

**MERCEDES CITY COMMISSION
REGULAR MEETING
AUGUST 21, 2018 – 6:00 P.M.
MERCEDES CITY HALL – COMMISSION CHAMBERS**

MEMBERS PRESENT:	Henry Hinojosa	Mayor
	Ruben Guajardo	Mayor Pro-Tem
	Howard Wade	Commissioner
	Leandro Villarreal	Commissioner
	Cristella De Leon Hernandez	Commissioner
	Sergio Zavala	Assistant City Manager
	Juan Molina	City Attorney
	Arcelia L. Felix	City Secretary
MEMBERS ABSENT:	NONE	

Staff: Nereida Perez, Marisol Vidales, Mary Salinas, and Joselynn Castillo.

1.) CALL MEETING TO ORDER.

Mayor Hinojosa welcomed everyone to the meeting and called the meeting to order at 6:00 p.m.

2.) ESTABLISH QUORUM.

All members of the Commission were present which constituted a full quorum.

3.) INVOCATION.

Reverend Juan De Los Santos said the invocation.

4.) PLEDGE OF ALLEGIANCE.

Commissioner Howard Wade led in the Pledge of Allegiance.

5.) CONSENT AGENDA (ORDINANCE NO. 98-21):

B.) APPROVAL OF MINUTES FOR CITY COMMISSION MEETING (S) HELD AUGUST 7, 2018. B.) SECOND AND FINAL READING OF ORDINANCE NO. 2018-29 TO REPLACE ROTOR'S GEAR BOX FOR THE WASTE WATER TREATMENT PLANT. C.) APPROVAL OF INTERLOCAL AGREEMENT WITH MISD FOR EDUCATIONAL RESOURCE OFFICER (#2018/08/21A) D.) APPROVAL OF RESOLUTION AUTHORIZING PLAINS CAPITAL BANK SIGNATURES.

Mayor Pro-Tem Guajardo made a motion to approve all items under consent agenda. Commissioner Villarreal seconded the motion which passed unanimously.

6.) PRESENTATION & UPDATE BY ARCHITECT SAM GARCIA OF MERCEDES SPORTS COMPLEX COMMUNITY PARK.

Mr. Zavala addressed the Commission regarding the City working with the City Architect Sam Garcia, Lefevre Engineering, and Hollis Rutledge's office on the Mercedes Sports Complex Community Park Project. Mr. Sam Garcia, updated the Commission on the Community Park's Master Plan. He stated that they are working to alleviate some drainage issues with the primary source of funding from the Texas Parks and Wildlife grant meeting grant requirements in order to save the City money. Mr. Garcia went over the soccer fields design and infrastructure on the southeast side to help the park look full. Frank San Martin stated they are monitoring to make sure requirements are met. Commissioner Wade said that he would like to have a workshop to discuss some adjustments.

7.) PRESENTATION OF WATER RATE STUDY BY DR. ANDREW ERNEST, UTRGV.

Mr. Andrew Ernest, Professor of Civil Engineering presented the 2017 Water Rate Analysis results and recommendations to the City Commission. Mr. Ernest went over the rate comparison between cities closest to Mercedes, the rate structure, usage comparison for residential and commercial, revenues, and monthly peaking factors. Mr. Ernest stated if the City increased revenues by 11.4% the city's deficit would be eliminated by 2020. His recommendations are to increase the water rate, separating accounts, record keeping, asset management, data integration, and status and forecasting. At a question, Mr. Ernest explained his recommendation of the 11.4% increase for four years. He added that the funding agencies look at the City's rates when making funding requests.

8.) DISCUSSION AND ACTION TO RATIFY THE INT. CITY MANAGER'S ACTION TO ACCEPT (AT NO COST) A DEPT. OF DEFENSE VEHICLE FOR EMERGENCY RESPONSIVENESS.

Mr. Zavala addressed the Commission about ratifying his action to accept a Department of Defense vehicle for emergency response. Mr. Zavala said that the contract was to accept a 2.5 ton 1996 Cargo Truck at no cost to the City. The requirements were that the City must paint the vehicle, insure the truck, and inspect and certify it within a 6 month time frame. Mayor Hinojosa made a motion to approve ratifying the Int. City Manager's action to accept a vehicle for emergency responsiveness. Commissioner Howard Wade seconded the motion which passed unanimously.

9.) DISCUSSION AND ACTION TO SELECT AUDITING SERVICES FOR CITY BUDGET FY 2017-2018.
Mr. Zavala addressed the Commission reporting that in order to comply with the City Charter to submit the city audit before the end of the calendar year, staff had solicited proposals for auditing services. The City received the following 3 proposals: Patillo, Brown, & Hill, LLP, Burton, McCumber & Longoria, and Luis C. Orozco. Patillo, Brown & Hill, LLP has 3 CPA's available but did not indicate whether the audit would be submitted by December 2018 as requested in the specs. Burton, McCumber & Longoria (BML) has 7 CPA's available and stated a draft audit would be submitted in December 2018. Luis C. Orozco has 1 CPA and stated a draft audit would be submitted February 2019. Due to Burton, McCumber & Longoria being the only firm that could meet the December 2018 submittal date, staff recommends BML for auditing services. Mayor Hinojosa made a motion to select Burton, McCumber & Longoria for auditing services for City budget for FY 2017-2018. Commissioner Wade seconded the motion which passed with Mayor Pro-Tem voting Naye.

10.) PRESENTATION OF 2018 EFFECTIVE TAX RATE AND DISCUSSION AND POSSIBLE ACTION TO APPROVE THE 2018 PROPOSED TAX RATE AT A FUTURE MEETING AND APPROVING THE TWO PUBLIC HEARING DATES.

Finance Director, Nereida Perez, addressed the Commission regarding the property rate. Staff is proposing the tax rate remain the same at 0.745 cents. Ms. Perez stated the County's effective tax rate is at 0.7492 cents and the rollback tax rate which is at 0.7270. Due to the effective tax rate exceeding the rollback tax rate, a public hearing is required. Ms. Perez went over the dates with September 4, 2018 being the first public hearing, and September 11, 2018 being the second public hearing, with the tax rate adopted on September 18th. Mayor Pro-Tem Guajardo made a motion to approve the public hearing dates as presented. Commissioner Villarreal seconded the motion which passed unanimously.

11.) DISCUSSION AND ACTION ON CITY ABSORBING UTILITY COSTS FOR A PUBLIC PURPOSE FOOD AGENCY (BASKETS FULL)

Mr. Zavala informed the Commission about absorbing the utility costs for food agency Baskets Full. Mr. Zavala stated the monthly utility bill is \$59 to \$62 and the program is to help families in need with food distribution. Commissioner Wade made a motion to approve absorbing utility costs for Baskets Full. Mayor Hinojosa seconded the motion which passed unanimously.

12.) DISCUSSION AND ACTION ON PROPOSED BUDGET AMENDMENT TO POSSIBLY AWARD BID FOR REMEDIATION OF POLICE DEPARTMENT BUILDING.

Mr. Zavala addressed the Commission about remediation of the Police Department building. Mr. Zavala stated the City received 3 quotes from Delta Point Safety for \$48,275, Belfor Property restoration for \$56,548.98, and Servpro of Harlingen/San Benito for \$55,143.34. The time frame to complete the work is 21 to 23 days once commenced. Mayor Pro-Tem Guajardo made a motion to award the bid to Delta Point Safety. Commissioner Villarreal seconded the motion which passed unanimously.

13.) DISCUSSION AND ACTION ON ORDINANCE TO APPROVE BUDGET AMENDMENT BY RATIFYING THE INT. CITY MANAGER'S ACTION TO PROCURE MILITARY RESCUE VEHICLE (CAPITAL OUTLAY) FROM THE TEXAS FACILITIES COMMISSION'S FEDERAL SURPLUS PROPERTY PROGRAM.

Mr. Zavala addressed the Commission about approving a budget amendment ordinance to procure a military rescue vehicle from the Texas Facilities Commission's Federal Surplus Property program. Mr. Zavala stated that after the June flood, an application was made to secure a large Military vehicle. The application was approved by TFC for a 2.5 ton Standard Cargo Truck with a winch line length of 308 ft. in the amount of \$6,000. Commissioner Wade made a motion to approve the budget amendment to procure a military rescue vehicle. Mayor Hinojosa seconded the motion which passed unanimously.

14.) DISCUSSION AND ACTION TO AUTHORIZE STAFF TO SOLICIT FOR COMPETITIVE BIDS FOR PHASE 1 OF THE REGIONAL CIVIC CENTER MASTER DEVELOPMENT PLAN (HOTEL MOTEL FUND)

Mr. Zavala addressed the Commission about improvements to the Civic Center area for regional and international events. Mr. Zavala stated the Master Plan was prepared by Sigler, Winston & Greenwood with an overall value of \$441,633.63. The improvements will be done in phases and will be presented at a future meeting. Mayor Pro-Tem Guajardo made a motion to authorize staff to solicit for competitive bids for Phase 1. Commissioner Wade seconded the motion which passed unanimously.

15.) REVIEW AND POSSIBLE ACTION OF CONTRACTS (EXPIRE 9/30/2018):

- A.) JUAN R. ALVAREZ (MUNICIPAL COURT JUDGE)
- B.) BETTS OIL & BUTANE, INC. (FUEL PURCHASE SUPPLIER)
- C.) FULBRIGHT & JAWORSKI, LLP (BOND COUNSEL)
- D.) SAMUEL GARCIA (ARCHITECT)
- E.) GUTIERREZ ENGINEERING (ENGINEERING SERVICES)
- F.) LEFEVRE ENGINEERING (ENGINEERING SERVICES)
- G.) SIGLER, WINSTON, & GREENWOOD ENGINEERING (ENGINEERING SERVICES)
- H.) MED - CARE EMS (AMBULANCE)
- I.) JUAN R. MOLINA (CITY ATTORNEY)
- J.) PALM VALLEY ANIMAL SHELTER (ANIMAL SHELTER)

- K.) WESLACO, CITY OF (ANIMAL IMPOUNDMENT FEE)
- L.) PERDUE, BRANDON, FIELDER, COLLINS & MOTT, LLP (DLQT. TAX/OTHER FEES ATTORNEY)
- M.) TML-IRP – (LIABILITY/E&O/PHYSICAL, PROPERTY/ MOBILE/FLOOD)
- N.) TEXAS NATIONAL BANK (DEPOSITORY BANK SERVICES)
- O.) UNIFIRST – (UNIFORMS/SUPPLIES)

Mayor Pro-Tem Guajardo made a motion to continue with contracts A-O. Commissioner Villarreal seconded the motion which passed unanimously.

(EXPIRES 11/2018)

- P.) MONTALVO INSURANCE – TEXAS MUTUAL WORKER'S COMP
- Q.) TML MULTISTATE IEBP (EMPLOYEE HEALTH INSURANCE)

Mayor Pro-Tem Guajardo made a motion to extend the contract Montalvo Insurance for Workers Compensation and solicit for bids for TML Multistate IEBP, the health insurance. At a question, City Secretary, Ms. Felix went over the services provided by TMLIEBP. The motion died due to a lack for a second. Commissioner Wade made a motion to solicit for bids for both workers compensation and health insurance. Mayor Pro-Tem Guajardo seconded the motion which passed with Commissioner Hernandez voting against.

R.) (EXPIRES 11/30/2019) WASTE CONNECTIONS (SOLIDWASTE SERVICES)

Commissioner Wade made a motion to renew. After a statement was made about the contracts with later expiration dates were for merely for review, Commissioner Wade withdrew his motion. No Action is taken on items R- U.

(EXPIRES 2020)

- S.) MCAFEE INSURANCE (GOVERNMENT CRIME INSURANCE)
- T.) CH2MHILL (OMI, INC.)(WATER/WASTEWATER PLANTS)

(EXPIRES 2022)

- U.) RBC CAPITAL MARKETS (FINANCIAL ADVISORS)

CONSULTANTS:

V.) LANGLEY & BANACK, INC. (POST ETJ-ANNEXATIONS & DE-ANNEXATIONS LEGAL SERVICES)
– APPROVED 8/20/2013

W.) ARMANDO MARTINEZ (AMBULANCE CONSULTING) APPROVED 1/23/2018

X.) ISRAEL PEREZ – MARKETING RESEARCH – APPROVED 2/6/2018

Y.) HOLLIS RUTLEDGE (PLANNING, MARKETING & GOVERNMENTAL RELATIONS) – APPROVED
12/19/2018 THRU 1/2/2019

Z.) TIF SERVICES OF SOUTH TEXAS (TIRZ SERVICES) – APPROVED 11/6/2017 TO 12/31/2020

Commissioner Villarreal made a motion to continue with the consultant contracts V to Y. At a question, Mr. Zavala stated he recommends approving Langley & Banack, inc. for the Weslaco & Mercedes boundaries and Armando Martinez is not a one year contract but can be terminated with a 90 day notice. Also Israel Perez can also be dismissed at any time. Mayor Pro-Tem seconded the motion which passed unanimously. No action was taken on item Z.

16.) MONTHLY DEPARTMENT REPORTS.

Monthly reports are provided for the Commission's review.

Mr. Hollis Rutledge asked to address the Commission regarding projects they have been working on. Mr. Frank San Martin stated he has been working on a grant to remodel and restore the Old Fire Department Building. He has also been assisting with the FEMA grant to hire firefighters for next fiscal year. Mr. San Martin stated he has been working with the Police Chief on an application for vehicles. He has also been working with the Library to get new computers.

Mayor Hinojosa called the meeting into executive session at 7:16 PM. No action will be taken during this time.

17.) EXECUTIVE SESSION:

-DISCUSSION REGARDING DUTIES AND RESPONSIBILITIES OF THE ASSISTANT CITY MANAGER. – SECTION 551.074, TEXAS GOVERNMENT CODE ANNOTATED. – PERSONNEL.

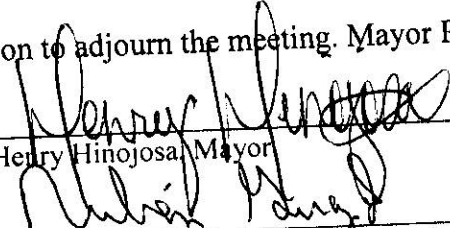
Mayor Hinojosa called the meeting back to order at 8:37 P.M.

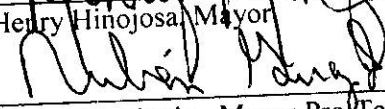
18.) DISCUSSION AND POSSIBLE ACTION REGARDING ITEM(S) DISCUSSION IN EXECUTIVE SESSION.

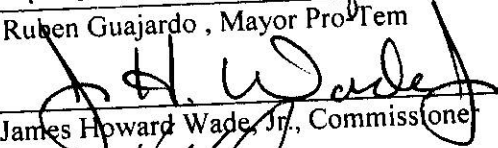
There was no action taken on this item.

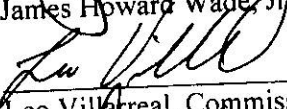
19.) ADJOURN.

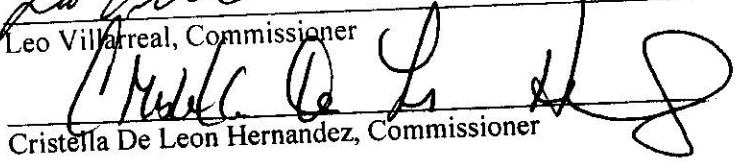
Mayor Hinojosa made a motion to adjourn the meeting. Mayor Pro-Tem Guajardo seconded the motion which passed unanimously.


Henry Hinojosa, Mayor

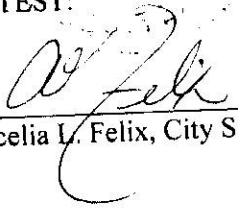

Ruben Guajardo, Mayor Pro-Tem


James Howard Wade, Jr., Commissioner


Leo Villarreal, Commissioner


Cristella De Leon Hernandez, Commissioner

ATTEST:


Arcelia L. Felix, City Secretary