A REGULAR MEETING

OF THE WESLACO CITY COMMISSION

TUESDAY, NOVEMBER 15, 2016

On Tuesday, November 15, 2016, at 5:35 PM the City Commission of the City of Weslaco, Texas convened in a Regular Meeting at City Hall in the Legislative Chamber, located at 255 South Kansas Avenue with the following members present:

Mayor	David Suarez
Commissioner	Gregg Kerr
Commissioner	Leo Muñoz
Commissioner	Gerardo "Jerry" Tafolla
Commissioner	Letty Lopez
Commissioner	Fidel Peña
City Manager	Mike Perez
City Secretary	Elizabeth Walker
City Attorney	Juan E. Gonzalez

Also present: Mary Barrera, Finance Director; Veronica Ramirez, Human Resources Director; Jose Pena, IT Director; Olga Garza, Public Works Assistant Director; Tony Lopez, Fire Chief; Stephen Mayer, Police Chief; Mardoqueo Hinojosa, Planning and Code Enforcement Director and City Engineer; David Arce, Parks and Recreation Director; Arnold Becho, Library Director; and other staff members and citizens.

I. CALL TO ORDER

A. Certification of Public Notice.

Mayor David Suarez called the meeting to order and certified the public notice of the meeting as properly posted Friday, November 11, 2016.

B. Invocation.

Dr. Stephen Parker, First Baptist Church, led the invocation.

C. Pledge of Allegiance.

Mayor Suarez led the Pledge of Allegiance and Texas Flag.

D. Mayoral recognition.

Mayor Suarez recognized National Smoke Out Day on November 17 as well as the Villanueva Family for their dedication to the community as library stewards. Also the City of Weslaco was recognized the Business of the Year 2016 from Texas Workforce Solutions.

Mayor Suarez recessed the meeting at 5:55 p.m. for refreshments. Mayor Suarez reconvened the meeting at 6:00 p.m.

F. Roll Call.

Elizabeth Walker, City Secretary, called the roll, noting the absence of Mayor Pro-Tem Noriega.

II. PUBLIC COMMENTS

There were no public comments.

III. PUBLIC HEARING

A. To solicit input on behalf of a Weslaco Restaurant, LLC dba El Ahuehuete Tequila & Grill is requesting a Conditional Use Permit to obtain a Mixed Beverage Late Hours Permit at 2708 N. Texas Blvd., also being 0.76 acres S150'-N711'-E220'-W250 out of Farm Tract 107, West Tract Subdivision, Weslaco, Hidalgo County, Texas. (Staffed by Planning and Code Enforcement Department.)

Commissioner Tafolla, seconded by Commissioner Kerr, moved to open the public hearing as presented. The motion carried unanimously; Mayor Suarez was present and voting.

There were no comments received.

Commissioner Tafolla, seconded by Commissioner Muñoz, moved to close the public hearing. The motion carried unanimously; Mayor Suarez was present and voting.

IV. CONSENT AGENDA

The following items are of a routine or administrative nature. The City Commission has been furnished with background and support material on each item, and/or it had been discussed at a previous meeting. All items will be acted upon by one vote without being discussed separately unless requested by one commission member, in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon. The remaining items will be adopted by one vote. Possible action.

A. Approval of the Minutes of the Regular Meeting on November 1, 2016 (Staffed by City Secretary's Office.)

B. Approval on second and final reading of Ordinance 2016-42 authorizing and allowing, under the act governing the Texas Municipal Retirement System, "Update Service Credits" in said system on an annual basis for service performed by qualifying members of such system who at the effective date of the allowance are members of the City of Weslaco; providing for increased prior and current service annuities for retirees and beneficiaries of deceased retirees of the City; and establishing an effective date of January 1, 2017 for such actions. (First Reading held November 1, 2016; Staffed by Finance Department.)

C. Approval of an agreement with South Texas College allowing Work Study employment at the Mayor Sanchez Public Library and authorize the Mayor to execute any related documents. (Staffed by the Library Department.)

D. Authorization to solicit sealed bids for Street Materials (Hot Mix, Flex Base, Cold Mix, and MC30 Oil) to be utilized in city street improvements and construction. (Staffed by Public Works.)

E. Authorization to use funds from the Court Technology Fund to pay the annual fees for Incode Services, which includes the Court Case Management, Police (Non-Incode Interface to Court), and AcuCorp Run Time software programs, in the amount not to exceed $9,654.08. (Staffed by Municipal Court.)

F. Acceptance of the Hidalgo-2015 OPSG grant, Number 3173401 (Stone Garden), awarded in the amount of $100,000.00 to the Police Department with no local match required and authorize the Mayor to execute any related documents. (Staffed by Police Department.)

G. Approval of the annual request by the Weslaco Chamber of Commerce to host the 2016 Mid-Valley Christmas Lighted Parade on Saturday, December 10, 2016 from 4:00 p.m. to 6:00 p.m. on Texas Boulevard from Pike Boulevard to Sixth Street and authorize the Mayor to execute any related documents as may be required by the Texas Department of Transportation for proposed street closure affecting state right-of-way. (Staffed by Police Department.) Attachment.

Commissioner Kerr, second by Commissioner Tafolla, moved to approve consent agenda items A through G as presented. The motion carried unanimously; Mayor Suarez was present and voting.

For the record, the ordinance is as follows:

ORDINANCE 2016-42

TEXAS MUNICIPAL RETIREMENT SYSTEM

AN ORDINANCE AUTHORIZING AND ALLOWING, UNDER THE ACT GOVERNING THE TEXAS MUNICIPAL RETIREMENT SYSTEM, "UPDATED SERVICE CREDITS" IN SAID SYSTEM FOR SERVICE PERFORMED BY QUALIFYING MEMBERS OF SUCH SYSTEM WHO PRESENTLY ARE MEMBERS OF THE CITY OF WESLACO; PROVIDING FOR INCREASED PRIOR AND CURRENT SERVICE ANNUITIES FOR RETIREES AND BENEFICIARIES OF DECEASED RETIREES OF THE CITY; AND ESTABLISHING AN EFFECTIVE DATE FOR SUCH ACTIONS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WESLACO, TEXAS:

Section 1. Authorization of Updated Service Credits.

(a) On the terms and conditions set out in Sections 853.401 through 853.403 of Subtitle G of Title 8, Government Code, as amended (hereinafter referred to as the "TMRS ACT"), each member of the Texas Municipal Retirement System (hereinafter referred to as the "System") who has current service credit or prior service credit in the System in force and effect on the 1st day of January of the calendar year preceding such allowance, by reason of service in the employment of the City, and on such date has at least 36 months of credited service with the System, shall be and is hereby allowed "Updated Service Credit" (as that term is defined in subsection (d) of Section 853.402 of said title) in an amount that is **50%** of the "base Updated Service Credit" of the member (calculated as provided in subsection (c) of Section 853.402 of said title). The Updated Service Credit hereby allowed shall replace any Updated

Service Credit, prior service credit, special prior service credit, or antecedent service credit previously authorized for part of the same service.

(b) On the terms and conditions set out in Section 853.601 of said title, any member of the System who is eligible for Updated Service Credits on the basis of service with this City, and who has unforfeited credit for prior service and/or current service with another participating municipality or municipalities by reason of previous service, and was a contributing member on 1st day of January of the calendar year preceding such allowance, shall be credited with Updated Service Credits pursuant to, calculated in accordance with, and subject to adjustment as set forth in said 853.601.

(c) In accordance with the provisions of subsection (d) of Section 853.401 of said title, the deposits required to be made to the System by employees of the several participating departments on account of current service shall be calculated from and after the date aforesaid on the full amount of such person's earnings as an employee of the City.

Section 2. Increase in Retirement Annuities.

(a) On terms and conditions set out in Section 854.203 of Subtitle G of Title 8, Government Code, as amended, the City hereby elects to allow and to provide for payment of the increases below stated in monthly benefits payable by the System to retired employees and to beneficiaries of deceased employees of this City under current service annuities and prior service annuities arising from service by such employees to this City. An annuity increased under this Section replaces any annuity or increased annuity previously granted to the same person.

(b) The amount of annuity increase under this Section is computed as the sum of the prior and current service annuities on the effective date of retirement of the person on whose service the annuities are based, multiplied by **30%** of the percentage change in Consumer Price Index for All Urban Consumers, from December of the year immediately preceding the effective date of the person's retirement to the December that is 13 months before the effective date of this ordinance.

(c) An increase in an annuity that was reduced because of an option selection is reducible in the same proportion and in the same manner that the original annuity was reduced.

(d) If a computation hereunder does not result in an increase in the amount of an annuity, the amount of the annuity will not be changed hereby.

(e) The amount by which an increase under this Section exceeds all previously granted increases to an annuitant is an obligation of this City and of its account in the Benefit Accumulation Fund of the System.

Effective Date Subject to approval by the Board of Trustees of Texas Municipal Retirement System, the updated service credits and increases in retirement annuities granted hereby shall be and become effective on the **1st day of January, 2017.**

Passed and approved on First Reading this the 1st day of November, 2016.

Passed and approved on second Reading this the 15th day of November, 2016.

CITY OF WESLACO
/s/David Suarez, MAYOR

ATTEST:
/s/Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:
/s/Juan E. Gonzalez, CITY ATTORNEY

V. NEW BUSINESS

A. Discussion and consideration after public hearing on behalf of Weslaco Restaurant, LLC dba El Ahuehuete Tequila & Grill to approve a Conditional Use Permit to obtain a Mixed Beverage Late Hours Permit at 2708 N. Texas Blvd., also being 0.76 acres S150'-N711'-E220'-W250 out of Farm Tract 107, West Tract Subdivision, Weslaco, Hidalgo County, Texas. Possible action. (Staffed by Planning and Code Enforcement Department.)

Mardoqueo Hinojosa stated previous action had approved a mixed beverage permit and applicant now requests to add late hours. Planning and Zoning Commission and staff recommend approval.

Commissioner Tafolla, seconded by Commissioner Kerr, moved to approve a Conditional Use Permit to obtain a Mixed Beverage Late Hours Permit at 2708 N. Texas Blvd. The motion carried unanimously; Mayor Suarez was present and voting

B. Discussion and consideration to approve Final Plat for Silverado Subdivision being 2.99 acres tract of land of all of Lot 2, Estate One Subdivision, Weslaco, Hidalgo County, Texas located on the Northeast corner of Mile 6 ½ West and of Mile 11 North. Possible action. (Staffed by Planning and Code Enforcement Department.)

Mardoqueo Hinojosa stated the subdivision was originally proposed with two lots, three (3) more lots have been added; the subdivision is located in the City of Weslaco Extra Territorial Jurisdiction. The developer is requesting a variance from sanitary sewer lines and a variance for an encroachment on lot three (3). Planning and Zoning Commission and staff recommend final plat approval, approval of variance request for sanitary sewer but denial of encroachment variance.

Commissioner Kerr, seconded by Commissioner Tafolla, moved to approve Final Plat for Silverado Subdivision, with the variance to the sanitary sewer lines and without the request for the encroachment variance as presented. The motion carried unanimously; Mayor Suarez was present and voting.

C. Discussion and consideration to approve Final Plat of Extreme Nutrition Subdivision being a 0.564-acre tract of land being all of Reserve Tract B of 400 West Expressway 83 Subdivision, Weslaco, Hidalgo County, Texas. Possible action. (Staffed by Planning and Code Enforcement Department.)

Mardoqueo Hinojosa stated the property was subdivided ten years ago and is serviced through an 8" waterline and a 12" sanitary sewer line. The developer is requesting a variance to reduce the rear setbacks from 25 feet to 10 feet in order to satisfy parking requirements; there is an easement on the north side of the property so the setback works well. The Planning and Zoning Commission and staff recommend approval of the final plat for Silverado with approval of the variance request.

Commissioner Tafolla, seconded by Commissioner Kerr, moved to approve Final Plat of Extreme Nutrition Subdivision and approve the variance to reduce the rear setbacks from 25 feet to 10 feet as presented. The motion carried unanimously; Mayor Suarez was present and voting.

D. Discussion and consideration to approve Ordinance 2016-43 amending Ordinance 69-9 "An Ordinance Establishing a First Zone and a Second Fire Zone, and Fixing the Boundaries of Each Such Zone," excluding certain zones from First and Second Fire Zones and authorize the Mayor to execute any related documents. First Reading of Ordinance 2016-43. Possible action. (Staffed by Planning and Code Enforcement Department.)

Mardoqueo Hinojosa stated Whataburger is demolishing and rebuilding the site located on Business Highway 83. The established fire zone for the area was intended for warehouses made of wood or industrial types of activity and the owner is requesting to be removed from the designated fire zone district as the area has changed. Staff recommends approval as the owner will comply with any fire prevention requirements, such as sprinkler and setbacks, and provide a fire hydrant that will serve the whole area.

Commissioner Kerr, seconded by Commissioner Tafolla, moved to approve Ordinance 2016-43 amending Ordinance 69-9 as presented. The motion carried unanimously; Mayor Suarez was present and voting.

E. Discussion and consideration to award Request for Proposals No. 2016-17-03 to the most advantageous bidder, Mid-Valley Equipment, for the trade-in value of the Caterpillar CS54B Paving & Compaction Pad-foot Shell Kit for a 2001 Caterpillar 924G Loader and a 2007 Case 580N SMII Backhoe, at no cost to the City. Possible action. (Staffed by Public Works Department.)

Pete Garcia, Public Works Director, stated previous commission action authorized to trade city owned equipment by sealed bid procurement for a used backhoe and front loader, equipment that would better meet the needs of the department. Two bids were received and staff recommends awarding Mid-Valley Equipment as the best value for the City.

The trade in value of the city owned equipment was $93,000 and the total cost for the loader and backhoe was $93,000. There would be no additional cost to the city. The bid received from H & V Equipment Services would cost the city an additional $35,000 after trade in. In response to Commissioner Lopez, there is a 30-day warranty but Pete Garcia noted the City has been renting that same piece of equipment and it works reliably.

Commissioner Tafolla, seconded by Commissioner Peña, moved to award Mid-Valley Equipment as the most advantageous bidder in response to Request for Proposals No. 2016-17-03 for the trade-in value of the Caterpillar CS54B Paving & Compaction Pad-foot Shell Kit for a 2001 Caterpillar 924G Loader and a 2007 Case 580N SMII Backhoe, at no cost to the City. The motion carried unanimously; Mayor Suarez was present and voting.

F. Discussion and consideration to approve the purchase of eight (8) new city units in an amount not to exceed $220,000.00 from the Capital Outlay funds Fiscal Year 2016-2017 and authorize the Mayor to execute any related documents. Possible action. (Staffed by Parks and Recreation Department.)

David Arce, Parks Director, stated an inventory of vehicles from the departments was compiled and sealed bids were solicited. The recommendation is to award to the lowest bid as outlined in the tabulation. All vehicles meet the specifications and needs of the department.

Commissioner Kerr, seconded by Commissioner Lopez, moved to approve the purchase of eight (8) new city units in an amount not to exceed $220,000.00 from the Capital Outlay funds Fiscal Year 2016-2017 as presented. The motion carried unanimously; Mayor Suarez was present and voting.

G. Discussion and consideration to approve a Mutual Lease Agreement with the Lower Rio Grande Valley Nature Center for the Environmental Education Center at the Valley Nature Center and authorize the Mayor to execute any related documents. Possible action. (Staffed by Parks and Recreation Department.)

The City Manager recommended approval as the terms and conditions were the same as the Boys and Girls Club lease. The Valley Nature Center Board approved the lease agreement which includes language about liability insurance coverage.

Commissioner Kerr, seconded by Commissioner Lopez, moved to approve a Mutual Lease Agreement with the Lower Rio Grande Valley Nature Center for the Environmental Education Center at the Valley Nature Center as presented. The motion carried unanimously; Mayor Suarez was present and voting.

H. Discussion and consideration to authorize Mayor and City Manager to lock in electricity rates based on lowest cost to City. Possible action. (Staffed by Finance.)

Commissioner Peña, seconded by Commissioner Lopez, moved to authorize Mayor and City Manager to lock in electricity rates based on lowest cost to City.

Mary Barrera, Finance Director, stated previous commission action authorized the solicitation of proposals. The current contract expires in November 2017 but market prices for fuel are currently at their lowest. Staff requested an executable price to remain good until 3:00 p.m. Friday, November 18th. Staff recommends authorization for the Mayor and City Manager to review the proposals and execute documents based solely on the best and most advantageous rate per kilowatt hour.

In response to Commissioner Peña, the current rate is 7.65 cents/KWH; the new rate would be locked in for 5 years. Staff stated the executable price would be brought back to the Commission for ratification. In response to Commissioner Muñoz, and if rates could be lowered by the energy consultants the difference likely may be made up in their fees.

The motion carried; Mayor Suarez was present and voting.

Commissioner Tafolla, seconded by Commissioner Kerr, moved to authorize the City Manager to make contact with all four respondents as energy savings companies to find out if there is any additional savings on the electricity rate. The motion carried; Commissioner Peña abstained; Mayor Suarez was present and voting.

I. Discussion and consideration to approve an Interlocal Cooperative Agreement for the Weslaco Housing Authority for the management and operation of the proposed 1015 Apartment Complex multifamily project and authorize the Mayor to execute any related documents. Possible action. (Staffed by the City Manager's Office.)

Commissioner Peña, seconded by Commissioner Tafolla, moved to approve.

The City Manager stated the interlocal was proposed by Hidalgo County Housing Authority and Weslaco Housing Authority to allow management of the proposed development in the City of Weslaco; he recommended approval contingent on the Weslaco Housing Authority board also approving.

Commissioner Peña withdrew his motion and abstained from voting, filing a conflict disclosure statement.

Commissioner Tafolla, seconded by Commissioner Muñoz, moved to approve the Interlocal Cooperative Agreement for the Weslaco Housing Authority contingent on it also approving. The motion carried; Commissioner Peña abstained; Mayor Suarez was present and voting.

VI. **REPORTS**

A. Quarterly Investment Report - Finance Department. Possible action to accept and file.

Mary Barrera, Finance Director, presented the Quarterly Investment Report, showing deposits totaled $21,582,648, with return on investment averaging 0.45%, which is ahead of the benchmark of the 3-month T-Bill rate. Interest earned for the quarter is $36,000.00. The report is in full compliance with the investment policy; she recommends approval to accept and file.

Commissioner Peña, seconded by Commissioner Tafolla, moved to accept and file the Quarterly Investment Report as presented. The motion carried unanimously; Mayor Suarez was present and voting.

B. Report by Weslaco Area Chamber of Commerce.

Martha Noell stated the Chamber is organizing the upcoming Christmas lighted parade, which will immediately follow the Santa Dash event this year; during the early voting period 5,469 visitors signed in at the Business Events Center.

C. Report by Economic Development Corporation of Weslaco.

Marie McDermott, EDC Director, stated the "Basics of Franchising" seminar was held; 6 digital billboard ads displayed and Alfresco event held Thursday.

D. Report by Severn Trent.

George Quilatan, Assistant Project Director, reviewed the TCEQ water inspection, reporting 1,500 cubic yards of sludge hauled and 4-5 20 yard containers of sludge will be hauled monthly. Mr. Trini Cantu noted it is not typical to have wastewater permit at water treatment plant.

A pilot study at water treatment plant to reduce hydrogen sulfide (odors) is underway and lead and copper testing will be done with public notifications to be sent out.

E. Report by Planning and Code Enforcement.

Mardoqueo Hinojosa reported for the next Planning and Zoning Commission meeting the first public hearing will be scheduled for the proposed smoking ordinance; staff is working on the easement along Pleasantview; 130 school groups participated in Clean Sweep and 49 tons of trash and 350 tires were collected.

F. Report by Public Works.

Olga Cuellar, Assistant Public Works Director, reviewed the Fiscal Year 2017 drainage ditch projects as completed and scheduled. Pete Garcia reported street paving for Opal and Pike are scheduled but waterlines need to be replaced before paving can begin.

G. Report by Parks and Recreation Department.

David Arce, Parks Director, reported the sign at Mayor Pablo G. Pena City Park is substantially completed, with lighting for those signs and work out stations being installed; LED lights are being added to soccer fields and playground areas; doors at City Hall for ADA compliance and holiday lights in the downtown area have begun.

H. Report by Fire Department.

Antonio Lopez, Fire Chief, reported a campaign to install 300 smoke detectors with 100 volunteers will begin November 19th; two certified fire members have been appointed to the State Youth Preparedness Council and continues to update annexes.

I. Report by Library.

Arnold Becho, Library Director, stated partnerships with the County and other public libraries are expanding an electronic library and the 3D printer is operational.

VII. EXECUTIVE SESSION

At 7:38 p.m. Mayor Suarez announced the regular meeting to convene in executive Session. At 8:29 p.m. Mayor Suarez announced the City Commission had completed its executive session and reconvened the regular meeting as open to the public.

VIII. POSSIBLE ACTION ON WHAT IS DISCUSSED IN EXECUTIVE SESSION

A. Personnel - Discussion regarding the goals, objectives, and evaluation of the City Manager for the City of Weslaco as authorized by §551.074 of the Texas Government Code.

There was no action on this item.

B. Economic Development – Consultation with City Attorney regarding Economic Development incentive programs related to Project PanAm as authorized by §551.087 of The Texas Government Code.

Commissioner Kerr abstained from discussion and vote.

Commissioner Tafolla, seconded by Commissioner Muñoz, moved to authorize the City Manager and Mayor to sign all agreements with the Weslaco Economic Development Corporation on project PanAm as discussed in Executive Session. The motion carried; Mayor Suarez was present and voting.

C. Pending Litigation - Consultation with City Attorney regarding City of Weslaco v. Briones Consulting and Engineering as authorized by §551.071 of the Texas Government Code.

There was no action on this item.

D. Real Property - Consultation with City Attorney on the sale, exchange, lease or value of real property located at 1411 W. 18th Street, Weslaco, Texas as authorized by §551.072 of the Texas Local Government Code.

Commissioner Tafolla, seconded by Commissioner Peña, moved to authorize the solicitation of bids for the sale of property at 1411 West 18th Street for an amount of $130,000.00 or best offer. The motion carried unanimously; Mayor Suarez was present and voting.

IX. ADJOURNMENT

Commissioner Lopez, seconded by Commissioner Peña, moved to adjourn at 8:31 p.m. The motion carried unanimously; Mayor Suarez was present and voting.

CITY OF WESLACO

_____
MAYOR, David Suarez

ATTEST:

_____
CITY SECRETARY, Elizabeth Walker

ABSENT
MAYOR PRO-TEM, Olga Noriega

_____
COMMISSIONER, Leo Muñoz

_____
COMMISSIONER, Greg Kerr

_____
COMMISSIONER, Gerardo “Jerry” Tafolla

COMMISSIONER, Letty Lopez

COMMISSIONER, Fidel L. Peña, III