MINUTES OF PROCEEDINGS CITY COMMISSION

Tuesday, September 14, 2010

Be it known that the City of La Feria City Commission met in regular session on <u>Tuesday, September 14, 2010, at 6:30 P.M.</u> in the City Commission Meeting Room, 115 E. Commercial Avenue, La Feria, Texas 78559. The purpose of said meeting was to consider and take action on those items of City Business as was duly posted by agenda in accordance with State Open Meetings Law. The following City Commission members were present at said meeting.

Mr. Steve Brewer Mayor

Ms. Lori Weaver City Commissioner/Mayor Pro Tem

Mr. John Hernandez
Ms. Angelica P. Baldivia
Mr. Victor Gonzalez, Jr.

City Commissioner
City Commissioner
City Commissioner

Absent: Mr. John Edward Betancourt City Commissioner

The following staff members were present.

Mr. Sunny K. Philip City Manager Mr. Richard S. Talbert City Attorney

Ms. Irene Szedlmayer Planning and Community Dev. Dir.

Ms. Kin Mendoza Accountant
Ms. Olga Oberwetter City Secretary

A copy of the signature roster of all others present is attached as a part of the minutes hereof.

At 6:40 P.M., Mayor Steve Brewer asked Commissioner Angelica P. Baldivia to give the invocation. After the invocation, Mayor Brewer led everyone present in reciting the Pledge of Allegiance to the Flag of the United States of America. He then declared that a quorum of the City Commission was present and called the meeting to order.

REVIEW AND TAKE ACTION TO APPROVE MINUTES OF PROCEEDINGS OF THE SPECIAL MEETING OF THE CITY COMMISSION HELD ON TUESDAY, AUGUST 31, 2010

After review of the minutes, Commissioner Lori Weaver moved to approve the minutes of proceedings of the special meeting of the City Commission held on Tuesday, August 31, 2010. Commissioner John Hernandez seconded the motion, and the motion carried by unanimous vote of the City Commissioners present.

REVIEW AND TAKE ACTION TO CONFIRM THE MINUTES OF PROCEEDINGS OF THE PREVIOUS REGULAR MEETING OF THE LAFERIA INDUSTRIAL DEVELOPMENT CORPORATION (LFIDC) HELD ON THURSDAY, AUGUST 5, 2010

After review of the minutes, Commissioner Lori Weaver moved to confirm the minutes of proceedings of the previous regular meeting of the La Feria Industrial Development

Corporation (LFIDC) held on Thursday, August 5, 2010. Commissioner Angelica P. Baldivia seconded the motion, and the motion carried by unanimous vote of the City Commissioners present.

BUDGET WORKSHOP FOR FY 2010-2011

City Manager Sunny K. Philip explained that the budget workshop was placed before the public hearing so that any person wishing to comment during the budget public hearing would have an opportunity to discuss any of the items presented in this workshop. Mr. Philip said the budget has remained the same as discussed at a previous meeting; the proposed budget figures have been calculated using the proposed tax rate of 0.7353 which was the proposed rate previously approved by the City Commission. Mr. Philip discussed the budget and said that the property values have remained flat, and therefore, there are no additional revenues available to the City to offset the additional expenses incurred through higher prices of materials and services. The budget does not include any salary increases for employees. Mr. Philip said it is a balanced budget at 3.4 million dollars in revenues and 3.4 million dollars in expenditures. Mr. Philip also discussed the two additional charts that were presented to the City Commission; one was the Salaries by Department that showed that the Police Department comprises 25% of the total payroll and the other was the Total City Payroll that showed what the payroll would be if any increases were granted to the employees in the increments of 1%, 1.5%, 2%, 3% and 4%. Mayor Steve Brewer said the employees have received increases during the last two years. Commissioner John Hernandez inquired if the incentive pay for the Police Department had been restored during the past fiscal year. Mr. Philip responded that the incentive pay was not granted last year due to the shortfall in revenues. There was discussion about the grant for hiring additional police officers. Mr. Philip said the City has not received that grant yet, and it is not in the proposed budget, but if it were to be received, it would come as an amendment at a later date. There was no further discussion regarding the budget workshop. There was no action needed for this item.

PUBLIC HEARING – BUDGET FOR FY 2010-2011

Mayor Steve Brewer declared the public hearing open for discussion at 6:48 P.M. There were no comments from the audience, so Mayor Brewer declared the public hearing closed at 6:49 P.M.

<u>DISCUSSION AND CONSIDERATION OF POSSIBLE ACTION OF CITY'S ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING AND THE CITY OF LAFERIA'S FAIR HOUSING ACTION PLAN</u>

City Manager Sunny K. Philip explained that the Fair Housing Act has been in effect for a long time and the City has an ordinance in that regard. The City Secretary is identified as the person to receive any complaints in regard to fair housing discrimination. Mr. Philip said that since the City has received money originating from the Department of Housing and Urban Development (HUD) coming through Texas Department of Housing and Community Affairs (TDHCA) and Texas Department of Rural Affairs (TDRA), the City has the requirement of proclaiming the month of April as Fair Housing month and publishing a notice. The City has been involved in many economic development activities and one of the conditions for a grant award is that 51% of the employees hired for that economic development activity be of low-to-moderate income persons. Mr. Philip said that Irene Szedlmayer and Olga Oberwetter attended a workshop in regards to identifying impediments to Fair Housing, which is a mandatory training for the

administration of the Community Development Program and also applies to Disaster Recovery Funds originating from HUD and being distributed by TDHCA and TDRA. Planning and Community Development Director Ms. Irene Szedlmayer presented a PowerPoint presentation that was put together by Sarah Pratt who is an attorney based in Washington, D.C. and who has devoted most of her career to fair housing. Ms. Szedlmayer edited the daylong presentation to a few minutes for the purpose of the City Commission meeting, but highlighted all the essential points. Ms. Szedlmayer said there is no law that says the City has to adopt a plan identifying impediments to Fair Housing; however, when accepting grant funds, the City has to certify that it is affirmatively furthering fair housing, and by doing all the items outlined in this presentation, the City will assure that it is affirmatively furthering fair housing. Ms. Szedlmayer said that at the next City Commission meeting there would be an Analysis of Impediments to Fair Housing Plan presented for consideration. She would be looking at the use of housing funds, the City Zoning Ordinance, Community Development Program and Citizen Participation Plans. There was no action needed as a result of this discussion and presentation.

PUBLIC HEARING – REGARDING PARTICIPATION IN THE TEXAS
DEPARTMENT OF RURAL AFFAIRS' TXCDBG NON-HOUSING PROGRAM
AND OTHER AVAILABLE TXCDBG FUNDS. DISCUSSION WILL INCLUDE
CITIZEN PARTICIPATION PLAN, LOCAL HOUSING AND COMMUNITY
DEVELOPMENT NEEDS, AVAILABLE FUNDING, ELIGIBLE ACTIVITIES,
PAST USE OF FUNDS, DEVELOPMENT OF TXCDBG APPLICATIONS, AND
LOCAL EFFORTS TO AFFIRMATIVELY FURTHER FAIR HOUSING.

City Manager Sunny K. Philip said that after Hurricane Dolly hit the U.S., the Federal government appropriated a total of 3 billion dollars for disaster recovery and the majority of the money went to the Houston/Galveston areas because they were heavily impacted by the hurricane. The City of La Feria received approximately \$250,000.00 in grant funds from the 1st round Disaster Recovery Program for the purchase of 4 generators for existing lift stations. The City also received approximately \$900,000.00 for street repairs. The next round application is due on October 1, 2010. La Feria's application is for a total of \$18,474,242.00 distributed as \$13,457,370.00 for drainage at Tio Cano area, \$929,459.00 for Southwest Drain, and \$4,087,413.00 for the Tamm Lane Project. Judy Langford of Langford Community Management Services in Austin, Texas is preparing the application.

Mr. Philip also discussed that there is a total of 106 million dollars allocated for housing under the Disaster Recovery Program and that the City of La Feria is very much interested in accessing those funds for the people in the area. Also, there is a local nonprofit for housing that has received a Forward Commitment for tax credits for construction of affordable housing. The City is working with the USDA to bring housing awareness to the community and there will be a Home Ownership and Fair Housing Seminar on Saturday, September 18, 2010 from 9:00 A.M. to 12:00 P.M. at Dominguez Elementary School on Pancho Maples Drive. Mayor Brewer said this is an opportunity to help the La Feria community.

Mayor Steve Brewer declared the public hearing open at 7:15 P.M. Ms. Liana Brewer inquired how the drainage improvements at Tio Cano would alleviate the drainage problems on Main Street. Mr. Philip explained the route that is planned for the improvements. He said that through a grant from the TWDB a study of the drainage

needs has been completed by Espey Consultants and they have identified all the items that will need improvement. A question was asked as to how many homes were affected during Hurricane Dolly. Mr. Philip responded that there were 87 homes that were damaged. There being no further comments, Mayor Steve Brewer declared the public hearing closed at 7:22 P.M.

CONSIDER AND TAKE ACTION TO APPROVE OR DENY RESOLUTION
AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE TEXAS
DEPARTMENT OF RURAL AFFAIRS FOR TXCDBG NON-HOUSING
PROGRAM AND OTHER AVAILABLE TXCDBG FUNDS AND AUTHORIZING
THE CITY MANAGER OR MAYOR TO ACT AS THE CITY'S EXECUTIVE
OFFICERS AND AUTHORIZED REPRESENTATIVES IN ALL MATTERS
PERTAINING TO THE CITY'S PARTICIPATION IN THE TXCDBG
PROGRAM

Commissioner John Hernandez moved to read the resolution by caption only, in lieu of reading it in its entirety. Commissioner Angelica P. Baldivia seconded the motion and the motion carried by unanimous vote of the City Commissioners present. City Attorney Mr. Richard S. Talbert read the caption of Resolution 2010-24. After reading of the caption, Commissioner Victor Gonzalez, Jr. moved to approve Resolution 2010-24 authorizing the submission of an application to the Texas Department of Rural Affairs for TxCDBG Non-Housing Program and other available TxCDBG funds and authorizing the City Manager or Mayor to act as the City's executive officers and authorized representatives in all matters pertaining to the City's participation in the TxCDBG program. Commissioner Angelica P. Baldivia seconded the motion, and the motion carried by unanimous vote of the City Commissioners present.

PUBLIC HEARING TO RECEIVE INPUT REGARDING A SPECIFIC USE PERMIT (SUP) REQUEST BY DANIEL ALANIZ, DBA JDA SPECIALTIES-BARGAIN METALS, TO OPERATE A WELDING SHOP TO BE LOCATED AT 10531 WEST EXPRESSWAY 83, IN THE COMMERCIAL COVE SUBDIVISION. Mayor Steve Brewer declared the public hearing open at 7:25 P.M. Planning and Community Development Director Ms. Irene Szedlmayer discussed the request by Daniel Alaniz to operate a welding shop on the north side of Expressway 83 near the Collision Stop business. The area is zoned C-2, General Commercial, and the other businesses would not be harmed by this business operating in the area. Ms. Szedlmayer said staff was recommending approval. There being no further comments, Mayor Brewer declared the public hearing closed at 7:27 P.M.

CONSIDER AND TAKE ACTION TO APPROVE OR DENY A SPECIFIC USE PERMIT (SUP) REQUEST BY DANIEL ALANIZ, DBA JDA SPECIALTIES-BARGAIN METALS, TO OPERATE A WELDING SHOP TO BE LOCATED AT 10531 WEST EXPRESSWAY 83, IN THE COMMERCIAL COVE SUBDIVISION AND AUTHORIZING THE MAYOR TO EXECUTE THE ORDER GRANTING THE SUP

Planning and Community Development Director Ms. Irene Szedlmayer clarified that the address for Bargain Metals should be 3424 West Expressway 83, La Feria rather than the 10531 West Expressway 83. She stated that all the proper notification was done. Commissioner Angelica P. Baldivia moved to approve the Specific Use Permit (SUP) requested by Daniel Alaniz, dba Specialties Bargain Metals, to operate a welding shop to be located at 3424 West Expressway 83, in the Commercial Cove Subdivision and

authorizing the Mayor to execute the order granting the SUP. Commissioner Lori Weaver seconded the motion, and the motion carried by unanimous vote of the City Commissioners present.

PUBLIC HEARING TO RECEIVE INPUT REGARDING A SPECIFIC USE PERMIT (SUP) REQUEST BY ERIKA MADARIAGA, DBA THE ROYAL PAVILION, TO OPERATE A GAME HALL TO BE LOCATED AT 3708 WEST EXPRESSWAY 83, IN THE COMMERCIAL COVE SUBDIVISION

Mayor Steve Brewer declared the public hearing open at 7:33 P.M. Planning and Community Development Director Ms. Irene Szedlmayer discussed the request by Erika Madariaga to operate a game hall to be located at 3708 West Expressway 83, in the Commercial Cove Subdivision. The area is zoned C-2, General Commercial. Ms. Szedlmayer said that the Building Inspector has not been to the property yet, but the operator will have to obtain a certificate of occupancy before opening, so the inspector still has time. Discussion followed regarding prizes paid, the number of machines, the need to require security guards. Ms. Erika Madariaga was present at the meeting, and answered all questions. City Attorney Mr. Richard S. Talbert said the term "security guard" needs to be identified. There being no further comments, Mayor Brewer declared the public hearing closed at 7:43 P.M. There was no action needed as a result of this item.

CONSIDER AND TAKE ACTION TO APPROVE OR DENY A SPECIFIC USE PERMIT (SUP) REQUEST BY ERIKA MADARIAGA, DBA THE ROYAL PAVILION, TO OPERATE A GAME HALL TO BE LOCATED AT 3708 WEST EXPRESSWAY 83, IN THE COMMERCIAL COVE SUBDIVISION AND AUTHORIZING THE MAYOR TO EXECUTE THE ORDER GRANTING THE SUP

Commissioner Victor Gonzalez, Jr. moved to approve a Specific Use Permit (SUP) requested by Erika Madariaga, DBA the Royal Pavilion, to operate a game hall to be located at 3708 West Expressway 83, in the Commercial Cove Subdivision with a waiver on the 3-ft spacing between machines requirement, a waiver on the fixed seating, a waiver on the no smoking requirement, and to revisit the SUP application in three months, and authorizing the Mayor to execute the order granting the SUP. Commissioner Angelica P. Baldivia seconded the motion, and the motion carried by unanimous vote of the City Commissioners present.

CONSIDER AND TAKE ACTION TO APPROVE A RESOLUTION DOCUMENTING THE ANNUAL REVIEW AND APPROVING ANY MODIFICATION NECESSARY OF THE CITY OF LA FERIA INVESTMENT POLICY

City Manager Sunny K. Philip said that a copy of the resolution and the La Feria Investment Policy had been included in the Commission's package for review prior to the meeting. Commissioner Lori Weaver moved to read the resolution by caption only, in lieu of reading it in its entirety. Commissioner Angelica P. Baldivia seconded the motion, and the motion carried by unanimous vote of the City Commissioners present. City Attorney Mr. Richard S. Talbert read the caption of Resolution 2010-25. After reading of the caption, Commissioner Lori Weaver moved to approve Resolution 2010-25 documenting the annual review and approving any modification necessary of the City of La Feria Investment Policy. Commissioner John Hernandez seconded the motion, and the motion carried by unanimous vote of the City Commission present.

CONSIDER AND TAKE ACTION TO APPROVE OR DENY CONTRACT WITH KELLY MILLER CIRCUS FOR THE OPERATION OF THE CIRCUS ON WEDNESDAY, FEBRUARY 16, 2011 TO BENEFIT THE EXPANSION OF THE LIBRARY

City Manager Sunny K. Philip said that last year the Circus generated a little over \$1,000.00 for the Library and recommended approval of this contract. Commissioner Lori Weaver moved to approve the contract with Kelly Miller Circus for the operation of the Circus on Wednesday, February 16, 2011 to benefit the expansion of the library. Commissioner John Hernandez seconded the motion, and the motion carried by unanimous vote of the City Commissioners present.

REVIEW PROPOSALS RECEIVED FOR EMPLOYEE GROUP HEALTH INSURANCE AND TAKE ACTION TO AWARD CONTRACT TO THE LOWEST QUALIFIED BIDDER

City Manager Sunny K. Philip explained the bid tabulation of insurance proposals received for the employee's group health insurance benefit. Mr. Philip said the lowest proposal was the City's current provider Valley Baptist Health Plans. Mr. Philip recommended award to Valley Baptist Health Plans with Ms. Joannie Bianchini as the agent of record for the Group Health Insurance benefit for the City of La Feria. Commissioner Lori Weaver moved to award contract for Employee Group Health Insurance to the lowest bidder Valley Baptist Health Plans for the renewal rate of \$294.68 employee only; \$736.71 employee and spouse; \$545.16 for employee and children; and \$869.30 for employee and family and named Ms. Joannie Bianchini as the agent of record for the Group Health Insurance benefit. Commissioner Angelica P. Baldivia seconded the motion, and the motion carried by unanimous vote of the City Commissioners present.

REVIEW PROPOSALS RECEIVED FOR EMPLOYEE GROUP LIFE INSURANCE AND TAKE ACTION TO AWARD CONTRACT TO THE LOWEST QUALIFIED BIDDER

City Manager Sunny K. Philip reviewed the proposals received for the group life insurance benefit and said that staff was recommending award for group life insurance to the existing carrier Sun Life Assurance Company of Canada. Commissioner Lori Weaver moved to award contract to Sun Life Assurance Company of Canada for the Employee Group Life Insurance at the rate of \$0.17 for Basic Employee Life and \$0.03 for AD&D per \$1,000.00 coverage. Commissioner Angelica P. Baldivia seconded the motion, and the motion carried by unanimous vote of the City Commissioners present.

CONSIDER AND TAKE ACTION TO APPROVE/DENY ORDINANCE CLOSING CANAL STREET FROM FIRST STREET THROUGH NINTH STREET FOR THE LA FERIA HIGH SCHOOL HOMECOMING PARADE SPONSORED BY THE LA FERIA ATHLETIC BOOSTER CLUB ON SATURDAY, SEPTEMBER 25, 2010 FROM 5:30 P.M. TO 6:30 P.M.

City Manager Sunny K. Philip said a copy of the ordinance was included in the City Commission's package. Mr. Alfonso Rodriguez, President of the La Feria Booster Club was present at the meeting to answer questions regarding this request. He said the parade was open for participation only to the schools. The line up would be at the area by the Dollar General on Canal Street and 1st.

Commissioner Victor Gonzalez, Jr. moved to read the ordinance by caption only, in lieu of reading it in its entirety. Commissioner Lori Weaver seconded the motion, and the motion carried by unanimous vote of the City Commissioners present. City Attorney Mr. Richard S. Talbert read the caption of Ordinance 2010-12 and made the correction of extending the time from 5:30 P.M. to 7:00 P.M. After reading of the caption, Commissioner Lori Weaver moved to approve Ordinance 2010-12 authorizing the closing of Canal Street from First Street through Ninth Street for the La Feria High School Homecoming Parade sponsored by the La Feria Athletic Booster Club on Saturday, September 25, 2010 from 5:30 P.M. to 7:00 P.M. Commissioner John Hernandez seconded the motion, and the motion carried by unanimous vote of the City Commissioners present.

CONSIDER AND TAKE ACTION TO APPROVE/DENY AN ORDINANCE OF THE CITY OF LA FERIA AMENDING WATER AND SANITARY SEWER REGULATIONS; ESTABLISHING STANDARD RATES FOR WATER AND SANITARY SEWER SERVICES; PROVIDING FOR THE METERING OF WATER DELIVERED; SETTING ALL OTHER FEES AND CHARGES RELATED TO WATER AND SANITARY SEWER SERVICES; PROVIDING FOR A SAVING CLAUSE; PROVIDING FOR THE EFFECTIVE DATE; PROVIDING FOR THE PUBLICATION AND ORDAINING OTHER MATTERS RELATED TO THE FOREGOING

City Manager Sunny K. Philip explained the chart and the ordinance distributed to the Commission at the meeting and said the ordinance proposes a \$1.00 increase in the water rate and a \$2.00 increase in the sewer rate. The City Commission asked for additional information, i.e. a rate comparison with other cities and also a tax rate comparison with other cities. This item was tabled on a motion by Commissioner Lori Weaver and a second by Commissioner Angelica P. Baldivia. The motion carried by unanimous vote of the City Commissioners present.

EXECUTIVE (CLOSED) SESSION PURSUANT TO THE PROVISIONS OF THE OPEN MEETINGS LAW CHAPTER 551, GOVERNMENT CODE, VERNON'S TEXAS CODES ANNOTATED, IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN SECTION 551.071 TO CONSULT WITH CITY ATTORNEY PERTAINING TO PROPOSED INTERLOCAL AGREEMENT BETWEEN THE CITY OF LA FERIA, LA FERIA INDUSTRIAL DEVELOPMENT CORPORATION (LFIDC), LA FERIA ECONOMIC DEVELOPMENT CORPORATION (LFEDC) AND TWO PRIVATE NON-PROFIT ENTITIES FOR FISCAL AGENT SERVICES; SECTION 551.072 TO DISCUSS PROPOSED PURCHASE/SALE/DONATION OF REAL ESTATE BY THE LA FERIA INDUSTRIAL DEVELOPMENT CORPORATION/CITY OF LA FERIA; AND SECTION 551.087 TO DISCUSS ECONOMIC DEVELOPMENT NEGOTIATIONS.

Mayor Steve Brewer declared the meeting in Executive (Closed) Session at 8:26 P.M. After Executive Session deliberation, Mayor Brewer declared the meeting back in open session at 8:52 P.M.

CONSIDER AND TAKE ACTION DEEMED NECESSARY AS THE RESULT OF EXECUTIVE (CLOSED) SESSION DELIBERATIONS

Mayor Steve Brewer announced that there was no action needed as a result of Executive Session deliberation.

REPORTS BY STAFF

- Water and Wastewater Improvement Projects
- Disaster Recovery Street Improvement Project Construction Progress
- Disaster Recovery Round 2 Funding Status
- Multifamily Housing Project Development in La Feria
- Proposed Water and Wastewater Project Funding

City Manager Sunny K. Philip reported on the following:

- There are still two projects pending completion on the Water and Wastewater Improvements Project, the sewer collection project by SLC and the water plant filter replacement project by R.P. Constructors.
- Disaster Recovery Street Improvement Project the work on 9th Street resumed today.
- The Disaster Recovery Round 2 Funding Status Will be working on the application.
- Multifamily Housing Project Development in La Feria the non-profit received a FORWARD COMMITMENT for an 80-unit project. Senator Eddie Lucio was very supportive on this project for La Feria.
- Proposed Water and Wastewater Project Funding the City applied for several grants to the Texas Water Development Board (TWDB) for a total of 24 million dollars. They had rated the applications as 70% grant and 30% loan. The City submitted additional documentation, and TWDB staff has notified us that they will be recommending 100% grant.

Commissioner Lori Weaver moved to excuse the absence of Commissioner John Betancourt for tonight's meeting. Commissioner Victor Gonzalez, Jr. seconded the motion, and the motion carried by unanimous vote of the City Commissioners present.

PUBLIC COMMENTS

Mayor Steve Brewer declared the public comments session open. No one signed up to speak before the Commission, so Mayor Brewer declared the public comment session closed.

ACTION FOR ADJOURNMENT

There being no further business to conduct, Commissioner Lori Weaver moved to adjourn the meeting. Commissioner Angelica P. Baldivia seconded the motion, and the motion carried by unanimous vote of the City Commissioners present.

ADJOURNMENT

Mayor Steve Brewer adjourned the meeting at 8:59 P.M.

APPROVED:

Steve Brewer, Mayor

ATTEST:

Olga Oberwetter, City Secretary

These minutes were prepared and filed with the City of La Feria at 6:30 P.M. on September 24, 2010, as official record.

Olga Oberwetter, City Secretary

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CITY COMMISSION REGULAR MEETING

AT THE

CITY COMMISSION MEETING ROOM TUESDAY, SEPTEMBER 14, 2010, AT 6:30 PM

WELCOME PLEASE SIGN IN

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2 EVap	unchan	
3 Chen Ste	land	
A Rasa	(usne)	
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