

The Board of Commissioners for the City of Alamo, Texas met for the Second Regular Meeting on Tuesday, March 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

I. CALL MEETING TO ORDER

Mayor Diana Martinez called the second regular meeting held on Tuesday, March 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, Grant Writer, stated that she received an email from Ana at the Chamber, they will be having a ribbon cutting for Montes Bookkeeping and Tax Service on 2704 N. Cesar Chavez Road on Thursday, March 29 at 5:30 p.m.

Mayor Diana Martinez stated that on April 5th there will be a ribbon cutting ceremony for the Rehabilitation Nursing Home at 5:30 a.m. She recognized Mayor Pro-tem Laura Alvarado from Baytown.

Commissioner Trino Medina announced that they will be having a Chalupa Bingo fundraiser for the Alamo's Lions Club to raise money for the 4th of July Festival on March 25th at Prim's Event Center.

Father Rene Angel stated that celebration for the train accident was a beautiful ceremony and he hopes they could continue it.

Mayor Diana Martinez stated that she was not called for the ceremony.

Commissioner Trino Medina thanked Father Rene Angel and all the Lions Club for attending, there were several groups and people that attended. He stated that they are planning to make it bigger and better every year and advertise it a lot more.

Arnold Robles, Parks & Recreation, invited the Commission to the Basketball award ceremony on Monday, April 2nd at the Memorial High School at 6:30 p.m.

D. Presentation of the Citizen of the month for the month of February 2018.

Mr. Ozuna stated that it should be for the month of March.

Isabel Jamarrilo, Jr. was presented with the Citizen of the Month for the month of March 2018.

E. Consideration and action to approve the minutes for the regular meeting Tuesday,

December 19, 2017.

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Commissioner Pilar Garza motioned to approve the minutes for the regular meeting held on Tuesday, December 19, 2017. Commissioner Trino Medina seconded the motion. Motion carried.

F. Consideration and action to approve the minutes for the regular meeting Tuesday, January 2, 2018.

Commissioner Pilar Garza motioned to approve the minutes for the regular meeting held on Tuesday, January 2, 2018. Commissioner Trino Medina seconded the motion. Motion carried.

G. Consideration and action to approve the presentation of the 2016-2017 City and AEDC Audit.

Mr. Oscar Gonzalez, City Auditor, stated that he would be giving a brief presentation on the City audit. He stated that on page 1 is the Opinion Letter which they always give the city a clean opinion which means the city is very clean and modified opinion. Page 51, he stated that what he likes to see, the city is on a budget, and to him to see something like this is very impressive because the revenues were budget correctly and the expenditures were budget correctly so the plan is very good. He stated that they are in very good hands with the City Manager and the Finance Director. He stated that the revenues were budget to be 9.6 million dollars and they received 9.6 million dollar, they off thirty-one thousand dollars. The expenditures was 11 million dollars budgeted and they expenses were 11 million. The fund balance at the end of the year was \$4,400,000.00. He stated that basically what they want to do on the fund balance, is they would want to have at least three month of fund balance, for a rainy day, they call it. He stated that if they take 11 million divided by 4 it would be 3 million dollars, so their fund balance is in good health. Page 20, Water and Sewer Fund, Revenues that came in was 4 million dollars, the expenditures were 3.2 million, so there was an operating process at \$772,000.00; other expenditures at \$169 thousand; Income before Contributions and Transfers \$600 thousand; Transfer to the General Fund Half a Million Dollars so the city still had a profit of 53 thousand dollars which again you Water and Sewer Fund are also in very good hands. He stated that the other thing he would like to go to, just to make them happy, is on page 15, he stated that he is just hitting the highlights, he could go into more details if they want him to. He stated that the Cash and Cash Equivalents and Investments at the end of the year was about 7.6 million dollars. He stated that what he is saying is that they are very secured at the bank, you have security and they are secured. He stated that the only thing he can say is that he had very good help with your account, he is very good, he's happy she is with the city, you should keep her.

Mayor Pro-tem Pete Morales thanked Mr. Ozuna, Yvette and the staff for keeping the city running and this report from the auditor it's a very good thing and it shows the type of work they are doing.

Commissioner Trino Medina also thanked Mr. Ozuna, Yvette and the staff, they all played a part in helping this audit come out the way it does.

Mr. Luciano Ozuna, City Manager, thank Mr. Oscar Gonzalez, for the presentation and the performance of the audit. He stated that with Yvette here they keep account of everything and make sure that all the money is deposited and it's in good hands. He stated that the staff besides Yvette, are very good department heads, when he tells them that they have to slow down on the purchases because he wants this to look good at the end of the year and they do and they work with him very closely so that they could do this. He stated that they are going to have some expenditures coming this next years that would probably lower their fund balance but this is monies that they would need to put back into the community, it's infrastructure and other economic development projects that they are looking forward to for next year.

Mayor Diana Martinez thanked Mr. Ozuna, Yvette for looking at the city's finances and thanked all the employees.

Mayor Diana Martinez motioned to approve the presentation of the 216-2017 City and AEDC Audit. Mayor Pro-tem Pete Morales seconded the motion. Motion carried.

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H. Consideration and action to authorize the City Manager to issue a building permit prior to subdivision recordation being a 3.87 acre tract of land out of Lots 2 and 7, Block 38, Alamo Land and Sugar Company Subdivision.

Mr. Ozuna stated that this has to do with the building of the emergency room free standing department which is proposed in the land next to the business park, on the north side of Frontage, from Border Road west, next to the business park. He stated that they are going through the subdivision process right now, however there has been some delay at the drainage district and at the North Alamo Water Supply Corporation. However, they have been ironing out those matters. However, they are anxious to start the construction of the project so they requested that he issue them a building permit before the recordation of the subdivision plat. He stated that he recommends that they do that so that they can start this project off. He stated that he doesn't see any problem or any reason why they wouldn't record the subdivision at a later date. He stated that it's a 4.5 million dollar building project with a purchase of 3.87 acres that will enhance the tax base because it's a private facility and they will have more traffic in the area for economic development purposes. He stated that hopefully this will be the beginning of the construction on the additional medical facility next to the ER, they don't know but it has proven in other parts where ER are built that, that happens. He stated that he is looking forward to this project and he would like to request that the City Commission to give him the authorization to issue the building permit.

Commissioner Trino Medina motioned to authorize the City Manager to issue a building permit prior to subdivision recordation being a 3.87 acre tract of land out of Lots 2 and 7, Block 38, Alamo Land and Sugar Company Subdivision. Commissioner Robert de la Garza seconded the motion. Motion carried.

I. Consideration and action an ordinance of the City Council of the City of Alamo, Texas, ("City") approving a negotiated resolution between City and Texas Gas Service ("TGS" or "The Company") regarding The Company's cost of service adjustment ("COSA") tariff filing; adopting a savings clause; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; declaring an effective date; repealing any prior ordinances inconsistent with this ordinance; and requiring delivery of this ordinance to The Company and the City's Legal Counsel.

Mr. Ozuna stated that the ordinance was in the packet and also a report from the consultants who work with all the cities and they are recommending that the city pass this ordinance so that they could give the adjustment to Texas Gas Service at a negotiated rate that was negotiated by the city's consultants and the Texas Gas Company. He stated that the Lower Rio Grande Valley Development Council was also involved in this. He stated that it's an annual rate adjustment.

Commissioner Robert de la Garza motioned to approve an ordinance of the City Council of the City of Alamo, Texas, ("City") approving a negotiated resolution between City and Texas Gas Service ("TGS" or "The Company") regarding The Company's cost of service adjustment ("COSA") tariff filing; adopting a savings clause; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; declaring an effective date; repealing any prior ordinances inconsistent with this ordinance; and requiring delivery of this ordinance to The Company and the City's Legal Counsel. Commissioner Pilar Garza seconded the motion. Motion carried.

J. Consideration and action to enter into an agreement with Cruz-Hogan Consultants, Inc. for the design of improvements to the Water Treatment Plan.

Mr. Ozuna stated that a couple of months ago, Cruz-Hogan Consultants were hired as the engineers to design improvements to the city's water treatment plant and since then, Mr. Orlando

Cruz has worked very closely with the staff of the water plant, and public works and himself in regards to these improvements. He stated that the main improvements that need to be done and that they are recommending to be done first is the cones, they need to be sandblasted and they need to be painted because they are deteriorating at a fast pace. He stated that another item is the four water filters, those also need to be repaired, they need to look at the filter media and they need to look at the valves, pumps in that area. He stated that Mr. Cruz has come up with a cost estimate of about \$550,000.00 to do this project. He stated that the city does have the money in the reserves that the Minutes for March 20, 2018

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city puts aside every year for this purpose, specifically for the water treatment plant and they could do this project in the near future. He stated that what they have is the agreement for the services that Mr. Cruz is proposing. Page 9 out of 11, shows his services for the engineering design for Phase I, the Engineering Design Phase and the Construction Phase together it will be approximately \$30,000.00 and then for Phase II again it will be the Engineering Design Phase Services and the Construction Phase Services also for \$30,000.00. He stated that the would like to recommend to the City Commission that they approve the contract with Cruz-Hogan. He stated that those fees are very fair.

Mayor Pro-tem Pete Morales stated that he was on a ride along with Julio Villarreal, Public Works Director. He thanked Julio for being open to Commissioners going in there. He stated that it's great that they are able to go out and see the issues that the have in the facilities. He stated that he admires them for what they actually do for the city. He stated that spending this money is to him is basically to know that it's going to help out the community.

Commissioner Trino Medina motioned to approve to enter into an agreement with Cruz-Hogan Consultants, Inc. for the design of improvements to the Water Treatment Plan. Mayor Pro-tem Pete Morales seconded the motion. Motion carried.

K. Consideration and action to award the bid for the Janitorial Services for City buildings.

Mayor Diana Martinez stated that she had a legal question regarding this item.

Mr. Rick Palacios, City Attorney, stated that because regarding this item, they could take this item into Executive Session either now or after they go through the rest of the agenda and they would have to do it on a proper motion to retire into Executive Session.

Mayor Diana Martinez asked whether Ms. Melissa Rodriguez, Purchasing Agent, could go through the presentation.

Mr. Palacios stated that she could if she wants to do the presentation and then they could not make any decisions at this time and then go into Executive Session after they take care of the legal question.

Mr. Ozuna stated that he recommends that they go into Executive Session if there's a legal question on this item before any presentation is done by staff.

Mayor Diana Martinez stated that would be alright. She asked whether they go into Executive Session now.

Mr. Palacios stated that if she wanted to or they could go an finish the rest of the agenda and then retire into Executive Session.

Mayor Diana stated that they will go on to the next item.

The City Commission went into Executive Session at

The City Commission returned from Executive Session at 7:47.

Mr. Ozuna stated that they have in the packet the list of bidders that they received for this type of service. He stated that there were twelve bidders that submitted bids and they ranged anywhere from 42 thousand dollars a year to 137 thousand dollars a year. He stated that the low bid was from Bid Texas Online, dba Clean Fix, Ms. Rose Settle is the principle, it's at 3900 N. 10th Street, Ste. 910, McAllen, Texas. They are the low bid with a month fee of \$3,500.00 and an annual total of \$42,000.00.

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Commissioner Robert de la Garza motioned to approve to award the bid for the Janitorial Services for City buildings to Bid Texas Online dba Clean Fix in the amount of \$3,500.00 month, annual total of \$42,000.00. Commissioner Trino Medina seconded the motion. Motion carried.

L. Presentation on an update of the widening of North FM 907 by TXDOT.

Mr. Bobby Salinas, Community Planning & Development Director, stated that he was asked by Commissioner Morales to give an update on the FM 907 project. He stated that they did have a pre-construction meeting with TXDOT and Texas Cordia who's the contractor that was selected to the widening. He stated that they were set to start March 6, which if you've noticed if you have driven down Alamo Road, all the construction barrel. They are working on the traffic control on that area. He stated that they took a drive out to the north area saw that there were escalators doing some drainage work north Sioux Road. He stated that they stated to them that it's going to take approximately 25 months to complete the project, this was at the pre-construction meeting that they had. He stated that they will be seeing a lot more movement out there as it goes further into the summer and they should see a lot more work going on out there.

Mr. Ozuna stated that in regards to this project, the city is involved in regards to the outfall where all the drainage water from the new road will fall into and that's a main drain just north of Audey Murphy School. He stated that they worked with the drainage district, they acquired most of the parcels in order to widen that ditch where all the water will go through. However, there's out of the 31 parcels there's about 5 that are going through condemnation proceeding because they have not been able to arrive at what the people are asking for their parcel of land. So there has to be a condemnation hearing on this matter, he doesn't know how long it's going to take, once those are settled then the drainage district will start excavating the ditch east from a certain point where Texas Cordia, the contractor with TXDOT completes it, then they will go all the way pass Tower Road and then it will go north. He stated that the drainage district is going to do all the project, all the construction. He stated that they asked them if they could help the city about four years ago, they said yes, it's part of their system too, so they would do the job, do the actual excavation and the hauling off of the spoil that they take out of that ditch. It's a huge project that the drainage district is helping the city with. He stated that the part that the city has to do, the city's participation, the city paid the engineering part, the appraisals, the work that was done by the people that come up with the title of the property. He stated that the city was also very involved in this project and the State required the city to do so. He stated that he does not have the correct amount that the city has spent but it's close to about 250 to 300 thousand dollars that the city had because they needed all of them to work together, it was the State, Precinct 1 also helped, and the major one as far as doing the actual construction and excavation is the Drainage District. He stated that he worked very closely with Raul Sesin who is the Drainage District and the former Drainage District also to get this project together. So they all put it together and it's finally coming through.

Mayor Pro-tem Pete Morales stated that, if they can, maybe post this in the city's website, some information about it. He stated that he does have some residents asking when is this project going to start, when is it going to finish and are they going to get a traffic light there on that intersection. That way they know that the city is working on this.

Mr. Ozuna stated that they will put it up on the City's website.

M. Consideration and action on the release of a utility easement along the west side of

Lot 44, Widen Subdivision, Unit No. 2, HCMR Volume 20, Page 192, 1320 Royal Palms Street.

Bobby Salinas stated that at the last City Commissioner Meeting they had a variance in regards to a home that was built into an existing 10' utility easement and he mentioned that he would bring back to the next meeting the release of the easement which is before them. He stated that he would be getting with the City Attorney to make sure that they are ok with it, of course if it is approved tonight.

Commissioner Robert de la Garza motioned to approve the release of a utility easement along the west side of Lot 44, Widen Subdivision, Unit No. 2, HCMR Volume 20, Page 192, 1320 Royal Palms Street. Mayor Pro-tem Pete Morales seconded the motion. Motion carried.

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N. Consideration and action regarding a budget amendment to the 2017-2018 Budget of the Alamo Economic Development Corporation to provide funding for the Medek LLC Project.

Mr. Rafael Tapia, AEDC Director, stated that Alamo AEDC is respectfully requesting the approval of a budget amendment of \$31,250.00 in order to meet it's obligation of incentive payments to Medek LLC. He stated that on October 2016 the Alamo AEDC committed \$125,000.00 in incentive payments to Medek, Medek was supposed to built a 12000 square foot warehouse and an 1850 square foot office space. The company was also to create a workforce of 23 jobs, 10 of which will be new. An initial payment request of \$93,750.00 was approved in August 2017 and dispersed in September this was for the completion of the facility and 5 new hires. This past month he requested the remaining balance for the final 5 hires and reported a total workforce of 25.

Commissioner Robert de la Garza motioned to approve a budget amendment to the 2017-2018 Budget of the Alamo Economic Development Corporation to provide funding for the Medek LLC Project. Mayor Pro-tem Pete Morales seconded the motion. Motion carried.

O. Presentation of the monthly report by the Alamo Economic Development Corporation.

Mr. Tapia stated that for the month of March, the total revolving loan fund balance is \$664,436.09 this includes an IRP balance of \$481,518.55; RBEG balance \$182,917.54; Total balance owed to the program \$548,774.36. He stated that there were two accounts considered as delinquent. In February the program had new contacts. The current applicants made no progress on their application. Program Maintenance, staff followed up with delinquent accounts. The program was promoted via social media and the website by Imagine Studio. Staff also sent out two email blast and ran a printout in Valley Business Report. He stated that they are preparing for a workshop March 29th from 12:00 to 1:00 p.m. Program Compliance, USDA did do a program site visit on February 15th and provided their findings on the 28th. Staff is working on addressing those findings and they expect to complete them by May 31st. AEDC Activities, participants participated in a RSTEC Fam Tour with sites selectors from the European American investment council on the 26th. He stated that they tried to work with Mr. Spamer on a RFI for a project backpack. They received a request for incentive from a company seeking to establish a central kitchen which is currently under review. For retail recruitment, they are preparing for ICSC Recon which is their big retail recruit event in May. They contacted 257 retail reps via retail east tract.

Commissioner Trino Medina asked who is the business that is considered to be delinquent.

Mr. Tapia stated that would be the account for Soleil and V-Day.

Commissioner Trino Medina asked who was the owner.

Mr. Tapia stated that would be Mr. Moncevais.

Mayor Pro-tem Pete Morales asked whether there were any response to any new applications when the presentation that they had from Mr. Nestor for any loans, small business loans.

Mr. Tapia stated that for this month of February they had no new leads.

P. Consideration and action on a variance to allow for the sale and onsite consumption of alcohol for “7th Street Bar & Grill”, physically located at 702 E. Acacia Avenue, legally described as Lot 12, Block 22, Alamo Original Townsite for Reynaldo Rodriguez.

Bobby Salinas stated that this item was previously brought before the City Commission on December 19, 2017.

Mayor Diana Martinez stated that it was denied then.

Bobby Salinas stated that the applicant submitted a letter to the city requesting that his item be reconsidered by the Commission. He stated that he did discuss this with the City Attorney and since it was a no action item that it could be brought back for reconsideration.

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Mayor Diana Martinez stated that after the ordinance was changed.

Mayor Pro-tem Pete Morales stated that actually they are doing it the correct way.

Mayor Diana Martinez stated that not according to legal.

Commissioner Trino Medina motioned to approve a variance to allow for the sale and onsite consumption of alcohol for “7th Street Bar & Grill”, physically located at 702 E. Acacia Avenue, legally described as Lot 12, Block 22, Alamo Original Townsite for Reynaldo Rodriguez. Mayor Pro-tem Pete Morales seconded the motion. Mayor Diana Martinez opposed. Motion carried.

Q. Presentation of Departmental Report.

No questions and/or comments.

R. Consideration and action on a request by the Resurrection Catholic Church to close-off a section of 9th Street from Citrus to Birch Streets and the alleyway between Citrus and Birch Streets from 8th Street to the church parking lot for the 2018 Festival on Saturday, April 7th (5-10 pm) and Sunday, April 8th (12:00 noon to 8:00 pm).

Mr. Palacios, City Attorney, stated that this was an addendum to the agenda that was posted within the time limit of the Open Meeting Act, it was posted on March 16, 2018 but there was a one item and it was Item R. He apologized to those who do not have a copy of that updated agenda, there was an addendum that was posted here at city hall.

Commissioner Robert de la Garza motioned to approve the request by the Resurrection Catholic Church to close-off a section of 9th Street from Citrus to Birch Streets and the alleyway between Citrus and Birch Streets from 8th Street to the church parking lot for the 2018 Festival on Saturday, April 7th (5-10 pm) and Sunday, April 8th (12:00 noon to 8:00 pm). Commissioner Trino Medina seconded the motion. Motion carried.

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

Mayor Pro-tem Pete Morales stated that before they do this, he wants to recognize a couple of people, Janie Solis, Planning & Zoning Chairwoman and Board Member Albert Rodriguez.

No one signed up.

ADJOURNMENT: Mayor Diana Martinez adjourned the meeting.

CITY OF ALAMO

Mayor Diana Martinez

ATTEST:

Margot Salas, City Secretary