MINUTES OF REGULAR MEETING OF THE CITY OF SAN JUAN COMMISSION

DATE:	Tuesday, August 22, 2023
TIME:	6:00 p.m.
PLACE:	San Juan Memorial Library 1010 S. Standard San Juan, Texas 78589
MEMBERS PRESENT:	Mario Garza, Mayor Marco "Markie" Villegas, Mayor Pro-Tempore Leonardo "Lenny" Sanchez, Commissioner Ernesto "Neto" Guajardo, Commissioner Adina "Dina" Santillan, Commissioner Criselda Palacios, City Attorney
STAFF PRESENT:	Benjamin Arjona, City Manager Brenda Escalante, City Secretary Tirso Garza, Fire Chief Leandro Sifuentes, Chief of Police Leroy Gonzalez, Director of Finance Adelaida Cordero, Director of Human Resources 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 Melissa Sanchez, Administrative Assistant III Pat Karr, Director of Information Technology Ruben Guajardo, Assistant Director of Parks & Recreation. PAL

ORDER OF BUSINESS

I. CALL MEETING TO ORDER:
Mayor Mario Garza called meeting to order at 6:00P.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: There were no Public Comments

V. PROCLAMATIONS

A. Presentation on a Proclamation Proclaiming the Month of September 2023 as Ovarian Cancer Awareness Month.

DISCUSSION: DHR staff members gave a brief presentation recognizing September as Ovarian Cancer Awareness month and informed the community about the deadliest gynecological disease. Staff thanked the

City of San Juan for allowing them to spread the awareness and encouraging women to take proper screening measurements as recommended by their physicians. Mayor Mario Garza read proclamation proclaiming the Month of September 2023 as Ovarian Cancer Awareness Month.

VI. PRESENTATIONS

A. Presentation on Department Reports: Department of Finance, Fire Department, Police Department, Municipal Court, and Department of Utilities.

DISCUSSION: Commissioner Ernesto "Neto" Guajardo indicated that he got calls from the public requesting sandbags due to the tropical storm, but was informed that the sandbags were on hold and not required. Chief Tirso Garza added that they were keeping close check on the radar. Mayor Pro Tem Marco "Markie" Villegas reiterated and complimented the staff for keeping a close eye on the storm.

VII. PUBLIC HEARING/ ORDINANCES

A. Consider 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.

DISCUSSION: Daniel Tijerina, Director of Planning, stated that on August 8, 2023, the Commission held its second public hearing, so this is just for the approval of the ordinance for the voluntary annexation since staff is recommending approval.

Commissioner Ernesto "Neto" Guajardo made motion to approve and was seconded by Mayor Pro Tem Marco "Markie" Villegas. Motion Passed (5-0).

B. Hold a Public Hearing and Consider 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.

DISCUSSION: Daniel Tijerina, Director of Planning stated this is a rezoning request from C-1 to a multi-family, they are four lots that are 25 feet wide by 140 feet long with a total of 100 feet frontage by 140 feet in depth. Mr. Tijerina indicated that on August 17, 2023, this proposal was brought to the Planning and Zoning Commission, who recommended approval, as did staff.

Mayor Mario Garza opened the public hearing at 6:13 p.m.

Commissioner Adina "Dina" Santillan asked Mr. Tijerina if they were any oppositions to which Mr. Tijerina responded no, the Planning and Zoning Commission were all in favor.

Mayor Mario Garza closed the Public Hearing at 6:13 p.m.

Mayor Pro Tem Marco "Markie" Villegas made motion to approve and was seconded by Commissioner Adina "Dina" Santillan. Motion Passed (5-0).

C. Hold a Public Hearing and Consider 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.

DISCUSSION: Daniel Tijerina, Director of Planning, noted that this is a conditional use permit for a kid event center at the new Gutierrez Duncan Subdivision North on Raul Longoria Road. Mr. Tijerina indicated that this proposal was brought to the Planning and Zoning Commission on August 17, 2023, and staff is recommending approval subject to the criteria outlined in the staff report. He stated that they sent letters to 49 property owners within a 200-foot radius and received no feedback, either positive or negative.

Mayor Mario Garza opened the public hearing at 6:15 p.m.

Adina "Dina" Santillan inquired if the owner agreed with the outlined conditions, to which Mr. Tijerina answered yes.

Mayor Mario Garza closed the Public Hearing at 6:15 p.m.

Commissioner Leonardo "Lenny" Sanchez made motion to approve and was seconded by Mayor Pro Tem Marco "Markie" Villegas. Motion Passed (5-0).

D. Consider the Adoption 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.

DISCUSSION: Daniel Tijerina, Director of Planning, stated that on August 11, 2015, the City Commission passed Ordinance 15-10, which allowed for the amendment of zoning ordinance item J, such as open, non-enclosed metal carports within the front setback in single-family residential districts and subdivisions recorded before 1990, so this is a proposal to amend the ordinance. Mr. Tijerina noted that the staff recommends approval. Mayor Mario Garza noted that it is an excellent idea because we are experiencing high temperatures and our citizens have expressed a need for a carport to shield their vehicles from the heat. Mayor Pro Tem Marco "Markie" Villegas commended Mr. Tijerina for working on this amendment in a timely manner. Mr. Arjona mentioned that one of the things that they are going to be bringing back, will be the actual setbacks of the carport.

Commissioner Ernesto "Neto" Guajardo made motion to approve and was seconded by Commissioner Leonardo "Lenny" Sanchez. Motion Passed (5-0).

E. Hold Public Hearing on 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.

DISCUSSION: Mr. Leroy Gonzalez, Finance Director stated on August 8, 2023 the City Commission voted and approved proposed tax rate of 0.6765 for the fiscal year October 1, 2023 through September 30, 2024 and scheduled one required public hearing on August 22nd 2023.

Mayor Mario Garza opened the public hearing at 6:19 p.m.

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

Mayor Pro Tem Marco "Markie" Villegas made motion to approve and was seconded by Mayor Mario Garza. Motion Passed (5-0).

F. Considering Adoption of an Ordinance in First Reading 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.

DISCUSSION: Benjamin Arjona, City Manager, stated that Commissioner Ernesto "Neto" Guajardo approached him about having this item on the agenda so that two Commissioners might send an email to the City Manager's Office requesting that an item be placed on the agenda. Mayor Mario Garza inquired as to how things were before, to which Mr. Arjona said that they would send the items along, but you had the ultimate decision on what was placed on the agenda. Mayor Mario Garza confirmed for the record that he has never denied anyone from submitting items on the agenda.

Mayor Pro Tem Marco "Markie" Villegas made motion to approve and was seconded by Commissioner Leonardo "Lenny" Sanchez. Motion Passed (5-0).

G. Consideration and Action of an Ordinance Authorizing the Issuance of "City of San Juan, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2023"; Providing for the Payment of said Certificates by the Levy of an Ad Valorem Tax upon all Taxable Property within the City; and Resolving other Matters Incident and Related to the Issuance, Payment, Security, Sale, and Delivery of said Certificates.

DISCUSSION: Bobby Villarreal, together with Estrada Hinojosa, a financial advisor, indicated that they went to the bond market while maintaining the same tax rate. He indicated that when they originally presented, we were looking at 8.9 million dollars, or approximately 9 million dollars, and we estimated that the interest cost would be around 4.7 percent of the time, with a total interest cost to the city of about 6.1 million. Working with personnel entailed regulating the tax rate. When we looked at this financial plan, we had a system in place to reduce payments throughout the first ten years. Mr. Villarreal said, "With the new valuations that came in, we were able to structure this in such a way that we made a level and a larger payment this coming year while maintaining the overall tax rate." He noted that they don't yet receive the $195,000 sanitation payment, but if they do, it will provide the city greater flexibility and capability. He reviewed the scores and indicated that we have to continue going forward and following the regulations. Mr. Arjona praised the FA. Bobby Villarreal, Mr. Magallanes, and Dr. De Los Santos for their key contributions, as well as their guidance and assistance in achieving an A+ grade. Commissioner Adina "Dina" Santillan stated regarding the utility rates that Mr. Villarreal mentioned that we needed to do the water study, which is not something that anyone wants to do, but in the future, with all of the growth that we have and the water development board looking at that for future projects, Commissioner Santillan thanked the staff for all of the guidance and work that they did to make this possible.

Commissioner Ernesto "Neto" Guajardo made motion to approve and was seconded by Commissioner Leonardo "Lenny" Sanchez. Motion Passed (5-0).

VIII. DISCUSSION AND POSSIBLE ACTION ON ALL THE FOLLOWING MATTERS

A. Consider Preliminary and Final Plat Approval of the Keystone Plaza Subdivision being a 1.32-acre tract of land out of Lot 13, Block 35, Alamo Land and Sugar Company's Subdivision, located at the Southwest corner of US Business 83 and Cesar Chavez Road, as Requested by Salinas Engineering and Associates.

DISCUSSION: Daniel Tijerina, Director of Planning, stated this is a one-lot site near the crossroads of Cesar Chavez and Business 83. In addition, Mr. Tijerina stated that they are requesting a variance, which has previously been sought, to reduce the 15-foot utility easement around the perimeter to 10 feet, which they have no objections to because the water and sewer are located off Cesar Chavez. Furthermore, on August 17,

2023, the plat and variances were submitted to the Planning Commission, and staff recommends that both the subdivision plat and the deviation be approved.

Commissioner Adina "Dina" Santillan made motion to approve and was seconded by Mayor Pro Tem Marco "Markie" Villegas. Motion Passed (5-0).

B. Consideration and Action regarding a Planned Unit Development at Stewart Coves Subdivision being a 37.258-acre tract of land out of Lots 1 and 6, Stewart's Addition to the Conway Gardens, located at the Northwest Corner of Moore and Stewart Road, as Requested by Melden & Hunt, Inc.

DISCUSSION: Daniel Tijerina, Director of Planning, noted that this was given to the City Commission prior to the new development concept; however, it was amended to increase the number of lots from 181 to 184. He also added that they brought the request and recommendations to the Planning Commission, who recommended approval following evaluation. The staff also recommends that this PUD amendment be approved.

Mayor Pro Tem Marco "Markie" Villegas made motion to approve and was seconded by Commissioner Adina "Dina" Santillan. Motion Passed (5-0)

C. Consideration and Action on the Variance Request to the Subdivision Ordinance at the Proposed Valley Ranch Subdivision No.6 being a 21.07-acre tract of land out of Lot 14, Stewarts Addition, as Requested by Quintanilla, Headley and Associates, Inc.

DISCUSSION: Daniel Tijerina, Director of Planning, indicated that this is a formal request for variances for Valley Ranch Subdivision No. 6, and staff recommended approval.

Mayor Pro Tem Marco "Markie" Villegas made motion to approve and was seconded by Commissioner Leonardo "Lenny" Sanchez. Motion Passed (5-0).

D. **Consideration and Action to Allow a Haunted House at the Old San Juan Hotel located at 125 W. US Business 83, legally described as lots 1 thru 6, Block 28, San Juan Original Townsie, as Requested by ZAEEE, LLC.**

DISCUSSION: Daniel Tijerina, Director of Planning, noted that the applicant was seeking to renew the permit; earlier, they were granted an ordinance with conditions, and staff recommended approval. Mayor Mario Garza inquired about who conducts the walk-through to ensure that everything is secure. Mr. Tijerina stated that last year, we worked together with the Health Department, Building Inspections, Fire Department, and Public Works to assure everyone's safety. Mayor Garza inquired if the city had received a letter from Mr. Gus, owner of the building, to which Mr. Tijerina replied yes.

Commissioner Adina "Dina" Santillan made motion to approve and was seconded by Commissioner Leonardo "Lenny" Sanchez. Motion Passed (5-0).

E. Consideration and Action to Review the Conditional Use Permit Granted to "El Grullo Drive-Thru" located at 912 E. Business 83, legally described as Lot 1, Mireles Subdivision.

DISCUSSION: Daniel Tijerina, Director of Planning, stated that on March 28, 2023, the City Commission adopted ordinance 23-08, which allowed El Grullo to drive through and the sell alcoholic drinks for off-premise use at 912 East Business 83. Mr. Tijerina reported that the Code Enforcement Department visited the business after receiving a complaint about employees' dress, which violates the City Ordinance; as a result, Code Enforcement closed the place of business to the public on August 11, 2023. Furthermore, it was said that they had spoken with the owner, Mr. Ismael Morin, whom the owner now recruited and granted power of attorney to. Staff advised the business all city regulations must be complied. Mr. Morin stated on behalf of Mr. Lara and the manager, Mayra Martinez, that they did not intend to operate a sexually oriented business in San Juan. Mr. Lara acknowledged that things went out of control, that they had no idea they were breaking the law, and that he accepts full responsibility for what occurred. Mayra Martinez requested another opportunity from the City Commission, stating that she had updated the girls' uniform and was now more presentable. She also stated that she has concerns with one of her neighbors and is requesting that the City Commission take action to prevent him from invading her business. Ms. Martinez is concerned because of the amount of money that she spent in the business and is frightened that it will be closed again. Mayor Mario Garza questioned Mr. Morin whether Mr. Lara knew what a conditional use permit is since they plainly know why they are here today, which is to address a citizen's complaint, and what they observed was inappropriate. Mayor Garza remarked that we do not want it to happen again since there are schools and children nearby, and he should understand that the city has the authority to revoke the permit at any moment.

Mayor Pro Tem Marco "Markie" Villegas made a motion to approve as long as they followed the city code, and was seconded by Mayor Mario Garza. Motion Passed (5-0).

F. Discussion and Possible Action to Approve $1,898,984.00 in Rehabilitation Work Needed at the Wastewater Treatment Plant Lift Station by Buy-Board Vendor Southern Trenchless Solutions. Funding is available through American Rescue Plan (ARP) Funds.

DISCSSION: Juan Carlos Martinez, Interim Director of Utilities, stated the Wastewater Treatment Plant Lift Station requires rehabilitation and expansion for the city's future growth. Mr. Martinez also mentioned that rehabilitation will consist of relining existing concrete wet well pump system upgrades and replacing internal wet well piping and electrical upgrades.

Mayor Pro Tem Marco "Markie" Villegas made motion to approve and was seconded by Commissioner Ernesto "Neto "Guajardo. Motion Passed (5-0).

G. Discussion and Possible Action on Stewart Road Safety Concerns.

DISCUSSION: Mayor Mario Garza indicated that he requested that this item be placed on the agenda due to safety concerns involving heavy traffic trucks on Steward Road. Mayor Garza mentioned that he wants to see if we can work with TXDOT to reduce the speed limit. Rex Costley with the Texas Department of Transportation notified me that they completed a traffic analysis that indicated the need for a traffic light, and they are now designing the junction of 2557 and Hall Acres and providing an ETA for when construction would begin. Mr. Costley added that there are various demands that must be warranted, but because this intersection did not satisfy the justification, it encourages them to move forward and begin the design process and construction. Mr. Costley added that they conduct traffic studies and reevaluate them every 3 to 5 years, and as a resident of San Juan and TXDOT advocate, he believes that the International Bridge Trade Quarter project will alleviate a lot of truck traffic from the ports of entry straight to the interstate, which should relieve some commercial traffic. Mr. Costley mentioned that he will work with Benjamin Arjona to provide an ETA for design completion and construction.

IX. CONTRACTUALS

A. Consideration and Approval of an Interlocal Agreement Between Hidalgo County and the City of San Juan (San Juan I Head Start Center), Located at 200 North Cougar, San Juan, TX.

DISCSSION: Benjamin Arjona, City Manager stated this is a contract that we usually get on a yearly basis for approval and consideration.

Commissioner Adina "Dina" Santillan made motion to approve and was seconded by Commissioner Ernesto "Neto" Guajardo. Motion Passed (5-0).

B. Consideration and Action of an Interlocal Agreement for the 2023-2024 Fiscal Year with the Hidalgo County Urban County Program.

DISCSSION: Daniel Tijerina, Director of Planning stated this is a Interlocal Agreement for the 2023-2024 Fiscal Year to set our basic administrative understanding for the expenditures of the CDBG funds to be carried out in the city's jurisdiction, we were allocated $294,597 through this program.

Commissioner Leonardo "Lenny" Sanchez made motion to approve and was seconded by Commissioner Adina "Dina" Santillan. Motion Passed (5-0).

X. CONSENT AGENDA

A. Consider Second and Final Reading of an Ordinance for a Rezoning Request from Single-Family Residence District (R-S) to Multi-Family Residence District (R-MF) of the property legally described as 9.59-acre tract of land out of Lots 9, 10 and 11, San Juan Hacienda Estates, as Requested by Mario Anaya.

B. Consider Second and Final Reading of an Ordinance for a Conditional Use Permit for the Sale of Alcoholic Beverages (BG – Wine and Beer Retailer's Permit) for On-Premise Consumption at "Cheers Food Truck Park Bar, LLC." located at 232 E. Business 83, legally described as Lettered Blocks (San Juan) Lot 1, Block B, as Requested by Francisco Gortarez.

C. Consider Second and Final Reading of an Ordinance for a Conditional Use Permit to operate "Marlen's Event Center" at 905 W. 1st Street Suites A and B, legally described as Lot 2, B.T. No. 1 Subdivision, as Requested by Fernando Rocha.

D. Consider Second and Final Reading of an Ordinance for a Conditional Use Permit to allow "SJ Food Truck Park" at 2506 N. Raul Longoria Road, legally described as Lot 1, Uresti Subdivision, as Requested by Jose and Eliecer Uresti.

E. Consider Second and Final Reading of an Ordinance for a Conditional Use Permit to operate "Kairo's Event Center" at 5201 N. Raul Longoria Road Suite 3, legally described as Lots 5 and 6, Arco Iris Unit No. 2 Subdivision, as Requested by Evangelina Garza Gonzalez.

F. Consider Second and Final Reading of an Ordinance for a Conditional Use Permit to operate "Ruby's Event Center" at 2003 N. Veterans Boulevard Suites 1 and 2, legally described as Lot 1, Porciones Center Subdivision, as Requested by Elsa Rubi Juarez.

G. Consider Second and Final Reading of an Ordinance for a Rezoning Request from the Neighborhood Commercial District (C-1) to the General Business District (C-2) of the 1.32-acre tract of land out of Lot 13, Block 35, Alamo Land and Sugar Company's Subdivision, located at the Southwest corner of U.S. Business 83 and Cesar Chavez Road, as Requested by Raul Cantu.

H. Consider Second and Final Reading of an Ordinance for a Voluntary Annexation Petition of La Cantera Subdivision, being a 33.774-acre tract of land out of Lots 34, 37 and 38, San Juan Hacienda Estates Unit No. 1, located at the Northeast corner of Nebraska and Hall Acres Road, as Requested by Espino Construction, LLC.

I. Consider Approval of the Tax Collection Report for the Month of July 2023.

Mayor Pro Tem Marco "Markie" Villegas made motion to approve and was seconded by Commissioner Leonardo "Lenny" Sanchez. Motion Passed (5-0).

XI. 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 Codes Annotated, Government Code Chapter 551 et seq. and §551.071 Consultation with Attorney.

1. Pursuant to Section §551.071 CONSULTATION WITH ATTORNEY; Discussion and Possible Action Regarding Possible Legal Issues Concerning TXDOT Future Raised Median Project.

2. Pursuant to Section §551.071 CONSULTATION WITH ATTORNEY; Discussion and Possible Action Regarding the Entertainment for 2023 Noche De Paz.

3. Pursuant to Section §551.071 Consultation with Attorney and Section 551.087, ECONOMIC NEGOTIATIONS; Deliberation Regarding City Real Estate Properties.

4. Pursuant to Section §551.071, CONSULTATION WITH ATTORNEY; Discussion and Possible Action Regarding Legal Issues Concerning the Agreement with Pharr Emergency Ambulance Services.

Commissioner Ernest "Neto" Guajardo made motion to enter executive session at 6:56 p.m. and was seconded by Mayor Mario Garza. Motion Passed (5-0).

XII. RECONVENE

Mayor Pro Tem Marco "Markie" Villegas made motion to reconvene at 8:33 p.m. and a second vote was not made.

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; Discussion and Possible Action Regarding Possible Legal Issues Concerning TXDOT Future Raised Median Project.

No Action

2. Pursuant to Section §551.071 CONSULTATION WITH ATTORNEY; Discussion and Possible Action Regarding the Entertainment for 2023 Noche De Paz.

No Action

3. Pursuant to Section §551.071 Consultation with Attorney and Section 551.087, ECONOMIC NEGOTIATIONS; Deliberation Regarding City Real Estate Properties.

Commissioner Adina "Dina" Santillan made motion to proceed as recommended by staff and city manager under executive session, was seconded by Commissioner Ernesto "Neto" Guajardo. Motion Passed (4-0).

4. Pursuant to Section §551.071, CONSULTATION WITH ATTORNEY; Discussion and Possible Action Regarding Legal Issues Concerning the Agreement with Pharr Emergency Ambulance Services.

Commissioner Adina "Dina" Santillan made motion to proceed as recommended by staff and city manager under executive session, was seconded by Commissioner Ernesto "Neto" Guajardo. Commissioner Leonardo "Lenny" Sanchez opposed due needing additional information regarding the item. Motion Passed (3-1).

XIII. ADJOURNMENT

Commissioner Adina "Dina" Santillan made motion to adjourn at 8:34 p.m. and was seconded by Commissioner Leonardo "Lenny" Sanchez. Motion Passed (4-0).

CITY OF SAN JUAN, TEXAS

Mario Garza, Mayor

ATTEST:

Brenda Escalante, City Secretary