

**MINUTES OF PROCEEDINGS
CITY COMMISSION
Thursday, June 16, 2016**

Be it known that the City of La Feria City Commission met in Special Meeting on **Thursday, June 16, 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 determined a quorum was present and called the meeting to order.

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

STAFF MEMBERS PRESENT

The following Staff members were present at said meeting:

Mr. Sunny K. Philip, City Manager
 Mr. Richard S. Talbert, City Attorney
 Ms. Paula Rodriguez, Planning and Community Development Director
 Ms. Kin Mendoza, Finance Director
 Ms. Esmeralda Sanchez, City Secretary

PUBLIC COMMENTS

Mayor Maldonado declared the public comments session open.

Ms. Delores Fuller of 1000 S. Chelo Drive addressed the Commission. Ms. Fuller has been speaking to people in the stores, parks, and all over. She addressed a need for the Commission to take control of the police department and choose a new police chief when the current chief retires at the end of the month. Ms. Fuller is concerned with the number of police officers and lack of cameras at the parks, mentioning incidents of theft at the nature center, park, and swimming pool. Ms. Fuller told the Commission that she wants them to take control of the police department when they go into executive session because they are not protected and neither are "we." Ms. Fuller wants the Commission to reinstate the salary of the most important person at the police department, the dispatcher who has been here 15 years. The police officers buy their own body cameras and they are getting new cars, but there are no cameras in front of the

police department. Ms. Fuller referred to undocumented individuals as "illegals" stating she saw "one of those illegals today with a big backpack", knows where that person is staying, and has reported such.

There being no further comments, Mayor Maldonado declared the public comments session closed.

RECOGNITION OF LA FERIA ISD STUDENTS FOR ACHIEVEMENT AT THE STATE LEVEL IN THEIR RESPECTIVE ACTIVITIES DURING THE 2015-2016 SCHOOL YEAR.

At Mayor Maldonado's request, La Feria Independent School District students were recognized by the City Commission. Mayor Maldonado addressed the audience in English and Spanish congratulating the students and their families, and expressed the importance of letting the students know that the City supports them in their efforts. The students present received a certificate in recognition of their achievement in reaching the State level in their respective programs. Students were recognized by name, presented with certificates, and photos were taken of each group with the Commission.

RESULT:	NO ACTION REQUIRED
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MOTION TO MOVE AGENDA ITEM OUT OF ORDER.

A motion to move agenda item out of order for consideration and action, if any, to retain legal services of Denton, Navarro, Rocha, Bernal, Hyde & Zech to advise City Commission regarding process and procedure for evaluation of City Manager by the City Commission earlier in the agenda than posted was made, seconded, and approved as noted.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Esmeralda Lozano, Commissioner
SECONDER:	Julian Guevara Jr., Commissioner
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.

CONSIDERATION AND ACTION, IF ANY, TO RETAIN LEGAL SERVICES OF DENTON, NAVARRO, ROCHA, BERNAL, HYDE & ZECH TO ADVISE CITY COMMISSION REGARDING PROCESS AND PROCEDURE FOR EVALUATION OF CITY MANAGER BY THE CITY COMMISSION.

Following approval of a motion to move this agenda item earlier in the agenda than posted, Attorney Rick Navarro, a principal at Denton, Navarro, Rocha, Bernal, Hyde and Zech addressed the Commission.

He stated that he was present on this action time after being approached by the Mayor and a Commissioner regarding retention of services in connection with advice relating to proper, appropriate process for review of the City Manager. Mr. Navarro has been working in this area for many years and has worked with the City of La Feria through Texas Municipal League and knows Mr. Philip well and knows the City Attorney. Mr. Navarro explained that he understood the Mayor had approached a Texas Municipal League staff attorney which was then followed by

a referral to Denton, Navarro, Rocha, Bernal, Hyde and Zech.

In an earlier meeting Mr. Navarro stated to those in attendance that if the Commission wanted independent counsel on this narrow issue it would require an agenda item to retain services. Mr. Navarro is familiar with the Charter and knows La Feria is a Home Rule City with a City Manager form of government. Under this Charter, the City Manager nominates the City Attorney confirmed by the Commission. In other home rule cities, the city attorney is directly hired by the Commission. Under the charter the City Attorney is the City's attorney and can walk the Commission through the process although he works more day to day with the City Manager.

Mr. Navarro explained that he was present to offer a narrow scope of services that will require a couple of meetings. Another meeting to talk to the Commission substantively and another to assist through the review process. Mr. Navarro charges \$200 per hour and calculates approximately 10-15 hours. The total cost would be \$4,000 or less indicating familiarity with the Charter. The Charter will control the details of the scope of services. The Contract with Mr. Philip will need to be evaluated. A closed session briefing will be necessary if services are retained to discuss appropriate process to ensure appropriate criteria is utilized and another to actually do the performance review.

Mr. Navarro stated he was in attendance to discuss this item at the request of the Mayor, knowing it was a referral from TML legal counsel. Mr. Navarro stated he was not familiar with the current issues of the City and will need to review such and be sure to extend all the appropriate legal guarantees to Mr. Philip that he is entitled to.

Mayor Maldonado thanked Mr. Navarro for attending the meeting and stated that this item stands at the will of the Commission and can take action to retain the services of Mr. Navarro and the law firm. Mayor Pro-Tem Lozano addressed the Commission stating it was an opportunity and pivotal point to establish a tool for transparent evaluation which follows the Charter and anything else that needs to be addressed, welcoming advice from counsel.

There being no further discussion, a motion was then made and seconded as noted. Following the motion and second, Commissioner Gonzalez asked for a voice, roll call vote. City Attorney Rick Talbert clarified that the Mayor may call for the roll call vote since it was requested by a Commissioner.

City Secretary Esmeralda R. Sánchez, then proceeded to call the roll and document each vote as noted. Mayor Maldonado announced the motion passed. Upon approval of the motion, Mr. Navarro stated he would communicate with Mayor Maldonado about the next meeting and submit a letter.

RESULT:	APPROVED VIA ROLL CALL [UNANIMOUS]
MOVER:	Esmeralda Lozano, Commissioner
SECONDER:	Eric Hoff, Commissioner
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.

PRESENTATION BY LONG CHILTON, LLP CERTIFIED PUBLIC ACCOUNTANTS - COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) FOR FISCAL YEAR ENDING SEPTEMBER 30, 2015 AND TAKE ACTION TO ACCEPT THE CAFR.

Quentin Anderson and Associate Jonathan Hall of Long Chilton LLP were present at the meeting. Mr. Anderson addressed the Commission reviewing the highlights of the 180 page report including a summary document. As noted on page 14 of the Comprehensive Annual Financial Report (CAFR) the City submits the CAFR to the Government Finance Officers Association (GFOA) for review and evaluation of presentation, format, and completeness in terms of full and fair disclosure. This is a good award indicating to the members of the public, bond counsel, and investment buyers that the comprehensive document meets the highest standards of governmental financial reporting. Mr. Anderson proceeded to point out the independent auditor's report, pages 21-25 reflecting a discussion of the audit process and opinion of the financial position of the City. Page 23 notes a change in accounting principle known as GASB Statement No. 68, implemented by all local governments that participate in defined benefit pension plans. This change required adjustments by all cities participating in the Texas Municipal Retirement System (TMRS). The statistical section of the report identifies ten years of history including financial and demographic information. Pages 27-48 show an overview of what happened in the City over the past fiscal year including extensive discussion, charts, and tables, which are very useful for the Commission in evaluating the financial condition of the City.

The summary handout identifies the net position of the City at the end of the fiscal period was approximated at \$15 million. The net position represents the difference between the assets the City owns versus what is owed. A large portion of the net position is invested in capital assets, with an unrestricted net position of about \$3 million. Pages 44-45 show expenses and revenues. A large portion of revenue included grants for major capital projects. A recap beginning on page 74 includes capital assets which are a big part of the construction projects of the City as well as the component units. Long term debt increased by nearly \$5 million dollars due to issuance of \$6.3 million in 2015 Certificate of Obligation bonds and net pension liability recorded as a new standard issued by the Governmental Accounting Standards Board. Individual footnotes are found for the long term debt. Additional information may be found in the supplemental schedules within the CAFR.

Mr. Anderson discussed a shortfall of the fund balance and discussed strategies to increase the fund balance by increasing revenues and reducing expenditures during the budget process. A three month reserve fund balance is recommended. Other major funds include debt service and capital projects. The CAFR includes individual financial statements for the component units including Waterworks, Industrial Development Corporation, and Economic Development Corporation. Revenues were not as high as budgeted in the final budget and expenditures were less than budgeted for. The fund balance improved in the current year by about \$700,000

indicating a positive direction in increasing the fund balance. The compliance section addresses internal control over financial reporting related to grants. The schedule of expenditures of federal awards identifies over \$13 million of grant funds. The audit did not identify any matters of non-compliance with respect to the major grant programs. Matters of concern discussed include collateralization of deposits and city accounting. Recommendations were made and corrective action was identified. Mr. Anderson pointed out that the City was in a transition period with a new finance director. Specific recommendations were made and discussed with the City Manager and Finance Director. No findings were reported for the fiscal year ended September 30, 2015.

Internal controls are utilized for testing purposes to assist the auditors in identifying the focus of the audit. Each year the controls are set to help auditors recognize the areas of risk. Additional advisory comments provide guidance for future budgeting and planning for Finance personnel. The purpose of this audit was to render an opinion of the financial information. Standard language in the audit indicates the test controls are not intended to separately render an opinion of internal controls. If in the process of testing controls, a deficiency is identified it will be included in the report. The purpose of the audit was not to test internal controls as indicated by the statement on page 21, "but not for the purpose of expressing an opinion of the entity's internal control." Under other matters, in terms of inquiries made, Mr. Anderson explained that much of the audit was conducted on site, through inquiries, and review of documentation and statistics provided by the City and third party verifications.

The audit process includes corroboration of information by third parties. This includes verification letters sent out to institutions including bond holders and service providers. A representation letter is required through auditing standards indicating that Management (City Manager and Finance Director) understands their responsibility for the financial statements, including fair presentation, accuracy, and disclosures to the auditors of any matters of major concern. Mr. Anderson discussed processes for purchasing, monitoring the budget, routine accounting processes, and presentation of information at meetings as forms of internal controls.

Strategies were discussed that might lead to achieving a three month reserve. The City had a greater fund balance deficit in the previous fiscal year due to unreimbursed grant funds. Most of the previous year's shortfall was caught up in the fiscal year ending September 30, 2015. Planning during the budget phase is one tool to improve the fund balance. Ten years of history in the statistical section reveals the amount of grants, which has fluctuated significantly, relative to the capital improvements under construction, directly increasing the City's assets.

Mr. Philip answered the question raised by the Commission regarding at what point during the fiscal year (2013-2014) was the deficit fund balance identified. Several state and federal agencies require the City to advance pay request from construction contractors and then have funds reimbursed. Some agencies have privatized the reimbursement review and it is taking months to get funds reimbursed. Some of the reimbursement requests submitted to the state agencies prior to the fiscal year end of 9-30-2014 had not reimbursed the City when the audit was completed in April 2015. As such, auditors reduced the revenue while still showing expenses in the books, resulting in a deficit. Mr. Anderson agreed with the statement confirming that the deficit in the previous year was almost entirely due to delayed reimbursement, out of the

control of the City. Under the new guidelines of accounting practices, the reimbursement cannot be recorded as revenue unless the reimbursement is received within 60 days of the end of the fiscal year. The deficit fund balance improved by 70 percent in the fiscal year ended September 30, 2015. Working on numerous capital projects is challenging and is a risk taken when involved with the state processes to reimburse the City's payment to contractors. A small city taking on big projects is not possible without such grant funds. The audit includes actual revenue minus actual expenditures to show the net as well as the original budget, expenditures, and the difference to show transparency. Budget amendments throughout the year may not mean anything when issues like grant program delays are unexpected. A great effort has been expended with the various state agencies to improve their reimbursement process and City's fund balance.

The fund balance was affected beginning with Hurricane Dolly after which the City had to spend approximately \$800,000 to clear the debris plus additional cost for emergency work. These expenses were paid from local funds with only 70% of allowable expenses later reimbursed by FEMA. The goal prior to Hurricane Dolly was to have one year's worth of reserve, which was almost achieved. Hurricane Dolly and taking on major capital projects have impacted the reserve budget. A simple budget amendment during the year may not cure the issue. What the City really needs to do is control expenses and increase revenue. The City sells services and cannot increase the price of the product based on the market. The community used to experience a 14% - 20% increase in property tax value, however over the past few years the values have remained flat. The City experiences increased costs such as materials, utilities, and certain increases for the employees while the revenue remains the same. The key is to grow the community, increasing revenues while containing the cost to a level that will allow the surplus to build. It has been difficult over the last few years due to the lack of increase in revenue. Grants from several of the capital projects have subsidized administration expenses, which is soon coming to an end. An incorrect date was identified on page 176 and will be corrected.

A process is in place to monitor bank statements, including a monthly report showing pledged securities. The monthly investment report is presented to the Commission. The report may vary daily due to the amount of contractors working and the potential for checks issued. The amount can fluctuate daily and although we have the reports, it was not caught at that time. A new process is in place including communication with the bank to pledge additional securities and verification of the bank's statement and financial records. Mr. Anderson stated the City does not face any penalty due to being out of compliance regarding the pledge requirements. The City goes the extra mile to have securities in place, although there are differing views between state agencies and conservative outlooks. The City is comfortable in continuing to work with Compass Bank. The City has contractually asked Compass Bank to monitor the securities and ensure that the proper pledge is in place. In this situation, it was identified, corrected, and the City has put measures in place to review bank statements and financial documents.

The financial closing date of the fiscal year is September 30. Transactions will continue for about 2-3 months following the closing date to account for finalization of the books. The turnover in the Finance Department contributed to additional efforts to reconcile accounts at the end of the year and identifying corrective action. A standard checklist is in place and is a dynamic document from year to year to address the reality of the City's financial state. The City

Secretary does not have the training to fulfill the treasurer's role in the absence of a finance director.

The City of La Feria is a small city with the same components of a larger city. It is difficult to keep up with the governmental and enterprise components with a small staff. Mr. Anderson reiterated that the difference between the City of La Feria and the City of Harlingen is that Harlingen has an airport and greater amount of staff to address the various components. The corrective action plan has already been instituted and will be shared with the Commission at a later date. The CAFR will be submitted to the Government Finance Officers Association for their review and consideration of an award.

Following discussion, a motion to accept the Comprehensive Annual Financial Report for fiscal year ending September 30, 2015 was made, seconded, and approved as noted.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Esmeralda Lozano, Commissioner
SECONDER:	Julian Guevara Jr., Commissioner
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.

REVIEW AND TAKE ACTION TO APPROVE MINUTES OF PROCEEDINGS OF THE REGULAR MEETING OF THE CITY COMMISSION HELD ON TUESDAY, APRIL 12 2016.

A motion to table four items concurrently including Minutes of Proceedings of the Regular Meeting of the City Commission held on Tuesday, April 12, 2016, Minutes of Proceedings of the Regular Meeting of the City Commission held on Tuesday, May 10, 2016, Minutes of Proceedings of the Special Meeting of the City Commission held on Monday, May 16, 2016, and Minutes of Proceedings of the Regular Meeting of the City Commission held on Tuesday, May 24, 2016 was made by Mayor Pro-Tem Lozano. A second was not made, therefore the motion died.

A motion to approve the Minutes of Proceedings of the Regular Meeting of the City Commission held on Tuesday, April 12, 2016 was then made, seconded, and approved as noted.

This item was considered concurrently with Minutes of Proceedings of the Regular Meeting of the City Commission held on Tuesday, May 10, 2016, Minutes of Proceedings of the Special Meeting of the City Commission held on Monday, May 16, 2016, and Minutes of Proceedings of the Regular Meeting of the City Commission held on Tuesday, May 24, 2016

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Victor Gonzalez Jr., Commissioner
SECONDER:	Esmeralda Lozano, Commissioner
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.

REVIEW AND TAKE ACTION TO APPROVE MINUTES OF PROCEEDINGS OF THE REGULAR MEETING OF THE CITY COMMISSION HELD ON TUESDAY, MAY 10, 2016.

A motion to approve the Minutes of Proceedings of the Regular Meeting of the City Commission held on Tuesday, May 10, 2016 was made, seconded, and approved as noted.

This item was considered concurrently with Minutes of Proceedings of the Regular Meeting of the City Commission held on Tuesday, April 12, 2016, Minutes of Proceedings of the Special Meeting of the City Commission held on Monday, May 16, 2016, and Minutes of Proceedings of the Regular Meeting of the City Commission held on Tuesday, May 24, 2016.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Victor Gonzalez Jr., Commissioner
SECONDER:	Julian Guevara Jr., Commissioner
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.

REVIEW AND TAKE ACTION TO APPROVE MINUTES OF PROCEEDINGS OF THE SPECIAL MEETING OF THE CITY COMMISSION HELD ON TUESDAY, MAY 16, 2016.

A motion to approve the Minutes of Proceedings of the Special Meeting of the City Commission held on Monday May 16, 2016 was made, seconded, and approved as noted. The agenda item incorrectly identified the day of the week; the date and minutes reflected the correct day.

This item was considered concurrently with Minutes of Proceedings of the Regular Meeting of the City Commission held on Tuesday, April 12, 2016, Minutes of Proceedings of the Regular Meeting of the City Commission held on Monday, May 10, 2016, and Minutes of Proceedings of the Regular Meeting of the City Commission held on Tuesday, May 24, 2016.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Victor Gonzalez Jr., Commissioner
SECONDER:	Julian Guevara Jr., Commissioner
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.

REVIEW AND TAKE ACTION TO APPROVE MINUTES OF PROCEEDINGS OF THE REGULAR MEETING OF THE CITY COMMISSION HELD ON TUESDAY, MAY 24, 2016.

A motion to approve the Minutes of Proceedings of the Regular Meeting of the City Commission held on Monday May 24, 2016 was made, seconded, and approved as noted.

This item was considered concurrently with Minutes of Proceedings of the Regular Meeting of the City Commission held on Tuesday, April 12, 2016, Minutes of Proceedings of the Regular Meeting of the City Commission held on Monday, May 10, 2016, and Minutes of Proceedings of the Special Meeting of the City Commission held on Monday, May 16, 2016.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Victor Gonzalez Jr., Commissioner
SECONDER:	Julian Guevara Jr., Commissioner
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.

CONSIDER AND TAKE ACTION TO APPROVE OR DENY A RESOLUTION AUTHORIZING REVIEW OF TEXAS GAS SERVICE COMPANY'S ("TGS") COST OF SERVICE ADJUSTMENT ("COSA"); APPROVING OF A JOINT REVIEW OF TGS' APPLICATION ALONG WITH OTHER CITIES SERVED BY TGS; HIRING LEGAL AND CONSULTING SERVICES TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; REQUIRING TGS TO REIMBURSE ALL REASONABLE COSTS ASSOCIATED WITH CITIES' EFFORTS IN THIS RATEMAKING EFFORT; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.

Mr. Philip discussed the background of the franchise tax agreement and the need to take action on this resolution as oversight afforded to municipalities. This resolution is similar to the resolution taken recently regarding AEP. The Lower Rio Grande Development Council will coordinate the review for all cities and make a recommendation to the City. A copy of the resolution was provided to the Commission.

MOTION TO READ THE CAPTION OF RESOLUTION 2016-14.

Following discussion a motion to read the caption of Resolution 2016-14 was made, seconded, and approved as noted.

Mr. Talbert read the caption of Resolution 2016-14 following approval of the motion.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Esmeralda Lozano, Commissioner
SECONDER:	Julian Guevara Jr., Commissioner
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.

MOTION TO APPROVED RESOLUTION 2016-14.

A motion to approve Resolution 2016-14, A resolution of the City of La Feria, authorizing review of the Texas Gas Service Company's ("TGS") cost of service adjustment (COSA); approving of a joint review of TGS' application along with other cities served by TGS; hiring legal and consulting servcies to negotiate with the company and direct any necessary litigation and appeals; requiring TGS to reimburse all reasonable costs associated with cities; efforts in this ratemaking effort; finding that the meeting at which this resolution is passed is open tot he public a required by law; requiring notice of this resolution to the company and legal counsel was made, seconded, and approved as noted.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Esmeralda Lozano, Commissioner
SECONDER:	Victor Gonzalez Jr., Commissioner
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.

CONSIDER AND TAKE ACTION TO APPROVE OR DENY A RESOLUTION OF THE CITY OF LA FERIA APPOINTING ONE NEW MEMBER AND REAPPOINTING FIVE (5) EXISTING MEMBERS TO THE CITY OF LA FERIA PLANNING AND ZONING COMMISSION.

Mr. Philip discussed the role of the Planning & Zoning Commission informing the Commission that Ms. Mary Garcia and Mr. Reyes Rodriguez resigned their positions creating two vacancies. Ms. Delicia Sanchez submitted an application expressing interest in serving on the Planning & Zoning Commission. A copy of the application was provided to the Commission. In addition to filling one vacancy at this time, there is also a need to reappoint five existing members. The remaining vacancy will be filled at a later date.

MOTION TO READ THE CAPTION OF RESOLUTION 2016-15.

Following discussion, a motion to read the caption of Resolution 2016-15 was made, seconded, and noted as follows.

Mr. Talbert read the caption of Resolution 2016-15 following approval of the motion.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Esmeralda Lozano, Commissioner
SECONDER:	Julian Guevara Jr., Commissioner
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.

MOTION TO APPROVE RESOLUTION 2016-15.

A motion to approve Resolution 2016-15, a resolution of the City of La Feria, Texas appointing one new member and reappointing five existing members to the Planning and Zoning Commission was made, seconded, and approved as noted.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Esmeralda Lozano, Commissioner
SECONDER:	Julian Guevara Jr., Commissioner
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.

CONSIDER AND TAKE ACTION TO APPROVE OR DENY A RESOLUTION AUTHORIZING THE SUBMISSION OF A TEXAS HOME INVESTMENT PARTNERSHIPS COMPETITIVE PROGRAM APPLICATION TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS FOR PARTICIPATION IN THE HOME PROGRAM COMPETITIVE AWARD CONTRACT AND AUTHORIZING THE CITY MANAGER TO ACT AS THE CITY'S EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE CITY'S HOME PROGRAM COMPETITIVE CONTRACT AWARD.

MOTION TO READ THE CAPTION OF RESOLUTION 2016-16.

Following discussion, a motion was made, seconded, and approved as noted.

Mr. Talbert read the caption of Resolution 2016-16 following approval of the motion.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Esmeralda Lozano, Commissioner
SECONDER:	Victor Gonzalez Jr., Commissioner
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.

MOTION TO APPROVE RESOLUTION 2016-16.

A motion to approve Resolution 2016-16, a resolution of the City Commission of the City of La Feria, Texas, authorizing the submission of a Texas Home Investment Partnerships Competitive program application to the Texas Department of Housing and Community Affairs for participation in the HOME program competitive award contract; and authorizing the City Manager to act as the City's executive officer and authorized representative in all matters pertaining to the city's participation in the HOME program competitive contract award was made, seconded, and approved as noted.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Esmeralda Lozano, Commissioner
SECONDER:	Julian Guevara Jr., Commissioner
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.

WORKSHOP TO DISCUSS PROCESSES, COSTS, TIMEFRAMES, AND CUSTOMER FINES FOR NEW BUILDING CONSTRUCTION AND EXPANSIONS (COMMERCIAL AND RESIDENTIAL) AND THE ROLES, RESPONSIBILITIES, AND CUSTOMER SERVICE EXPECTATIONS OF CITY STAFF CHARGED WITH GRANTING PERMITS, INSPECTIONS, AND CODE ENFORCEMENT THROUGHOUT THE PROCESS.

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

This item was considered concurrently with the workshop to discuss record keeping practices and reporting process utilized by the Bailey H. Dunlap Memorial Library to Support "Performance Indicators-Library and Elections" as reported on monthly financial reports.

RESULT:	TABLED [UNANIMOUS]	Next: 6/28/2016 6:30 PM
MOVER:	Victor Gonzalez Jr., Commissioner	
SECONDER:	Jesse Zuniga, Commissioner	
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.	

WORKSHOP TO DISCUSS RECORD KEEPING PRACTICES AND REPORTING PROCESSES UTILIZED BY THE BAILEY H. DUNLAP MEMORIAL LIBRARY TO SUPPORT "PERFORMANCE INDICATORS-LIBRARY AND ELECTIONS" AS REPORTED ON MONTHLY FINANCIAL REPORTS.

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

This item was considered concurrently with the workshop to discuss processes, costs, timeframes, and customer fines for new building construction and expansions (Commercial and Residential) and the roles, responsibilities and customer service expectations of city staff charged with granting permits, inspections, and code enforcement throughout the process.

RESULT:	TABLED [UNANIMOUS]	Next: 6/28/2016 6:30 PM
MOVER:	Victor Gonzalez Jr., Commissioner	
SECONDER:	Jesse Zuniga, Commissioner	
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.	

MOTION TO MOVE AGENDA ITEM OUT OF ORDER.

A motion to move the Reports agenda item out of order to an earlier place in the agenda than posted was made, seconded, and approved as noted.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Esmeralda Lozano, Commissioner
SECONDER:	Julian Guevara Jr., Commissioner
AYES:	Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.

REPORTS BY STAFF AND DISCUSSION WITH CITY COMMISSION.

- Drainage Improvement Projects
- Water/Wastewater Improvement Projects
- Safe Rooms (Domes)
- Parking Lot for Main Street Safe Room and Technology & Success Center
- Park System
- Recreation Center Summer Activities
- July 4th Celebration and BBQ Cook-Off Competition

Mr. Philip reported on the following:

The Drainage Improvement Projects continue to move forward. Balch Machine Co. is working in two areas and has installed the 12x12 boxes at the Arroyo, pending installation of the end caps. They have received a notice to proceed on the White Ranch Road crossing with a new sub-contractor. 70% of the City drains through this crossing. The road will need to be shut down for 2-3 weeks to ensure traffic safety. Signs will be posted to notify drivers in advance and prepare them for a detour. A pre-construction meeting has been scheduled to discuss these and other construction items with the prime and sub contractors. The Commission raised concerns over the importance of the contractor cleaning up construction debris. Mr. Philip clarified that this work is a bit different and they will be opening up the road, installing boxes and rebuilding the roadway. Residents and farmers will be notified by the Contractor; however the City will go a step further and ask Bill Friend to notify the farmers by phone since he knows most of them. The information was also presented to the Irrigation District so they can extend notice to the farmers through their network. The contractor needs to work fast to complete the crossing although there is alternate access. The contractor has done some prep work on the White Ranch Road crossing but will not close the road until after the pre-construction meeting scheduled for next week.

Morwil is doing limited work in the Wilson Canal. The lined canal portion of work has been removed from the contract and they are completing other drainage work along Beddoes road to comply with state procurement and maintain changes to the contract within 25% of the original cost. Mr. Philip identified the work Morwil is doing from White Ranch Road west along the north edge of Rancho Blanco Subdivision to the borrow pit and then south along Beddoes Road to the Expressway connecting to an existing TXDOT drainage inlet.

A question was asked about notification of future plans for residents of Lobita's Subdivision. A draft copy of the letter addressed to Lobitas Subdivision residents will be presented to the Commission at the next meeting. Although we have a cost estimate for the work, we cannot use the current Texas Water Development Board funds. The cost per household will be about \$5,000. It is of significant importance to note that when the subdivision was approved it met the standards. Residents do not have to replace the sanitary sewer system unless they want to do so, in which case the City has installed a trunk line along White Ranch Road for them to connect.

Three contractors are currently working on water/wastewater projects. Saenz Brothers Construction is waiting to hook up the lift station and is extending sewer lines to residents that are not yet connected. Cornett Construction is pending approval of the water hook-ups by Texas Water Development Board. The sewer lines in Alto Real were installed through a County project, water was installed by Cornett through a current contract. The City vacuums those lines regularly in anticipation of the lines to be installed by JM Construction pending delivery of the manholes. Once the final cost of the hook-ups has been determined, we can consider improvements on Beddoes Road.

The safe rooms are almost complete. The contractor provided a new end date of June 30, 2016. Delays are due to delivery of specialized items, many of which have recently arrived and are being installed. An extension will be requested from TDEM to complete the project close-out.

Arrangements are underway with the American Red Cross to manage the safe rooms as shelters. Recent discussion with UTRGV may bring programs to the facilities as early as fall 2016. La Feria is the only Cameron County community selected as a site for this program through UTRGV School of Medicine. These programs will assure the building is being used for an alternate purpose. Mr. Philip attended a meeting earlier in the day at which he presented to the various UTRGV Deans and discussed plans for delivery of services and plans for future coordination. Additional planning for the alternate use of the safe rooms is needed and will develop over the next few months.

The parking lot for the Technology and Success Center/Main Street safe room is underway. The goal is to complete the project within 30 days of the start of construction. TXDOT has approved the City's request for a turning lane on FM 506, as project 3 of 45 planned for 2017. This was the result of the City's involvement with the MPO. The goal of continued MPO presence is to bring more projects to La Feria.

Signs for Unger Park are being ordered to address concerns including use of BBQ pit, playing in the sand, hours, and safety. A request was made by the Commission for the police department to patrol the area on foot to deter vandalism.

The recreation center is an experiment in progress with changes including structured activities and programming. Planned programs include an art camp, science, camp, music camp, and other activities for kids. The goal is to incorporate the elderly population as well, through future programs.

The July 4th Celebration and BBQ Cook-off are being planned. The event committee will meet on Wednesday at noon. A request was made to move the Veteran's Recognition Ceremony to an earlier time while the BBQ cook-off crowd is still around. The program is being finalized and will be provided to the Commission in advance of the event.

RESULT: NO ACTION REQUIRED
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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 AND RESIGNATION/RETIREMENT OF POLICE CHIEF AND DISCUSSION OF POSSIBLE APPOINTMENT OF A NEW POLICE CHIEF.

Mayor Maldonado declared the meeting in Executive (closed) Session at 10:09 PM.

Mayor Maldonado declared the meeting back in open session at 10:56 PM.

RESULT: NO ACTION REQUIRED

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

Mayor Maldonado declared no action was necessary as a result of Executive (closed) Session.

RESULT: NO ACTION REQUIRED

CONSIDER AND TAKE POSSIBLE ACTION ON ATTENDANCE STATUS OF MAYOR AND/OR COMMISSIONERS.

All members of the Commissioner were present, no action was required

RESULT: NO ACTION REQUIRED

ACTION FOR ADJOURNMENT

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

RESULT: APPROVED [UNANIMOUS]
MOVER: Esmeralda Lozano, Commissioner
SECONDER: Julian Guevara Jr., Commissioner
AYES: Guevara Jr., Lozano, Hoff, Zuniga, Gonzalez Jr.

ADJOURNMENT

Mayor Maldonado adjourned the meeting at 10:57 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 9:30 PM on June 27, 2016, as official record.


 Esmeralda R. Sánchez, City Secretary