

**MINUTES OF PROCEEDINGS  
CITY COMMISSION  
Tuesday, August 30, 2016**

Be it known that the City of La Feria City Commission met in Special Meeting on **Tuesday, August 30, 2016 at 6:30 PM** in the City Commission Meeting Room, 115 E. Commercial Avenue, La Feria, TX 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.

**DETERMINE QUORUM PRESENT AND CALL MEETING TO ORDER - MAYOR**

Mayor Maldonado stated a quorum was present and called the meeting to order at 6:30 PM.

Attendee Name	Title	Status	Arrived
Olga H. Maldonado	Mayor	Present	6:30 PM
Julian Guevara Jr.	Commissioner	Present	6:30 PM
Esmeralda Lozano	Commissioner	Present	6:30 PM
Eric Hoff	Commissioner	Present	6:30 PM
Jesse Zuniga	Commissioner	Present	6:30 PM
Victor Gonzalez Jr.	Commissioner	Absent	

**STAFF MEMBERS PRESENT**

The following Staff members were present at said meeting:

Ms. Esmeralda Sánchez, Interim City Manager/City Secretary  
 Ms. Paula Rodriguez, Planning and Community Development Director  
 Ms. Kin Mendoza, Finance Director  
 Ms. Tabitha Outlaw, Administrative Assistant

**PUBLIC COMMENTS**

Mirtala Rodriguez of 200 Bearfield Lane, La Feria, TX spoke about the proposed increase tax rate. She quoted some other cities tax rates and how they are not raising their taxes this year. She stated that it is difficult for those who are on fixed incomes or have several children to afford higher taxes. She asked the Commission not to raise taxes.

**REVIEW TABULATION OF PROPOSALS RECEIVED, CONSIDER, AND TAKE ACTION TO AWARD A CONTRACT FOR THE CITY OF LA FERIA EMPLOYEE GROUP HEALTH INSURANCE AND DESIGNATE AN AGENT FOR THE CITY OF LA FERIA.**

This item was tabled at the previous meeting. Ms. Sánchez reviewed the bid tabulation with the Commission. A copy of additional tabulations were distributed to the Commission. These additional tabulations were to provide the Commission with more options concerning cost sharing.

A representative from Gallagher Insurance Benefits was present and answered questions from the Commission concerning healthy life premiums. A discussion then ensued regarding Gallagher servicing the City's Allegian Group Health Insurance and the option to change agents at any time. Gallagher offers health fairs and flu clinics for employees as an additional benefit to the group.

The Commission further discussed the option of sharing the cost of the monthly premium with employees and ultimately decided to wait to consider cost sharing options in anticipation of the 2017-2018 fiscal year budget. Mayor Pro-Tem Lozano stressed the importance of being fiscally responsible by considering options for cost saving measures in the future.

Following review and discussion, a motion to approve the Allegian HMO plan VHLI5820 for group health insurance paid by the City with the dual option of a comparable Allegian PPO was made, seconded, and approved as noted.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Eric Hoff, Commissioner
<b>SECONDER:</b>	Julian Guevara Jr., Commissioner
<b>AYES:</b>	Guevara Jr., Lozano, Hoff, Zuniga
<b>ABSENT:</b>	Gonzalez Jr.

**PUBLIC HEARING CONCERNING THE COMPREHENSIVE MASTER PLAN FOR CITY OF LA FERIA.**

Mr. Chris Stewart updated the Commission on the Comprehensive Master Plan. He stated that 12 surveys were collected through the additional efforts of the Commission. The additional surveys did not change the details of the Comprehensive Plan and confirmed what was illustrated by the originally submitted surveys. Following this public hearing the comprehensive plan will be submitted to the Texas Department of Agriculture (TDA) for review. The funds for this effort were granted by TDA.

Mayor Maldonado opened the Public Hearing at 7:17 PM.

The public was invited to speak. There were no public comments.

Mayor Maldonado closed the Public Hearing at 7:20 PM.

<b>RESULT:</b>	<b>NO ACTION REQUIRED</b>
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**PUBLIC HEARING CONCERNING THE 2016 TAX YEAR PROPOSED PROPERTY TAX RATE FOR THE CITY OF LA FERIA.**

Mayor Maldonado opened the Public Hearing at 7:20 PM.

Ms. Sánchez reviewed the proposed tax rate of .810 cents and stated the City is currently at a tax rate of .76 cents. The tax rate is being recommended at .79 cents, with a positive revenue/expenditures over \$4,000. The Commission discussed operating with a budget in the "black" and the importance of building up reserves.

Public comments were received from citizen Mirtala Rodriguez. Ms. Rodriguez discussed a \$700,000 budget deficit from years ago.

Ms. Sánchez stated she did not have information about a \$700,000 deficit, but stated that in 2015 the budget reflected a deficit of \$248,000. This was reduced in 2016 to \$178,000. Although the budget reflected a deficit, when considering depreciation, the City still reflected a positive cash flow. Ms. Sánchez further explained that in 2008 the City had almost \$1,000,000 in reserves. However, Hurricane Dolly recovery efforts depleted a large portion of those reserves. The City was not able to recover some of those funds expended in an emergency situation from FEMA or the State. The funds were used to help the Community recover from effects of the hurricane, and as a result it is going to take years to rebuild such a reserve.

Following review and discussion, Mayor Maldonado closed the Public Hearing at 7:39 PM.

**RESULT: NO ACTION REQUIRED**

**BUDGET WORKSHOP #2 – PRELIMINARY DISCUSSION WITH CITY COMMISSION REGARDING THE BUDGET FOR FISCAL YEAR 2016/2017.**

A copy of the Budget for Fiscal Year 2016-2017 was provided to the Commission.

The Commission began discussion on the reduction in deficit and how the budget is projected to put the City back into the black. It was discussed that the deficit was partially due to the recovery efforts following Hurricane Dolly. FEMA and the State provided some reimbursement, but some funds expended were not reimbursed. Hurricane Dolly hit the area in 2008 and the City has been recovering since that time.

Ms. Sánchez reviewed the General Fund budget with the Commission, addressing revenues and expenses by department. Discussion of salary expenses included establishing a base pay for the police department, the need for a full time Recreation Center/Wellness Center manager, increased pay for the public works department, and the increase in salaries recommended by TCEQ for the Water and Wastewater Plant employees. Discussion of generating additional revenues by extending hours and the season at the Aquatic Center, additional use of the library facilities for meetings, and membership fees and special events at the Recreation Center. Further discussion included the cost of consultant fees for future grants; details of the 2015 certificate of obligation including funds for park improvements, build-out of the Public Works Warehouse, expansion of the existing or construction of a new Police Department; street improvements; furnishings and security details for the safe rooms; and expenses and revenues for the City's community events.

The individual component budgets were briefly reviewed including Utilities Board, La Feria Industrial Development Corporation, and the La Feria Economic Development Corporation. Each component approved their respective budgets for the Fiscal Year 2016-2017 subject to final approval by the City Commission.

Additional information regarding options for employee salary increases were requested. Options discussed included increases at varying percentages for all employees, offering the police

department the same increase by percentage as the other city employees instead of the varying increases previously presented, and excluding increases for employees that work inside city hall.

Staff will prepare options and present them to the Commission at the next budget workshop.

**RESULT: NO ACTION REQUIRED**

**PUBLIC HEARING TO RECEIVE INPUT FOR THE PROPOSED CITY OF LA FERIA FISCAL YEAR 2016-2017 BUDGET.**

Mayor Maldonado opened the Public Hearing at 10:51 PM.

The public was invited to speak. There were no public comments.

Mayor Maldonado closed the Public Hearing at 10:52 PM.

**RESULT: NO ACTION REQUIRED**

**EXECUTIVE (CLOSED) SESSION PURSUANT TO THE PROVISIONS OF THE OPEN MEETINGS LAW CHAPTER 551, GOVERNMENT CODE, IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN SECTION 551.072 TO DISCUSS PROPOSED PURCHASE/LEASE/SALE/DONATION OF REAL ESTATE BY THE LA FERIA INDUSTRIAL DEVELOPMENT CORPORATION/THE LA FERIA ECONOMIC DEVELOPMENT CORPORATION/CITY OF LA FERIA; SECTION 551.087 TO DISCUSS ECONOMIC DEVELOPMENT NEGOTIATIONS; SECTION 551.074 TO DISCUSS PERSONNEL; SECTION 551.074 TO DISCUSS THE DUTIES AND RESPONSIBILITIES OF THE CITY MANAGER.**

There were no items to discuss in Executive Session.

**RESULT: NO ACTION REQUIRED**

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

There being no Executive Session, no action was required on this item.

**RESULT: NO ACTION REQUIRED**

**FINANCIAL REPORT FOR THE MONTH OF JULY**

- Sales Tax
- Property Tax
- Franchise Tax
- Performance Indicators

The Financial Reports for the month of July were not finalized for this meeting.

A motion to table this item was made, seconded, and approved as noted.

<b>RESULT:</b>	<b>TABLED [UNANIMOUS]</b>	<b>Next: 9/27/2016 6:30 PM</b>
<b>MOVER:</b>	Eric Hoff, Commissioner	
<b>SECONDER:</b>	Esmeralda Lozano, Commissioner	
<b>AYES:</b>	Guevara Jr., Lozano, Hoff, Zuniga	
<b>ABSENT:</b>	Gonzalez Jr.	

**ACTION FOR ADJOURNMENT**

A motion to adjourn the meeting was made, seconded, and approved as noted.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Esmeralda Lozano, Commissioner
<b>SECONDER:</b>	Eric Hoff, Commissioner
<b>AYES:</b>	Guevara Jr., Lozano, Hoff, Zuniga
<b>ABSENT:</b>	Gonzalez Jr.

**ADJOURNMENT**

Mayor Maldonado adjourned the meeting at 10:53 PM.

**APPROVED:**

  
Olga H. Maldonado, Mayor

**ATTEST:**

  
Esmeralda R. Sánchez, City Secretary

These minutes were prepared and filed with the City of La Feria at 9:00 PM on September 12, 2016, as official record.

  
Esmeralda R. Sánchez, City Secretary