

CITY COMMISSION

SPECIAL MEETING

HARLINGEN, TEXAS

April 9, 2015

A Special Meeting of the Harlingen Elective Commission was held on Thursday, April 9, 2015 at 11:45 a.m., City Hall, Town Hall Meeting Room, 118 E. Tyler Street, Harlingen, Texas. Those in attendance were:

Mayor and Commissioners

Mayor Chris Boswell  
Mayor Pro-Tem Victor Leal, District 5  
Tudor Uhlhorn, Commissioner District 2  
Michael Mezmar, Commissioner District 3  
Basilio "Chino" Sanchez, Commissioner District 4

Absent

Danny Castillo, Commissioner District 1

Staff Present

Carlos Yerena, City Manager  
Amanda C. Elizondo, City Secretary  
Richard Bilbie, City Attorney

Mayor Boswell called the meeting to order and stated the meeting had been duly posted according to State law. The following proceedings were held.

- 1) Consideration and possible adoption of a resolution in support of legislation to be filed in 84<sup>th</sup> Texas Legislature to allow the voters of Cameron County to choose to create a Cameron County Healthcare District through a local election.

Mayor Boswell stated Senator Lucio filed a proposed Senate Bill No. 2034 to gauge the level of public support from the communities of Cameron County. The cities of San Benito, South Padre Island and Cameron County passed a resolution in support of the Bill.

Commissioner Mezmar asked if the Senate Bill was merely to allow for a general election for the population of Cameron County to vote "for" or "against" the bill, but not to raise taxes.

Randy Whittington stated under the current law 100 voters could petition the Cameron County Commissioners Court to call an election to create a health district and they would be obligated to call an election. The problem with this current law was that it was a one size fit all for everyone in the State of Texas, but not customized for Cameron County or the Rio Grande Valley. The other issue was that the tax rate could be as high 75 cents per \$100 valuation. The bill introduced would authorize the creation of a healthcare district only if an election was called and the majority of voters favored the new health district. If the bill was approved, this would include a twenty five cent cap on the tax rate and could possibly be as low as five cents. The governing structure in the bill would provide for the four largest cities of the county with the largest property tax bases to have representatives on the board. The proposed bill would require the Commissioners Court of Cameron County to lower their tax rate because they would no longer be responsible to provide indigent healthcare. Currently there is an 1115 Waiver Program Agreement between the State of Texas and Federal Government. This agreement allows additional Medicaid dollars for the State of Texas for uncompensated care to fund innovated projects to improve healthcare. The program expires in September, 2016 and as long as the waiver program remains in place, it will keep the tax rate down. Under Senate Bill 2034, the local election could possibly be scheduled for November 2016 general election. More importantly, it is not fair to the taxpayers to ask them to approve the bill without understanding what the creation of the health district is about. The calling of an election for 2016 would allow a greater amount of time to explain and debate the proposed healthcare district. If the bill is passed and the voters approve a district, the estimated increase in the tax rate could be \$100 per \$100,000 valuation or up to 10 cents per \$100 valuation per year. The lowest could be from five to seven and a half cents per \$100.

Mayor Boswell stated Harlingen's tax rate was the lowest of the seven largest cities in the county. There is only one medical school in the state that does not operate in conjunction with a hospital district and that is UTMB which owns its hospital.

Discussion was held on how health care systems were funded and how doctors were educated in treating patients throughout the state. The Rio Grande Valley has an estimated 40% of patients that did not have health insurance.

Commissioner Uhlhorn stated there was talk about the economic impact of the UT-RGV and medical school. Most important was how healthy was your community. Supporting the hospital district and having the medical district work together they would be able to leverage more dollars through the waiver program and have more doctors to stay in the Rio Grande Valley which would improve the health of the population. This should be the goal of the communities.

Mayor Boswell stated Harlingen has been a leader in the creation of the medical school. Over the last ten years, Harlingen has invested over \$50 million and the City and Economic Development Corporation have contributed funds. Funding was also contributed by Valley Baptist Hospital and Su Clinica Familiar and many Harlingen doctors have volunteered their time to teach medical students and residents. We need to continue to lead in this effort to make sure that we have a quality medical school. The voters would have the option to vote "for" or "against" the bill.

Mayor Pro-Tem Leal asked if the resolution had the means to create a new tax.

Mr. Whittington responded no, because Cameron County is already taxing for indigent healthcare.

Desi Martinez, 1806 Haverford, stated they already have indigent care and the proposed Bill will only create another means to tax the community.

Yolanda Shoffeitt, 285 Altas Palmas, stated this was taxation without representation.

Juan Ortega, 2401 Alani Circle, stated the proposed tax rate would be administered in the county, if the bill was approved by the voters.

Motion was made by Commissioner Uhlhorn and seconded by Commissioner Mezmar to approve the resolution. Motion carried as follows: FOR: Commissioners: Uhlhorn, Mezmar and Sanchez. AGAINST: Mayor Pro-Tem Leal. The vote was 3 to 1.

There being no further business to discuss, Mayor Boswell adjourned the meeting.

CITY OF HARLINGEN

  
Chris Boswell, Mayor

ATTEST:

  
Amanda C. Elizondo, City Secretary