

MINUTES OF SPECIAL CALLED MEETING OF THE CITY OF SAN JUAN COMMISSION

DATE:

Tuesday, September 5, 2017

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
Jesse Ramirez, Mayor Pro-Tempore
Raudel Maldonado, Commissioner
Ernesto Guajardo, Commissioner
Pete Garcia, Commissioner
Rick Palacios, City Attorney

STAFF PRESENT:

Benjamin Arjona, City Manager
Diana Cavazos, City Secretary
Tirso Garza, Chief of Fire
Juan Gonzalez, Chief of Police
Leroy Gonzales, Finance Director
Adelaida Cordero, Director of Human Resources
Patrick Willingham, Director of Parks and Recreation
Xavier Cervantes, Director of Planning
Carmen Gonzalez, Director of Sanitation
Rene Jaime, Purchasing/Risk Manager
David Salinas, Director of Utilities
Robert Rangel, Director of Information Technology
Mary Enriquez, Court Administrator

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. DISCUSSION AND POSSIBLE ACTION ON ALL OF THE FOLLING MATTERS:

- a. Discussion and Possible Action on Adopting a Resolution Opposing Senate Bill 4.

DISCUSSION: Marco Lopez with the Union del Pueblo Entero stated that he knew the Commission was going to vote on a resolution regarding Senate Bill 4 and he wanted to let everyone know that SB4 has been a threat to the community. A lot of community members are scared that a census bill has been placed. There is no trust with the police officers, sheriff's office nor university officers. We are trying to show them that the cities are going to support the community just like they have in other cities as well. We are hoping that you will vote today to help the community on this Bill that seems to be racist.

Abraham Diaz stated he had lived in San Juan for a long time. He grew up going to Clover Elementary, Austin Middle School, PSJA High School and recent graduate from UTRGV. He stated he had lived in the City of San Juan for decades and he wanted to thank the Commission for taking this into consideration, not just for SB4 but also the border wall. Mr. Diaz stated these two items were very important. He has been a Coach for the Little League, and has been involved with the community enough to know what the community wants and that is for our police officers to focus on serving and protecting the community instead of acting as immigration officers. In closing, Mr. Diaz encouraged the Commission to pass the resolution against Senate Bill 4.

Motion was made by Commissioner Pete Garcia to approve and seconded by Commissioner Raudel Maldonado. Motion passed. (5-0)

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- b. Discussion and Possible Action on Adopting a Resolution Opposing Border Wall.

DISCUSSION: Ms. Lesley with Santa Ana Refuge stated that since her last conversation with the Commission some other things had happened to cause urgency and include this item in the Special Agenda was appreciated. This is an opposition to the Border Wall and our issues with this are that they are very diverse and cover all kinds of areas with one being the destruction of our natural habitat, like Santa Ana. The Border Wall will be right behind the Visitor's Center and it has already been surveyed and staked out. As soon as money is received they will start laying the metal and the same applies for the National Butterfly Center, the Lomita and Bentsen Palm State Park. Literally speaking if DHS gets what they want there will be a wall separating all of us from the river. We will not have access to do anything with the Rio Grande, all the way from one end of the County to the other end. The Wall is to be from Falcon State Park to Falcon Lake and through Roma and this is causing drainage problems.

In reference to the Natural Environment, the Wildlife Corridor that we've been building for years will be destroyed. The Wall will go through where the animals are and if ever there is a flood they will be trapped in the back side of the Wall. We will have no access to go through the gates to get to any of those areas and that is only one issue. The other issue is the ecotourism that affects our economy. We are trying to do better jobs and get more things happening here. The ecotourism industry in Hidalgo County is close to \$5 million dollars per year. One hundred and sixty thousand visitors come from all over the world because we have special butterflies and birds that cannot be seen anywhere else. The National Butterfly Center near La Lomita just spent over \$7 million dollars in private money to build a grand visitor's center by the same architect that built the Holocaust Museum in Washington D.C. That is how huge and special it is that nationally they came down and chose the Rio Grande Valley. With the Wall built, that would be gone, we couldn't get to it anymore and that is really serious. The objective of why we are calling on a special session is the Senate just reconvened the day after Labor Day. Right before their recess, the House passed the Defense Spending Bill that had \$1.6 billion in it for the Border Wall in Hidalgo County and now the Senate is taking that up. We would like to get all the cities in Hidalgo County to stand in solidarity to present to the Senate stating we don't want the Border Wall. The City of Mission already had their Special Session and Edinburg and McAllen are doing it today. Hidalgo and Cameron County have already done it also. We will be able to present it to the Senate stating Hidalgo County has united in opposition against building the Border Wall. This is the reason we are requesting the Commission to pass the resolution and stand with us as we fight through this.

My name is Sheryl Sipurd and I've been involved with ecotourism with the Rio Grande Valley Birding Festival for the past 15 years. I was also involved with McAllen with the Nature's Tropic Festival. I have seen what the impact can be of the ecotourism. Texas is the number one Birding Center in the nation and the Rio Grande Valley is the number one spot. We have birds and butterflies that you will not see anywhere else in the nation because we are right on the Border. We get a lot of what is called neo-tropics, the birds and butterflies that comes in from Mexico and Central America.

Motion was made by Commissioner Pete Garcia to approve and seconded by Commissioner Raudel Maldonado. (5-0) Motion passed.

- c. Presentation and Discussion on City of San Juan Annual Budget for Fiscal Year beginning October 1, 2017 to September 30, 2018. (Benjamin Arjona, City Manager)

DISCUSSION: Benjamin Arjona, City Manager addressed the Mayor and Commissioners stating that a budget workshop had taken place a few weeks ago and he had brought before them a proposed budget wish list, the recommended City Manager's Budget. At this time I would like to go over the General Fund, Revenues and Expenditures. As you can see on the first page of the copy that was provided to you, it took hard work to stretch the dollars. We tried to accommodate as much as we could with the personnel requests, some of the capital outlay we felt needed to stay. However, as you know not everything got approved, we had to cut it back to the \$11 million we currently have as far as revenues coming in. If you look to the right side of the page on the last column you will note that if we look at the total revenues that are coming in this fiscal year we are looking at \$11,110,059.00 and the total expenditures are only \$112 shy of that so it is pretty much a balanced budget. Looking at last year's budget or what is currently this year, we are predicting that we are sending back to the fund balance approximately \$250,000.00. With that being said, what we anticipate in doing depends on how the Commission decides to vote as far as a merit increase, cost of living increase for our employees. We also need to look at the other expenditures we are about to have which with health insurance. At this point we do not know if it is going to increase or decrease in cost. The third item to mention is that every employee that is under \$10 per hour was going to be brought up to the \$10, that is another item that we need to look at. With the savings of \$250,000 we feel very confident that we can accommodate these requests at the next meeting. Once we know what the figures for the insurance are, we will pass out the list of employees that are paid under \$10 the hour so that you can see the amount that is there and that we need to work on.

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Mayor Garza asked how many they were and Mr. Arjona, City Manager responded that there were about sixteen employees on the General Fund and a handful on the Sanitation Fund and we strongly feel that we need to bring them up to \$10 the hour. On the first page of your copy you will see that employees were broken down by Departments and all this is going to be on the General Fund. If it gets approved, we are looking at about \$16,000.00 more that we need to bring up to our budget, with the Sanitation side being about \$8,500 more.

Mr. Arjona, City Manager added that in order to balance the Budget it took some cuts, capital outlay, personnel and one of the ones we had to look at and only because we do not have the proper equipment yet, was the Public Works Director. I know that before the last fiscal year, the Commission had approved the creation of the Department but at this point I think it is in the best interest of the City to leave it the way it is. It has been working for Sanitation to overlook this particular Department and this will save us an additional \$50,000 on the General Fund.

Commissioner Maldonado asked if Sanitation was overlooking the Public Works duties and Mr. Arjona, City Manager responded yes.

Mayor Garza asked what would the breakdown be on that, would the Sanitation Director oversee or would there be someone else. Mr. Arjona responded that at the present time, Carmen Gonzalez is taking care of the Sanitation Department. I think it would be nice to get her some help because at this point she doesn't have any help. There are divisions she is going to be overseeing like the central garage, the garbage trucks (sanitation), the recycling, streets and alleys.

Mayor Garza asked if this was another Director's position or would it be a supervisor under her and Mr. Arjona responded that if that is the direction they wanted, then they could go with a Supervisor under Carmen Gonzalez. Mayor Garza asked how many supervisors were they talking about and Mr. Arjona responded maybe we could have a supervisor for the Central Garage, Pickup and Disposal, Recycling and streets and alleys. Commissioner Maldonado then asked that if we got all those supervisors what Arjona responded yes. Commissioner Maldonado then asked if Carmen Gonzalez was doing it all now and Mr. Arjona responded yes. Commissioner Maldonado then asked that if we got all those supervisors what would Carmen be doing and Mr. Arjona responded she would be doing her administrative duties, because right now she is running all over the place. If there's a street that needs to get patched, if there is some concrete that needs to be poured, she is the one overseeing that and she is losing time from the office and there are a lot of emails being sent to her. I feel that at this point she is overwhelmed and with your permission we can hire a couple of supervisors. We would not have to advertise, we could do it in-house since we feel we have some capable employees that can be promoted to supervisors.

Commissioner Maldonado agreed that before we even try to advertise, to try and promote from within since we have good qualified workers that can fill those positions. He then asked if it would be two supervisors and Mr. Arjona responded yes. He stated that at first they had thought about splitting the duties but the fact of the matter is that the City did not have the luxury of buying equipment just to start a new department. Maybe at this point we can start buying equipment slowly and within the next few years we will have the luxury of saying Sanitation is one department and Public Works is another.

The next page on your copy is the cost of living increase and I broke it down for you in 5 different ways; the 1%, 1.5%, 2%, 2.5% and 3% for the cost of living increase. Mr. Leroy Gonzales was very generous in doing this so you would have an idea on how much additional monies it would take to cover the increase. We have \$250,000 that we are looking into putting back into our fund balance and we feel very strongly that we can accommodate any of these increases.

Commissioner Guajardo then stated when you are showing us these funds, for example in the 2.5%, the bottom number is what is needed to cover everybody and Mr. Arjona responded that yes, it is the grand total. That is the General Fund \$105,000, Sanitation \$17,000 and Utilities \$20,000

Mayor Garza stated if we go ahead and approve the \$10.00 an hour minimum pay and approve the cost of living increase, the individual getting the \$10 would also get the cost of living increase. Mr. Arjona stated that was something that discussed with the Commission and the employees affected would get both.

Commissioner Guajardo then asked Mr. Arjona if Carmen got the supervisors would she be short of employees now that those hired would be doing something else and Mr. Arjona responded that we could replace those two individuals or we could give them additional duties.

Mr. Ramirez, Mayor Pro-Tempore then asked when we would get information on the health insurance and Mr. Arjona responded that at the next coming meeting and if we were opening up for bids. Mr. Rene Jaime with Risk Management responded that we would be advertising on Wednesday. Mr. Ramirez,

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Mayor Pro-Tempore stated that it could be less than the \$250,000 that was estimated as far as being available for the increases and Mr. Arjona responded that it all depended on the insurance.

Commissioner Guajardo then stated the addition for the supervisors if we were to increase their salary, it wouldn't increase these year's budget. Mr. Arjona stated it is not on the budget but it would be covered with the \$100,000. If you don't have any questions on the General Fund we will move to the Sanitation fund, so you can see the amount of money we will be transferring back.

Commissioner Guajardo would like to see a 2.5% increase instead of the 3% so we could have a cushion regardless of what the insurance cost is.

Mr. Arjona stated there were some personnel requests that were granted like another full-time employee in Human Resources, two jailers, three firefighters and two police officers. Mr. Gonzalez, Police Chief stated he still had five vacancies. Then Mr. Arjona stated we were pending the Grant the Chief had mentioned and that would be an additional three. We tried getting a health inspector for Mr. Cervantes but we couldn't afford it. One of the things we are taking into consideration is the fact that we are going to do the comprehensive plan with personnel and we are going to wait until after the study.

Mr. Arjona, City Manager then stated the next section is the Sanitation Fund, the Solid Waste Fund that is on page 75. Looking at the last column, the total revenues, we are looking at \$2,890,143.00 with the total expenditures at \$2,500,000.00 and that will us with \$358,000. So for this fiscal year we are anticipating that because of the expenditures and the revenues we are looking at \$516,512. This is the average on a yearly basis so at this point even if we get an additional two employees it is not going to affect us.

The last one is the Utility Department. Mr. Salinas, Utilities Director is here and can elaborate on some capital improvement projects but at this point it was difficult to accommodate all of them. Mr. Salinas stated that the CIP Plan had been in place in 2011 and had not been followed since then. Mr. Arjona stated it was one of those things that we had been trying to follow, maybe not do all the ones that were proposed but the ones we really need. Also on the fund balance of the retained earnings, we are looking at \$124,000 that we will be sending back to their retained earnings. On the revenues, where it states \$5.4 million and total expenditures \$4.3 million, that would leave us about \$1.93 million. However, some of those monies are supposed to go back to the bond issuance. At the end we are estimating \$124,000 surplus.

Mr. Arjona stated to the Mayor and Commissioners that the next step would be to accept the Budget and bring it back to the next meeting for the first reading. Mr. Arjona was also requesting to know the percentage of cost of living increase that they would go with.

Mr. Ramirez, Mayor Pro-Tempore asked in reference to the Sanitation Fund we are reclassifying two positions and still having two supervisors and Mr. Arjona responded no, we will have two supervisors.

Mayor Garza stated we need to decide on the cost of living and Mr. Ramirez, Mayor Pro-Tempore stated he would like to go with 3%.

Mr. Ramirez, Mayor Pro-Tempore motioned to go with the #5 increase and Commissioner Maldonado seconded (5-0) Motion passed.

V. PUBLIC HEARING

- a. Hold Second Public Hearing on adopting the proposed tax rate and levy for the City of san Juan, Texas for the fiscal year beginning October1, 2017 and ending September 30, 2018.

Leroy Gonzalez, Finance Director stated that this was the second public hearing adopting the proposed tax rate. On Tuesday, August 8th, the Commission approved the proposed tax rate of .06993, October 1, 2017 through September 30, 2018. It scheduled two required public hearings, on August 22 and September 5, 2017, the proposed rate stayed the same as last year. However, in accordance with the property tax law, the property tax rate of .06993 exceeds the effective tax rate of .06685, a roll tax rate of .7290. Therefore two public hearings are required before the City Commission adopts the tax rate.

Mayor Garza opened hearing to public at 6:44pm asking if anyone is for or against.

Rick Ramirez stated that he was for keeping the current proposed tax rate but suggests that looking forward to the new fiscal year proposing a lower tax rate. He mentioned the Budget that was being proposed that ideas are mentioned but are not always adopted. There are ideas that are proposed but when it comes down to voting on them they are neglected. Mr. Ramirez stated he would like to see more workshops that give the Departments the knowledge that will benefit the Community and not just in what benefits the Commission.

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Mayor Garza closed the Public Hearing at 6:46pm.

Motioned by Commissioner Pete Garcia and seconded by Mr. Jesse Ramirez, Mayor Pro-Tempore. (5-0).
Motion passed.

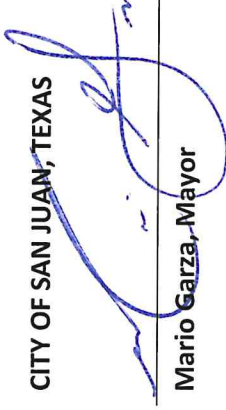
Mr. Arjona, City Manager stated, Mayor and Commissioners before we adjourn I would like to thank the Finance Department and all departmental staff for working with us on this particular budget. I know it was really hard to balance it along with our budget restraints. They did a tremendous job so I want to commend them for doing that.

Mayor Garza also commended Mr. Arjona, City Manager and all the Directors and staff for doing an excellent job. Every year our goal is to try to help and give some kind of incentive and sometimes we have to buckle down. This year we are able to do what we need to do. We are heading in the right direction with the community and I thank the community members out there for really supporting this Commission. We have a lot of good things coming. My next goal next year is to hopefully do this again as far as a pay increase and being effective with the Community as well as their needs. We are taking the City of San Juan in a whole new direction and it's going to be for the good. I thank everyone for being part of this Organization.

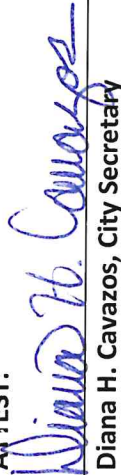
VI. ADJOURNMENT

Commission Raudel Maldonado motioned to adjourn meeting at 6:46pm and seconded by Jesse Ramirez, Mayor Pro-Tempore . Motion passed. (5-0)

CITY OF SAN JUAN, TEXAS


Mario Garza, Mayor

ATTEST:


Diana H. Cavazos, City Secretary