

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

DATE: Monday, October 22, 2018

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
Pete Garcia, Mayor Pro-Tempore
Lenny Sanchez, Commissioner
Jesse Ramirez, Commissioner
Criselda 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, Director of Finance
Adelaida Cordero, Director of Human Resources
Armandina Sesin, Library Director
Patrick Willingham, Director of Parks & Recreation
Robert Escobar, Director of Planning
David Salinas, Interim Director of Sanitation/ Public Works
Rene Jaime, Purchasing/Risk Management
David Salinas, Director of Utilities
Mary Enriquez, Court Administrator

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. PRESENTATIONS

- a. Linebarger, Goggan Blair & Sampson, LLP Delinquent Tax Report.

DISCUSSION: Benjamin Arjona, City Manager welcomed Michael Cano partner with the Linebarger Firm. Mr. Cano stated that they are the city's delinquent tax attorneys and that they are in task with collecting all outstanding taxes that are not collected by the tax collector. Mr. Cano mentioned that at the time he submitted the report they only had an 11 month report but at this time he had an annual report to present. Mr. Cano stated they try to contact all the taxpayers who have delinquency with the city via mail, telephone and home visits. Mr. Cano also stated that when necessary they file lawsuits. Mr. Cano mentioned that at times it becomes necessary to foreclose on properties; he also added that they're very proud that they haven't had to displace any families from their homes. Mr. Cano added that most, if not all of the properties that they sell are not homestead designated properties; meaning that they're empty lots, vacant land or abandoned homes. Mr. Cano showed a collection highlight from back in October 2014 to October 2018, comparing the collections from Linebarger and the previous firm. He mentioned that they only charge those who pay late, which is a 15% fee which is standard across that industry. He stated that they're proud to say they represent PSJA ISD, Hidalgo County, South Texas ISD, and South Texas College. Mr. Cano mentioned that since the year finished the collection of

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\$389,000.00 in base tax which gave them a collection rate of 27.13%. Mayor Mario Garza asked if there was an increase in September to which. Mr. Cano responded that there was an additional \$13,000.00 collected in base tax. The collection the city had at the end of the fiscal year was 27.13% and is the highest rate we've seen in the past few years of delinquent taxes that have been collected. Mayor Pro-Tem Pete Garcia added that they still have to shop around since the cap on the delinquent is 20% and it's them who represent the tax payers. Mr. Cano agreed with Mayor Pro-Tem Pete Garcia. Mr. Cano further mentioned that there had to be a penalty for paying late if not everyone was going to pay late.

- b. Proclamation, Proclaiming October 31, 2018 as Girls Scout Day.

DISCUSSION: Benjamin Arjona, City Manager stated there was nobody representing the Girl Scout.

- c. Presentation of Departmental Reports: Department of Planning and Zoning, Department of Parks and Recreation, San Juan Memorial Library, Department of Sanitation, Finance Department, Fire Department, Utilities Department, Police Department, and Municipal Court.

DISCUSSION: Benjamin Arjona, City Manager stated the department directors were present if there were any questions regarding the departmental reports. Commissioner Jesus "Jesse" Ramirez asked Roberto Escobar, Director of Planning and Zoning in reference to the pavement improvement projects in the report it states is 15% complete and the completion date is for the fall of this year. Mr. Arjona stated it's a typo that its 90 to 95 percent completed. Commissioner Jesus "Jesse" Ramirez asked Patrick Willingham, Parks and Recreation Director if the commission will partake in the Red Ribbon Parade. Mr. Willingham stated that the City of Pharr is handling it this year, but he will follow up with the City of Pharr to obtain the proper information. Commissioner Jesus "Jesse" Ramirez asked Armandina Sesin, Library Director if the study rooms are been utilized. Mrs. Sesin replied that only one. Commissioner Jesus "Jesse" Ramirez asked what the status was on the second room. Mr. Arjona answered that they are waiting on TML to give a directive as to proceed on getting price quotes. He also mentioned that Mr. Jaime is working on some quotes in order to present them to the commission and make repairs to then get reimbursed by TML. Mr. Jaime mentioned that he started the quotes for the roof repairs and remediation of the mold and that they were provided to the attorney Law Offices of Ramon Garcia for review, so he's been waiting for a response from him. Commissioner Jesus "Jesse" Ramirez asked if the computer lab is working already. To which Mr. Arjona responded yes, that they went ahead and placed 8 more computers for the patrons. Commissioner Jesus "Jesse" Ramirez mentioned that at the beginning of the year he brought up the fee for copies and it was going to be looked into. He also mentioned that the city is charging .25 cents per copy for students, but the city was going to lower the fee. Mrs. Sesin stated she did a survey and the Maximum charged is .15 cents and minimum is .10 cents. Commissioner Jesus "Jesse" Ramirez asked what has to be done in order to amend the fee. Mr. Arjona answered that it needs to be put on the agenda and bring it back with the different proposals to amend the ordinance.

Commissioner Jesus "Jesse" Ramirez asked the Sanitation Department about the garbage pickups if the is providing the service to the commercial clients. David Salinas, Interim Director of Sanitation/Public Works replied that at the moment they have one of two commercial front loaders at the shop and that a purchase order was submitted to get it fixed. The time it will take will be approximately about another week. Mr. Salinas mentioned that they prioritize the school's first and then they move on to other commercial establishments. Mayor Mario Garza asked Mr. Salinas how they are doing with the brush pick-up. Mr. Salinas replied that they're about a month behind due to the rain since it's hard to get in and out of the alleys. Mayor Mario Garza asked Mr. Salinas how they are doing it with the right of ways. Mr. Salinas mentioned that they are short on staff; there is currently just one staff member and currently advertised for an additional four positions that the commission approved. Mayor Pro-Tem Pete Garcia asked Mr. Arjona to check with an outside company to catch up for the holidays. Mr. Arjona stated that he has reached out to a couple of companies and now he's waiting on one proposal.

Mayor Mario Garza asked if they're looking at a onetime sweep or a quarterly idea. Mayor Pro-Tem Pete Garcia mentioned that it should be a one-time sweep for now. Mr. Salinas also

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mentioned that he should be receiving the proposal for the two brush trucks that were put on the budget for this year. Mayor Pro-Tem Pete Garcia asked to look into the cost of cameras where there is illegal dumping. Commissioner Leonardo “Lenny” Sanchez asked what year is the broken unit. Mr. Salinas replied that most of the units are 2000 plus model and the roll-off containers are from the late 90s. Commissioner Ernesto “Neto” Guajardo asked Mr. Salinas what was the status on the sewer by Liberty Park. Mr. Salinas replied that it should’ve been fixed two weeks ago. Commissioner Jesus “Jesse” Ramirez asked Mr. Salinas about the sewer problem on Salinas. Mr. Salinas stated that they made contact with the family as they don’t understand why it’s only them and nobody else along that system.

V. APPOINTMENTS.

- a. Consider Appointment of Board Members to the City of San Juan Beautiful Board.

DISCUSSION: Diana Cavazos, City Secretary stated that there was a list of the current Keep San Juan Beautiful Board members in the binders. Mrs. Cavazos also mentioned that the board consist of five members serving a two-year staggered term, as per the Keep San Juan Beautiful Board by laws if absent for more than three consecutive times individuals shall automatically be dropped from membership. Mrs. Cavazos stated that along with the information they have one application for Mr. Ramirez and she has two additional applications for Mr. Juan Saldaña and Anthony Villanueva.

Commissioner Jesus “Jesse” Ramirez made motion to appoint Robert Ramirez and Seconded by Commissioner Ernesto “Neto” Guajardo. Motion Passed. (5-0)

VI. PUBLIC HEARING/ORDINANCE

- 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 32 (2019).

DISCUSSION: Robert Escobar, Director of Planning and Zoning stated that this public hearing was for the Urban County work Plan 32 (2019). Mr. Escobar noted that the Hidalgo Urban county requires the city of San Juan to conduct a Public Hearing and that the available funds are \$295,584. He also mentioned that two interested organizations came in, Meals on Wheels and Nuestra Clinica Del Valle. Mr. Escobar provided the commission with a list of eligible activities that can be worked on for example street and sewer improvements and public service needs. Mr. Escobar stated that the work plan needs to be approved by mid-November and that in the next meeting he will bring it back to the commission along with letters from the different organization and a breakdown of the streets. Mr. Escobar stated that this was just a public hearing and asked if there was anyone in the public that had any comments this was the time.

Public Hearing opened at 6:43 p.m.

Public Hearing closed at 6:44 p.m.

Commissioner Ernesto “Neto” Guajardo motioned to approve and second by Mayor Pro-Tem Pete Garcia. Motion passed (5-0).

- b. Conduct a Public Hearing for the Urban County Program Substantial Budget and Program Amendment for Funding Years 2014, 2015, 2016 and 2017.

DISCUSSION: Roberto Escobar, Director of Planning and Zoning mentioned that he is conducting this public hearing as they’re combining the 2014, 2015, 2016 and 2017. By amending them it could get combined to get a total of \$323,874. He also mentioned that this money would help improve the following streets 12th Street, 13th Street, Miguel Hidalgo Street, Doe Street and Coil Drive. Mr. Arjona stated that these are monies from previous years and in order to utilize the money in the 2017 fiscal year the city is required to hold a public hearing. Mayor Mario Garza asked when these bids would go out. Mr. Escobar replied that he was not sure.

Public Hearing opened at 6:46 pm.

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Mayor Mario Garza asked David Salinas where exactly Doe Street was and Mr. Salinas replied that the project on Coil drive will be advertised on November and he also mentioned that this project was granted to Perez Consulting. He further stated that the advertisement for first project is November 8th and the bid opening should be toward the end of November. Mr. Salinas mentioned that with this money it will also allow the addition of streets or replacing curbs, gutters and adding drainage inlets.

Public Hearing closed at 6:49 pm.

Mayor Pro-Tem Pete Garcia motioned to approve and second by Commissioner Ernesto “Neto” Guajardo. Motion passed (5-0).

VII. CONTRACTUALS/ RESOLUTIONS

- a. Consideration and Approval of a Resolution Approving the City’s Plan of Finance Pertaining to the Contemplated Issuance of Obligation to be Designated as “City of San Juan, Texas, Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2018”; 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: Benjamin Arjona, City Manager mentioned that under section VII Contractual and Resolutions the following items A, B and C all relate to the potential issuance of certificates of obligation for street, curb and gutter improvements and also the construction of City Hall. Mr. Arjona welcomed Mr. Cris Vela who would be presenting the plan of finance.

Mr. Vela stated that there has been some increases from the federal market open committee and on the Fed Funds rate that have translated into high interest rates across the board. Mr. Vela further stated that the chart showed the preliminary cash flows starting with Colum B ending with Colum P. He also added that one year it gets a little tricky but no increases in assessed valuation and it’s all structured to the existing debt.

Mayor Mario Garza asked Mr. Vela which underwriter he worked more often. Mr. Vela replied that with RBC. Mayor Pro-Tem Pete Garcia asked what would be next. Mr. Vela answered that they would have to select an underwriter tonight in order to contact them and include them in the offering documents. Mayor Pro-Tem Pete Garcia asked what the city’s ratings are. Mr. Vela replied that it’s a single A.

Mayor Pro-Tem Pete Garcia made motion to approve Frost Bank as the underwriter and seconded by Commissioner Ernesto “Neto” Guajardo. Motion passed unanimously. (5-0)

- b. Consideration and Approval of a Resolution Relating to Establishing the City’s Intention to Reimburse Itself for the Prior Lawful Expenditure of Funds Relating to Constructing Various City Improvements from the Proceeds of Tax Exempt Obligations to be Issued by the City for Authorized Purposes; Authorizing other Matters Incident and Related Thereto; and Providing an Effective Date.

Mayor Pro-Tem Pete Garcia made motion to approve and seconded by Commissioner Jesus “Jesse” Ramirez. Motion passed unanimously. (5-0)

- c. Consideration and Approval of a Resolution by the City Commission of the City of San Juan, Texas, Authorizing and Approving Publication of Notice of Intention to Issue Certificates of Obligation; Complying with the Requirements Contained in Securities and Exchange Commission Rule 15c2-12; and Providing and Effective Date.

Mayor Pro-Tem Pete Garcia made motion to approve and seconded by Commissioner Jesus “Jesse” Ramirez. Motion passed unanimously. (5-0)

- d. Consider Selecting and Authorizing the City Manager to Enter into a Contract Agreement for Audit Services for Fiscal Year Ending September 30, 2018.

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DISCUSSION: Leroy Gonzales, Finance Director stated that on October 17th he received two proposals one from Carr Riggs and Ingram with an estimated fee of \$48,500 and second proposal from Garcia and Peña with fees of \$24,600, Mr. Gonzales stated that Garcia and Peña was last year's auditors.

Mayor Mario Garza made motion to contract Garcia and Peña and seconded by Commissioner Jesus “Jesse” Ramirez. Motion passed unanimously. (5-0)

VIII. Discussion and Possible Action on all the Following matters

- a. Discussion and Possible Action to Select a Provider to Update the Risk Management Plans for the Department of Utilities and Authorize the City Manager to Execute any and all Related Documents.

DISCUSSION: David Salinas, Director of Utilities stated that staff advertised RFQ 1871-08 on July 18 and July 25, 2018 and received two responses for request for qualifications on August 1, 2018. Mr. Salinas mentioned one was from Municipal H20 from Little Rock, Arkansas and second one from Raba Kistner from McAllen, Texas. He also mentioned that both firms are well qualified to do the RMP as required and he will make a recommendation on one of the two. Mr. Salinas stated that one of the firms couldn't make it to the meetings, but Municipal H20 did send in a letter thanking the city for the opportunity. Mr. Salinas also mentioned that he is familiar with one of the projects that they are working here in the valley. Mayor Pro-Tem Pete Garcia asked if they have an office locally. Mr. Salinas stated that they do not that they work out of their office in Arkansas. Mr. Salinas stated since there was no questions he would let Raba Kistner in to give their presentation. Mr. Isidoro Arjona introduced himself and presented their qualifications. Mr. Arjona asked the commission if they had any questions. Mayor Pro-Tem Pete Garcia asked where their local office was located. Mr. Arjona answered that they have two offices in the valley one in McAllen and one other in Brownsville. Mayor Pro-Tem Pete Garcia asked what other cities have implemented this kind of plan. Mr. Arjona stated that he personally doesn't work on those types of plans but he will have to ask the Environmental Professional and reply back. Mayor Pro-Tem Pete Garcia asked if he will be here in the following days. Mr. Arjona replied that yes, that they will make him available along with the local Environmental Professional.

Mayor Pro-Tem Pete Garcia made a motion to approve Raba Kistner and was second by Commissioner Leonardo “Lenny” Sanchez. Motion passed. (4-0)

- b. Consideration and Appropriate Action to Ratify a Collective Bargaining Labor Agreement Between the San Juan Professional Fire Fighters Association, IAFF Local #4697 and The City of San Juan, Texas to be Effective October 1, 2018.

DISCUSSION: Benjamin Arjona, City Manager welcomed Rebecca Heyward with the City Service Attorney. Mr. Hayward mentioned that she, The Fire Department, the union representatives and the city team worked on the agreement. She also added that this is the first year the city is collective bargaining for the police and fire. She further stated that they were able to come to a deal and it has been ratified by the union. She stated that the last and final thing that needs to be done is that it be ratified by the city council. Mrs. Hayward also added that in front the commission they have collective bargaining agreement and the payable so it breaks down the base pay increases which are separate and apart from the civilians.

She further stated that since the city is already a civil service city the police and fire are governed by 143 Texas Local Government code. She continued stating that now that the citizens had voted to be collective bargaining they have the added layer of 174 Texas Local Government Code that basically outlines the rules and structures. Furthermore, she also stated as far as the base pay it's all within what has been budgeted it's not out of the norm and the staff recommendation is that the city council approves this contract. Mayor Pro-Tem asked if this contract was only for the fire department. Mrs. Hayward answered that yes.

Commissioner Jesus “Jesse” Ramirez asked if this address the high turnover rate that the city currently has in that department. Mrs. Hayward replied that they are trying to address that with the pay increase and that usually this is the sticky point with many other cities that are collective

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bargaining. She also added that they tried to address that in the pay table to encourage promotions and with incentives as well. Mayor Mario Garza asked how often the city goes back to the drawing board. Mrs. Hayward replied that currently it's a two year contract; however the next time they go to the table to negotiate it could change to a one year up to a four year contract depending on the economy. Mayor Mario Garza asked Mr. Arjona if he dissect everything and if everyone is on board to which Mr. Arjona responded yes.

Mayor Pro-Tem Pete Garcia made motion to approve and was seconded by Commissioner Jesus “Jesse” Ramirez. Motion passed. (5-0)

- c. Discussion and Possible Action to Ratify Hidalgo County Elections Department Request for Early Voting/ Election Day Polling Location of Fire Station #2 (2301 N. Raul Longoria, San Juan, Texas 78589) for Primary, Primary Runoff and General Elections.

Commissioner Leonardo “Lenny” Sanchez made motion to approve and was seconded by Commissioner Jesus “Jesse” Ramirez. Motion passed. (5-0)

- d. Discussion and Possible Action Regarding the Appointment of a Municipal Court Judge, Pursuant to Article IV Administrative Departments, Section 4.06 Municipal Court of the City Charter.

DISCUSSION: Benjamin Arjona, City Manager stated that this item was placed in light of adding additional code enforcement personnel appoint another judge for that particular role. He also added that maybe in the future that if it goes through instead of seeking somewhere else when judges are not available for any court hearing or arraignments they can contract this gentleman. He mentioned that he would like to start moving forward with this since they already advertised for the code enforcement officers. Mayor Pro-Tem Pete Garcia asked how many code enforcements were getting hired. Mr. Arjona replied that just one for a total of three code enforcement officers and he also added that the main responsibilities for the new officer would be the brush along with other duties. Cris Palacios, City Attorney asked if the city would be advertising for qualifications and Mr. Arjona responded yes. Commissioner Leonardo “Lenny” Sanchez asked if it was budgeted for and Mr. Arjona stated that he is looking on having it on a contractual basis. Mr. Arjona also added that depending on the number of citations the city would use a percentage of what's collected to pay the judge. Mayor Mario Garza mentioned that he would like more information in reference to the number of citations given out and the amount of money collected on monthly basis. Mary Enriquez, Court Administrator provided the commission with a month of September report of 208 citations and \$29,000 was collected on citations. Commissioner Jesus “Jesse” Ramirez asked Ms. Enriquez if all 208 citations go before the judge and Ms. Enriquez responded no. Commissioner Jesus “Jesse” Ramirez moved on asking Mr. Arjona for a time table of how long the process would take and Mr. Arjona replied that around 3 months.

Mayor Pro-Tem Pete Garcia made motion to approve the position of Municipal Court Judge and was seconded by Commissioner Ernesto “Neto” Guajardo. Mayor Mario Garza, Commissioner Jesus “Jesse” Ramirez and Commissioner Leonardo “Lenny” Sanchez voted against. Motion failed. (2-3)

IX. CONSENT AGENDA

- a. Budget Expenditure Report – August 2018
- b. Investment Report – September 2018
- c. Monthly Collection Report- September 2018

Mayor Pro-Tem Pete Garcia made motion to approve and was seconded by Commissioner Leonardo “Lenny” Sanchez. Motion passed. (5-0)

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X. ADJOURNMENT: 7:24 PM

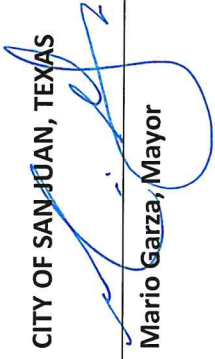
Commissioner Jesus "Jesse" Ramirez made a motion to adjourn and was seconded by Commissioner Leonardo "Lenny" Sanchez. Motion passed. (5-0)

ATTEST:



Diana H. Cavazos, City Secretary

CITY OF SAN JUAN, TEXAS



Mario Garza, Mayor