

**MINUTES OF PROCEEDINGS  
CITY COMMISSION  
Tuesday, September 27, 2011**

Be it known that the City of La Feria City Commission met in regular session on **Tuesday, September 27, 2011, at 6:30 P.M.** 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 Edward Betancourt	City Commissioner
Mr. John Hernandez	City Commissioner
Mr. Victor Gonzalez, Jr.	City Commissioner
Ms. Angelica P. Baldivia	City Commissioner

The following staff members were present.

Mr. Sunny K. Philip	City Manager
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 6:30 P.M., Mayor Steve Brewer asked Commissioner Lori Weaver 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 REGULAR MEETING OF THE CITY COMMISSION HELD ON  
TUESDAY, AUGUST 23, 2011**

After review of the minutes, Commissioner John Hernandez moved to approve the minutes of proceedings of the regular meeting of the City Commission held on Tuesday, August 23, 2011. Commissioner Angelica P. Baldivia seconded the motion, and the motion carried by unanimous vote of the City Commission.

**REVIEW AND TAKE ACTION TO APPROVE MINUTES OF PROCEEDINGS  
OF THE REGULAR MEETING OF THE CITY COMMISSION HELD ON  
TUESDAY, SEPTEMBER 13, 2011**

After review of the minutes, Commissioner John Betancourt moved to approve the minutes of proceedings of the regular meeting of the City Commission held on Tuesday, September 13, 2011. Commissioner John Hernandez seconded the motion, and the motion carried by unanimous vote of the City Commission.

**CONSIDERATION AND APPROVAL OF A RESOLUTION BY THE CITY COMMISSION OF THE CITY OF LA FERIA, TEXAS AUTHORIZING AND APPROVING PUBLICATION OF NOTICE OF INTENTION TO ISSUE TWO SERIES OF CERTIFICATES OF OBLIGATION; AND PROVIDING AN EFFECTIVE DATE**

City Manager Sunny K. Philip explained that there are several items included in this agenda item. There are two series of Certificates of Obligation; one is for the USDA projects, which are the expansion of the library and the expansion of the fire station and the new Fire Department substation; and the other is for the City Capital Improvements Plan projects. Mr. Philip explained that the issuance of Certificates of Obligation would provide matching funds for some grants and other capital improvements. The issuance of Certificates of Obligation would include the refunding of the City's 2000 Series and the 2008 Series Bonds and the refunding of the Utility System 2004 Series Revenue Bonds. This would raise \$665,000.00 for the Utility System, \$1.3 million for the USDA projects and \$4.5 million for the City. Mr. Philip then introduced Ms. Anne Burger, Managing Director for First Southwest Company, the City's Bond Counsel. Ms. Burger presented a package of information to the City Commission and staff. She discussed the volatility of the interest rates in the past years, and said that the current interest rates are at one of the lowest points in the last 40 or 50 years. Ms. Burger said that if the City wants to continue to issue debt, that this is the opportune time. Ms. Burger reviewed the AAA Municipal Yield Curve chart that showed how much the interest rates had dropped since 2008. Ms. Burger then reviewed the recommended plan of finance for the City. She said the Certificates of Obligation, Series 2011 would yield approximately \$4,335,000.00, slightly under the \$4.5 million discussed by Mr. Philip and that the principal amounts would be amortized over a 5-, 10-, and 20-year periods depending on the expected useful life of the projects. Ms. Burger said that refunding of the existing Series 2000 and 2008 Certificates would achieve debt service savings and would minimize the impact of the new Certificates of Obligation, Series 2011. Ms. Burger also discussed that the Utility System is considering the refunding of 2004 Revenue Bonds and hoping to raise \$685,000 in new money and there is also a small component for Tax Increment Financing (TIF) of \$80,000.00 in the Certificates of Obligation, Series 2011. Ms. Burger said that by putting all of these together into one issuance, it would increase the size and would help in selling the bonds. Ms. Burger reviewed the Proposed Timetable of Events and said that the closing date for Series 2011 would be on December 8, 2011 and the USDA would close on January 3, 2012. Mr. Philip thanked Ms. Burger for her presentation and said she has done a very good job for the City of La Feria. Mr. Philip said that when the City applied for a \$25 million grant with the TWDB and received a grant in the amount of \$15 million, the TWDB required that the City take a \$10 million loan to complete the project. Mr. Philip said there was no way that the City would be able to take out a loan in that amount to complete the project, so Ms. Burger met with the TWDB and was successful in securing the \$15 million TWDB grant as a forgivable loan, without having to take the additional \$10 million loan. After that the TWDB changed the rules, and they are not doing any more forgivable loans. After the presentation and all questions answered, Commissioner John Betancourt moved to read the resolution by caption only, in lieu of reading it in its entirety. Commissioner John Hernandez seconded the motion, and the motion carried by unanimous vote of the City Commission. Planning and Community Development Director Ms. Irene Szedlmayer read the caption of Resolution 2011-38. After reading of the caption, Commissioner John Betancourt moved to approve Resolution 2011-38 authorizing and approving publication of notice of intention to issue two series of Certificates of Obligation and providing an effective date. Commissioner

John Hernandez seconded the motion, and the motion carried by unanimous vote of the City Commission.

**CONSIDERATION AND APPROPRIATE ACTION BY THE CITY COMMISSION APPOINTING FULBRIGHT & JAWORSKI L.L.P. AS BOND COUNSEL; DELEGATING THE AUTHORITY TO THE MAYOR OR CITY MANAGER OF THE CITY TO EXECUTE CERTAIN DOCUMENTS RELATING TO THE ENGAGEMENT OF FULBRIGHT & JAWORSKI L.L.P.; AND OTHER MATTERS IN CONNECTION THEREWITH**

City Manager Sunny K. Philip said that the Commission had a copy of the agreement prepared by Jeff Kuhn of Fulbright & Jaworski, L.L.P. and that this agreement relates to the USDA projects. Mr. Philip said Mr. Kuhn has a history of working with the City since 1987. Commissioner John Betancourt moved to appoint Fulbright & Jaworski, L.L.P. as Bond Counsel; delegating the authority to the Mayor or City Manager of the City to execute certain documents relating to the engagement of Fulbright & Jaworski, L.L.P.; and other matters in connection therewith. Commissioner Lori Weaver seconded the motion, and the motion carried by unanimous vote of the City Commission.

**CONSIDER AND TAKE ACTION TO APPROVE RESOLUTION DECLARING PROPERTY LOCATED AT 205 SOUTH MAIN AS BLIGHTED PROPERTY AND ECONOMICALLY NOT FEASIBLE TO REHABILITATE TO A CONDITION TO MEET HOUSING QUALITY STANDARDS**

City Manager Sunny K. Philip said that the City purchased the property at 205 South Main from BBVA Compass Bank and it is not repairable. The City is working with the Neighborhood Stabilization Program (NSP) so it will tear down that building and build a new home under the NSP program. TDHCA assigned a technical assistant to the City and his recommendation was that the City determine that the building is in blighted condition. 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 Commission. Planning and Community Development Director Ms. Irene Szedlmayer read the caption of Resolution 2011-39. After reading of the caption, Commissioner Lori Weaver moved to approve Resolution 2011-39 declaring property located at 205 South Main as Blighted Property and economically not feasible to rehabilitate to a condition to meet Housing Quality Standards. Commissioner Angelica P. Baldivia seconded the motion, and the motion carried by unanimous vote of the City Commission.

**CONSIDER AND TAKE ACTION TO APPROVE LA FERIA NEIGHBORHOOD STABILIZATION PROGRAM MANUAL**

City Manager Sunny K. Philip said that this item was placed on the agenda previously, but it was tabled. The City will receive a 0% interest loan from the Texas Department of Housing and Community Affairs (TDHCA) in the amount of \$860,000.00 to build eight single-family homes. The City has purchased 4 lots through the NSP Program and it also has three other lots, but it still needs to purchase one more lot. The TDHCA will provide \$45,000.00 for the City to administer the project. There is approximately \$115,000.00 available for project delivery, and the City will be going through the procurement process inviting non-profit entities to develop eight single family units on city-owned property. This Neighborhood Stabilization Program Manual establishes the guidelines for when the non-profit comes on board. Mr. Philip said the City hopes that the South Texas Collaborative for Housing Development, Inc. (STCHD) will be involved in this. Mr.

Philip said the manual includes an additional 400 pages, but those were not printed for this presentation. Commissioner Angelica P. Baldivia moved to approve the La Feria Neighborhood Stabilization Program Manual. Commissioner John Hernandez seconded the motion, and the motion carried by unanimous vote of the City Commission.

**CONSIDER AND TAKE ACTION TO ADOPT PROCLAMATION  
DESIGNATING OCTOBER 2-8, 2011 AS NATIONAL 4-H WEEK IN TEXAS**

Mayor Steve Brewer read the proclamation in its entirety. Commissioner Victor Gonzalez, Jr. moved to adopt the proclamation designating October 2-8, 2011 as National 4-H Week in Texas. Commissioner Lori Weaver seconded the motion, and the motion carried by unanimous vote of the City Commission. Mayor Brewer presented a signed proclamation to the 4-H representatives and pictures of the group were taken.

**CONSIDER AND TAKE ACTION TO APPROVE OR DENY RESOLUTION  
AUTHORIZING PARTICIPATION AND DESIGNATING OFFICIALS FOR THE  
EXECUTION OF CONTRACT BETWEEN THE CITY OF LA FERIA AND  
TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS FOR THE  
NEIGHBORHOOD STABILIZATION PROGRAM**

Commissioner Victor Gonzalez, Jr. 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 Commission. Planning and Community Development Director Ms. Irene Szedlmayer read the caption of Resolution 2011-40. After reading of the caption, Commissioner Victor Gonzalez, Jr. moved to approve Resolution 2011-40 authorizing participation and designating officials for the execution of contract between the City of La Feria and Texas Department of Housing and Community Affairs for the Neighborhood Stabilization Program. Commissioner Angelica P. Baldivia seconded the motion, and the motion carried by unanimous vote of the City Commission.

**CONSIDER AND TAKE ACTION TO APPROVE OR DENY RESOLUTION OF  
THE CITY OF LA FERIA DECLARING CERTAIN EQUIPMENT AND  
PROPERTIES AS SURPLUS PROPERTY AND AUTHORIZING THE SALE OF  
PROPERTY THROUGH AN AUCTION OR THROUGH OTHER MEANS IF  
THE ITEMS ARE NOT SOLD AT THE AUCTION**

City Manager Sunny K. Philip said this resolution is needed to approve the additional list of items that would be sold at the auction. A copy of the previous resolution, which was approved last year was included in the City Commission packet and those items would also be sold at this auction on October 15, 2011. Commissioner Angelica P. Baldivia moved to read the resolution by caption only, in lieu of reading it in its entirety. Commissioner John Hernandez seconded the motion, and the motion carried by unanimous vote of the City Commission. Planning and Community Development Director Ms. Irene Szedlmayer read the caption of Resolution 2011-41. After reading of the caption, Commissioner Angelica P. Baldivia moved to approve Resolution 2011-41 declaring certain equipment and properties as surplus property and authorizing the sale of property through an auction or through other means if the items are not sold at the auction. Commissioner Victor Gonzalez, Jr. seconded the motion, and the motion carried by unanimous vote of the City Commission.

**CONSIDER AND TAKE ACTION TO ACKNOWLEDGE AND ACCEPT THE  
FAIR HOUSING ACTION STATEMENT (FHAFAST FORM) PREPARED AND**

**RECOMMENDED BY THE LA FERIA FAIR HOUSING WORKING GROUP  
AND SUBMITTED TO THE STATE OF TEXAS GENERAL LAND OFFICE**

City Manager Sunny K. Philip explained that at a previous meeting, the City Commission appointed five members to the La Feria Fair Housing Working Group and they have met and prepared the Fair Housing Action Statement that was submitted to the State of Texas General Land Office. Mr. Philip said this is a federal requirement, and it is a precondition to apply for Disaster Recovery 2.2 grants. Commissioner John Betancourt moved to acknowledge and accept the Fair Housing Action Statement (FHAFAST Form) prepared and recommended by the La Feria Fair Housing Working Group and submitted to the State of Texas General Land Office. Commissioner Angelica P. Baldivia seconded the motion, and the motion carried by unanimous vote of the City Commission.

**MONTHLY FINANCIAL REPORTS FOR THE MONTH OF AUGUST 2011**

- **REVENUE AND EXPENDITURE REPORT**
- **PERFORMANCE INDICATORS**
- **INVESTMENT REPORT**
- **TAX COLLECTION REPORT**

Mayor Steve Brewer thanked Finance Director Ms. Maria Chavero for the reports and announced that these reports would be filed for audit.

Commissioner Victor Gonzalez, Jr. said he wanted to go back to the item concerning the City auction and inquired if City employees are allowed by law to bid on the items offered for auction by the City. Mr. Philip said staff would look into it, but in the past, City employees have bid on items in previous auctions. Commissioner Angelica P. Baldivia added that it should be employees and Commissioners.

**REPORTS BY STAFF**

- **Indoor Recreation Facility Construction Progress**
- **Air Conditioning Replacement Project funded through SECO**
- **Library Expansion Project**
- **Safe Routes to School Project**

City Manager Sunny K. Philip reported on the following.

- The Indoor Recreation Facility contractor is working on the foundation and they seem to be doing a very clean job.
- The air conditioning project for the City Hall, Police Department and Fire Station is being bid out. Bid packages were sent out to five or six contractors since it is a small project, and the proposals received will come before the Commission for approval.
- The Library Expansion Project – Staff met with USDA and it looks like advertising for the project will be sometime in January, because the money for the project has to be in place.
- A map of the areas for the Safe Routes to School Program project has been submitted to TxDOT for their comment and the environmental clearance document also needs to be submitted to them.

**PUBLIC COMMENTS**

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

**ACTION FOR ADJOURNMENT**

There being no further business to conduct, Commissioner Angelica P. Baldivia moved to adjourn the meeting. Commissioner John Betancourt seconded the motion, and the motion carried by unanimous vote of the City Commission.

**ADJOURNMENT**

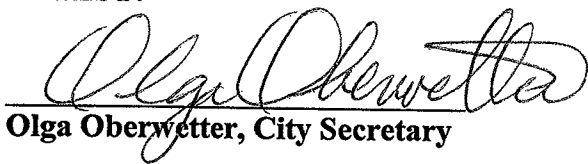
Mayor Steve Brewer adjourned the meeting at 7:37 P.M.

**APPROVED:**



**Steve Brewer, Mayor**

**ATTEST:**

  
**Olga Oberwetter, City Secretary**

These minutes were prepared and filed with the City of La Feria at 5:30 P.M. on October 8, 2011, as official record.

  
**Olga Oberwetter, City Secretary**

**CITY COMMISSION REGULAR MEETING**  
**AT THE**  
**CITY COMMISSION MEETING ROOM**  
**TUESDAY, SEPTEMBER 27, 2011, AT 6:30 PM**

WELCOME  
PLEASE SIGN IN

<u>NAME</u>	<u>MAILING ADDRESS</u>	<u>HOME/WORK PHONE NO.</u>
1 Shanna Stebbins	1121 S Colorado Ave Merc.	456-1024 La Feria 4H
2 Christine Stebbins	1121 S Colorado Ave Merc	456-1024 La Feria 4H
3 Rick Bazaldua	14396 Palis Rd.	428-3982 LF 4-H
4 Christian Camacho	24473 Dakota Ave LF	472-7502 LF 4H
5 Anne Burger	70 NE Loop 410 S.A. Texas	710 (308-2200)
6 Sandy Gutierrez	410 E. Primrose Ave	778-7226.
7 Arturo de Leon	700 S. Comal	893-1888.
8 M. Bluff	LFV	
9 Voe De Leon	700 S Comal	970-3242
10 Betty Jo Durwin	PO Box 995 La Feria	Cell 873-0297
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