

**STATE OF TEXAS  
COUNTY OF HIDALGO  
CITY OF MCALLEN**

The McAllen Board of Commissioners convened in a Regular Meeting on **Monday, September 23, 2013**, at 5:00 pm, at McAllen City Hall Third Floor (3rd) Commission Chambers, with the following present:

Present: Mayor Jim Darling, Mayor Pro Tem Hilda Salinas, Mayor Pro Tem Aida Ramirez, Commissioner Scott Crane, Commissioner Trey Pebley, Commissioner John Ingram, Commissioner Veronica Vela Whitacre

McAllen Public Utility Board: Chairman Charles Amos, Vice Chairman Ernie Williams, Trustee Tony Aguirre, Ex-Officio Member & Mayor Jim Darling

Absent: Trustee Albert Cardenas

Staff: City Manager Mike R. Perez, City Attorney Kevin Pagan, Assistant City Manager/PUB General Manager Roy Rodriguez, City Secretary Annette Villarreal, PUB Board Secretary Nyla Flatau, City Engineer Yvette Barrera, Director of Planning Juli Rankin, Director of Parks and Recreation Sally Gavlik, Police Chief Victor Rodriguez, Director of Golf Carlos Espinoza, Tax Assessor Martha Guel, Director of Aviation Phil Brown

**CALL TO ORDER**

Mayor Darling called the meeting to order.

**PROCLAMATIONS**

- **PALM FEST CELEBRATION DAYS**

Commissioner Crane read and presented a proclamation for *Palm Fest Celebration Days*.

- **NATIONAL CUSTOMER SERVICE WEEK**

Commissioner Pebley read and presented a proclamation for *National Customer Service Week*.

- **JACKSON SCHOOL DAY**

Commissioner Ingram read and presented a proclamation for *Jackson School Day*

**1. JOINT MEETING WITH MCALLEN PUBLIC UTILITY BOARD:**

Chairman Amos called the meeting to order on behalf of the Public Utility Board.

**A) ORDER OF THE MCALLEN PUBLIC UTILITY BOARD, APPROVING AND RECOMMENDING ADOPTION OF AN ORDINANCE AMENDING THE MCALLEN CODE OF ORDINANCES, CHAPTER 106. SECTION 106-82, PROVIDING FOR A UTILITY RATE INCREASE.**

Staff recommended approval of an order approving and recommending adoption of an ordinance by the City Commission, providing for the amendment of Chapter 106, Section 106-82 and 106-166, of the McAllen Code of Ordinances, providing for utility rate increase as follows:

- \$1.00/month increase to base rate charge for water from \$4.65 to \$5.65
- \$0.10/1,000 gallon increase for sanitary sewer charge (residential, multi-family, commercial industrial) from \$1.30 to \$1.40

Trustee Aguirre moved to approve the order as recommended. Vice Chairman Williams seconded the motion. The motion carried unanimously by those present.

**B) ORDINANCE AMENDING THE MCALLEN CODE OF ORDINANCES, CHAPTER 106. SECTION 106-82, APPROVING A UTILITY RATE INCREASE.**

Commissioner Ingram moved to adopt the ordinance as recommended on item A. Commissioner Pebley seconded the motion. The motion carried unanimously.

**C) ORDER OF THE MCALLEN PUBLIC UTILITY BOARD, APPROVING AND RECOMMENDING APPROVAL OF THE MCALLEN PUBLIC UTILITY PROPOSED BUDGET FOR FISCAL YEAR 2013-2014.**

Staff recommended approval of an order approving and recommending approval to the City Commission of the McAllen Public Utility Budget for Fiscal Year 2013-2014.

Vice Chairman Williams moved to approve the order as recommended. Trustee Aguirre seconded the motion. The motion carried unanimously by those present.

**D) ROLL CALL VOTE ON ADOPTION OF AN ORDINANCE ADOPTING THE CITY OF MCALLEN PROPOSED BUDGET FOR FISCAL YEAR 2013-2014, INCLUDING THE MCALLEN PUBLIC UTILITY BUDGET.**

Staff recommended adoption of an ordinance adopting the City of McAllen Proposed Budget for Fiscal Year 2013-2014, including the McAllen Public Utility Budget as recommended on item C previously addressed.

Mayor Pro Tem Salinas moved to adopt the ordinance as recommended. Mayor Pro Tem Ramirez seconded the motion. The vote on the motion was as follows:

- AYES: Commissioners Whitacre, Ingram, Crane, Pebley, Mayors Pro Tem Salinas, Ramirez, and Mayor Darling  
NAYS: None  
ABSENT: None  
ABSTAINED: None

**E) RESOLUTION PROVIDING FOR THE ANNUAL REVIEW AND APPROVAL OF THE CITY'S INVESTMENT POLICY.**

Staff recommended approval of a resolution providing for the annual review and approval of the City's Investment Policy.

Vice Chairman Williams moved to approve the resolution as recommended. Trustee Aguirre seconded the motion. The motion carried unanimously by those present.

Commissioner Pebley moved to approve the resolution as recommended. Commissioner Crane seconded the motion. The motion carried unanimously.

**F) RENEWAL OF PROPERTY & CASUALTY INSURANCE, PUBLIC OFFICIALS LIABILITY, RISK MANAGEMENT AND AGENCY SERVICES AGREEMENT, CONTINUATION UNDER THE THIRD PARTY ADMINISTRATIVE SERVICE CONTRACT AND AWARD EXCESS WORKERS' COMPENSATION INSURANCE POLICY.**

Raul Cabaza and Arnetta Oropeza with Shepard Walton King Insurance Group, recommended the following:

- Renewal of Property & Casualty Insurance and Public Officials Liability, through Texas Municipal League, at the annual cost of \$1,071,628;
- Risk Management and Agency Services Agreement with Raul Cabaza, Licensed Risk Manager and Principal, Cameron Investment Company, Inc. dba Shepard Walton King Insurance Group, at an annual fee of \$35,000;
- Continuation under the Third Party Administrative Service Contract with 1-2-1 Claims, at the current rate for the final year of a 3 year contract; and

- Award of Excess Workers' Compensation Insurance Policy through Safety National Casualty Corporation, at the proposed premium of \$141,122.

Trustee Aguirre moved to approve the recommendations as presented. Vice Chairman Williams seconded the motion. The motion carried unanimously by those present.

Mayor Pro Tem Ramirez moved to approve the recommendations as presented. Commissioner Ingram seconded the motion. The motion carried unanimously.

## **END OF JOINT MEETING**

There being no other business to come before the board, the joint meeting was adjourned at 5:25 pm.

### **2. ORDINANCE PROVIDING FOR THE ADOPTION OF THE CITY OF MCALLEN PROPERTY TAX RATE FOR 2013.**

Staff recommended adoption of an ordinance providing for the adoption of the City of McAllen Property Tax Rate for 2013 of \$0.4313 per \$100 of assessed taxable value.

Commissioner Ingram moved to adopt the ordinance as recommended. Mayor Pro Tem Ramirez seconded the motion. The motion carried unanimously.

### **3. PUBLIC HEARING:**

Mayor Darling called the public hearing to order.

- A) ROUTINE ITEMS:** *[All Rezonings and Conditional Use Permits listed under this section come with a favorable recommendation from the Planning & Zoning Commission and will be enacted by one motion. However, if there is opposition at the meeting or a discussion is desired, that item(s) will be removed from the Routine Items section of the agenda and will be considered separately.]*

Mayor Darling asked if anyone was present to speak in opposition to the items listed under this section of the agenda. No one appeared.

Commissioner Pebley moved to approve the items listed on the Routine Items section of the agenda. Commissioner Crane seconded the motion. The motion carried unanimously.

**REZONE FROM R-3C (MULTIFAMILY RESIDENTIAL CONDOMINIUM) DISTRICT TO C-1 (OFFICE BUILDING) DISTRICT: 0.80 ACRES OUT OF LOT 4, SECTION 12, HIDALGO CANAL COMPANY'S SUBDIVISION, HIDALGO COUNTY, TEXAS; 1521 TRENTON ROAD.**

Approved a C-1 zoning at 1521 Trenton Road, as per Planning and Zoning Commission.

- B) REZONING:**

**REZONE FROM R-2 (DUPLEX-FOURPLEX RESIDENTIAL) DISTRICT TO C-3 (GENERAL BUSINESS) DISTRICT: LOTS 14 & 15, BLOCK 5, COLLEGE HEIGHTS SUBDIVISION, HIDALGO COUNTY, TEXAS; 2214 & 2212 ITHACA AVENUE. TABLED**

Said item remained tabled.

- C) AMENDING THE ZONING ORDINANCE OF THE CITY OF MCALLEN AS ENACTED MAY 29, 1979.**

Commissioner Pebley moved to adopt the Zoning Ordinance for the approved tract. Commissioner Crane seconded the motion. The motion carried unanimously.

## **END OF PUBLIC HEARING**

Mayor Darling declared the Public Hearing closed.

**THE CITY COMMISSION HAS THE PREROGATIVE TO RECESS INTO EXECUTIVE SESSION AT ANY TIME DURING THE MEETING**

4. **CONSENT AGENDA:** *[All matters listed under Consent Agenda are considered to be routine by the Governing Body and will be enacted by one motion. There will be no separate discussion of these items; however, if discussion is desired, that item(s) will be removed from the Consent Agenda and will be considered separately.]*

Commissioner Pebley moved to approve the items listed on the Consent Agenda with exception of Item J and that said item be addressed separately. Commissioner Crane seconded the motion. The motion carried unanimously.

**A) APPROVAL OF MINUTES FOR VARIOUS MEETINGS.**

Approved minutes of various meetings as follows: Workshop and Regular Meeting held September 9, 2013. Approved outstanding minutes for 2012: Workshops held August 21st, August 22nd, August 28th, November 26th and December 10, 2012. Additionally, approved minutes for Workshops held February 6th and October 25, 2010.

**B) APPROVAL OF CHANGE ORDER NO. 1 FOR RE-ROOF OF FIRE STATION #2.**

Approved Change Order No. 1 for an additional thirteen (13) calendar days to the contract time for Re-Roof of Fire Station #2, for a revised contract time of 33 calendar days.

**C) AWARD OF CONTRACT FOR THE PURCHASE OF FURNITURE, FIXTURES, AND EQUIPMENT FOR THE MCALLEN DEVELOPMENT CENTER BUILDING.**

Awarded a contract for the Purchase of Furniture, Fixtures, and Equipment for the McAllen Development Center Building to Texas Wilson, in the amount of \$37,162.26.

**D) AUTHORIZATION TO CONTRACT FOR PROCUREMENT CARD SERVICES THROUGH THE STATE OF TEXAS CONTRACT.**

Authorized staff to contract for Procurement Card Services with Citibank, N.A. (Citi) through the State of Texas Comptroller of Public Accounts Contract, based on providing a higher rebate percentage of 1.63%. Additionally, authorized staff to exercise the option to extend the service contract, subject to City Manager approval as incremented by the State of Texas, subject to performance of the vendor remaining satisfactory and percentage of rebate remaining advantageous to the City of McAllen.

**E) AWARD OF CONTRACT FOR PERIMETER SECURITY FENCING AT AIRPORT.**

Awarded a contract for Perimeter Security Fencing at the Airport to Central Fence & Supply, LTD, in the amount of \$87,228.04, with a contract time of 30 consecutive calendar days.

**F) AWARD OF CONTRACT FOR BLAST FENCING AT AIRPORT.**

Awarded a contract for Blast Fencing at the Airport to Rigney Construction and Development, in the amount of \$96,000, with a contract time of 30 consecutive calendar days.

**G) RESOLUTION APPROVING ACCEPTANCE OF AIRPORT IMPROVEMENT PROGRAM (AIP) GRANT 44 FROM THE FEDERAL AVIATION ADMINISTRATION.**

Approved a resolution approving the acceptance of Airport Improvement Program (AIP) Grant 44 from the Federal Aviation Administration, in the amount of \$762,352 with a local match of \$159,575.

**H) RESOLUTION OPPOSING PLANS BY ELECTRIC TRANSMISSION TEXAS, LLC AND SHARYLAND UTILITY, L.P. TO CONSTRUCT THE PROPOSED NORTH EDINBURG TO LOMA ALTA ELECTRIC TRANSMISSION LINE PROJECT IN HIDALGO AND CAMERON COUNTIES.**

Approved a resolution opposing plans by Electric Transmission Texas, LLC and Sharyland Utility, L.P., to construct the proposed North Edinburg to Loma Alta Electric Transmission Line Project in Hidalgo and Cameron Counties.

**I) AUTHORIZATION TO DECLARE VEHICLES AS SURPLUS AND BEGIN AUCTION EFFORTS.**

Approved the declaration of certain vehicles as surplus and authorized staff to begin auction efforts.

**J) AUTHORIZATION TO PURCHASE COMMUNICATION RADIOS FOR REGIONAL PARTNERS WITH FY 2012 ASSISTANCE TO FIREFIGHTERS GRANT FUNDS, UTILIZING THE HOUSTON-GALVESTON AREA COUNCIL (H-GAC).**

Approved the purchase of Communication Radios for regional partners with FY 2012 Assistance to Firefighters Grant funds, in the amount of \$1,058,044.90, utilizing the Houston-Galveston Area Council (H-GAC).

**5. BIDS/CONTRACTS:**

**A) CONSIDER APPROVAL OF A CONTRACT FOR ELECTION SERVICES WITH HIDALGO COUNTY ELECTIONS ADMINISTRATOR FOR THE NOVEMBER 5, 2013 BOND ELECTION.**

Staff recommended approval of a contract for election services with the Hidalgo County Elections Administrator, for the November 5, 2013 Bond Election.

Commissioner Ingram moved to approve the contract as recommended. Mayor Pro Tem Ramirez seconded the motion. The motion carried unanimously.

**B) AWARD OF CONTRACT FOR PALM VIEW GOLF COURSE PUMP STATION REHABILITATION.**

Staff recommended award of contract for the Palm View Golf Course Pump Station Rehabilitation to Watertronics, LLC, in the amount of \$234,648 which includes Base Bid, Alternates 1, 1A and 2.

Mayor Pro Tem Salinas moved to award the contract as recommended. Commissioner Ingram seconded the motion. The motion carried unanimously.

**C) CONSIDERATION AND AUTHORIZATION TO NEGOTIATE SCOPE OF SERVICE & FEE SCHEDULE FOR CONSTRUCTION PROJECT MANAGEMENT FOR MCALLEN POLICE DEPARTMENT ADDITION PROJECT.**

Mayor Darling recommended that the firms interviewed at the earlier workshop for the Construction Project Management for the McAllen Police Department Addition Project be ranked, along with the alternative to perform said task by in-house staff. The City Attorney collected and tallied the rankings.

Commissioner Crane moved to decline the proposals and instruct staff to perform construction management in-house. Commissioner Pebley seconded the motion. The motion carried unanimously.

**D) AWARD OF CONTRACT FOR NORTHWEST POLICE COMMUNITY CENTER ADDITIONS AND SITE IMPROVEMENTS.**

Staff recommended award of contract for the Northwest Police Community Center Additions and Site Improvements to Pietra Construction, in the amount of \$579,000.

An inquiry was made about the limitation for consideration of the second low bid on the basis of being a local bid. Staff recommended that said item be tabled to allow staff to research same.

Commissioner Ingram moved to table said item. Mayor Pro Tem Ramirez seconded the motion. The motion carried unanimously.

Mayor Pro Tem Salinas moved to remove said item from the table. Commissioner Whitacre seconded the motion. The motion carried unanimously.

Staff reported that the exception applies when the local bid is within 3% of lowest bid and in this case, the second bid is at 7% and hence this exception is not applicable. Moreover, staff recommendation remained to award to the lowest bidder, Pietra Construction.

Commissioner Ingram moved to award the contract as recommended. Mayor Pro Tem Ramirez seconded the motion. The motion carried unanimously.

**E) SEEK DIRECTION ON OPENING AND CONSIDERATION OF "SOLE PROPOSAL" FOR AN INMATE DETENTION FACILITY.**

Mayor Pro Tem Ramirez moved to table said item for Executive Session under Chapter 551.071 Consultation with Attorney. Commissioner Ingram seconded the motion. The motion carried unanimously.

After a brief discussion in Executive Session, Mayor Pro Tem Salinas moved to remove said item from the table. Commissioner Whitacre seconded the motion. The motion carried unanimously.

Staff recommended rejection of the proposal - unopened - and that staff be authorized to continue exploring alternatives.

Commissioner Crane moved to reject the proposal as recommended. Mayor Pro Tem Ramirez seconded the motion. The motion carried unanimously.

**6. MANAGER'S REPORT:**

**A) DISCUSSION AND POSSIBLE ACTION REGARDING WAIVER OF PENALTY AND INTEREST ON DELINQUENT TAXES FOR SINBON ELECTRONICS CO. LTD. CAUSE NO. T-1113-12-J.**

Commissioner Ingram moved to table said item for Executive Session under Chapter 551.071 Consultation with Attorney. Mayor Pro Tem Ramirez seconded the motion. The motion carried unanimously.

Said item remained tabled.

**B) STATUS REPORT ON PARKS AND RECREATION CONSTRUCTION PROJECTS.**

Staff gave a report on Parks and Recreation Construction Projects. No action required.

**C) STATUS REPORT ON VARIOUS CITY PROJECTS THRU AUGUST 31, 2013.**

Staff gave a report on various city projects underway. No action required.

**D) STATUS REPORT ON THE TERMINAL EXPANSION CONSTRUCTION PROJECT.**

Staff gave a report on the Terminal Expansion Construction Project. No action required.

**E) REPORT ON SUBDIVISIONS AND DEVELOPMENT.**

Staff gave a report on Subdivisions and Development. No action required.

**F) REPORT ON CONVENTION ACTIVITIES BY MCALLEN CONVENTION AND VISITORS BUREAU.**

Steve Ahlenius gave a report on convention activities by the McAllen CVB. No action required.

**G) CONSIDER AUTHORIZING MAYOR JIM DARLING TO COMMIT 2.5 MILLION DOLLARS FOR DESIGN OF FM 1016 FROM BRYAN ROAD TO CONWAY.**

Staff recommended authorization for the Mayor to commit \$2.5 million for design of FM 1016 from Bryan Road to Conway.

Questions were asked followed by a lengthy discussion. After due consideration, additional information was requested relating to assurances on funding from the City of Mission.

Commissioner Pebley moved to table said item. Mayor Pro Tem Ramirez seconded the motion. The motion carried unanimously.

**H) FUTURE AGENDA ITEMS.**

The items for upcoming workshops were briefly reviewed: Buffering Requirements; Procurement Policy; General Insurance recommendations; Palm Bowl; Small Business Assistance; Entry Monuments and Parade Improvements.

**7. TABLED ITEM: RESOLUTION PROVIDING FOR THE NOMINATION OF A CANDIDATE TO THE HIDALGO COUNTY APPRAISAL DISTRICT BOARD OF DIRECTORS.**

Mayor Pro Tem Salinas moved to remove said item from the table. Commissioner Ingram seconded the motion. The motion carried unanimously.

Staff reported that the McAllen School Board was nominating Eddie Cano to the Hidalgo County Appraisal District Board of Directors and recommended the same be done by the City Commission.

Commissioner Ingram moved to approve the resolution in support of Eddie Cano. Commissioner Crane seconded the motion. The motion carried unanimously.

**PUBLIC COMMENT SESSION**

Mr. Jim Barnes addressed the City Commission.

**8. EXECUTIVE SESSION, CHAPTER 551, TEXAS GOVERNMENT CODE, SECTION 551.071 (CONSULTATION WITH ATTORNEY), SECTION 551.087 (ECONOMIC DEVELOPMENT) AND SECTION 551.072 (DELIBERATION REGARDING REAL PROPERTY).**

On behalf of the Presiding Officer, the City Attorney recommended recessing into Executive Session pursuant to Chapter 551, Texas Government Code, Section 551.087 Economic Development for Items 8C and 8I; Section 551.071 Consultation with Attorney for Items 8B, 8C, 8D, 8E, 8F and 8I; Section 551.072 Deliberation regarding Real Property for Items 8B, 8D, 8G and 8H; and Section 551.074 (Personnel Matters) for Item 8A.

Commissioner Whitacre announced that she had a conflict with item 8D and would abstain from discussion and voting on said item; subsequently, a conflict form was filed with the City Secretary.

Commissioner Ingram moved to accept the recommendation for the basis of the discussion in Executive Session under the sections cited by the City Attorney. Mayor Pro Tem Ramirez seconded the motion. The motion carried unanimously.

Mayor Darling recessed the meeting at 6:25 pm to go into Executive Session. Mayor Darling reconvened the meeting at 6:37 pm and addressed Item 5D followed by Public Comment and followed by another session of Executive Session to discuss the other matters under this Section 8 of the agenda.

After Public Comment, Mayor Darling recessed the meeting at 6:38 pm to go into Executive Session. Mayor Darling reconvened the meeting at 9:02 pm and addressed the action on Executive Session items.

- A) DISCUSSION OF CITY MANAGER EVALUATION. (SECTION 551.074, T.G.C.)**

No action.

- B) CONSULTATION WITH CITY ATTORNEY REGARDING ECONOMIC INCENTIVES FOR PROJECT QUADRANT. (SECTIONS 551.071 AND 551.072, T.G.C.)**

No action.

- C) DISCUSSION AND POSSIBLE ACTION REGARDING ECONOMIC INCENTIVES FOR PROJECT PHOENIX. (SECTIONS 551.087 AND 551.071, T.G.C.)**

No action.

- D) DISCUSSION AND POSSIBLE ACTION ON AWARD OF BID PROPOSAL FOR THE SALE OF LOT 11B, MCALLEN CONVENTION CENTER. (SECTIONS 551.072 AND 551.071, T.G.C.)**

No action.

- E) CONSULTATION WITH CITY ATTORNEY REGARDING DEPOSITORY CONTRACT AND RELATED LEGAL ISSUES. (SECTION 551.071, T.G.C.)**

No action.

- F) CONSULTATION WITH CITY ATTORNEY REGARDING CASE NO. 13-09-00067-CV; CITY OF MCALLEN VS. ARNALDO RAMIREZ. (SECTION 551.071, T.G.C.)**

No action.

- G) DISCUSSION AND POSSIBLE ACTION REGARDING ENTERING INTO A SALES CONTRACT AND AUTHORIZING THE CITY MANAGER TO COMPLETE TRANSACTION TO ACQUIRE A 3.14 ACRE TRACT OF 11.53 ACRE TRACT OUT OF LOT 150, LA LOMITA IRRIGATION AND CONSTRUCTION COMPANY SUBDIVISION, HIDALGO COUNTY, TEXAS. (SECTION 551.072, T.G.C.)**

No action.

- H) CONSIDERATION OF SALE OF LOT 6(B), CONVENTION CENTER SUBDIVISION, FOR FULL SERVICE HOTEL. (SECTION 551.072, T.G.C.)**

No action.

- I) CONSULTATION WITH CITY ATTORNEY REGARDING ECONOMIC INCENTIVES FOR PROJECT GAUCHOS. (SECTION 551.087 AND 551.071, T.G.C.)**


No action.

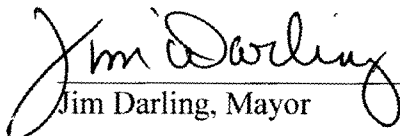
#### **ADJOURNMENT**

There being no other business to come before the Commission, the meeting was adjourned at 9:02 p.m.



Attest:

  
Annette Villarreal, TRMC/CMC, CPM  
City Secretary

  
Jim Darling, Mayor