MINUTES OF A REGULAR MEETING OF THE CITY OF SAN JUAN COMMISSION

DATE: Tuesday, December 12, 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
Ernesto Guajardo, Commissioner
Pete Garcia, Commissioner
Rick Palacios, City Attorney

MEMBERS ABSENT: Raudel Maldonado, Commissioner

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
Armandina Sesin, Library Director
Patrick Willingham, Director of Parks and Recreation
Xavier Cervantes, Director of Planning
Carmen Gonzalez, Director of Sanitation
David Salinas, Director of Utilities
Rene Jaime, Purchasing/Risk Management
Mary Enriquez, Court Administrator
Robert Rangel, Director of Information Technology

GUESTS: Cris Vela, First Southwest
David Perez, Perez Consulting Engineers
David Moss, PM/AM Corporation
Chad Nobles, Siemens

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

V. PRESENTATIONS

a. Presentation on Departmental Reports: Department of Planning, Parks and Recreation, Public Library, Sanitation and Department of Finance

1. Planning and Zoning Monthly Report
2. Department of Parks and Recreation Monthly Report
3. Public Library Monthly Report
4. Department of Sanitation Monthly Report
5. Department of Finance Monthly Report

DISCUSSION: Mayor Garza stated that the Directors were available if there were any questions. Commissioner Garcia asked Ms. Gonzalez, Director of Sanitation if trash would be picked up on Monday since it would be Christmas and Ms. Gonzalez responded that they would be and they would be posting it on the Website and also on the phone system. Commissioner Garcia then asked if we were paying the employees time and a half and Ms. Gonzales confirmed that they were. Mr. Arjona, City Manager then asked Ms. Gonzalez if this would take half a day or three quarters of a day and Ms. Gonzalez stated that if all the employees worked they could finish before noon.

Mr. Arjona, City Manager then recognized Mr. LeRoy Gonzales for being promoted from Interim Finance Director to Finance Director. He added that Mr. Gonzales has done a tremendous job not only with the Budget but also with the day to day operations. Commissioner Garcia then asked if he would be looking over EDC and Mr. Arjona replied that he would be working on the EDC expenses and reports. Mayor Garza also congratulated him.

b. Presentation by Officials from Perez Consulting Engineers on the status of the Paving Improvements Phase I project.

DISCUSSION: Mr. Arjona, City Manager stated that they had some before and after pictures of the repaved streets then Mr. Perez with Perez Consulting Engineers stated that he was there to give a project update on the Phase 1 project improvements. The notice to proceed was given to the contractor June 20, 2017 and they have 300 calendar days to complete the 26 streets. Today is day 164 and with Beto Garcia and Paco Chavez from the construction company, they are stating they will finish by the end of the month. Eighteen of the streets have been completed and the only ones remaining are Ebano Heights Subdivision and there are eight streets there. We anticipate the project to be completed by January 1st and it is currently under budget. Mr. Arjona, City Manager then congratulated them for doing a great job. Commissioner Garcia then asked how much we were under budget in the Phase 1 project and Mr. Perez responded that they would know until the project was finished.

c. Presentation by representatives from PMAM Corporation regarding the proposed management of a proposed Alarms Ordinance for the City of San Juan.

DISCUSSION: Mr. Cervantes stated that they were proposing an Alarm Ordinance for the City since there are citizens that constantly have false alarms and it takes away time from the police officers. The Police Department is also proposing a company to manage the Ordinance because it takes a lot of time and resources to send invoices and collect the funds. Mayor Pro-Tem Ramirez asked if it was only for police alarms and Mr. Cervantes responded it was for police and fire alarms. Commissioner Garcia asked if other cities had this ordinance and Mr. Cervantes stated that Weslaco and McAllen had it along with other cities in the Valley. Mayor Garza addressed Captain Casarez and asked what was the most he had seen in false alarms. Captain Casarez stated he had done some research and including the businesses and residences, yearly there are about 7,000 false alarms. Mr. Cervantes introduced David Moss with PM/AM Corporation which provides false alarm programs to different cities. Mr. Moss stated that they are an IT company that's headquartered in Dallas, Texas and they currently provide false alarm programs to over 120 customers across the country. The program is not just software but a process that includes a reach out to the community to educate them on the alarm program. The software that we manage is a full-service program and there is no requirement for a city employee to be involved in the program. What happens is that once someone is permitted to set an alarm, the City has all the historical data and number of false alarms they have. Another part of the program is the collections and I call it soft collections because basically it is levering technology, the mobile app to do the collections. We integrate with different types of CAD nationwide which are consistent with gathering data that is being used today. Mr. Arjona asked Captain Casarez about the software they would be implementing with our CAD software and Captain Casarez responded that it was ENCODE with Tyler Technologies. Commissioner Garcia asked if we were giving permits right now and Mr. Cervantes responded no. In reference to the cost, Mr. Moss stated that it depended on the City, between $10-$25 per year and commercial for $30-$40 per year. Commissioner Garcia then asked who the permit fees would go to and Mr. Moss responded that any revenue that's garnished from the program goes to the City.

Mr. Arjona asked what would happen if there was no permit, was it mandatory to have an alarm and Mr. Moss stated that most cities make it mandatory. Mayor Garza asked if the customers got the data and Mr. Moss responded no, only the City. Commissioner Garcia asked how long would we be tied to the program if approved and Mr. Moss responded that most contracts are for three years with one year renewals. The only commitment that is asked from the City is one year to recoup the initial investment on the program.

d. Presentation on the Performance Contracting as a Financial Opportunity and Technical Solution for the City's Utility and Infrastructure Needs.

DISCUSSION: Mr. Salinas, Director of Utilities introduced Mr. Chad Nobles of Siemens. He will do a presentation on performance contracting as a possible funding solution for some infrastructure needs. Mr. Nobles stated that he was there to talk about the opportunities that are out there and the tools that would be beneficial to do infrastructure renewal. Mayor Garza asked what was the population of Conroe, Texas and Mr. Nobles responded it was over 50,000. Mayor Garza also inquired on the assessment if it was free of charge or how did it work. Mr. Nobles replied they did not do it for free. He added that they were not interested in just doing a study but actually execute the work, money is made when we implement the work. Commissioner Garcia asked how long the agreement would be and Mr. Nobles responded that was totally up to the City, the Legislation allows about 20 years.

VI. DISCUSSION AND POSSIBLE ACTION ON THE FOLLOWING MATTERS:

a. Discussion and Possible action to enter into an Interlocal purchase agreement with the City of Pharr, pursuant to and under authority of the Interlocal Cooperation Act, Chapter 791 of the Texas Government code and Chapter 271 of the Texas Local Government Code, for the purpose of participating in cooperative purchasing for assessment, repair and rehabilitation services of Sanitary Sewer System to include lines, manholes and lift stations. (David Salinas, Director of Utilities)

DISCUSSION: Mr. Salinas stated that he would like to discuss the possibility of entering into a Interlocal agreement with the City of Pharr. The City of Pharr has already gone out for procurement for this type of work and the City of Edinburg just ended their contract for the same thing and Weslaco is looking at this as well. This allows us to piggyback off the City of Pharr's agreement along with the fees without the additional expense in having to advertise and bid all the different vendors. It's a project we are interested in and with your permission I would like to begin a discussion with Pharr to enter into this agreement.

Commissioner Garcia made motion to approve and seconded by Commissioner Guajardo. Motion passed (3-1)

b. Discussion and possible action authorizing City Manager to enter into a contract agreement with Musco Sports Lighting, LLC for installation of Sports LED Lighting at San Juan Municipal Park Baseball Fields. (Patrick Willingham, Director of Parks and recreation)

DISCUSSION: Mr. Willingham, Director of Parks and Recreation stated that there were proposals for sports lighting for the Municipal Park. There is a need to add the lighting since last year there were 65 teams that participated in our league alone and needing additional field space it is needed. We are recommending Musco with their bid being $449,500 and they offer a 5, 7 or 10 year financing. Commissioner Garcia stated that if we were working with the District on a partnership, if we purchased this it could be as part of sharing and Mr. Willingham agreed. He also stated that Musco offers a 25 year warranty and they are the manufacturer of all the pieces needed for the lighting system.

Commissioner Garcia made a motion to approve and seconded by Commissioner Guajardo. Motion passed (4-0)

VII. APPOINTMENTS

a. Consider Appointment of a Board Member to the City of San Juan Parks and Recreation Board.

Mayor Garza made a motion to appoint Erik Lopez who was in the Army to the Parks and Recreation Board. Seconded by Mayor Pro-Tem Ramirez. Motion passed. (4-0)

b. Consideration of Removal and Appointment of Economic Development Corporation (EDC) Board Member(s).

Commissioner Garcia made motion to remove Eddie Garcia and leave it vacant. Seconded by Mayor Pro-Tem Ramirez. Motion passed (4-0)

c. Consider Appointment of election Judges and Early Voting Clerks for the upcoming Special Election to be held on January 20, 2018. (Tabled)

DISCUSSION: Diana Cavazos, City Secretary stated that for the January 20, 2018 Election for Precinct#4 two presiding judges and two alternate judges must be appointed for the actual election. For early voting we need one presiding judge and one alternate judge and they will select their own voting clerks.

Commissioner Garcia made a motion to appoint Mary O. Gonzalez for presiding judge polling location number 1 and Early Ballot board and hold on for polling location number 2 and the

alternate for one and two and the ballot board. Seconded by Mayor Pro-Tem Ramirez. Motion passed. (4-0)

VIII. CONTRACTUALS/RESOLUTIONS

a. Consider selection and authorizing the City Manager to enter into an Agreement with Spectrum for internet and phone services.

DISCUSSION: Mr. Rangel, Director of IT stated that this was only for the internet and phone services to renew the agreement for another three years.

Commissioner Garcia made motion to approve and seconded by Commissioner Guajardo. Motion passed. (4-0)

b. Consideration and Approval of a Resolution approving the City's Plan of Finance pertaining to the Contemplated Issuance of Obligations to be designated as "City of San Juan, Texas Waterworks and Sewer System Revenue Bonds, series 18", authorizing the city staff and the City's financial advisor and bond counsel to proceed with this plan of finance; and authorizing other matters related to the foregoing.

DISCUSSION: Mr. Salinas stated that Cris Vela with First Southwest had a presentation for a financial plan to go out for bonds and submit an application to TWDB for that funding. Mr. Vela stated that the City was contemplating the following projects; $1,270 under the Clean Water State Revolving Fund program for a belt press project. Under the drinking water state revolving fund the amount of $6,995,000 to fund improvements to the raw water reservoir. The City would sell water works and sewer system revenue bonds series 18 and 18A bonds to the Texas Water Development Board. The City would offer a pledge of a first lien on the next revenues of the water works and sewer system as efficient security in the repayment of the bonds. Bonds would be structured with level debt service payments, no utility rate impact or negative debt payment coverage implications are projected by this issuance. Mr. Salinas, Director of Utilities then stated that the December 18th Belt Press Resolution only focused on the original $7 million and in order to fund we need to adopt the resolution.

Mayor Pro-Tem Ramirez made the motion to approve and it was seconded by Commissioner Garcia. Motion passed.

c. Consideration and Adoption of resolution modifying penalties imposed under Texas Property Tax Code Section33.07 and 33.08.

DISCUSSION: Mr. Arjona, City Manager stated that this had to do with Linebarger and Mr. Cano was present if there were any questions. Commissioner Garcia asked if it was the same resolution as in the past or had it been updated and Mr. Cano replied that it had been revised and it was the same any other City had received.
Mayor Garza asked if there was a motion to approve Tax Code Section 33.07 and 33.08.

Mayor Pro-Tem Ramirez motioned to approve and seconded by Commissioner Guajardo. Motion passed (4-0)

d. Consideration and Adoption of resolution modifying penalties imposed under Texas Property Tax Code Section 33.11.

Mayor Garza asked if there was a motion to approve Texas Property Tax Code section 33.11.

Mayor Pro-Tem Ramirez motioned to approve and seconded by Commissioner Guajardo. Motion passed. (4-0)

e. Consider authorizing a resolution for the submission of a grant to the Lower Rio Grande Valley Development Council and Designation of the City Manager as the authorized representative.

DISCUSSION: Mr. Arjona stated that the most we can get for the grant is $30,000 and Ms. Gonzalez, Sanitation Director is requesting that if we get awarded for it to be used to purchase 730 cubic yard containers. Ms. Gonzalez stated that the containers that are presently used are falling apart and they have been having a tire recycle every month. They have collected $15,000 worth of tires which is about a tenth of the thirty cubic yards. This resolution is to authorize the City Manager to be the representative of this grant. Mayor Garza asked if there was a motion to approve.

Commissioner Garcia motioned to approve and seconded by Mayor Pro-Tem Ramirez. Motion passed. (4-0)

IX. CONSENT AGENDA

a. Approval of the following minutes:
   1. March 14, 2017
   2. April 11, 2017
   3. October 24, 2017
   4. October 25, 2017

Commissioner Garcia motioned to approve, seconded by Commissioner Guajardo. Motion passed. (4-0)

X. EXECUTIVE SESSION

a. The City Commission will convene in Executive Session pursuant to the provision of the Chapter 551, Subchapter D. exceptions to requirements that Meetings be open, Texas Government Code 550.071 (Consultation with Attorney) and Texas Government Code 551.974 (Personnel Matters) as follows:

   1. Discussion and Possible Action regarding the Deliberation, Appointment, Employment, Evaluation, Reassignment, Duties, Renumeration and/or Public Office or Employee: Ben Arjona, City Manager (Texas Government Code 551.074 Personnel Matters; Closed Meeting)

Commissioner Garcia motioned to put Mr. Arjona for EDC until needed and approve the amount that was discussed. Seconded by Mayor Pro-Tem Ramirez. Motion passed (4-0)

   2. Consultation and Discussion with attorney regarding legal issues concerning the Removal and/or Appointment of San Juan Economic Development Corporation Board Member(s) and possible action concerning same. (Texas Government Code 550.071 Consultation with Attorney, Closed Meeting

No Action Taken.

XI. RECONVENE

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 Meeting 551.102, Requirement to vote or take final action in Open Meeting.

XII. ADJOURNMENT

Commissioner Garcia motioned to adjourn at 8:19pm and seconded by Commissioner Guajardo. Motion passed. (5-0)

CITY OF SAN JUAN, TEXAS

Mario Garza, Mayor

ATTEST:

Diana H. Cavazos, City Secretary