working on the Tierra de Palmas Water Service Upgrade construction project with the City of San Juan and TRIMAD and has been responsive and quick to act. Mrs. Maldonado added that if any issues arose, Mr. Juan Carlos Martinez and TRIMAD Consultants members would be there. Commissioner Adina "Dina" Santillan inquired of Mr. Rick Salazar about any concerns that have arisen while working with OMT Utilities. Mr. Salazar noted that they outperformed and delivered high-quality results. Mr. Salazar claimed that they cannot witness for the lowest bidder, Reya Construction, but they did conduct a reference check on them. Mr. Salazar advised going with OMT Utilities, the second-lowest bidder. Commissioner Santillan questioned Mr. Martinez for his thoughts on OMT Utilities, and he said that their job had gone well. Reya Construction's Noe Cavazos shared a brief history of his firm and what they offer.

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

- B. Discussion and Possible Action on a Variance Request to not Loop an 8" water line along the East Perimeter of the Proposed San Juan Oaks Subdivision, as Requested by Nain Engineering, LLC. [Daniel Tijerina, Director of Planning]**

DISCUSSION: Daniel Tijerina, Director of Planning, stated that San Juan Oaks Subdivision which is a residential subdivision with 23 lots located North of Business 83 West of Stewart Road. In addition, Willy Arriaga of Nain Engineering is asking a variance to avoid looping an 8" water line around the east boundary of the development. All water lines must be looped according to the Fire Code and the City's Design Standards. Trimad Consultants, our consulting engineer, estimates the cost of the upgrades and discrepancies. Mr. Tijerina claimed that the initial cost for the water line to cross the irrigation canal was roughly \$85,370, plus an extra \$25 to \$35 thousand since it was below the canal's flow line. Mr. Salazar offered three price alternatives for the passage. Commissioner Ernesto "Neto" Guajardo questioned Chief Tirso Garza if upgrading to a 6-inch would pose a safety risk, to which Chief Garza answered in the yes. Commissioner Guajardo asked about an ordinance requiring 8-inch water pipes in all new developments. Mr. Tijerina remarked that the ordinance will be investigated. Mayor Garza believes that if there is current ordinance in place that would be critical and suggests that this item be tabled. Commissioner Adina "Dina" Santillan, questioned about the difference between a 6-inch and an 8-inch water line. Mr. Salazar indicated that the 8-inch carries more volume for fire protection because fire pumpers are so strong that if a 6-inch is used, the pumper will compress that line. Mayor Mario Garza asked to table this item.

Commissioner Adina "Dina" Santillan made motion to table this item and was seconded by Commissioner Ernesto "Neto" Guajardo. Motion Passed (4-0)

VIII. RESOLUTIONS

- A. Consideration and Action on a Resolution Suspending the August 23, 2023 Effective Date of the Statement of Intent of Texas Gas Service Company to Increase Rates within Incorporated Areas of its Service Territory.**

DISCUSSION: Benjamin Arjona, City Manager stated, that the following item is for the city to submit a resolution opposing the 26% rate increase.

Commissioner Ernesto "Neto" Guajardo made motion to approve the recommendation and was seconded by Commissioner Adina "Dina" Santillan. Motion Passed (4-0)

IX. CONSENT AGENDA

- A. Consider Second Reading of an Ordinance for a Voluntary Annexation Petition of the Proposed Valley Ranch Subdivision No. 5, 6 and 7; Tract 1: being a 36.99-acre tract of land out of Lots 14 and 15, Stewarts Addition to the Conway Garden Subdivision and Tract 2: being a 3.03-acre tract of land out of Lot 14, Block 27, Alamo Land and Sugar Company's Subdivision, as Requested by Esponjas Development, LTD. [Daniel Tijerina, Director of Planning]**
- B. Consider Second and Final Reading of an Ordinance Regarding the Rezoning Request from Neighborhood Commercial District (C-1) to the Multi-Family Residence District (R-MF) of Lots 21 thru 24, Block 32, San Juan Original Townsite, located at the Southwest corner of Lincoln and 6th Street, as Requested by Alberto Treviño. [Daniel Tijerina, Director of Planning]**

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- C. Consider Second and Final Reading of an Ordinance Regarding the Conditional Use Permit to Operate “The Party Factory” at 1208 N. Raul Longoria Road Suites 7-8, legally described as Lot 1, Gutierrez-Duncan Subdivision, as Requested by Carolina Sandoval. [Daniel Tijerina, Director of Planning]**
- D. Consider Second and Final Reading of an Ordinance in First Reading Amending the Code of Ordinances under Appendix A. Unified Development Code, Chapter 2. Zoning Regulations, Article IV. District Use and Area Regulations, Section 1.00 "R-S" Single Family Residential District, Item (j) to Allow Non-enclosed Metal Carports within the Front Setback in Single Family Residential Districts in Subdivisions Recorded before 2015; Providing for Publication; Providing for Codification; Providing for a Severability Clause; Providing for a Repealer Clause; and Ordaining other Provisions Related to the Subject Matter Hereof.**
- E. Consider Second and Final Reading of an Ordinance Amending Chapter 1 General Provisions, Article 1.02 Administration, Division 1 Generally, Section 1.02.004 Agenda Items of the Code of Ordinances of the City of San Juan, Texas, to Modify the Procedures for Placing Agenda Items for Consideration by the City Commission; Providing for Effective Date; Providing for Publication; Providing for Codification; Providing for a Severability Clause; and Providing for a Repealer Clause. [Benjamin Arjona, City Manager]**
- F. Consider Second and Final Reading of an Ordinance Adopting the Proposed Tax Rate and Levy for the City of San Juan, Texas for the Fiscal Year Beginning October 1, 2023 and Ending September 30, 2024. [Leroy Gonzales, Director of Finance]**
- G. Consider Approval of the Budget Expenditure Report for the Month of July 31, 2023. [Leroy Gonzales, Director of Finance]**

Commissioner Ernesto “Neto” Guajardo made motion to approve all the items under consent agenda and was seconded by Mayor Pro-Tem Marco “Markie” Villegas. Motion Passed (4-0)

X. EXECUTIVE SESSION

- A. The San Juan City Commission will Convene in Executive Session in Accordance with the Texas Open Meetings Act, Vernon's Texas Statutes and Code Annotated, Government Code Chapter 551 et seq., and 551.071 Consultation with Attorney.**
 - 1. Pursuant to Section §551.071 Consultation with Attorney and Section §551.072, Real Estate Matters; Consideration and Action Regarding an Ordinance Authorizing the Mayor to Execute a Commercial Real Estate Contract and Related Documents for the Purchase of Real Property Legally Described as Lots 1-6, Block 28, San Juan Original Townsite and Situated at 128 W. US Highway Business 83 in San Juan, Hidalgo County, Texas.**
 - 2. Pursuant to Section §551.071, CONSULTATION WITH ATTORNEY; Discussion and Possible Action Regarding Possible Legal Issues Concerning Employment Hiring Practices.**

Commissioner Ernesto “Neto” Guajardo made motion to enter into executive session at 6:59 p.m. and was seconded by Commissioner Adina “Dina” Santillan. Motion Passed (4-0).

XI. RECONVENE

Commissioner Ernesto “Neto” Guajardo made motion to reconvene at 7:23 p.m. and was seconded by Marco “Markie” Villegas. 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 Meetings, Subchapter E, Procedures Relating to Closed Meetings, and Requirements to Vote or Take Final Action in Open Meeting.**
 - 1. Pursuant to Section §551.071 Consultation with Attorney and Section §551.072, Real Estate Matters; Consideration and Action Regarding an Ordinance Authorizing the Mayor to Execute a Commercial Real Estate Contract and Related Documents for the Purchase of Real Property Legally Described as Lots 1-6, Block 28, San Juan Original Townsite and Situated at 128 W. US Highway Business 83 in San Juan, Hidalgo County, Texas.**

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Mayor Mario Garza made motion to approve as discussed under executive session and was seconded by Mayor Pro-Tem Marco "Markie" Villegas. Motion Passed (4-0)

2. Pursuant to Section §551.071, CONSULTATION WITH ATTORNEY; Discussion and Possible Action Regarding Possible Legal Issues Concerning Employment Hiring Practices.

Mayor Mario Garza made motion to approve as discussed under executive session and was seconded by Commissioner Ernesto "Neto" Guajardo. Motion Passed (4-0).

XII. ADJOURNMENT

Mayor Pro-Tem Ernesto "Neto" Guajardo made motion to adjourn at 7:23 p.m. and was seconded by Commissioner Adina "Dina" Santillan. Motion Passed (4-0).



ATTEST:

A handwritten signature in blue ink, appearing to read "B. Escalante", is written over a horizontal line.

Brenda Escalante, City Secretary

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A handwritten signature in blue ink, appearing to read "Mario Garza", is written over a horizontal line.
Mario Garza, Mayor