

The Board of Commissioners for the City of Alamo, Texas met for the Second Regular Meeting on Tuesday, February 20, 2018 at 7:00 p.m, at the City of Alamo Municipal Building.

**COMMISSION PRESENT:**

Mayor Diana Martinez  
Pete Morales, Mayor Pro-tem  
Trino Medina, Commissioner  
Robert De La Garza, Commissioner

**COMMISSION ABSENT:**

Pilar Garza, Commissioner

**STAFF PRESENT:**

Luciano Ozuna, City Manager  
Rick Palacios, City Attorney  
Margot Salas, City Secretary  
Bobby Salinas, CPD Director  
Melissa Gonzalez, Grant  
Ronnie Cruz, City Engineer  
Julio Villarreal, Public Works Director  
Roy Contreras, Acting Fire Chief  
Alicia Cano, Human Resource

Yvette Mendoza, Finance Director  
Rafael Tapia, AEDC Director  
Baudelio Castillo, Police Chief  
Lorie Solis, Library Director  
Office Alaniz  
Melissa Rodriguez, Purchasing Agent  
Michael Torres, IT  
Arnold Robles, Parks & Recreation Director  
Judge Celia Garcia

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**I. CALL MEETING TO ORDER**

Mayor Diana Martinez called the second regular meeting held on Tuesday, February 20, 2018 to order at 7:00 p.m. at the City of Alamo Municipal Building. Mayor Diana Martinez led the Pledge of Allegiance and Father Rene Angel led the Invocation.

**C. Presentation and Announcements.**

Melissa Gonzalez announced that tomorrow they are going to have the free fitness at the Alamo Memorial High School at 6:30 p.m. Also on Friday morning at 9:30 a.m. is the groundbreaking ceremony for the new Murphy USA at Walmart.

Father Rene Angel announced the Texas Appreciation tomorrow which is sponsored by the Chamber of Commerce and the Fire Department at 5:00 p.m.

Mayor Pro-tem Pete Morales congratulated the PSJA Memorial Basketball Team, they made the playoff again this year.

**D. Presentation of Citizen of the Month for January 2018.**

Mr. Hoyt Heinmuller was presented with a plaque for Citizen of the Month for January 2018 by Commissioner Trino Medina. Pictures were taken with the Board of Commissioner of the City of Alamo.

**E. Presentation of Citizen of the Month for February 2018.**

Mrs. Celia Garcia was presented with a plaque for Citizen of the Month for February 2018 by the Citizen of the Month member. Pictures were taken with the Board of Commissioner of the City of Alamo.

Commissioner Trino Medina asked that if anyone had any recommendations for Citizen of Month to let him know or anyone Citizen of the Month member and they would be considered.

Mayor Pro-tem Pete Morales thanked the Citizen of the Month nominee for their services to the community.

**F. Consideration and action to approve the minutes for the regular meeting held on February 6, 2018.**

*Mayor Pro-tem Pete Morales motioned to approve the minutes for the regular meeting held on February 6, 2018. Commissioner Robert de la Garza seconded the motion. Motion carried.*

**G. Consideration and action on the profiling report by the Alamo Police Department.**

Sargent Lupita Valdez, Alamo Police Department, stated that the report was an annual report. As of 2002 they are required to bring before the City Commission once a year for the annual. She stated that this would be covering 2017. She stated that on page 27, itemizes the citations given out every year, it also includes the breakdown of arrest which resulted from those citations. Total citations issued out for 2017 was 1527. She stated that there was a breakdown classification for race or ethnicity. Since we live in the valley so the majority would be Hispanic. She stated that the next page, if there are any complaints filed against the city or the police department the racial profiling would be listed there. She stated that there has no been complaints since they began the racial profiling in 2002. She stated that the last required numbers would be on the last page. The police officers are required by law to attend training for racial profiling. That particular breakdown gives the date that each officers has completed that particular class, racial profiling training.

Commissioner Trino Medina asked whether they had to redo the class or was it a one time class.

Sargent Valdez stated that it was a one time class and the only time that they would have to redo it, from what she understands, is if anything under the racial profiling act changes in the future but up to now it has not changed. She stated that it's been working out for the State as well as for the City.

Commissioner Pete Morales stated that a couple of year back when Melissa got the body cameras for the police officers helped out as far as complaints. He stated that those are the type of equipment that the City Commission needs to help the police department. He thanked Melissa for getting that grant.

Mr. Luciano Ozuna, City Manager, stated that Sargent Alaniz was also instrumental in preparing the report together with Sargent Valdez. He introduced the Police Chief Baudilio Castillo.

Mayor Diana Martinez thanked Sargent Lupita Valdez and Office Alaniz for overseeing the police department.

*Mayor Diana Martinez motioned to approve the profiling report by the Alamo Police Department. Mayor Pro-tem Pete Morales seconded the motion. Motion carried.*

**H. Consideration and action to set salary for the position of the Police Chief.**

*Commissioner Robert de la Garza motioned to set the salary for the position of the Police Chief at \$66,000.00 annually. Commissioner Trino Medina seconded the motion. Motion carried.*

**I. Consideration and action to appoint an Emergency Management Coordinator.**

Mr. Ozuna stated that it's required that the City Commissioner to appoint an Emergency Management Coordinator. He stated that it should be acting at this point because the city still has the Fire Chief who is ill. He stated that right now the person handling the active Fire Chief duties is Chief Roy Contreras and who is also willing to act as Emergency Management Coordinator and the assistant would be Joseph Hernandez.

Mr. Rick Palacios asked whether the certification that was required by or that needed to be possessed by the individual who would be appointed as the Emergency Management Coordinator.

Acting Chief Roy Contreras stated that there is no certification needed.

Mr. Ozuna stated that it's just an appointment and then he has to go through the training.

*Mayor Pro-tem Pete Morales motioned to appoint Roy Contreras as the Emergency Management Coordinator and Joseph Hernandez as the assistant. Commissioner Trino*

*seconded the motion. Motion carried.*

**J. Consideration and action on a proposal by Texas Cordia Contractors (TXDOT Contractor) for adjustment of sewer manholes on North Alamo Road.**

Mr. Ozuna stated that he handed out a drawing which he was going to put up on the screen. He Minutes for February 20, 2018

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stated that the Texas Department of Transportation has already hired a contractor that is going to expand Alamo Road from the Expressway north all the way to Nolana Road. He stated that in order to do this there is a lot of other matters that they need to take up when it comes to utility relocation, election, gas, phone, power poles and water and sewer lines. He stated that what effects them right now is, TXDOT is requiring the city to relocate a sewer line that is on Alamo Road on the east side, because they say that line and manhole are going to be on the way of the path of the tires, when they expand on the east side. He stated that the City Engineer, Ronnie Cruz has been talking to TXDOT about leaving the lines there and adjusting the manholes and doing whatever needs to be done to the adjustments so they will not effect the travel. He stated that they have had countless of meetings, City Engineer, Bobby Salinas, Julio Villarreal and himself, to convince TXDOT to leave it there. At the last meeting that they had, TXDOT agreed, and by a letter that he sent to them and taken care all the due diligence that needs to be done in order for them to approve for the city to leave the line there and only adjust the manholes. He commented the City Engineer Ronnie Cruz because he saved the city about \$300,000.00 by leaving that line there. He stated that the adjustment of the manholes, they don't know at this point in time, they don't have the price but he figured that it would be below \$20,000.00. He stated that he would like for the City Commission to table the item until he gets the right price from Texas Cordia who is the contractor hired by TXDOT. He stated that he spoke with the City Attorney for him to look into it to make sure that they could do this, give the adjustments of those manholes to Texas Cordia without having to go through the procurement procedures. He stated that there is another part of the project, they have other manholes, other lines that they have to attend to, on the south side close to the expressway and also there are water lines that they are going to have to lower, about six to seven water lines crossings of those lines that they need to lower in order to be out of the way when they are doing the construction. He stated that it is still going to be a project of about half a million dollars on the south side. He stated that the most pressing at this time are those manholes. He stated that he would bring back at the next meeting the amount that Texas Cordia is going to quote them.

*Commissioner Robert de la Garza motioned to table the item. Mayor Pro-tem Pete Morales seconded the motion. Motion carried.*

**K. Consideration and action on the delivery of wastewater dry sludge to the City of Edinburg Landfill.**

Mr. Ozuna stated that the last time that he had this item on the agenda, he explained to them that the city was having to take that dry sludge out of the holding pond that they have at the wastewater treatment plant. That sludge that they took out of the lagoons that they dried up, they placed it temporary about 8 years, maybe a little be more, but now TCEQ, Texas Commission on Environmental Quality are requiring the city to move it out. He stated that they stared moving it out to the BFI landfill which is on Moorefield closed to McCook but it has proven to be very costly project, they have been taking it all the way over there by three trucks that they certified under TCEQ. He stated that he told the Commission at that time that he was going to look at a private company who would accept the city's sludge somewhere close to Alamo is TCEQ were to approve it. He stated that he contacted Denaly Waste Services but that proved to be very costly, it wasn't them receiving the sludge but it was mostly the requirement for them to haul it out and that's where they make their money on the haul. He stated that the city did not need the haul because the city has three trucks certified. He stated that through the process he learned that there could be a possibility that the City of Edinburg would take the sludge so he contacted their general manager for waste management services and asked what would be the possibility. He stated that the general manger for the waste management services stated that they could take the sludge but they had to go through a due diligence in terms of the analytical of the sludge itself to make sure that they are not receiving any else other than waste sludge and they have. He stated that they have gone through that in the last two weeks, they have worked very diligently to try to get this through because it would be at a lot less cost. He stated that they have a formula which they use so in receiving the 9,300 cubic yards of sludge

that they estimated, it will be at a cost of \$93,000.00. He stated that BFI, they way they are doing it right now, just on the tipping fee and not counting in the cost of manpower, gas, wear and tear of the trucks, it's going to cost about \$300,000.00 so he recommends to the City Commission that they go with the City of Edinburg and if things change for whatever reason he would bring it back. He stated that this would be the best chose for the city to go and transfer the sludge.

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Mayor Diana Martinez asked whether this would complete taking all the sludge.

Mr. Ozuna stated that he is hoping it is.

Mayor Pro-tem Pete Morales asked whether it was something that they needed as far as environmental.

Mr. Ozuna answered yes.

***Mayor Pro-tem Pete Morales motioned to approve the delivery of wastewater dry sludge to the City of Edinburg Landfield. Commissioner Robert de la Garza seconded the motion. Motion carried.***

**L. Consideration and action on a contract with Cruz-Hogan Consultants, Inc. for engineering services to design the relocation of utilities for the expansion of North Alamo Road.**

Mr. Ozuna stated that he explained to the Commission that Cruz-Hogan has been working on the relocation of those lines on Alamo Road and this contract not only calls for the design of those manholes that he talked to them about, but also the design of relocating sewer lines on the south side, mainly from Nebraska Road south of the Expressway and also the lowering of six crossings.

He stated that the contract calls for an 8% fee and it is based on the actual cost of what the construction is going to be. He stated that it is a very good fee so at this time he would like to recommend that they hire Cruz-Hogan for this project.

***Commissioner Robert de la Garza motioned to approve the contract with Cruz-Hogan Consultants, Inc. for engineering services to design the relocation of utilities for the expansion of North Alamo Road. Commissioner Trino Medina seconded the motion. Motion carried.***

**M. Presentation on the Alamo Economic Development Corporation monthly report.**

Mr. Rafael Tapia, AEDC Director, went over his report. He stated that in regards to the Revolving Loan Program as of February 1, 2018 the program as a total fund balance of \$655,787.53 which is made up of IRP Balance \$472,869.99 and RBEG Balance \$182,917.54. The program has \$555,930.75 outstanding in terms of loan as of February 5<sup>th</sup>. Currently the AEDC all active accounts as currents. During the period of January 2<sup>nd</sup> through January 31<sup>st</sup> the program encounter one new contact a Mr. Victor Quintanilla a restaurant owner that needed a small working capital loan. They informed him of the Revolving Loan Fund Program as well as other alternatives programs such as LiftFund and People Fund and TRC but he had concerns about his credit score and lack of collateral. The program also followed up with three other loan applicants one of which decided to withdraw. One was non responsive to follow up attempt and the third continues to stay interested in the program. In terms of program maintenance, the program was promoted via social media, email and print media. As per USDA requirement the length report for the 1<sup>st</sup> quarter of the fiscal year was submitted. They worked with the finance department to insure that loan accounts have escrow fees and have their property taxes paid in January. In regards to Economic Development activities, they received Medek LLC quarterly payroll records, they are holding steady with 19 jobs and have not submitted for additional payments. There is no significant update to the STHS ER project. They finally received official written concurrent from the USDA Mr. Roel Gomez, Area Director, for their Micro Loan Program, staff plans to get approval from the new AEDC Board to allow the program tomorrow at a special meeting, and hopefully to roll out this program in March. Through Retail Lease Trac they were able to contact 53 retail representatives for free standing projects. They provided 5 profiles for the gas station located at 1101 US Highway 83. They provided 5 profiles for a

potential 9000 sq ft of available space at La Quinta, however the prospect turned down the site. He stated that they have continue to consult with city staff and official regarding potential prospect.

Mr. Ozuna asked Mr. Tapia, that his presentation that he just made, is in regards to the special projects that he has with grants and loans that he receive from Rural Development of USDA, is that correct.

Mr. Tapia stated that it was from the Revolving Loan Program.

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Mr. Ozuna asked that when he has these kind of project or these kind of loans that he makes to the individuals or businesses that apply, those do not come to the City Commission.

Mr. Tapia stated that they have not come before them.

Mr. Ozuna stated that they do not come because they are not part of the 4B sales tax program.

Mr. Tapia stated that they don't because these are federal funds either grant to them through federal grants, as in the case of rural business enterprise grant program or through a federal loan which they were grant \$750,000.00 at 1% for 30 years so they are federal funds that they have to report to USDA in a quarterly basis.

Mr. Ozuna stated that the reason he is asking these questions is so that Commission can be aware that these funds are not for the purpose of running the city's Alamo Economic Development Corporation. As far as sale tax, revenues are concern, the sales tax revenues that the city gets one-fourth of those sales tax goes to the Alamo Economic Development Corporation for economic development projects and the other 3/4 goes to the City, half of that is to keep the tax rate low, the other have goes into the General Fund for general operations of the city. He stated that these are the funds or just additional programs that the AEDC has brought to the community to help out small business that would need small loans or loans up to \$150,000.00.

Mr. Tapia stated that it was up to \$150,000.00 and special circumstances maybe up to \$185,000.00.

Mr. Ozuna stated that those were other funds that the AEDC gets for business, which is a good thing, the only thing is that because those are not funded by 4B monies, sale tax, they do not come before the City Commission for approval and that's the way it's been in the past. He stated that, he didn't know whether the Board that was just appointed about two months ago are going to require for those type of projects to come before the City Commission.

Mr. Tapia stated that the Board has not suggested that at all. He stated that they have gone over the policy and procedures. He stated that he was correct in saying that these are funds strictly for the purpose of the Revolving Loan Fund Program.

Mr. Ozuna stated that what is important is a revenue and expenditure report of the 4B sales tax that they give the AEDC to operate with. He stated that at the next report he should present with the budget the standing financial report.

Mr. Tapia stated that he presents the financial report to the Board on a monthly basis.

Mr. Ozuna asked they don't get one here.

Mr. Tapia answered no, he was strictly asked by the Board to give an activity report.

Mr. Ozuna stated that what matters most to this Commission, Mr. Tapia, is that you bring a financial report to them to show them what is the expenditures that you have made to-date.

Commissioner Trino Medina stated that everything matters, it's important for him to keep them

informed of all this, all these monies and loans that the AEDC is loaning and the payments and everybody been up-to-date with their loans, that's important to. He stated that like Mr. Ozuna said maybe a more complete report will be good with the financial report.

Mr. Tapia stated that he could provide them with the financial but for the sake of expedite I doesn't see, basically when they have their AEDC is presented over about an hours, unless you want to have two AEDC meetings, he stated that he could certainly include the financial report that is provided to them by the city in this report and then give a briefing on their activities because his understanding from his Board was to provide the Commission with the activities of what they are doing with the funds and what the progress of lack of there of with the loan program and other programs that they have available.

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Mayor Pro-tem Pete Morales stated that his biggest thing that he has is knowing that they are creating jobs for the city of Alamo. They are getting new businesses coming into town and they are letting everybody know about what staff is doing at the AEDC and also have some answers verses the past they never had that type of information. He stated that these reports are very important and letting the community know what's going on.

Commissioner Trino Medina stated that it's the transparency that they never had before.

Mayor Diana Martinez stated that another thing is that the City Commission has never approved any loans, all the loans that have been approved at the AEDC.

Mr. Tapia stated that was correct.

Mr. Ozuna stated that for the reason that he just told them. He asked Mr. Tapia to explain what Medek LLC was.

Mr. Tapia stated that Medek LLC is a distribution wholesale paper produces, paper plates, paper napkins. He stated that the came into the AEDC and asked for an incentive, they were approved by the AEDC and the City Commission for \$125,000.00 for business development and in exchanged they build a 12000 square foot facility and a 2000 square foot office space. He stated that the AEDC or the contract stated that they would give them half of the money upon the construction of the facility and \$6,250.00 per employment created up to ten employees, they have three years to create those ten jobs. He stated as part of the contract they have to turn in documentation showing that they have continue to create those positions, that those positions continue to be complete. He stated that he has asked them to do turn table record on a quarterly basis to insure they are tracking. He stated that they had 13 jobs, they paid them for five, the 19<sup>th</sup> is pending request for submission. He stated that they have to submit a formal letter requesting payment so he could get it approved by the Board. So far they only have 19 jobs, they still have about \$31,000.00 outstanding.

Mr. Ozuna stated that this is a 4B sales tax project not a USDA project.

Mr. Tapia stated that was correct and like all 4B projects the contract has to be brought up to the City Commission. The contract even if signed by the AEDC is not legally binded until the City approves it.

Mr. Ozuna stated that business is located next to Salinas Elementary on Business 83. He stated that he just wanted everyone to know.

Mr. Tapia stated that they are going to be participating as part of their Familization Tour with RSTEC on Monday, the 26<sup>th</sup>, they are going to be hosting five site selectors from Germany.

**N. Consideration and action on an ordinance amending the code of ordinances of the City of Alamo, Texas, Title 10 - Zoning regulations, Chapter 15: Zoning administration and enforcement, Section 10-15-1: Changes and amendments, Paragraph D. Protests and approval to amend language to require a vote of a majority of the city commission to overturn a decision of the city's Planning and Zoning Commission to deny a proposed amendment, supplement or change of the**

**city's zoning boundaries or zoning regulations; providing for codification; providing for publication; providing for effective date; providing for severability clause and ordaining other provisions related to the subject matter thereof.**

*Commissioner Trino Medina motioned to approve the ordinance amending the code of ordinances of the City of Alamo, Texas, Title 10 - Zoning regulations, Chapter 15: Zoning administration and enforcement, Section 10-15-1: Changes and amendments, Paragraph D. Protests and approval to amend language to require a vote of a majority of the city commission to overturn a decision of the city's Planning and Zoning Commission to deny a proposed amendment, supplement or change of the city's zoning boundaries or zoning regulations; providing for codification; providing for publication; providing for effective date; providing for severability clause and ordaining other provisions related to the subject matter thereof. Mayor Pro-tem Pete Morales seconded the motion. Motion carried.*

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#### **EXECUTIVE SESSION:**

The City Commission will convene in Executive Session, in accordance with Texas Open Meeting Act, Vernon's Texas Statutes and Codes Annotated, Government Code, Chapter 551, Subchapter D, Exceptions To Requirements That Meeting Be Open. The City Commission reserves the right to go into executive session on any item listed whether or not such item is posted as an Executive Session Item at any time during the meeting when authorized by the provisions of the Open Meeting Act, to-wit:

1. Pursuant to Texas Government Code, §551.071 Consultation with Attorney, Closed Meeting, discussion and possible action regarding Release of Liens concerning Lot 22, Block 3, Colonia Buena Vista, an addition to City of Alamo, according to the map or plat thereof, recorded in Volume 9, Page 6, Map Records of Hidalgo County, Texas;
2. Pursuant to Texas Government Code, §551.071 Consultation with Attorney, Closed Meeting, discussion and possible action regarding Release of Liens concerning Lot 153, Sunshine Valley Estates Addition, an addition to City of Alamo, according to the map or plat thereof, recorded in Volume 9, Page 6, Map Records of Hidalgo County, Texas;
3. Pursuant to Texas Government Code, §551.071 Consultation with Attorney, Closed Meeting, discussion and possible action regarding Release of Liens concerning Lot 4, Block 65, Original Townsite to the City of Alamo, Hidalgo County, Texas as described in Volume 1218, Page 293, Deed Records of Hidalgo County, Texas;

#### **OPEN SESSION:**

The City Commission will convene in Open Session to take necessary action, if any, in accordance with Texas Government Code, Chapter 551, Open Meetings, Subchapter E, Procedures Relating to Closed Meeting §551.02, Requirement to Vote Or Take Final Action In Open Meeting.

Mayor Diana Martinez stated that is was 8:05 p.m. and they are out of Executive Session.

Mr. Rick Palacios stated that if they can have a motion to have the City Manager and City Attorney to execute a full release of lien as to the items pertaining to item #1 of the Executive Session and Item #3.

*Commissioner Trino Medina motioned to have the City Manager and City Attorney to execute a full release of lien as to the items pertaining to item #1 of the Executive Session and Item #3 as per the City Attorney. Mayor Pro-tem Pete Morales seconded the motion. Motion carried.*

Mayor Diana Martinez stated that was for Items 1 and 3 and regarding Item 2 no action will be needed at this time.

**CITIZEN PARTICIPATION:** Five minutes per person with no response from the City Commission. Residents must sign up prior to the city meeting.

**ADJOURNMENT:** Mayor Diana Martinez adjourned the meeting.

Mayor Diana Martinez \_\_\_\_\_