

MERCEDES CITY COMMISSION  
REGULAR MEETING  
AUGUST 7, 2018 – 6:00 P.M.  
MERCEDES CITY HALL – COMMISSION CHAMBERS

<b>MEMBERS PRESENT:</b>	<b>Henry Hinojosa</b>	<b>Mayor</b>
	<b>Leandro Villarreal</b>	<b>Commissioner</b>
	<b>Cristella De Leon Hernandez</b>	<b>Commissioner</b>
	<b>Sergio Zavala</b>	<b>Assistant City Manager</b>
	<b>Juan Molina</b>	<b>City Attorney</b>
<b>MEMBERS ABSENT:</b>	<b>Ruben Guajardo</b>	<b>Mayor Pro-Tem</b>
	<b>Howard Wade</b>	<b>Commissioner</b>

**Staff:** Nereida Perez, Marisol Vidales, Richard Morin, Saul Rodriguez, Martin Johnson 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.**

Three members of the Commission were present which constituted a quorum. Mayor Pro-Tem Guajardo and Commissioner Wade were absent from this meeting.

**3.) INVOCATION.**

Interim City Manager Sergio Zavala said the invocation.

**4.) PLEDGE OF ALLEGIANCE.**

Commissioner Villarreal led in the Pledge of Allegiance.

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

**C.) APPROVAL OF MINUTES FOR CITY COMMISSION MEETING (S) HELD JULY 17, 2018. B.) SECOND AND FINAL READING OF ORDINANCE NO. 2018-27 OF A BUDGET AMENDMENT FOR ELECTRICAL SERVICES REQUIRED TO ACTIVATE THE GRINDER PUMP FOR MARYLAND SANITARY SEWER PROJECT. C.) SECOND AND FINAL READING OF ORDINANCE NO. 2018-28 OF AN ORDINANCE TO NOT MANDATE BUILDING PERMITS ON REMODELING WORK ON NON-LOAD BEARING WALLS IN SINGLE FAMILY RESIDENTIAL SETTINGS.**

Commissioner Villarreal made a motion to approve all items under consent agenda. Commissioner Hernandez seconded the motion which passed unanimously.

**6.) PRESENTATION ON REC CENTER'S STATUS OF REPAIRS.**

Richard Morin and Martin Johnson addressed the Commission on the status of repairs done to the Recreation Center. Mr. Morin stated the process they underwent, in order to get the pool up and running. He acknowledged the help he received from the Public works department for pumping out the water and the part time employees that helped clean the pool. Mr. Morin explained they replaced one motors and lifted the rest to avoid any future damage. All the chemicals and electrical were inspected prior to reopening by JC Electric and SwimClean. Tom Thibault, Project Manager for SynergyNDS, addressed the Commission that TML engaged their company to repair the recreation center for the extensive damage to the building. Mr. Thibault stated there was mold and mildew, they began the mitigation process and they made reports for the items that were damaged to send to TML. They have 3<sup>rd</sup> party hygienist to test the material in order to do the repairs to a clean building. Mr. Thibault stated they are about 40 percent done with the project. They are currently in the bidding process to restore the building and they are trying to get as many local bidders as possible. Mr. Thibault said there are no local companies that can repair the basketball gym floor but will be getting bids from the region. They have awarded one contract for repairs to 3- 5 ton AC units inside the Recreation Center that were covered by the City's insurance.

**7.) DISCUSSION AND ACTION TO 'ACCEPT' ANNUAL CITY AUDIT FOR FY 2016-2017 PREPARED BY CPA LUIS C. OROZCO.**

Mr. Luis C. Orozco presented to the Commission new changes from the previous report. Mr. Orozco stated the DCM audit is included in the audit presented and the DCM have cleared and accepted the Audit. Mr. Orozco also said the DCM audit has no effect on the City's finance statements audit. Commissioner Hernandez asked if there were any deficiencies found at which Mr. Orozco stated he provided the Management Report to the Commission and corrective action that has been taken by management. Commissioner Villarreal made a motion to accept the annual City Audit for FY 2016-2017. Mayor Hinojosa seconded the motion which passed unanimously.

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

Mayor Hinojosa tabled the presentation of water rate study by Dr. Andrew Ernest, UTRGV due to Mr. Ernest not being present.

**9.) DISCUSSION AND ACTION OF FINAL PLAT APPROVAL OF PROPOSED CROWN HAVEN SUBDIVISION, 5.544 ACRES OF BLOCK 144, MERCEDES ORIGINAL TOWNSITE, ENGINEER: CRUZ-HOGAN; DEVELOPER: AFFORDABLE HOMES.**

Mr. Zavala addressed the Commission regarding the proposed Crown Haven Subdivision. Mr. Zavala stated there are 26

proposed lots with sidewalks being replaced in its entirety. The Planning and Zoning board approved the plat at their meeting. Mr. Zavala informed the Commission that a 20 ft. alley was discovered in front of the proposed lots 1-13 but will be abandoned with the recording of this plat. The developer will lay new 8 inch water lines and 3 fire hydrants will be placed. The drainage reflects detention of 710 cubic feet on each lot which is acceptable to the City and the County's drainage district. Staff recommends approval providing water rights to the City and installing and upgrading streetlights. Commissioner Villarreal made a motion to approve the final plat of proposed Crown Haven Subdivision. Commissioner Hernandez seconded the motion which passed unanimously.

**10.)DISCUSSION AND ACTION TO AWARD BID FOR THE NORTH VERMONT DRAINAGE PROJECT.**

Mr. Zavala addressed the Commission saying that the City received 8 bids for the North Vermont Drainage Project which are as follows: RDH Site and Concrete at \$35,388, Five Star Galaxy Construction at \$35,680, Pederson Construction at \$40,332, GO Underground at \$43,790.68, 2GS dba Earthworks at \$51,480, Villarreal Construction at \$52,250, The 5125 Company at \$55,555, and C & A Builders at \$71,268. At a question, Mr. Richard LeFevre stated RDH is quick to respond, the surety bond is valid, and have had no issues going with the lowest bid. Commissioner Hernandez made a motion to award the contract to RDH Site and Concrete's for the North Vermont drainage project. Mayor Hinojosa seconded the motion which passed unanimously.

**11.)DISCUSSION AND ACTION TO AUTHORIZE INT. CITY MANAGER TO WAIVE BUILDING PERMIT FEES FOR CONFIRMED FLOOD-DAMAGED REPARATIONS.**

Mr. Zavala addressed the Commission about waiving building permit fees for any and all repairs that have been confirmed to be flood-damage related. Mayor Hinojosa made a motion to approve waving building permit fees for confirmed flood damage reparations. At a question, Mr. Zavala stated that residents will still need to obtain a permit but the fees will be waived once confirmed they damages are flood related. Commissioner Villarreal seconded the motion which passed unanimously.

**12.)PRESENTATION BY ECOLECTRICS TO HAVE THE CITY COMMISSION CONSIDER ENERGY SAVING MEASURES (SOLAR PANELS), AND ENGAGING ECOLECTRICS TO DO SAME AT ZERO-COST TO CITY OF MERCEDES.**

Mr. Zavala addressed the Commission about considering energy saving measures by using solar panels. The City currently pays \$147,842 per year in electricity and may be able to decrease to \$111,152 with solar panels by Ecolectrics which is a possible savings of \$36,690 in one year. Installation, cabling and labor will be incurred 100 percent by Ecolectrics, with the City not incurring any costs. Mr. Zavala stated that since this is an energy saving measure there is no conflict with the City's current electrical provider. Mr. Patel from Ecolectrics presented the comparison of the current utility rate to the solar rate, the benefits of having solar energy, the number of homes they have installed solar panels in Texas, Louisiana, and California. Mr. Patel stated the company has installed panels for large commercial and government entities and they are utility qualified and registered, certified solar installers. At a question, Mr. Patel stated they are currently working with the City of Elsa, Edcouch, San Antonio, and Austin. Mr. Patel informed the Commission that although it's at no cost to the City, they benefit from tax incentives as part of investing and the City's pays the company a lower electricity rate. Commissioner Villarreal made a motion to approve energy saving measures and engage Ecolectrics. Mayor Hinojosa seconded the motion which passed with Commissioner Hernandez voting nay.

**13.)DISCUSSION AND ACTION TO PROVIDE A NOMINATION FOR REGION 12 OF TML'S MULTISTATE INTERGOVERNMENTAL EMPLOYEE BENEFITS POOL.**

Mr. Zavala addressed the Commission about nominating someone to serve on the TMLIEBP board in the office of Trustee for a 3 year term. Mr. Zavala stated the current Region 12 trustee is Jorge Arcaute, City Manager of City of Alton. Commissioner Villarreal made a motion to re-nominate Jorge Arcaute for Region 12 of TML IEBP. Commissioner Hernandez seconded the motion which passed unanimously.

**14.)DISCUSSION AND ACTION TO AUTHORIZE STAFF TO SOLICIT REQUEST FOR PROPOSALS FOR SALES TAX AUDITING SERVICES.**

Mr. Zavala addressed the Commission about authorizing staff to solicit request for proposal for sales tax auditing services to assure the City is receiving its proper share of sales tax. Mr. Zavala stated the Auditor will be compensated by a percentage of sales monies re-captured and the sales tax assessment should be undertaken about every 5 years. Mayor Hinojosa made a motion to authorize staff to solicit request for proposals for sales tax auditing services. Commissioner Villarreal seconded the motion which passed unanimously.

**15.)DISCUSSION AND ACTION ON INTER-LOCAL AGREEMENT WITH THE COUNTY OF HIDALGO TO HAVE THE VETERAN'S SERVICE OFFICE HOUSED AT MERCEDES CITY HALL. #2018/08/07A**

Mr. Zavala addressed the Commission about an inter-local agreement with the County of Hidalgo to have the Veteran's Service Office housed at Mercedes City Hall. Mr. Zavala stated that a few months ago the Mercedes Municipal Court office was relocated to the Mercedes Police Department leaving their previous office vacant. He said that the Veteran's service office move from Weslaco to North McAllen was inconvenient to some veterans in the Mid-Valley who have no mean of getting there. In speaking with Pct. 1 County Commissioner David Fuentes, a MOU was drafted and sent to the County Attorney's Office which was returned as an Interlocal Agreement. The Veterans' service agent will meet with service vets twice a week, will follow City of Mercedes general office hours, and the Veterans Service Office will be responsible for their office supply costs. Felix Rodriguez, Veterans Service officer, was present to address the Commission for any questions. Mr. Rodriguez thanked the Commission for allowing this service and for the help they will be able to provide to our Veterans. Commissioner Villarreal made a motion to approve the Inter-Local Agreement with the County of Hidalgo for Veteran's Service Office to be housed at Mercedes City Hall. Mayor Hinojosa seconded the motion which passed unanimously.

**16.) DISCUSSION AND ACTION TO RATIFY THE INT. CITY MANAGER'S ACTION TO APPROVE BUDGET AMENDMENT TO REPLACE ROTOR'S GEAR BOX FOR THE WASTE WATER TREATMENT PLANT. FIRST READING OF AN ORDINANCE.**

Mr. Zavala addressed the Commission about a budget amendment to replace rotor's gear box for the Waste Water Treatment Plant. Mr. Zavala stated that in Mid-July he was informed by Joe Ramos that another rotor was down which meant the Treatment plant was down to 2 of 6 rotors. In order to be in compliance, the plant needs at least 3 functional rotors. The City received 3 bids from Lakeside Equipment for \$12,429, Motion Industries for \$12,640.79 and Walker Industrial for \$12,856.47. Due to the urgent situation of being in compliance Mr. Zavala approved the lowest bidder, which is Lakeside Equipment. Mayor Hinojosa made a motion to approve ratifying the action of the Interim City Manager to approve replacing rotor gear box for the Waste Water Treatment Plant. Commissioner Villarreal seconded the motion which passed unanimously.

**17.)DISCUSSION AND POSSIBLE ACTION ON APPOINTMENT/REAPPOINTMENTOF MEMBERS TO THE HISTORIC PRESERVATION COMMITTEE.**

Marisol Vidales addressed the Commission about appointing someone to the vacant position on the Historical Preservation Committee and appointing two alternates to the seats approved by Commission in June 2018. Ms. Vidales received the following 4 applications: Ms. Eileen Mattei, Mr. Deval "Pino" Shah, Mrs. Sylvia Carlin, and Mr. Ramon Mejia. The terms will end October 4, 2019. Commissioner Villarreal made a motion to appoint Ms. Eileen Mattei to the vacant position and to appoint Mr. Deval Shah and Sylvia Carlin to the 2 alternate seats to the Historic Preservation Committee. Mayor Hinojosa seconded the motion which passed unanimously.

**18.)DISCUSSION AND POSSIBLE ACTION TO AUTHORIZE STAFF TO SOLICIT FOR BIDS REGARDING PD BUILDING SECURITY CAMERAS AND ACCESS CONTROL MEASURES.**

Mr. Saul Rodriguez addressed the Commission regarding the security cameras in the Police Department in order to be in compliance with CJIS. Mr. Rodriguez stated they will be replacing and upgrading 30 cameras and 15 access controls for the doors to enter into the Police Department. Commissioner Villarreal suggested adding for all city buildings. City Attorney Mr. Molina stated the action is for the Police Department only but Commissioner Villarreal's suggestion could be discussed at a later meeting. Commissioner Villarreal made a motion to authorize staff to solicit for bids regarding PD Building security cameras and access control measures. Mayor Hinojosa seconded the motion which passed unanimously.

**19.)DISCUSSION AND POSSIBLE ACTION TO APPROVE THE PLAN TO IMPROVE THE HEB PARK'S CIVIC CENTER AND RELATED AMENITIES WITH HOTEL MOTEL FUNDS.**

Mr. Zavala addressed the Commission regarding the plan to improve the HEB Parks Civic Center and related amenities with hotel motel funds. Mr. Zavala stated the improvements are intended to attract performing acts to a wider audience and in speaking with legal, Mr. Zavala presented a 4-step improvement plan to maximize the park's use. The improvement plan will be shared with the City's motels and hotels by attracting out of town citizens to utilize their hotels in order to attend events held at the Civic Center. Little Nashville will be relocated to the HEB Park due to a greater amount of space. Beautifying the Amphitheater will induce tourism and promote the City and the Improvement plan will be posted on the City's website. Commissioner Villarreal made a motion to approve the plan to improve the HEB Parks Civic Center and related amenities with hotel motel funds. Mayor Hinojosa seconded the motion which passed unanimously.

**20.)DISCUSSION AND POSSIBLE ACTION TO APPROVE INTERLOCAL COOPERATION AGREEMENT WITH UTRGV FOR GREEN INFRASTRUCTURE (GI) MASTER PLAN. (#2018/08/07B)**

Mr. Zavala addressed the Commission that the City of Mercedes was awarded by EPA and UTRGV a \$30,000 grant to develop a master plan for green infrastructure. The plan consists of a planning stage, design stage, and mandatory outreach and education stage which is a total of \$26,999.76. The plan is to mitigate or minimize localized flooding and is needed to keep in compliance with the State. Commissioner Villarreal made a motion to approve the Inter-Local Agreement with UTRGV for Green Infrastructure Master Plan. Commissioner Hernandez seconded the motion which passed unanimously.

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

- (1.) JUAN R. ALVAREZ (MUNICIPAL COURT JUDGE)
- (2.) BETTS OIL & BUTANE, INC. (FUEL PURCHASE SUPPLIER)
- (3.) FULBRIGHT & JAWORSKI, LLP (BOND COUNSEL)
- (4.) SAMUEL GARCIA (ARCHITECT)
- (5.) GUTIERREZ ENGINEERING (ENGINEERING SERVICES)
- (6.) LEFEVRE ENGINEERING (ENGINEERING SERVICES)
- (7.) SIGLER, WINSTON, & GREENWOOD ENGINEERING (ENGINEERING SERVICES)
- (8.) MED - CARE EMS (AMBULANCE)
- (9.) JUAN R. MOLINA (CITY ATTORNEY)
- (10.) PALM VALLEY ANIMAL SHELTER (ANIMAL SHELTER)
- (11.) WESLACO, CITY OF (ANIMAL IMPOUNDMENT FEE)
- (12.) PERDUE, BRANDON, FIELDER, COLLINS & MOTT, LLP (DLQT. TAX/OTHER FEES ATTORNEY)
- (13.) TML-IRP - (LIABILITY/E&O/PHYSICAL, PROPERTY/ MOBILE/FLOOD)
- (14.) TEXAS NATIONAL BANK (DEPOSITORY BANK SERVICES)
- (15.) UNIFIRST - (UNIFORMS/SUPPLIES)

**(EXPIRES 11/2018)**

- (16.) MONTALVO INSURANCE - TEXAS MUTUAL WORKER'S COMP
- (17.) TML MULTISTATE IEBP (EMPLOYEE HEALTH INSURANCE)

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

(EXPIRES 2020)

(19.) MCAFEE INSURANCE (GOVERNMENT CRIME INSURANCE)

(20.) CH2MHILL (OMI, INC.)(WATER/WASTEWATER PLANTS)

(EXPIRES 2022)

(21.) RBC CAPITAL MARKETS (FINANCIAL ADVISORS)

**CONSULTANTS:**

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

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

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

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

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

Mayor Hinojosa made a motion to table the review of the contracts for the next meeting so Commissioner Wade and Mayor Pro-Tem Guajardo can be present. Commissioner Villarreal seconded the motion which passed unanimously.

Mayor Hinojosa called the meeting into executive session at 6:58 PM. No action will be taken during this time.

**22.) EXECUTIVE SESSION:**

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

-DISCUSSION REGARDING POTENTIAL USE OF HOTEL/MOTEL FUNDS FOR COLLIER PARK AS REGIONAL/STATE TOURNAMENT HUB. ECONOMIC DEVELOPMENT. – SECTION 551.087, TEXAS GOVERNMENT CODES ANNOTATED – ECONOMIC DEVELOPMENT.

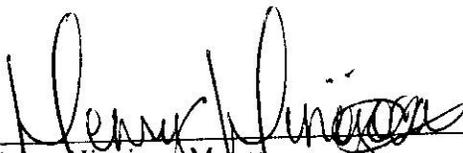
Mayor Hinojosa called the meeting back to order at 8:11 P.M.

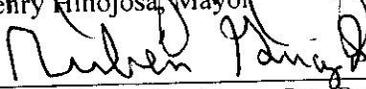
**23.) DISCUSSION AND POSSIBLE ACTION REGARDING ITEM(S) DISCUSSION IN EXECUTIVE SESSION.**

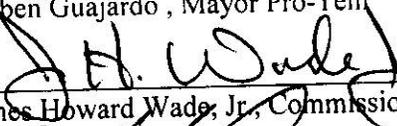
There was no action taken on this item.

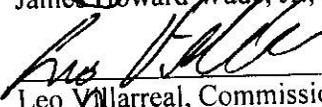
**24.) ADJOURN.**

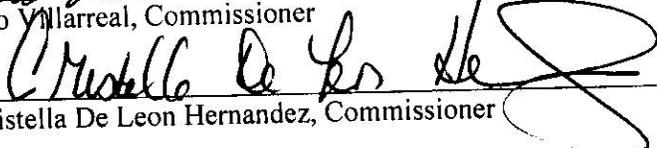
Mayor Hinojosa made a motion to adjourn the meeting. Commissioner Villarreal seconded the motion which passed unanimously.

  
Henry Hinojosa, Mayor

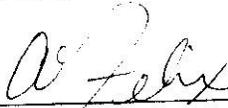
  
Ruben Guajardo, Mayor Pro-Tem

  
James Howard Wade, Jr., Commissioner

  
Leo Villarreal, Commissioner

  
Cristella De Leon Hernandez, Commissioner

ATTEST:

  
Arcelia L. Felix, City Secretary