

REGULAR MEETING

CITY COMMISSION

HARLINGEN, TEXAS

A Regular Meeting of the Harlingen Elective Commission was held on August 3, 2016 at 5:30 p.m., City Hall, Town Hall Meeting Room, 118 E. Tyler Street, Harlingen, Texas. Those in attendance were:

Mayor and Commissioners

Mayor Chris Boswell  
Michael Mezmar, Mayor Pro-Tem, District 3  
Richard Uribe, City Commissioner, District 1  
Tudor Uhlhorn, City Commissioner, District 2  
Ruben de la Rosa, City Commissioner, District 4  
Victor Leal, City Commissioner, District 5

Staff Present

Dan Serna, City Manager  
Amanda C. Elizondo, City Secretary  
Richard Bilbie, City Attorney

Mayor Boswell called the meeting to order and announced the meeting was duly posted according to state law. The following proceedings were held:

Invocation/Mayor Chris Boswell

Mayor Boswell gave the invocation.

Pledge of Allegiance/Welcome

Mayor Boswell led the Pledge of Allegiance, welcomed those in attendance, several members of the Boys Scout Troop and Christopher Hinojosa a former Boy Scout, Eagle Scout. He stated Mr. Hinojosa had just completed his first year at Harvard University and was interested in government. He would be shadowing the Commission and attending City Commission meetings.

1) Board Recognition

None

2) Approval of Minutes

- a) July 6, 2016
- b) July 20, 2016

Motion was made by Commissioner Uhlhorn and seconded by Commissioner Uribe to approve both sets of minutes as presented. Motion carried unanimously.

CONSENT AGENDA

- 3a) Second and final reading to approve and adopt an ordinance to create an "All-Way Stop" condition at the intersection of 3rd Street and Davis Avenue.
- b) Second and final reading to approve and adopt an ordinance to rezone from Not Designated ("N") District to Residential, Single Family ("R-1") District for Lot 1, Block 1, Eddie Lara Estates; Lot 1, Block 1, Frausto Estates Subdivision; Lots 1-3, Jay and Lori Subdivision; Lots 1 and 2; Lot 1, Block 1, Lucas Estates Subdivision; Lot 1, Block 1, Maria Guadalupe Subdivision; Lots 1 and 2, Block 1, Pen-Zam Estates; Lot 1, Block 1, Stuart Townsite No. 2; 4.88 acres out of Block 17, 2.31 acres out of Block 20, 3.30 acres out of Block 21, 5.03 acres out of Block 22, 3.0 acres out of Block 23, 3.72 acres out of Block 24, and 2.50 acres out of Block 25, Stuart Place Subdivision Survey 298; 2.71 acres out of Block 2, 1.10 acres out of Blocks 2 and 3; 4.79 acres out of Block 3, and 6.28 acres out of Block 6, Stuart Place Townsite Acreage, all properties generally located north of Business 83 between Altas Palmas Road and Halpin Road. Applicant: City of Harlingen.
- c) Consider and take action to approve by resolution the acceptance of an anticipated Federal Aviation Administration (FAA) Grant Offer No.3-48-0101-058-2016 of approximately Four Million, Four Hundred Thousand Dollars and no/100s

(\$4,400,000.00) for the following projects: Construction of Aircraft Rescue Fire Fighting (ARFF) Station, Rehabilitation of Taxiway A, and to install a Shared User Passenger Processing System (SUPPS) at Valley International Airport.

Motion was made by Commissioner Leal and seconded by Commissioner De La Rosa to approve the items under the consent agenda. Motion carried unanimously.

For the record, the caption of the ordinances read as follows:

ORDINANCE NO. 16-35

AN ORDINANCE AUTHORIZING THE PLACEMENT OF TWO STOP SIGNS ON 3RD STREET IN EACH DIRECTION OF TRAFFIC AT ITS INTERSECTION WITH DAVIS AVENUE CREATING AN "ALL-WAY STOP" CONDITION; ESTABLISHING A FINE NOT TO EXCEED \$200.00 DOLLARS FOR THE DRIVER OF ANY MOTOR VEHICLE WHO FAILS TO STOP AND YIELD THE RIGHT-OF-WAY IN OBEDIENCE TO THE STOP SIGNS HEREIN AUTHORIZED; AMENDING OR REPEALING CONFLICTING ORDINANCES; PROVIDING FOR PUBLICATION AND ORDAINING OTHER MATTERS RELATED TO THE FOREGOING.

ORDINANCE NO. 16-36

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF HARLINGEN: REZONING FROM NOT DESIGNATED ("N") DISTRICT TO RESIDENTIAL, SINGLE FAMILY ("R-1") DISTRICT FOR LOT 1, BLOCK 1, EDDIE LARA ESTATES; LOT 1, BLOCK 1, FRAUSTO ESTATES SUBDIVISION; LOTS 1-3 JAY AND LORI SUBDIVISION; LOT 1, BLOCK 1, LUCAS ESTATES SUBDIVISION; LOT 1, BLOCK 1, MARIA GUADALUPE SUBDIVISION; LOTS 1 AND 2, PEN-ZAM ESTATES; LOT 1, BLOCK 1, STUART TOWNSITE NO. 2,; 4.88 ACRES OUT OF BLOCK 17, 2.31 ACRES OUT OF BLOCK 20, 3.30 ACRES OUT OF BLOCK 21, 5.03 ACRES OUT OF BLOCK 22, 3.0 ACRES OUT OF BLOCK 23, 3.72 ACRES OUT OF BLOCK 24, AND 2.50 ACRES OUT OF BLOCK 25, STUART PLACE SUBDIVISION SURVEY 298; 2.71 ACRES OUT OF BLOCK 2, 1.10 ACRES OUT OF BLOCKS 2 AND 3; 4.79 ACRES OUT OF BLOCK 3, AND 6.28 ACRES OUT OF BLOCK 6, STUART PLACE TOWNSITE ACREAGE, ALL PROPERTIES GENERALLY LOCATED NORTH OF BUSINESS 83 BETWEEN ALTAS PALMAS ROAD AND HALPIN ROAD; PROVIDING FOR PUBLICATION AND ORDAINING OTHER MATTERS RELATED TO THE FOREGOING.

PASSED AND APPROVED on first reading this 20th day of July, 2016.

PASSED AND APPROVED on second and final reading this 3rd day of August, 2016.

CITY OF HARLINGEN  
/s/ Chris Boswell, Mayor

ATTEST:

/s/ Amanda C. Elizondo, City Secretary

- 4) Consider and take action to approve the recommendation of Scott Gibbs, Insurance Consultant with McGriff, Seibels & Williams regarding the Employees Health & Group Insurance for Fiscal Year 2016-2017, naming the insurance agents, and authorize the City Manager to sign the contract.

Mr. Scott Gibbs, Insurance Consultant with McGriff, Seibels & Williams highlighted the insurance proposals for the Employees Health and Group Insurance for Fiscal Year 2016-2017. He also highlighted the Current Plan History, Overview of Process, Fully Insured Medical Analysis, Total Medical Cost Analysis, and 2016-17 Potential Monthly Employee Contributions.

Commissioner Uhlhorn asked if the City held health screening fairs for city employees.

Efren Fernandez, Human Resources Director stated the last health screening fair was held two years ago. The cost was about \$8,000 to \$9,000 to hold a health screening fair.

Mr. Gibbs stated the affordable care act requires that everyone get one free visit per year on a physical basis. Blue Cross Blue Shield could host a health-fair and bill it to the plan like preventive care. Blue Cross/Blue Shield offered an implementation wellness credit that could be use to pay for the health-fair. He recommended awarding the insurance proposal to Blue Cross Blue Shield and name Sheppard Walton King and Texas Insurance Agency as the health plan agents.

Motion was made by Commissioner Uribe and seconded by Commissioner Leal to approve the recommendation of Scott Gibbs, Insurance Consultant with McGriff, Seibels & Williams to award to the insurance proposal to Blue Cross/Blue Shield for the Employees Health & Group Insurance for Fiscal Year 2016-2017 and name Sheppard Walton King and Texas Insurance Agency as the health plan agents and authorize the City Manager to sign the contract. Motion carried unanimously.

- 5) Consider and take action to approve the recommendation from Scott Gibbs with McGriff, Seibels & Williams regarding the Voluntary Vision Plan for the City Employees for Fiscal Year 2016-2017 and authorize the City Manager to sign a contract. (Presentation by Scott Gibbs)

Mr. Scott Gibbs, Insurance Consultant with McGriff, Seibels & Williams highlighted the proposals for the Voluntary Vision Plan for City Employees for Fiscal Year 2016-2017. The Vision Plan was at no cost to the City and was done through Section 125 Plan for free tax. Employees that signed up would pay for the insurance. The best vendor is Superior with 4% increase for 4 years and Davis Basics matched the current benefits with no increase for 4 years. They have a strong network in the Rio Grande Valley and a 19% reduction in employee rates. Mr. Gibbs recommended awarding the Voluntary Vision Plan to Davis Basics and name Sheppard Walton King and Texas Insurance Agency as the health plan agents.

Motion was made by Commissioner Uhlhorn and seconded by Commissioner De La Rosa to approve Mr. Gibbs' recommendation to award the Voluntary Vision Plan for City Employees for Fiscal Year 2016-2017 to Davis Basics and name Sheppard Walton King and Texas Insurance Agency as the health plan agents. Motion carried unanimously.

- 6) Consider and take action to propose a desired tax rate for Fiscal Year 2016-2017 and schedule two public hearings to be held on Friday, August 12, 2016 at 12:00 noon p.m. and Wednesday, August 17, 2016 at 5:30 p.m.

Sergio Villasana, Asst. Finance Director stated the 2016 effective tax rate for the City is \$0.588300. Staff was proposing the same tax rate of \$0.588827 as last year. The Tax Code requires that the taxing entity vote on a desired tax rate, record the vote and scheduled two public hearings on the tax rate. The recommended dates to hold the public hearings are Friday August 12th, at 12:00 p.m. and Wednesday, August 17th, 2016 at 5:30 p.m.

Commissioner Uhlhorn highlighted the following information in regard to the 2015 Property Tax Rate for Selected Cities in Cameron and Hidalgo Counties. He stated that even with a four cent tax increase the City of Harlingen's tax rate would be the lowest among the cities mentioned below. The City has not raised the tax rate since 2005. The City of McAllen has one of the highest sales tax per capita in the State of Texas. The City of Mission does a transfer from utilities into the general fund which allows them to have a 49 cent tax rate. This information gives us an idea where the City of Harlingen stands. The one cent generates \$328,945 for Harlingen and a four cents sale tax increase would generate about 1.3 million dollars which would be approximately 6.79% increase in the tax rate. In 2005 the property tax rate was \$0.590559 and in 2015 it was \$0.588827 which is lower than 10 years ago by \$0.001732. There are some things that the City is deferring and the impact in everyone to generate 1.3 million dollars of additional revenue for the City to fund other project such as street improvements. The citizens are concerned about improvements.

**2015 Property Tax Rates for Selected Cities Cameron & Hidalgo Counties**

<u>Entity Name</u>	<u>2015 Tax Rate</u>	<u>% of Current Harlingen Rate</u>
City of San Benito	\$0.728125	123.66%
City of Brownsville	\$0.700613	118.98%
City of San Juan	\$0.699300	118.76%
City of Weslaco	\$0.676700	114.92%
City of Pharr	\$0.654000	111.07%
City of Edinburg	\$0.635000	107.84%
City of Harlingen	\$0.588827	100.00%
City of Alamo	\$0.588100	99.88%
City of Mission	\$0.498800	84.71%
City of McAllen	\$0.476300	80.89%
City of Harlingen – Revenue Generated By \$.01/\$100 increase in Tax Rate	\$328,945	

\$.04/\$100 Increase would generate \$1,315,780  
.04/\$100 would be a % increase of: 6.79%

City of Harlingen Property Tax Rate 2005 \$0.590559  
City of Harlingen Property Tax Rate 2015 \$0.588827  
Tax Rate Change Since 2005 -\$0.001732

<u>Value of Residence or Property:</u>	<u>Annual Increase in Property Taxes If Rate Increased \$.04/100</u>	<u>Annual Increase in Property Taxes If Rate Increased \$.04/100</u>
\$25,000	\$10.00	\$0.83
\$50,000	\$20.00	\$1.67
\$100,000	\$40.00	\$3.33
\$125,000	\$50.00	\$4.17
\$150,000	\$60.00	\$5.00
\$175,000	\$70.00	\$5.83
\$200,000	\$80.00	\$6.67
\$250,000	\$100.00	\$8.33

Discussion was in regards to the publication dates for the public hearings on the proposed City's tax rate and budget. Ms. Elvia Trevino stated staff would work on adjusting the budget calendar if necessary to allow for further discussion on the tax rate.

Motion was made by Commissioner Leal and seconded by Mayor Pro-Tem Mezmar to propose a desired tax rate of \$0.588827 for Fiscal Year 2016-2017 and schedule two public hearings for Friday, August 12, 2016 at 12:00 noon and Wednesday, August 17, 2016 at 5:30 p.m. Motion carried as follows: FOR: Commissioners: Leal, de la Rosa, Uhlhorn, Mayor Pro-Tem Mezmar. AGAINST: Commissioner Uribe. (Vote - 4-1)

- 7) Consider and take action to adopt revisions to the Citizens Participation Plan for the Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME).

Ms. Tammy DeGannes-Jackson, Community Development Director highlighted the revisions to the Citizens Participation Plan. The City was required to have a Citizen Participation Plan that provides for and encourages public participation, emphasizing involvement by low and moderate income people, especially those living in low and moderate income neighborhoods. Certain revisions were made to the plan in order to meet the standard regulations of the Home Investment Partnership Program. The Community Development Advisory Board approved the revisions to the Citizens Participation Plan and recommended approval of the revised plan.

Motion was made by Mayor Pro-Tem Mezmar and seconded by Commissioner De La Rosa to adopt the revisions to the Citizens Participation Plan for the Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME). Motion carried unanimously.

- 8) Consider and take action to approve a resolution authorizing the City Manager to sign an Advanced Funding Agreement with the Texas Department of Transportation and represent the City of Harlingen in all matters related to the landscaping and lighting improvements at the IH-69E/IH-2 Interchange.

Javier Mendez, Parks and Recreation Director stated in 2015 the City was awarded the Governors Community Achievement Award for of \$250,000. The City Commission selected the median at the Interchange between Tyler and Harrison Avenue as the priority site to do landscaping and lighting improvements. The proposed resolution authorizes the City Manager to sign the agreement and represent the city in all matters related to this project. The State would provide \$33,000 in in-kind services. The City would pay \$50,000 (20%) of the \$250,000 to the State. Staff spoke to TXDOT in regards to the lighting and white LED lights will be use.

Dan Serna, City Manager stated the City is responsible for any cost overruns; anything over the allotted amount.

Motion was made by Commissioner Uhlhorn and seconded by Commissioner Uribe to approve the resolution authorizing the City Manager to sign an Advanced Funding Agreement with the Texas Department of Transportation and represent the City of Harlingen in all matters

related to the landscaping and lighting improvements at the IH-69E/IH-2 Interchange. Motion carried unanimously.

- 9) Consider and take action to adopt an ordinance on first reading to extend an existing "No Parking Zone" along the east side of Tennessee Avenue.

Javier M. Zamora, City Engineer stated staff received a complaint about parking along the east side of Tennessee Avenue north of South 77 Sunshine Strip. He recommended approval to extend the existing "No Parking Zone" by 180 feet along the east side of Tennessee Avenue.

Richard Bilbie, City Attorney read the caption of the ordinance.

Motion was made by Mayor Pro-Tem Mezmar and seconded by Commissioner Uribe to approve the ordinance on first reading to extend an existing "No Parking Zone" along the east side of Tennessee Avenue. Motion carried unanimously.

- 10) Consider and take action to appoint a Chairman for the Tax Increment Financing Reinvestment Zones 1, 2, and 3.

Motion was made by Commissioner Uhlhorn and seconded by Commissioner Uribe to appoint Commissioner Victor Leal as the Chairman for the Tax Increment Financing Reinvestment Zones 1, 2, and 3. Motion carried unanimously.

- 11) Consider and take action to approve the proposed priority project list identified in the City of Harlingen's Comprehensive Plan – One Vision, One Harlingen.

Mr. Gabriel Gonzalez, Assistant City Manager highlighted the following Comprehensive Plan Overview Project List.

PRIORITY PROJECT LIST

- 1 Convention Center – Project Cost: \$14,846,825 (Funding Sources: 4B, TIRZ 1, 2, & 3 & Hotel/Occupancy Tax Funds);
- 2 Baxter Building – Redevelopment of the Historic Baxter Bldg. as a Key Downtown landmark- Est. Cost - \$1.5 million;
- 3 Street Overlay Improvements Project – Commerce from Taft Ave. to N. Bus. 77 – Est. Cost: \$2,155,902;
- 4 Develop Lon C. Hill as a Destination Park to include an inclusive playground, adaptive baseball fields, lighted trails, additional parking, an amphitheater, restrooms, pavilions, new lighted basketball courts, a courtyard and a children's discovery center – Est. Cost 12,962,398;
- 5 Allow and Encourage Mixed Use Development in the Core Areas of Harlingen Development – Staff will work on recommendations to implement policies and guidelines and performance measures to provide reasonable flexibility to development;
- 6 Address parking needs in the downtown district and develop a formal core areas of Harlingen plan with Individual sub-districts (Downtown Master Plan) - \$40,000;
- 7 Drain Ditches Improvements - Dixieland Ditch - \$881,564.00; 13<sup>th</sup> Street - \$201,356.00; Rio Hondo Road Ditch - \$721,360; and Lipscomb Ditch – \$493,702.00 – Total Project Cost: \$2,297,982
- 8 Acquisition of Fire Training LPG Burn Prop Unit – \$332,000 & Fire Drill Tower Repairs – \$200,000;
- 9 Renovation of City Hall – Explore options for a New City Hall;
- 10 Fair Park & Victor Park All-Inclusive Playgrounds - \$2.5 Million;
- 11 Harlingen Arts & Heritage Museum Historical Bldg. Improvements (Phase I & II) – \$500,000;
- 12 Soccer Complex Phase II – Construction of the second phase of the Harlingen Soccer Complex to include upgrading the existing irrigation system to a wire controlled system; enhance the soil condition of the existing fields, bring in select fill material for new fields for optimal growing condition of Tift 419, construct two additional restrooms and additional parking – \$2,100,000; Additional Option – install artificial turf on Championship Fields (\$1,600,000);
- 13 Spur 54 – Total reconstruction and widening from four to six lanes - \$6,874,132; Loop 499 Bike Lane Extension - \$14,550; Dixieland Turnaround – \$1.5 million; FM 509 Extension – 3,620,000;

HSBMPO's Bicycle & Pedestrian Master Plan - \$79,682; Proposed Bike Lanes by City of Harlingen -\$284,048; Harlingen Multi-modal Transit Center - \$5 million; City of Harlingen Funding - \$543,048, Outside Funding, (Propositions 1 & 7) - (\$16,829,364.46) -Total \$17,372,412.46);

- 14 Valley International Airport - Aerotropolis - \$100,000 annually);
- 15 Upgrade the Children's Library – (Estimated Capital Expenses \$94,000 and Estimated Non-Capital Expenses - \$96,000 - Total Project Cost: \$190,000; Upgrade the Library Computer Lab – Estimated Capital Expenses - \$84,000; Est. Non-Capital Expenses - \$175,000; Project Cost: \$259,000; and Creation of a Teen Library – Est. Capital Expenses - \$54,000 and Est. Non-Capital Expenses - \$50,000 – Project Cost: \$104,000;
- 16 Hugh Ramsey Nature Park Education Center – Improve Hugh Ramsey Nature Park as a major birding and wildlife attraction and develop a nature center—\$1.2 million; potential funding sources – Texas General Land Office & Texas Parks and Wildlife); and
- 17 Trails: Ramsey to McKelvey & 25<sup>th</sup> (A 10 ft. wide trail extension connecting McKelvey to Hugh Ramsey Park) – \$825,000; extend 25<sup>th</sup> Street Hike and Bike Trail at three locations; first one using existing irrigation canal bank from Harrison Ave. to I69E for a total length of 3.2 miles - \$1,744,000; second extension use existing Jefferson Street R.O.W. to connect Business 77 to the Library for a total length of 0.60 miles - \$367,000; and third extension is to use Grimes R.O.W. connecting 25<sup>th</sup> Street to Morgan Blvd. for a total of 0.60 miles - \$327,000.

Total Project Costs:	\$63,220,519
Less Prop(s) 1 & 7	17,372,412
Less Convention Center	14,846,825
Legacy Foundation Grant – Parks	425,000
Less Possible Drainage Grants	2,297,982
Less Possible LPG Grant	270,000
HAHM Donations	500,000
Donations Playground	400,000
Possible TPW Parks Grant	<u>500,000</u>
TOTAL OUTSIDE FUNDING	\$36,612,219
 FUNDING NEEDED	 \$26,608,300

Motion was made by Commissioner Uribe and seconded by Commissioner Uhlhorn to approve the Priority Project List identified in the City of Harlingen's Comprehensive Plan – One Vision, One Harlingen. Motion carried unanimously.

Mayor Boswell stated this did not mean that the City would be funding all the projects or get them done. It meant that the City has a plan and a tasking staff to concentrate on these projects to get them done after the funding has been identified.

- 12) Consider and take action to approve a resolution authorizing the Mayor to accept grant funding in the amount of \$18,228.00 from the United States Department of Justice for a project titled "Edward Byrne Memorial Justice Assistance Grant."

Motion was made by Commissioner Leal and seconded by Commissioner Uribe to approve the resolution authorizing the Mayor to accept the grant funding in the amount of \$18,228.00 from the United States Department of Justice for a project titled "Edward Byrne Memorial Justice Assistance Grant." Motion carried unanimously.

- 13) Board Appointments

Commissioner de la Rosa

Eva Chipps - Tennis Advisory Board (new appointment)

Commissioner Leal

Brent H. Hunter – Museum Advisory Board (re-appointment)

Mayor Boswell

Mary Torres – Library Advisory Board (new appointment)

Motion was made by Commissioner Uribe and seconded by Commissioner Uhlhorn to approve the appointments of Eva Chipps and Mary Torres and the re-appointment of Brent H. Hunter. Motion carried unanimously.

- 14) Executive Session - attorney consultation pursuant to Section 551.071, Texas Gov't. Code to provide legal advice and counsel in connection with certain collective bargaining issues contained in the Notice of Intent to Bargain by the duly recognized majority bargaining agent for the City's law enforcement officer, the Harlingen Police Officer and Law Enforcement Association (HPOLEA) and the Harlingen Professional Fire Fighters Association."

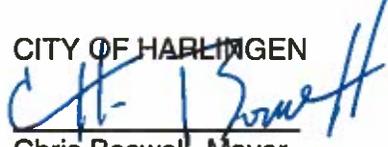
At 6:40 p.m., Mayor Boswell announced the City Commission would convene into executive session to discuss Item No. 14.

Motion was made by Commissioner de la Rosa and seconded by Commissioner Uribe to convene into executive session to discuss Item No. 14. Motion carried unanimously.

At 9:16 p.m., Mayor Boswell announced the City Commission had completed its executive session. No action was taken.

There being no further business to discuss the meeting was adjourned.

CITY OF HARLINGEN

  
Chris Boswell, Mayor

ATTEST:

  
Amanda C. Elizondo, City Secretary