

HARLINGEN COMMUNITY IMPROVEMENT BOARD
MEETING

September 6, 2013

A meeting of the Harlingen Community Improvement Board of Directors was held on Friday, September 6, 2013 at 11:30 a.m. at Town Hall, City Hall located at 118 E. Tyler Street, Harlingen, Texas. Those in attendance were:

Present:

Jesse Robles – President
Paul Durant – Vice President
Joe Rubio, Jr.
Daniel Araiza
John Guevara
Danny Villarreal

Absent:

Gina Cano-Monreal – Secretary

Mayor & Commission

Chris Boswell – Mayor
Basilio “Chino” Sanchez, Commissioner District 4
Mike Mezmar, Commissioner District 3

Staff Present:

Carlos Yerena, City Manager
Gabriel Gonzalez, Assistant City Manager
Elvia Trevino, Director of Finance
Elena Garza, Assistant City Secretary

President Jesse Robles called the meeting to order and stated the agenda had been posted accordingly.

1) Consider and take action to approve the Financial Reports.

Elvia Trevino, Finance Director highlighted the balance sheet for the month of July and reported the cash assets to be \$2,224,385 with accounts receivables from the State Comptrollers to be \$125,247. Total assets are at \$2,349,632. Total Liabilities is at \$264,346 and Fund Balance is at \$2,085,286 for a total of \$2,349,632. Under Statement of Revenues for the month ending July 31, 2013 the annual budget is at \$1,270,129. Total Expenditures are at \$862,982. All projects have been completed and will be closed out. There are currently two open projects which is the TxDOT 25th Street Trail Project for \$524,762 and the Comprehensive Master Plan at \$200,000. The estimated Fund Balance for year end is at \$1,379,631.

Joe Rubio questioned the \$315,000 budget amendment change and stated the City has up to 60 days to amend the expenditure adjustment.

Ms. Trevino replied at the last meeting there was a change for the McKelvey building. That adjustment was approved by the Harlingen Community Improvement Board and City Commission and once approved it is allocated, but it doesn't mean the City will be spending the money.

Mr. Araiza requested an itemized listing of all the projects be presented at the next board meeting to see what phase they are at.

Carlos Yerena, City Manager replied a status report on all projects will be provided at the next meeting.

Motion was made by Joe Rubio and seconded by Daniel Araiza to approve the financial reports. Motion carried unanimously.

2) **PUBLIC HEARING** by the Harlingen Community Improvement Board in accordance with the Development Act of 1979, Article 5190.6, Section 4B(n) to hear comments for or against funding the following project:

a) Project 2013-02-Hotel and Convention Center Feasibility Update.

At this time, President Jesse Robles opened the public hearing and asked if there was anyone that wanted to speak for or against the project.

Joe Rubio, 2309 Hacienda Road stated he had prepared a 5-page report and is presenting this report as his public comment. The report is based on public information gathered from the Harlingen Economic Development Corporation study that was prepared by HVS Consulting based out of Flower Mound, Texas. Rodney Glough, a Certified Texas State Appraiser released this report last year on May 17, 2012 and the total cost of the report was \$15,000. The report shows a breakdown of details on how hotels function. It also provides a feasibility analysis. Mr. Rubio stated he is for the proposed project, but wants to point out that the 4B board is spending another \$15,000. His concern is if this feasibility study is approved there should be a shared cost from revenues sources such as the Economic Development (4A), the City of Harlingen General Fund and the Convention and Visitors Board. He would like to know what the actual cost is going to be for the feasibility update and if the same consulting firm would be used.

Carlos Yerena stated the City is not the one requiring this feasibility update. It is being requested by the franchises that are coming into the city and they want to be able to view the most current information on hotels around the city. The city is looking at the same company that conducted the study last year. They submitted a cost of \$9,000 excluding expenses. That is why the funding request is for \$15,000.00 although, the cost maybe less.

Mayor Boswell pointed out that this is the third time this feasibility study has been updated. The original study was conducted back in 2008 and updated in 2012. It wasn't a developer, but a representative from the Hilton Group that recommended that the City obtain a feasibility study to attract the right developer for Harlingen and to determine the size feasibility of the convention center.

Mr. Araiza pointed out the board is receiving the report as public comments submitted by Mr. Rubio, not accepting the report.

President Robles replied that is correct.

Mr. Araiza wanted the board to be informed that the title on the report reads Harlingen Community Improvement Board Report, but the board didn't generate the report. It is coming from a citizen that being Mr. Joe Rubio. He wanted that to reflect on the minutes.

Mr. Rubio stated the report is public information. It was requested through a public information request.

President Robles stated this report was submitted by one of our board members acting as a citizen which he has the right and authority to do so and the board has to accept the report as is.

At this time President Robles closed the public hearing.

4) Consider and take action to approve funding for the following project:

a) Project 2013-02-Hotel and Convention Center Feasibility Update \$15,000.

Motion was made by Paul Durant and seconded by John Guevara to approve Project 2013-02 in the amount of \$15,000.

Under discussion Commissioner Mezmar questioned if this was authorizing up to \$15,000 or the actual cost is \$15,000. Mr. Yerena stated up to \$15,000.

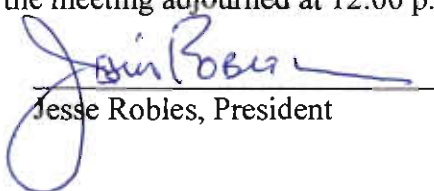
Motion carried unanimously.

5) Adjournment

There being no further business to discuss the meeting adjourned at 12:00 p.m.

Attest:


Elena Garza, Assistant City Secretary


Jesse Robles, President