



**MINUTES  
OF THE CITY OF SAN BENITO  
REGULAR CITY COMMISSION MEETING**

On June 4, 2019 the City Commission met for a Regular Meeting at the San Benito Municipal Building, Cesar Gonzalez Meeting Hall, 401 North Sam Houston Boulevard, San Benito, Texas at 5:30 p.m. A quorum was present including the following:

**HONORABLE BENJAMIN GOMEZ, MAYOR, WAS THE PRESIDING OFFICER**

**CITY COMMISSION MEMBERS**

**Benjamin Gomez, Mayor  
Carol Lynn Sanchez, Mayor Pro Tem  
Antonio Gonzales, Commissioner, Place 1  
Rene Villafranco, Commissioner, Place 2  
Ricardo Guerra, Commissioner, Place 3  
Mark Sossi, City Attorney**

**ADMINISTRATIVE STAFF**

**Manuel De La Rosa, City Manager  
Fred Bell, Assistant City Manager  
Ruth McGinnis, City Secretary**

**ITEM 1. WELCOME.**

**Mayor Benjamin Gomez** called the meeting to order. "The City Commission and I welcome you to this Regular City Commission Meeting. The time is 5:30 p.m. and we have a quorum."

**ITEM 2. PLEDGE OF ALLEGIANCE TO THE U S FLAG AND TO THE TEXAS FLAG.**

**Commissioner Ricardo Guerra** led the City Commission and audience in reciting the Pledge of Allegiance to the United States Flag and to the Texas Flag.

**ITEM 3. INVOCATION.**

**Martha McClain, Public Relations Director**, led the City Commission and audience in prayer.

**ITEM 4. ANNOUNCEMENTS: ITEMS OF COMMUNITY INTEREST.**

**Mayor Benjamin Gomez** announced **Commissioner Ricardo Guerra** will read the announcements. **Commissioner Ricardo Guerra**, announced, as of Monday, June 3<sup>rd</sup> thru Friday, June 28<sup>th</sup>, free Summer Reading Program begins at 11:00 a.m. to 12:30 p.m. at City Library. School age attendees will be provided free lunch by USDA School Lunch Program. Students completing a Book Reading Log will receive a Certificate and a Goody Bag on June 28<sup>th</sup>. Yesterday was introduction of program. You may still register. For more information call City Public Library at 361-3860. Thursday, June 6<sup>th</sup>, Opening Reception for Handsome Pepper: A Reflective Observation, at the San Benito Cultural Heritage Museum, 250 East Heywood, from 6pm to 8pm. Exhibit runs through August 2<sup>nd</sup>. This is a free event opened to the public. For more information contact Luis Contreras at (956)

281-0810. Saturday, July 6th, ResacaFest from 4pm-11pm at W.H. Heavin Memorial Park located at 705 North Bowie Street. More information contact Luis Contreras, 361-3800 ext. 418.

**ITEM 5. PROCLAMATION FOR MR. ROBERT "BOB" MILES COWGILL,**

**Mayor Benjamin Gomez** announced **Mayor Pro Tem Carol Lynn Sanchez** reading the proclamation for Mr. Cowgill. **Mayor Benjamin Gomez** thanked Mr. Cowgill for being present to accept his proclamation. The City Commission took group pictures with Mr. Cowgill and his family.

**ITEM 6. PUBLIC COMMENTS. (*Speakers/Remarks limited to three minutes. Public Comments limited to forty-five minutes*).**

**Mayor Benjamin Gomez** asked **Ruth McGinnis, City Secretary**, if anyone was present for Public Comments.

**Ruth McGinnis, City Secretary**, announced **Mr. Noe Gracia**, who addressed the City Commission. Buenas tardes, mi nombre es Noe Gracia y yo vivo en 841 La Palma Street en San Benito y vengo representando a las gentes de la Calle La Palma a ver si nos pueden ayudar a controlar los speeds por que dia, noche y madrugada estan pasando muy recio. Ha habido varios accidentes ahi y yo he visto a varios chamacos que cuando se bajan del bus ya no pasan el bus, no se vienen por el shoulder como son one-way streets por no pararse le sacan la vuelta al bus y ya ha habido como dos veces he visto una desgracia y al mismo tiempo que si pueden poner lineas, dividers en el medio de la calle, pero necesitamos speed bumps para que bajen el speed de ahi en la Calle La Palma. English translation: *Good evening, my name is Noe Gracia and I live at 841 La Palma Street, in San Benito and I come representing people who live in La Palma Street., to see if you could help us control the speed because morning, day and night people are speeding. There have been several accidents there and I have seen several kids that when they get off the bus, they don't pass the bus, they do not use the shoulder as these are one-way streets, they go around the bus so they don't have to stop and there have been some accidents that I have seen. At the same time, I would like to know if speed bumps could be set up so that people can reduce their speed there at La Palma Street.* **Mayor Benjamin Gomez**, stated, I think that we can place a patrol unit there once in a while like in the mornings. Estamos trabajando en una banqueta para esa area, desde aca hasta la Williams y vamos a poner lineas tambien pero estamos en el proceso de hacer eso, ya tenemos varios años. English translation: *We are working on a sidewalk for that area, from there to Williams and we are going to put markings as well but we are in the process of doing that, we've been trying for a few years.* **Mr. Noe Gracia**, stated, mas antes los chamacos de la escuela se iban pro los traques per cuando paso un accident muy feo ahi, un policia en frente de mi casa les grito por el microphone que se quitaran de los traques y ahora ya se vienen por la calle y una vez de estas va a ver una desgracia. Y eso, we are trying to avoid. English translation: *A while back, school kids would walk in the rail road tracks but there was a bad accident and policeman in front of my using a microphone told them get off the tracks and now they walk on the street and one of this days there is going to be a tragedy.* **Mayor Benjamin Gomez**, advised, we have been working on that sidewalk project for some years already but it is moving along. We will try to place some patrol units there. **City Manager, Manuel De La Rosa**, stated, I'll get Mr. Bell to get his contact information and figure out exactly when he is seeing them and what time of the day. Is it just during school zone hours and those kinds of things. **Mr. Noe Gracia**, there is no time. **City Manager, Manuel De La Rosa**, advised, yes, well,

I can't put them there the whole time, we'll have to figure out exactly when. **Mayor Benjamin Gomez**, asked Mr. Gracia, Cual es el tiempo mas que necesitamos a alguien ahi? English translation: *At what time do we need someone there?* **Mr. Noe Gracia**, stated, el tiempo mas feo es todo el tiempo, en la madrugada a las 3, 4, 5 de la mañana pasan recio en la noche y en el dia, los accidentes han pasado en el dia a las 10 de la mañana, y le han pegado a los carros que estan bloqueados, I mean, que estan parqueados en frente de sus casas solos. English translation: *The worst time is all the time, in the early hours of the morning 3, 4 and 5am, they go by very fast and during the day, accidents have happened during the day around 10am, cars that are blocked, I mean, parked in front of the houses.* **City Manager, Manuel De La Rosa**, stated, ok, thank you. **Mayor Benjamin Gomez**, gracias. *Thank you.*

**Ruth McGinnis, City Secretary**, announced **Ms. Lynn Pare, Citizen**, who addressed the City Commission stating, good evening Honorable Mayor and Commissioners. I am going to speak briefly as I only have 3 minutes. About the first each of the Commissioners present swore to uphold and allow to guide them in all that they say and do. In a resolution 2018-026 Code of Ethics, I am not up here to be self-serving or to serve one interest or other, just a simple citizen with expectations that the truth would come out. The day will if each of you look in your heart, your mind, your soul and know what is right. 1. Demonstrate honesty and integrity in every action and statement. I ask you to please remember your commitment as our elected leaders of this great city of San Benito. To remain honest, to be fair and remain vigilant in your ability to look citizens straight in the eye and tell the truth. Not half-truths or lying by omission. Please keep your integrity and continue to remain incorruptible. This is not a time to turn away from your moral values whom when easy and difficult decisions need to be made. 2. Comply with both the letter and spirit of the law in policies affecting the operation of government. Times such as now have required you, our City Commission, to look to the experts called lawyers for guidance and what some laws pertain to certain events. We all understand everything said and done and not done has consequences. But please, please, I beg you, before taking the advice of these lawyers ask yourselves; is this guidance honorable? Looking beyond the law and understanding the spirit of the law, is saving face more important than sharing the truth? 3. Service a model of leadership and civility to the community. You, our City Commissioners, are our public models both in good times and bad, leading by example, whom we respect and depend on. Can you be accountable, transparent and honest? While, we as citizens, appreciate your limitations, the ability to be transparent at this time, this in no way excuse your ability to be accountable. We want the truth; we can handle the truth but anything less than total transparency and accountability is unacceptable. A point of fact, the Code of Ethics Resolution passed 21 days after our citizen Ricky Trevino was killed. They're gonna kill me. They're gonna kill me. They're gonna kill me. Last known words spoken by Ricky Trevino, 179 days gone. Thank you. **Mayor Benjamin Gomez**, stated, thank you Ms. Pare.

**Ruth McGinnis, City Secretary**, announced **Mr. Alfonso Benavides** who addressed the City Commission stating, good evening Mayor, Commission, legal counsel, City Manager, City Secretary. I will also be very brief but to the point. First of all, the City Manager is supposed to maintain professionalism and I'm talking about consulting and considering the input of every commissioner here, not a select just 2 or 3. I mean, the entire Commission should be informed and consulted with. Ok, as spokesperson for the Trevino family, we are aware that the Internal Affairs investigation is complete, that you do have it. We are expecting, we come here expecting justice for Ricardo Trevino, III, and we want this justice to prevail. That disciplinary action will be taken against those that were found in wrongdoing in this assassination that your

police department committed with Ricardo Trevino, III. We are asking for nothing less than that. Officers, in the past, here in San Benito, have been terminated for far, far less than this. It used to be, when I would ask people out there, you ask them right now, it used to be that they would say, "Que bonito San Benito," now I am hearing, "Pobrecito San Benito." And this, tainted San Benito. Your police department tainted and intrude this City's character. We are expecting justice and we want this justice to prevail. Thank you.

Ruth McGinnis, City Secretary, announced Ms. April Flores, Citizen, who addressed the City Commission stating, I stand here today as a mother. Many of you are parents yourselves. You have the honor and the privilege to be able to share every new milestone that your child will be having in the next coming years, next coming months. Right now, I am going thru many firsts; first Christmas without him, our first New Year's, my first birthday without him, his stepbrother's graduation, his nephew's graduation and his graduation. On Thursday, June 6, instead of celebrating with my son his 22<sup>nd</sup> birthday, I will be visiting him at his grave. So, every time you come across a new milestone in your children's lives remember about mine. I just turned 38, I should not be a mourning mother. There has been so many red flags that were avoided. So many red flags that were brought to you all's attention and were overlooked. At some point in time by elected officials, you need to set aside any personal things that you all have benefitted from. He was just beginning his life, he had so many dreams, he was going to college. That vehicle was his first vehicle. He had just given the down payment, not even his first payment. He had a job. He was assassinated in broad daylight by those sworn to protect us. So many bullets in violations, they were violated. All we want is the truth. We've waited almost 6 months, almost 6 months, how much more are going to have us wait? That's all we want, just release the findings, that's it. Since the very beginning, you all have taken this as a joke and that is how it has felt from the very beginning. My son's life mattered and I will continue to be his voice because 6 feet under the dead can't speak. That's all I have to say.

Ruth McGinnis, City Secretary, announced end of Public Comments

ITEM 7. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE MINUTES OF THE REGULAR CITY COMMISSION MEETING OF MARCH 19, 2019 AND THE SPECIAL CITY COMMISSION MEETING OF MARCH 26, 2019.

Mayor Benjamin Gomez requested a motion. Commissioner Rene Villafranco moved to approve. Mayor Pro Tem Carol Lynn Sanchez seconded the motion. Voting Aye; Mayor Benjamin Gomez, Mayor Pro Tem Carol Lynn Sanchez, Commissioner Rene Villafranco and Commissioner Ricardo Guerra. Motion carried to APPROVE THE MINUTES OF THE REGULAR CITY COMMISSION MEETING OF MARCH 19, 2019 AND THE SPECIAL CITY COMMISSION MEETING OF MARCH 26, 2019.

Commissioner Antonio Gonzales arrived at 5:57 p.m.

ITEM 8. CONSIDERATION AND POSSIBLE ACTION ON THE EXPENDITURE OF TYPE B FUNDING FOR THE SAN BENITO CENTER FOR ECONOMIC AND BUSINESS DEVELOPMENT PROJECT.

Rebeca Castillo, Executive Director of the San Benito Economic Development Corporation addressed the city commission by stating, Good evening, Honorable Commission, Rebeca Castillo with the San Benito Economic Development Corporation Executive Director. What you have in this screen is a, and I will be going thru a few slides in reference to this project, is the San Benito Center of Economic and Business Development. As you all well know, the EDC

owns the property located at 701 N. Bowie St., and there have been plans to be able to move forward with some development in this location. The slide presentation basically covers what this project entails and it has undergone. It was approved by the EDC board on March 25, 2019 and it has been undergoing public hearing and also 60-day comment period. Now, after the comment period ended on May 27<sup>th</sup>, we are here for presentation and possible action from your part. What you see basically in the screen is an image. I think this one is the main picture that I wanted to pick for you to leave with today in terms of what we want to try to do with this location. It's been sort of a Center of Economic and Business Development where we will be able to house resources but also trainings and workshops for the small business community of San Benito. The idea is for it to also have a mixed use in terms of shared space. Not to be compared or misinterpreted to be comparable, let's say Venture X but it is more of a mixed use shared space for small businesses from a one-person shop to people coming in and meeting with a prospect or meeting with a client can have a set-up but also would have a variety of resources and also trainings available. We'll also have a particular area in there that will be able to be maker's space, incubator space. What we mean by incubator is a set-up where someone, with resources available, be able to start up their business, particularly in terms when they need 3-D printers or they need a kitchen incubator, kitchen set-up, commercial kitchen where they can prepare or test their products. But, I'll go thru the presentation and answer any questions that you may have. If we go to the first slide, we are looking at the skull bulk of the project, the San Benito Center for Economic and Business Development will provide a solid frame work for the San Benito Economic Development Corporation to facilitate and implement activities and programs that promote economic development thru business development and entrepreneurship initiatives here in San Benito, Texas. The building that we are looking at is 3,000 square feet facility that will house the San Benito EDC offices, several small business development programs, third-party small business micro lenders, incubation spaces, electro hub training room, a maker's space for product preparation and testing and office spaces for city organizations that might assist with facilitation economic development programs. The facility's features will construct a business pipeline, in essence, the project's primary output will include job creation, skills training and business retention and expansion for San Benito, Texas. Going to the next slide, we have some of the guiding values listed on your slide and is to ensure broad business community benefits from economic growth and sustainability to fully explore training innovative programs in collaboration with employers that include job opportunities here in San Benito, Texas, to retain successful businesses in San Benito by performing necessary outreach efforts to promote sustainability, market San Benito Texas to attract business, entrepreneurs and visitors to re-inforce the message that businesses are a vital component of San Benito, Texas to support growth of local businesses both large and small in technology and non-technology fields. To create an environment in San Benito, Texas for current and future generations. The vision of the project is for San Benito Center of Economic and Business Development will serve the City of San Benito and State of Texas as epicenter for entrepreneurships, small business development and economic development to foster growth and excellence in service to the small community. Our mission is to foster and develop and strengthen the small business community as well as domestic and international entrepreneurs who wish to establish their business ventures here in San Benito, Texas thru extensive programming, incubation opportunities, accessibility and resources. Overall, we want to facilitate the location where we set-up small businesses from starter up to businesses that are already in existence to guide them and lead them thru the process and lead them thru success. Often times businesses that start within a year they have to close their doors because they are suffering and are not meeting the revenue and the profits that they were expecting, but if we provide them with the proper tools to be able to be successful in their particular

businesses we can move forward. **Commissioner Rene Villafranco**, stated, you are hitting a point that I want to talk to you about but it's item number 9. **Rebeca Castillo**, stated, ok, alright. The next slide that you will see there. We are looking in terms of strategic goals and objectives. I am not going to go into detail into each one of them but the main strategic goals and objectives we are looking at this project to be able to support investment in our community that creates new jobs, to market the bi-national region market as a business friendly zone with a center of economic and business development as its focal point. Being in a very close proximity to a port of entry at Los Indios International Bridge is very important that we are able to maximize those opportunities as well. The third strategic goal and objective is to create a resource hub for policy makers and organizations involved in economic and state business development looking to advocate for small business community. We are partnering with a small business administration. We are partnering with the university in terms of business and retention. We are partnering with the state office, with the Governor's office in terms of grant money, in terms of training availability that they could have for the small business community and entrepreneurs and start-ups. So, for this stand point, is also having conversations with legislators as well as we move forward and make sure that the business community needs are met. We are also looking to promote sustainability of small business development in San Benito, Texas. Those are the four goals we are looking in terms of programming to mention a few. We will be having the San Benito EDC headquarters offices there. The main reason is because that incubator, that location and facility will need the man power to be able to oversee the day to day activities and programming and so forth. Business incubation, we are looking also at technology commercialization, global soft landing pad. What we look at the aspect of global soft landing pad is if we have some kind of mechanisms structure here in San Benito, is when we have international or businesses that are outside of the United States, when they come to the United States they are still a new business in the United States. So, if we provide resources and we work with them, we will be able to assist them in becoming successful in the United States. They are technically a new business in the United States although they have been operating maybe very successfully somewhere else. We would be able to facilitate some of those resources to allow them to go thru a transition process thru this global soft landing pad thru the EDC incubator space and eventually graduate them into their own storefront with the idea that they continue investing and keeping their business here in San Benito. We will also be having small business boot camps, one on one counseling for entrepreneurs, maker's space that is what we mean in the terms of the incubator space for the kitchen, for people to prepare their products. We will have something to that effect in a very small scale but San Benito will have those resources here in our community. We are also looking at financial literacy programming. We strongly believe that financial literacy starts at the education level, at the primary levels in high school levels but also at the household. We understand that there are a lot of dynamics that happen in the family, in the household and a lot of those issues that often come about is because of financial constraints but if we are able to capture financial literacy from the very beginning during the school years and thru individual households, we will be able to give them the tools to be able to be more financial stable, have more financial freedom which equates to more disposable income and it equates to a community that is happier and has more disposable income to be able to do more things and invest as well in the community but also be happier and going out shopping, dining, to our parks, to our community in order to be able to be everlasting and improve their quality of life. The prime location is at 701 N. Bowie St., here in San Benito, the side street by the Resaca. We are looking at the location, aerial view with proximate boundaries, is the location that we are looking that you see in the screen. What you have now is the layout, it has a proximate space for 50 parking spaces more or less. It is mostly open space that EDC staff will oversee the programming of the center's day to day

activities. In terms of what you see in that layout, the back area which is in the top of the screen, is a garage area right now that has 3 doors. We are looking in factoring as to what improvements we can do there. We are thinking of some kind of outside deck or pergola to be able to have that location available for after hour events or activities that we can have also to hosting some of our prospects but we also, now, in terms of some feedback, we might be able to invest a little bit more and do sort of like an open area sun room with glass windows so that it can have an access point to go from the inside to the outside but it is still covered, still conditioned with AC so that it can facilitate some of those activities that we can have as we have conversations with businesses, we also kind of have celebrations in terms of milestones that the EDC and The City has as well. So, there is a possibility of doing some improvement in aesthetics in the back area and also for the visibility as people are going thru the Resaca trail, they will be able to see the aesthetics and more inviting for the business community as well. The idea is to do some improvements but within an amount that is reasonable, that improves the location but is not excessive either. The current existing conditions, it might be so exciting when you see this picture but the idea that we do want you to see in this picture and many other people in the community, I want everybody to see this picture. So the idea to have these visuals, this is what the location looks like, there is a little bit of graffiti on one of the big blocks there. There is opportunity for a mural there but also for the signage of the location branding the center itself, this is closer up to the entrance. There are a few pictures from the inside, there is a long hallway that we could probably divide into three sections and make three executive offices, that can be also, at an affordable rate, can be rented at individual base. You rent it for an hour, you rent it for a few days, but still at an affordable rate that compared to having to go and pay a big amount, especially when it is a starter up in terms of businesses. They can start off on something that is more viable and as they generate revenue and they become more successful in their business then they can be graduated into their own store fronts and that is an idea that we are working with the city especially with our planning department to be able to identify all those vacancies that may need improvement as well so that we can be able to have locations shelve ready so that small business can be able to relocate into their main location store front but it is filling up some of the vacancies that we have rather than building new and at the same time maximizing the opportunities. This is the open space; this is the main training room. It is pretty big, the pictures do not make justice to it, but it is the main training room. It has plenty of space, we will be looking to making something comparable to your set-up, something comparable to your seating arrangement for Commission meetings for the EDC Board and then we will have plenty of space for classroom area and training facilities. The training facilities for the most part will be trainers and trainees coming in for a few hours taking training and leaving. So, it is temporary coming in and out. The permanent individuals there will be for the most part EDC staff and volunteers that we might be able to recruit. There is a backup room with a smaller conference area that we could be to use for executive session or for small trainings as well or for some possible shared space. We already had our first board meeting on May 23<sup>rd</sup> and it was kind of our set-up. It was very basic but it worked. It was a very productive meeting that we had that time there. The cost proposal, that is the good part of all this. So, we are looking at the cost proposal, it is \$100,000.00 build-down, repair, deep cleaning, pain, façade improvement, parking repairs, building sign for the center's front, certificate of occupancy, network installation, fire safety extinguisher signage in the lot requirements, the center's phone system, office equipment, furnishings, projector, tv, conference room equipment including a laptop. We are also leaving some monies for contingency for miscellaneous items to include the first year of utilities. This all amounts to a total of \$153,300.00. From that stand point, it may sound too excessive for some and very little for others. The reality is that this project eventually when it was being considered years back,

it was budgeted at an estimated cost of almost \$700,000.00. We were able to do this for a lot less. The building is operational; it needs some improvements but at the same time if we do not procure it in terms of a big contract and we do all these improvements individually, there is a lot of cost savings because there is no overhead. In Brownsville, I have done it three times already, so, we are very familiar with the process of getting all these quotes and getting all these situated. So, in terms of this, the idea is the max to spend \$153,000.00 but if we can minimize and reduce the cost of these improvements, the idea is also to maximize and have savings at the end of the day. A little bit of similar projects that we have been looking at and we are using as a model, is a building in Mission. This is a 56,000 square feet location. It hostess the incubator, the shared space and also the EDC office. It used to be an old Wal-Mart. The situation that they do have there is that they were able to find an investor who did the improvements. Now that EDC is leasing the space for them for 10 years and subject to after the 10 years, they will be able to consider a buying option. But, the neat part of us, here in San Benito, is that we do not have a mortgage, we do not have a payment for a lease after we are able to move in since the EDC owns that property already. Here are some images that we have there from the building, the parking area of course is gigantic and humongous compared to what we will have here, but definitely, San Benito deserves to have a location comparable to this. It is a smaller scale but at the same time, we will be able to provide the resources. We wouldn't be able to do wonders with it, but we will still be able to maximize it for the size of our community and we will be able to do a lot of things. Especially, because the programming comes in and out and the trainer and trainees are not there permanently, so, we will have space or we will schedule something from 9 to 12 and those trainees and the trainers will leave and we will have other programming. We might have a training on payroll in the morning and a training on financial statements in the afternoon and throughout the week we can maximize those opportunities. The project timeline, we are looking in terms of the timeline. The Board approved it on March 25, 2019, we underwent a 60-day comment period which ended on May 27<sup>th</sup>. We haven't had any negative feedback, nothing official on terms to anybody coming in and saying, I saw the notice and I am here about it and I have a concern. It has been more of a conversation as to the goal of this project and the business community is excited. The feedback is positive and they are very supportive in wanting to see something like this here. In certain aspect, internally, we are already doing it, where we have our grants for rent subsidy and façade. But, we are getting businesses that are coming in from the starter-up where, I have an idea, what do I do. So, from our standpoint, we are tapping into resources that are already available throughout the Valley but also, in terms of our skills set, if there is something that we can help them out, we have the individual one-to-one sessions. There is programming that is already in existence that we just transitioned to that location. But, also, whatever else we can bring with the small business administration. We are working with them, they are willing to bring programming, the university as well, the Women's Business Center of Rio Grande Valley, so there is a lot of collaboration in training and resources that we can bring to this community. We are looking in terms of the project, if it is to be considered and approved tonight, we are looking to starting and implementing the project at the mid of this month. It is submitted for us to have completed within 2 months and the goal is for us to have the ribbon cutting and open our doors by mid-August of this year. So, you are looking at August 15<sup>th</sup> more or less to be able to have this project completed. That is pretty much my presentation, if you have any questions? [Commissioner Rene Villafranco](#), stated, you mentioned staff, what is your anticipation on how much staff you need to operate that? [Rebeca Castillo](#), advised, in terms of what we can do in operating and programming as to staff, the staff that we have, myself and our full timer will suffice. If anything, we are anticipating that we can maximize the monies will be that instead of contracting out, like cleaning services, instead of contracting out, some of

the intricacies as of doing landscaping, watering, sprinkling systems and all that process of maintaining the building, perhaps a part-timer of 20 hours that we can hire to be able to take care of that, assisting for training, setting out tables, chairs, things of that like. We are anticipating maybe a part-time person to help us with that. But even like that there are resources with AARP, we can also be able to tap in with the university in terms of interns and there are externships as well with South Third Career Institute, so, there are some viable options that we can do at a very low cost. **Commissioner Rene Villafranco**, questioned, max 2? **Rebeca Castillo**, asked for clarification, for interns? **Commissioner Rene Villafranco**, stated, well, no, staff that are going to go under EDC. **Rebeca Castillo**, advised, for EDC, it would be myself, the full-timer that we already have and perhaps one or two part-timers. If we get part-timers, also, the idea would be, also, to activate a kind of process where we are also, by hiring part-timers, we are training them, we are providing the soft-skills, build the expertise, build the experience and then they can grow to a full time job. Even with the City, because our intricacies and processes are very similar and for accounting purposes, we go thru The City. So, it will be easier to transition one person from our office and so forth, so forth. We don't anticipate growing the staff in terms of payroll, if anything, it will be volunteers and interns. **Commissioner Villafranco**, stated, thank you. **Mayor Benjamin Gomez** requested a motion to approve. **Commissioner Ricardo Guerra** moved to approve. **Commissioner Rene Villafranco** seconded the motion. Voting Aye; **Mayor Benjamin Gomez**, **Mayor Pro Tem Carol Lyn Sanchez**, **Commissioner Antonio Gonzales**, **Commissioner Rene Villafranco**, and **Commissioner Ricardo Guerra**. Motion carried to **APPROVE THE EXPENDITURE OF TYPE B FUNDING FOR THE SAN BENITO CENTER FOR ECONOMIC AND BUSINESS DEVELOPMENT PROJECT.**

#### **ITEM 9. CONSIDERATION AND POSSIBLE ACTION ON THE AWARD OF FUNDING FOR SMALL BUSINESS INVESTMENT PROGRAM.**

**Rebeca Castillo**, Executive Director of the San Benito Economic Development Corporation addressed the City Commission stating, what you have in front of you, in your packet, last month you approved the small business investment program. It underwent a comment period which ended on April 22, 2019. We also had a public hearing, there were no negative comments. You approved it last month, and subject to that, we do have concurrently been receiving applications for this process. Ideally, or how it has been done in the past, we opened a 60-day comment period for the fiscal year, undergo those two months and then open the applications for the community for the small businesses. What we did this time around, is that we did it concurrently and that save us approximately at least 2 months. We finished the public comment period and public hearing. You took action last Commission meeting and we were able to turn around and have the Board review and approve the applications and then quickly turn around and have them bring them to your consideration to be able move forward with them. What you have in the spreadsheets, you have three applications for rent subsidy that meaning that we will be able to assist them with 50% of the rent for the first 6 months. That is a total amount of what we are looking in terms of rent subsidy is \$10,550.00. There are three businesses; Juanito's Ice Cream Shop and Snack, Main Street Boutique and YoMama Bobble Tea, that is for rent subsidy. We also have 2 grant applications for commercial façade improvement that is Mr. Leonard Machuca, he is business person who purchased these locations. There are three units, he is looking at doing improvements by power washing to paint and fixing the windows and doors, so that he can activate those buildings and have some more development in downtown. Juanito's Ice Cream Shop, aside from the rent subsidy, he is also applying for a façade improvement. The total for those 2 applications for façade, we are looking at \$9,619.30. If this gets granted, we have a total of \$83,000.00 for the fiscal year. If these applications get granted, we will have a remainder balance of \$62,830.70 for additional

opportunities for more applicants. We will be receiving applications in a monthly basis and having the Board review them. So, we are looking at a process of 4 to 6 weeks because they need to have a lease for 2 years, they need to have a small business plan in place, we need a completed application but we also need to review their performance, revenue and personal or business income tax for the last 2 years. It is a do diligent process and some of the questions that our Board members had in terms is what guarantee that this business is going to be successful. What guarantees that we are going to give them this money and tomorrow they close down. This is a risk that we are taking but in terms of the application, in terms of the guidelines, in terms of the process, what we are trying to do is basically minimize that risk. In terms now, that we moved forward and we have the incubator space, what we do is not only give them the money and we move on, we continue building a relationship with those businesses so that we continue providing them the resources that they need so that they can be successful. We are continuing our investment doesn't, wants or leaves once we give them their grant. **Commissioner Rene Villafranco**, stated, this is the question that I had earlier, so I see the term lease is for 2 years, we are giving them a rent subsidy for 6 months, where are those 6 months, at the beginning or at the end or how does it work? **Rebeca Castillo**, advised, the main idea is when they come in and we screen them for the application, ideally, if they are negotiating a lease for 2 years or have a business. The idea would be if they are within their 3<sup>rd</sup> and 6<sup>th</sup> month of starting the business or they are at the very beginning. If they come in and they haven't opened their business and they are negotiating a lease for 2 years, depending on that, it would determine that we award them from the time that they open and activate their business. If they are already in business past 3 to 6 months, of starting their business, we'll start them off from the time that they applied, like, for example, these applications, we are starting them off from June 1<sup>st</sup> thru November. So, it will be 6 months of rent subsidy that we will be providing to them starting in the month of June. **Commissioner Rene Villafranco**, asked, do you know if EDC has anywhere in records that when we helped out people like you said earlier, that we helped them out at the beginning and on the 7<sup>th</sup> month they closed? **Rebeca Castillo**, advised, the only one that I can tell you about hasn't closed. It is still struggling, is still trying, is that we awarded in February of 2018, we awarded an applicant that has a deli but also has a party place. Those are the things that we are also learning in terms of evaluating the party place does it generates tax; does it generate traffic for downtown. So, the guidelines just recently got revised on May 23<sup>rd</sup> by the EDC Board, it is a little bit more specific and the requirements and the application questions have changed but the idea is that we want to minimize that risk but I can tell you that the location that is having a little bit of struggle right now hasn't closed but she is still looking at alternatives of swapping her building where she has her deli to the bigger location which is the party place because that deli place is boosting in business. So, the flowing is allowing her to have enough revenue to continue paying the rent for the other place, but it was still a lesson in learning on how do we minimize those risks, do we keep funding those kinds of locations that are at risk or they even have a very high rent. Those are the intricacies that our Board is looking at, evaluating every time they look at those applications, how minimal are the risks. But the idea right now, in terms of, I cannot attest to what has happened in the past but has happened in moving forward is that we are a resource and we will hold them by their hand and we will do all attempts to make sure that they are successful so that by the time those 6 months are over, we will continue assisting them in other resources but also we will continue to monitor and make sure of what is going on or how we can help them maximize that opportunity with the resources that we have. **Commissioner Rene Villafranco**, stated, thank you, those were the questions that I had, it is important for us to keep vigilant in those areas of the contract if we lend it up front, 7 month or 8<sup>th</sup> month vs. 6 months. The other question that I have for you, Leonard Machuca, that property is, come on guys help

me out. [Rebeca Castillo](#), advised, it's off of Robertson, right across the street from the Little Shop of Everything, is at the corner of Travis and Robertson, more or less. [Commissioner Rene Villafranco](#), questioned, it's the structure that has three doors? Brown one? [Rebeca Castillo](#), confirmed, yes. [Commissioner Rene Villafranco](#), asked, it is right by the bar district. [Rebeca Castillo](#), confirmed, yes and he purchased it recently, he is from San Benito and he wants to activate those buildings for development in downtown. [Commissioner Rene Villafranco](#), stated, if I am not mistaken this was the property that was for foreclosure. [Rebeca Castillo](#), asked, foreclosure? Yes. [Commissioner Rene Villafranco](#), asked, it's the same one? [Rebeca Castillo](#), confirmed, yes. [Commissioner Rene Villafranco](#), stated, so, we gave it to him at a very, very low price. [Rebeca Castillo](#), confirmed, yes. [Commissioner Rene Villafranco](#), stated, and then he is back here with us as [Commissioner Rene Villafranco](#), stated, so, he is proposing to open up shops pretty soon. [Rebeca Castillo](#), advised, and activate them, yes. His 100% investment will be internally. The businesses, he is looking to open them in term of, he wants one specifically to be an upscale grill with an ambient of, like a tearoom, deli location but more in the premises on the downtown area so that we can develop some of the traffic. It is kind of like a motivator where we are wanting to invest on this because what he is proposing and the plan that he has is to activate it with some businesses that will generate traffic thru downtown. [Mayor Benjamin Gomez](#), requested a motion to approve. [Mayor Pro Tem Carol Lynn Sanchez](#) moved to approve. [Commissioner Rene Villafranco](#) seconded the motion. Voting Aye; [Mayor Benjamin Gomez](#), [Mayor Pro Tem Carol Lynn Sanchez](#), [Commissioner Antonio Gonzales](#), [Commissioner Rene Villafranco](#), and [Commissioner Ricardo Guerra](#). Motion carried to [APPROVE AWARD OF FUNDING FOR SMALL BUSINESS INVESTMENT PROGRAM APPLICATIONS.](#)

ITEM 10. CONSIDERATION AND POSSIBLE ACTION TO APPROVE AN AGREEMENT FOR FINANCIAL ADVISORY SERVICES WITH ESTRADA, HINOJOSA AND COMPANY, INC.

[City Manager Manuel De La Rosa](#), addressed the City Commission stating, good evening, Mayor, Commissioners, today I have Don Gonzales with Estrada and Hinojosa, he is going to walk you through the financial agreement. As you might recall, we were looking at some Certificates of Obligation last year. Estrada and Hinojosa was still under contract. Mr. Gonzales has been representing the City for I believe coming up to 26 years or so. Again, when it comes to financial advisors, I know that there is Estrada and Hinojosa in the area that holds top securities both out of San Antonio. There are generally 3 firms, Dallas area, San Antonio and Houston. It is my recommendation that we do continue servicing, I did have a conversation with Mr. Gonzales, if you'll look at the financial advisor agreement, the last one that was approved was in 2013. I provided that for you. The rates have held the same for the last 10 years and are still the same for this agreement. Part of what I found that I needed to present this to you was that when I reached out to Mr. Hinojosa for some financial advice for the City on moving forward on these public utilities improvements, he said, "well, there is a problem, I am no longer on contract with you and I cannot provide you advise unless I get a contract." I said, send me what you got and we'll send it to the Commission and we'll see where we stand, so, if you have any questions, I am sure Mr. Gonzales will be happy to answer them and he may a presentation for you. [Mayor Benjamin Gomez](#), asked, how long have you been our advisory consultant? [Mr. Don Gonzales](#), stated, for the record, Mayor, my name is Don Gonzales with Estrada and Hinojosa. I actually have been working with the City of San Benito for 26 years. [City Manager Manuel De La Rosa](#) stated, Hinojosa and Estrada has been around for a long time. There is only about three of them in the state that do this. Their professional services, bond counsel, financial advisors just like engineers and city attorneys. There are certain protocols, there is certain licensing. Again, the reason I made Estrada and Hinojosa, it

represents Cameron County, Hidalgo County, cities in Cameron County and cities in Hidalgo County and Willacy County, they have those three. The Hilltop Securities has McAllen and Harlingen. **Mr. Don Gonzales**, advised, we have Brownsville, South Padre Island, Los Fresnos and San Benito. I can mention a number of cities there. But, Mayor, to your point, you are exactly right, if I would have said that, I should be fired on the spot. **Mayor Benjamin Gomez**, stated, 26 years, taking our money for 26 years and then we ask you a question and you respond with an answer like that. **Mr. Don Gonzales**, advised, well, Mayor, that is not at all exactly what was said and I want to clarify that if I may first. What I said to the City Manager was I'd be happy to do the work and I just need to make you aware that under the licenses under the SSAC that we have, we are prohibit from making any representations to you without being in a contract. The municipal advisory rules require us to do that, otherwise we would be practicing without having been licensed and authorized by you, that was what was said. If I would have said those words, Mayor, if I was on your shoes, I would have said thanks but no thanks. I want to make sure that I am very clear about that because that was not anywhere near to what my response was. I've had the pleasure of working with the City of San Benito for 26 years and what I would like to do is maybe cover just a few things. The firm was established in 1992, we've had 27 years of profitable years every year. I am the third largest shareholder in the firm. I am on the board of directors; I am on the management committee. We represent a number of cities, counties, school districts, state agencies, we've done housing, economic development, higher education, transportation, public/private partnerships. Probably the largest public/private partnership that's been done, has been done thru the San Antonio Public Water System to bring a pipeline to transport water from Central Texas to the City of San Antonio. When that is complete, it will be just under a billion dollars. On page 4, is some of our credentials, financial advisor ranking for 2018. As you can see, we are ranked number 2 in the state of Texas, number 12 in the United States. We are the number 1 Hispanic financial advisory firm in Texas and in the United States which is something that we are very proud of and we worked very hard to gain that. We feel it is a privilege to be able to serve the City of San Benito and actually reflect what I think the City of San Benito is. For me, personally, my dad grew up here and my family has ties to San Benito. In fact, I spoke to my dad earlier this afternoon because I spoke to him this past weekend, and he said, "you are going to be in San Benito tonight, right? And I said, "yes, Sir." He goes, "make sure you take care of them." So, it has been a personal privilege to have been able to represent San Benito for all these years. With respect to some of the accomplishments of the firm, we have been recognized as having been working on the top deals of the year award which you can see them listed on the bottom of page 5. From 2018, the Denver Airport, 2009 Parkland Hospital in Dallas. We've had representatives from our firm serve in the SIGMA Board, SIPC Board, Bank of America, the Municipal Securities Rules Making Board and Municipal Advisory Council of America. As far as recent transactions that we completed as a firm, this is just a smattering of about 15 different ones that represent cities, counties, school districts, transportation, healthcare, higher education. We represent from the City of Dallas to the City of San Antonio. We've worked with the City of Houston. Here, locally, as was mentioned, Cameron County, Hidalgo County, Willacy County, Starr County with a number of cities in each of those counties. In terms of different clients in different parts of the state, here is a listing as you can see for Valley clients, for example; City of Brownsville, Brownsville PUB, Los Fresnos, City of Pharr, Ranch Viejo, Raymondville, Rio Grande City, Rio Hondo, City of Roma, of course, City of San Benito and South Padre Island. That is not all of them but that kind of gives you a good feel. Over in Laredo, Del Rio, and then the Coastal Bend Region; City of Alice, Corpus Christi, Kingsville, Nueces County. I do not know why we do not have but we do have a number of clients in the Houston area as well and then of course, San Antonio and Dallas and west Texas. The number of clients

that we work with here in the Rio Grande Valley are listed there. I am not going to list all of those. I am kind of giving you a number of those already, and then the specific experience with San Benito, for me, I go back to 1993 and the transactions that you currently have bonds outstanding for, go back to 2004 all the way thru 2015. We've done, as you can see, a number of these are for funding transactions that have saved the City money as we refinanced that debt to a lower interest rate. We've been, I think, very careful about when we issue bonds to recommend a very modest and low amount. It is probably one of the things that I've received a number of compliments on working with a number of clients right now and they've said, you know, most financial advisors are trying to recommend to do bigger deals and you actually push for smaller deals and they say, why is that? And I say, because I am looking after you and I do not want you to do a bigger deal than you need to do, I rather you do something you can afford, something that makes sense for you financially, you can keep your strong ratings. When I first started working with San Benito, it had a triple B rating, today we have an A+ rating. So, there are a number of good things that we have been able to accomplish over those years. Every time we got an upgrade in ratings, we got lower interest rates that meant lower impact to the tax payers of the City of San Benito. We've been able to maintain that, work closely to the City Manager, Director of Finance, previous City Councils as well as yourselves to be very prudent and not go out and borrow money. As you recall, last year we were talking about borrowing money and we said, 12 million is really high but if that is what you want to do, here is how we would suggest that you do it. We then ended bringing that down to about 10 million and I think that was still something that you were not comfortable with and said, let's not do it. The important thing is that we are doing something that you are comfortable with and that it makes sense because you are the ones that are going to be having to answer the questions of the citizens and when you do that, one of the things that we have on the next agenda items is an even more scaled down version of that project from last year to now under 10 million dollars. So, those are the types of things that I think, we've been very successful of doing, trying to bring something that is very manageable and makes sense and if you decide that you do not want to do that, if you want to go back and revisit that, we are happy to do more scenarios until you find something that makes sense and you that you are comfortable with. On this second to the last page, it is mainly speaking about experience. One thing I did not put on here is, I am probably one of maybe 2 or 3 CPAs that actually does this type of work. A lot of the clients that I work with are San Antonio Water System, CPS Energy that issue hundreds of millions of dollars of debt in the market every year. So, for me, being able to work with San Benito is a special privilege for me and I enjoy doing the work here and coming here and spending time. My 26 plus years that I have been working with San Benito has been a great privilege and honor for me and I appreciate that very much. One of the things that I think is important here is the accessibility, if you have questions, you can call me noon, night, weekends, I am going to be here to answer any questions you might have. With that, I am happy to answer any questions and Mayor, I hope that I cleared up that statement, if you have any further questions I'll be happy to address that. [Commissioner Antonio Gonzales](#), speaking, inaudible. [Mr. Don Gonzales](#), confirmed, yes, sir, right, the attorney, yes, sir. [Commissioner Antonio Gonzales](#), stated, a challenge and I think it went sour and we didn't go because the people were going to get a twenty-four cent raise at the end of the day after so many years. Twenty-four cents on the dollar that is a big amount on that is all. [Mr. Don Gonzales](#), but if you keep on mind on that Commissioner, we are not the ones that are putting the price on that, those was what was given to us on terms of cost estimates from engineers, [Commissioner Antonio Gonzales](#), stated, I understand. I know. [Mr. Don Gonzales](#), advised, we are just running the numbers and I am just saying that we thought it was high. [Commissioner Antonio Gonzales](#), stated, it's ok. [Mr. Don Gonzales](#), yes, sir.

Mayor Benjamin Gomez, stated, thank you. Mr. Don Gonzales, stated, thank you very much, I appreciate it. Mayor Benjamin Gomez requested a motion to approve. Commissioner Rene Villafranco moved to approve. Mayor Pro Tem Carol Lynn Sanchez seconded the motion. Voting Nay: Commissioner Antonio Gonzales. Voting Aye; Mayor Benjamin Gomez, Mayor Pro Tem Carol Lynn Sanchez, Commissioner Rene Villafranco, and Commissioner Ricardo Guerra. Motion carried to APPROVE AN AGREEMENT FOR FINANCIAL ADVISORY SERVICES WITH ESTRADA, HINOJOSA AND COMPANY, INC.

ITEM 11. PRESENTATION OF PRELIMINARY PLAN OF FINANCE FOR UTILITY SYSTEM IMPROVEMENTS AND POSSIBLE ACTION TO AUTHORIZE THE PREPARATION OF A FINAL PLAN OF FINANCE AND NOTICE OF INTENT TO ISSUE FUTURE OBLIGATIONS.

City Manager Manuel De La Rosa, addressed the City Commission stating, thank you, Mayor and Commissioners, as Mr. Gonzalez passes these around, it is the presentation that is also in your packet. Trying to address these public improvements that we need, more specifically, only the lift stations. You saw some number last year, we had a different engineer revisit the same 6 lift stations. That number came in with planning, design and construction at 7.6 million. As you might recall, I provided you a copy of the application, kind of an intent application with the Texas Water Development Board. Page 10 of that page that I certified also has those dollar amounts. We talked to the Water Development Board, we had the bond counsel reach out and scheduled a conference call. The folks included in that conference call included bond counsel, financial advisors, city attorney, myself, assistant city manager and the Texas Water Development Board was on the other end of the line. So, we talked about the timeline and thinking with our engineer, when are going to find out once we submit the application? We were hoping by summer. Now is going to be some time, even the Water Development Board, and our profession consultant will correct me in my memory, but if I recall, it will be sometime in September. So, in September, if we do well, we are going to get a letter that says, ok, it is time for you to submit a formal application. If that formal application goes thru and if we go thru the process and it's rated. If we are good and if the City Commission wants to, because you are going to approve that application if we keep moving forward, it will tell us what that percentage is that we may qualify on the loan forgiveness. Up to 50%. Mayor, I showed you the one from 2017, the Water Development Board application at the time, we did not qualify for the \$7 million at 50%, 30%. It was 50% on the other, on the 11 million, right? On the water. So, here it is, just to let you know. I went thru this process with the Water Development Board back in 2000 with the City of Only when I was the city administrator there. So, I got some experience dealing with the Water Development Board. Now, I am saying when am I going to have the money available? It is going to be the spring of 2020, once it's all said, that is the first time when we can start pulling and that would be the 7.6. I said, ok and if you might recall, there is a timeline. The timeline to meet the S.S.O.I, the agreement that we have with TCEQ is March 2023 which is the drop-dead deadline basically, it's got to be complete. Any construction you are going to do, you really have to do before November of 2022 and you've got to give yourself a little leeway because not much is going to happen during the holidays. So, you really need to be underway that is just kind of the any last items, construction has to be complete. So, we are looking at a fall of 2022 to complete. This is 2019, we get the funding, design. It takes about a year. Our engineers have told us that public infrastructure Juan Gamez told us that so we know that it is about a year to design. We are in 2020 that gives us 2 years. We know that the Oscar Williams' lift stations that you all have been, most of think, every one of you all, a year and a half and it wasn't the Force Main, it was the delivery of equipment and supplies. These are old lift stations, old control panels, they are in bad shape. I know I need to give myself at least a year and a half. Mr. Gonzalez last night said, ok, it is about 2 years, so I

am not running late but you have to understand, I have to finish 6 months before the deadline because then winter months, holiday season, not much is happening and I cannot be depending on contractors to finish or if I get a delay. So, I said, how do I do this? And I said, you know what, I contacted Mr. Gonzales and said, this is what it looks like, here is the application, I shared with Mr. Sossi, I do not recall if I shared with bond counsel but I need about \$7.6, \$1.2 of it is planning and design. I just need enough to get this going and then I can worry about this next year. But, every year that I delay that construction goes off. You have to understand; in legal counsel we go thru this with our financial advisor. When you get federal funding thru the state, you've got requirements on types of materials, types of things you can purchase because that is how the federal government operates and so does the state. There are all this audit requirements, for example, I recall, 2 years ago the last legislative session, Governor Abbott signed a bill, we can only buy if we are using state funding. These are federal funds that go thru the state thru the feds thru the state to us. Materials have to be deemed U.S. made all of these kinds of requirements. In other words, no foreign made products or things like that. Sometimes, we do not know where these things are coming from, they meet specifications, we buy them, everyone keeps their cost down. There is a lot more required in this audit compliance and these requirements and they've been around for a number of years and they are just getting stricter and stricter on compliance. I bring this to you before, a conversation I had with Mr. Gonzalez was I need about \$1.2 so have to roll in your legal fees, your financial advisor fees, all of these fees plus other fees that are associated with that. That is why, and Mr. Gonzalez will walk thru this, \$1.5 now and if we want to stay, if I wait for the Water Development Board, and we can do that, we can wait till next spring, see how well we qualify, if we do not qualify, if we do not like what we hear, then next June we can have this conversation. It gives me 2 years to get the design, planning and construction. I do not think that we are going to meet the March 2023 deadline. I am just basing it in history in what it takes us to order supplies and equipment. Municipal supply houses do not have equipment on the shelves that you just buy and get shipped, it doesn't work like that anymore. A lot of stuff is ordered, it is fabricated at that time along with others and is delivered. So, at this time, I am going to stop there and let Mr. Gonzales walk you thru what he is presenting based on information I presented to him. [Mr. Don Gonzalez](#), stated, good evening again, Mayor and Council members, on page 1 we have what the preliminary financing team would look like. As I mentioned earlier, the rating stands at the bottom, A1 and A+ by Moody's and S&P and Fitch. I think if we were looking to borrow roughly about a million and a half dollars, there is a pretty good chance that we can do it without having to go get ratings and save some money and privately place it with the bank, so that would be the first thing that we would be looking to do as opposed of trying to go out and publicly sell those. Because of the rating fees, it will probably run at \$20,000.00 and I rather wait and do that when we do the larger transaction and pursue the ratings at that time. On page 2, is the current debt that is outstanding this is as of May 2018. I kept this here that way because if you recall from last year, there is a number of different pieces of debt that are outstanding that are paid from different sources. For example, let me advance this slide, on page 2, some of the G.O. Bonds are paid not only from the ad valorem taxes but from sales tax, CDBG funds, EDC funds and water and sewer funds. Down below is how the principal is actually broken out. As you can see, a good part of that is actually paid from the ad valorem tax. In that first column, about \$4.4 million of the \$23 million is paid from ad valorem tax about \$14.3 million are paid by water and sewer. If we go to page 3, the debt service is the principal and interest by fiscal year. Here, what you can see on the first set of columns, the total debt service, for 2018 all the way thru 2023, is about \$3.1 million dollars. The debt service drops down in 2024 to 2.4 million. What that pretty much tells me that the debt service is level but is paid from several different sources and you can see how it is paid

on far right side with those various columns being paid roughly \$143,000.00 from sales tax. CDBG is paying about \$215,000.00. The EDC is paying about \$430,000.00 a year for the next couple of years and then on 2021 it drops down to about \$300,000.00. Water and sewer is about \$1.9 million until 2024 and then it drops down to about \$1.4 million. And the balance is being paid by the ad valorem taxes. On page 4, this is the information we received from the City with respect to the lift station rehab construction, approximately \$6.7 million and then on the engineering surveying geotech planning and design type work is roughly \$1.5 million. That puts it at a total of about \$8.2 million. That can be broken out to 2 different pieces, 2019 Certificates of Obligation would be about a \$1.5 million. In 2020 if the City wanted to pursue Certificates of Obligation that would \$6.7 million. One change, just to be aware of, it goes into effect I believe, September 1<sup>st</sup>, is Certificates of Obligation that have not been issued by September 1<sup>st</sup>, state law will change based on the last legislative session. Right now we have to publish two consecutive weeks and we have to wait 30 days from the day of the first publication in which a petition can be brought from the voters and citizens of San Benito to prevent us from issuing those debts and force us to go to a bond election. Starting in September 1<sup>st</sup>, that period goes from 30 days to 45 days and there would be two publications but you will have to wait 45 days from the day of the first publication in the newspaper. Just something to be aware of when we look at 2020. On page 5, this is kind of going back to the debt service and this is not final by any means but I am going to kind of focus you on the last 3 columns which are adjustments to water and sewer rates that would be needed in order to pay for part of the debt service on not only the first \$1.5 million but also the \$6.7 million that would actually get to construction. So, it would be \$15,000.00 on the first year, \$340,000.00 in the second year and then probably stay in that same amount for 3 years at \$320,000.00 and then \$420,000.00 after that. That is \$420 more each year, that is just the amount that will actually be coming from water and sewer over and above what water and sewer is already paying. I think what we figured out was, for example, in the \$340,000.00, it is about \$3.50 per month per customer average. So, just so you can get an idea, it is about \$42.00 a year will be the rate impact on average for a residential customer, actually not a residential, among all customers. My guess is, depending upon on how your rates are structured, it will be the larger commercial customers, school district, those types, that will probably pick up the larger share, so, for the residential customer it might be about \$2.50 roughly per month for that type of customer account. The balance would be paid on page 6 and that is assuming that the values that we received from The City in Column B will come in at approximately \$656,558,442.00 I know that those are preliminary values so we do not have certified values and we will not have that till July. But that gives us a pretty good idea of what you will be looking at. The debt service of the 1.5 million, we would anticipate borrowing and paying that back over 10 years since it is primarily planning and engineering type work, pay that back at roughly \$175,000.00 on average per year. As I mentioned, part of that will be paid from water and sewer revenues part from the tax rate. What we are looking on Column K, would be the tax rate going from about 7 cents to about 9 cents that is about a 2 cents increase. Keep in mind, 1 penny is roughly between \$60,000.00 and \$65,000.00. If we were looking of going up the debt service by \$170,000.00, 2 pennies would get you about \$130,000.00, the balance would come from water and sewer. That is how that will factor in, that is just on the \$1.5 million. Our estimated interest rate is in Footnote 2, is about 3.25%. I have not had a chance to talk to any banks yet in terms of that interest rate. I think we might be able to do it a little bit lower than that so when we get to that point and the city is comfortable and wants to move forward, we will obviously get bids and get a tighter interest rate. Any questions on that page before I move on? On the following page, page 7, this is where we would look to add the amount of money that would be needed for construction, roughly \$6.7 million. So, the debt assumptions that we had on the previous page,

we'll just roll over to this page and the new debt service would be showing in Column E, F and G. As you can see, the principal wouldn't start until 2024, we'll have interest only for the first few years and the reason for doing that is trying to not to take the tax rate up by a lot so we are looking at is going up, like I said, in the first \$1.5 million, 2 pennies from 7 to 9 cents and then this going from 9 cents to 11 cents and the rest will come from water and sewer and as I mentioned before, on the first \$340,000.00 about \$3.50 per month per customer. When we get to about the \$420,000.00 figure, we will probably be looking at about a dollar more per customer to about \$4.50 per customer. We will be going up \$1.50 more, it will not be an additional \$4.50 more, it will be \$1.50 more up and above the \$3.50. So, on Column K, you can see in 2021, the tax rate going to 11 cents and it will be there for about 3 years and then it will start to come back down to 9 cents and then down to about 5 and a half cents in 2030. This, I think is probably closer to what I think we discussed before in terms of, you know, what can you do in terms not only of interest rates, which we do not control, what we are able to do here with this advice is structuring. So, with structuring, we are doing interest only for the first few years. As you can see in Column F, in order to minimize the tax rate impact and minimize any increases in water and sewer. Any questions on this page? On the next page, is a tentative time table of events. What we wanted to do here was kind of a workshop and discussion session where we just discuss the Certificates of Obligation. We are not asking you to authorize us to do anything but really give us feedback. Is this something that you like that you do not like, if you were to say, you know, could we do one more year of interest only what would that look like? What if we were to do more on water and sewer rates based on the tax rate, things like that. I know we've ran a number of different scenarios in the past so we can do that. If we were to come back for example, on June 18<sup>th</sup>, for a City Commission meeting at that point in time if you authorize us to move forward with a specific plan of financing, either this one or something similar to it than that will basically kind of start the clock rolling and the next thing that we would need to do is first publication in the newspaper and I think the earliest we can do it after the 18<sup>th</sup> is June 20<sup>th</sup> and then we will do a second publication on the same day of the week but one week later on the 27<sup>th</sup> and then we would need to wait 30 days from the day of the first publication before we can actually sell the bonds. For that, we would come back to you, I think we are estimating August 6<sup>th</sup>, I think that would be, at least 30 days would have passed to get to that regular meeting day and at point in time we would lock in the interest rates and the final terms in the 1.5 million and then look to close by the end of August. What that really does, is puts the City in a position to where you can, for your upcoming budget, which you would adopt in September and set your tax rate in September, you would need to know what the debt service would be so you can put it into your truth and taxation publication. If certified values come out by the end of July, then you would probably be doing your publication in the newspaper on your tax rate that would include this debt service probably at the beginning of August, Belen that does sound right? And then, you would need to publish that in the newspaper and you'll have numbers by that day. That is kind of what we are trying to make sure that we target to have the numbers that you will need for the truth and taxation publication and then be able to set the budget and after the budget, water and sewer rates and your tax rate in September. And this way, to the City Manager's point, you'll be able to do your planning and design during the 18 months and hopefully have a pretty good idea as to what your costs are going to be and if they come in lower, then we borrow less money, hopefully that will be the case a year from now for the actual construction piece. And if that is something you might want to try to do with the Water Development Board, we can pursue that. Their subsidy for that is about 1.35 on a waste water project, for example, if we were at, let's say roughly at 3½ %, I am not going to predict that is going to be a year from now, but let's say it will be that, they will provide a subsidy of 1.35%. It will put it a little below or just a little bit above 2% on the interest

rate and that will probably save somewhere in the neighborhood of about, I would say somewhere between \$800,000.00 and \$1 million. That will obviously make a difference but that will give you time if that was something you wanted to do because you are borrowing a lot more money to do that at that point in time. **City Manager Manuel De La Rosa**, Mayor, if I can at this time, if **Mr. Sossi** would give any comments on the risk that are associated with the Water Development Board. **Mr. Sossi**, Mayor, looking at this process, I think it is important to distinguish the contracting process that the City would have to go thru in this type of situation as opposed to a general contracting situation if the City hired the wrong contractor. In a normal situation, The City contracts with a contractor and then the contractor contracts with the subs and the City really doesn't have any responsibility to the subs. The City's responsibility is to the contractor and the City pays the contractor and then it is the contractor's responsibility to the subs. But the actual contracting between the general contractor and the subs and the subs of the subs, they are responsible for that. The City does not have any direct responsibility. Because this is a loan forgiveness program under federal law, there is a lot of contract requirements that deal not only with The City's requirements for the general contractor but with the contractor's relationship with its sub and the subs of the subs. Because, there is compliance issues involved, if the contractors or subcontractors fails to comply with their responsibilities under federal law, The Texas Water Development Board can come back to the City and say, well, you did not comply with the federal project requirements, therefore, we are going to give you a loan but we are not going to forgive the debt. The danger that you have in this situation is, if you do try to pursue the loan forgiveness, there's two issues that you need to think about. One is, you may not get it, you may end up down the road in a situation where at the last minute you are scrambling and you cannot meet your deadline. The other possibility is that you can get it but you lose eligibility because of issues that are kind of beyond your control. If you do, do that, you would almost bring in a professional contract manager to manage the compliance of every minute aspect of this and is probably add substantially to your cost. The Commission can do what they want but I just want everyone to understand that there are a lot of responsibilities that go along with contracting under this loan forgiveness program with the Water Board. **Mayor Benjamin Gomez**, asked, and is also not guaranteed as a loan forgiveness, is it? Or it is? **Mr. Sossi**, advised, it is not guaranteed. **Mr. Don Gonzales**, stated, Mayor, I was actually at a Water Development Board meeting this morning with their staff that covers the Rio Grande Valley, and we are actually working in about 5 of these right now. They said, please make sure and communicate that when anyone applies, they are applying for a loan and they have to come in assuming that it is going to be 100% a loan and is only based on rankings that they will provide any loan forgiveness. In fact, they do not call it grant anymore, they stopped doing that about 10 years ago. They call it loan forgiveness and so what they want to make sure is that you come in first knowing that it is a loan and 2, if they forgive, they are only going to forgive a small percentage. I think that they said that they received less than \$20 million dollars in total money that they can forgive for the entire state of Texas. So they said, if they get \$3 to \$400 million worth of requests and applications, they said, someone that might get a million dollars might be the most that they might get in total. I have client in fact right now that I am working with that is going to get a million dollars in loan forgiveness and right now their problem is that they are not moving fast enough. So, the Water Development Board has told them right now, they said, make a decision, what are you going to do, you've got 60 days if not it is going to go to someone else. **Mayor Benjamin Gomez**, advised, if they do not comply with everything in the book, **Mr. Don Gonzales** confirmed, that is right. **Mayor Benjamin Gomez**, stated, they are not going to get it forgiven, right? **Mr. Don Gonzales**, advised, that's right and in one loan that they were pursuing with the Water Development Board. The Water Development Board said, if you go that route that is not meeting our

requirements, we are not even going to lend you the money. That was because they wanted to do some of the contract work themselves in-house. They said, it is all got to be contracted out and they have to follow the Davis-Beckham requirement and all the other requirements because these are federal monies that are subsidizing the loans, so EPA says, we are going to turn this money over to the Water Development Board, Water Development Board you make sure whoever you lend the money to is compliant with our federal requirements because that is the federal money not the state's money that they are going to be loaning out. If we wanted to do just a pure loan, they still have good interest rates but keep in mind you have a longer time frame. Here, you can have money in the bank by August. If we were going to the Water Development Board for just a pure loan today, it probably would be tough to get it done by October. That would be very difficult. Their process is much longer. **Commissioner Ricardo Guerra**, asked, what are we talking about on the interest rate on this one? **Mr. Don Gonzales**, advised, this one, what we estimated on this is 3.25 on the first one. I am hopeful that we would be able to come lower than that Commissioner. I have not had a chance to talk to any banks since we finished this analysis but I think that we would be able to come in lower than that. **Commissioner Ricardo Guerra**, questioned, that's only on the \$1.5. **Mr. Don Gonzales**, confirmed, yes sir. **Commissioner Ricardo Guerra**, asked, how about on the other 5 or 6? **Mr. Gonzalez**, advised, \$6.7 million, we estimated about 3.5%, again, these are estimates, we haven't locked anything in until we actually go out for bid. **Mayor Benjamin Gomez** requested a motion to table. **Commissioner Ricardo Guerra** moved to table. **Mayor Pro Tem Carol Lynn Sanchez** seconded the motion. Voting Aye; **Mayor Benjamin Gomez**, **Mayor Pro Tem Carol Lynn Sanchez**, **Commissioner Antonio Gonzales**, **Commissioner Rene Villafranco** and **Commissioner Ricardo Guerra**. Motion carried to **TABLE**.

**ITEM 12. CONSIDERATION AND POSSIBLE ACTION TO DIRECT CITY STAFF TO ADVERTISE FOR REQUESTS FOR QUALIFICATIONS FOR AUDIT SERVICES OR CITY COMMISSION MAY APPROVE AN ENGAGEMENT LETTER FOR CONTINUED SERVICES WITH CASOS & ASSOCIATES, P.C., FOR THE COMPLETION OF THE CITY OF SAN BENITO 2018-2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT.**

**Belen Pena**, Finance Director, addressed the City Commission requesting direction from city commission. **Commissioner Rene Villafranco** moved to accept Cascos & Associates, P.C. No second motion received. **Mayor Benjamin Gomez** motioned to go out for RFQ. **Mayor Pro Tem Carol Lynn Sanchez** seconded the motion. Voting Aye; **Mayor Benjamin Gomez**, **Mayor Pro Tem Carol Lynn Sanchez**, **Commissioner Antonio Gonzales**, **Commissioner Rene Villafranco**, and **Commissioner Ricardo Guerra**. Motion carried to **ADVERTISE FOR REQUESTS FOR QUALIFICATIONS FOR AUDIT SERVICES**.

**ITEM 13. CONSIDERATION AND POSSIBLE ACTION TO APPROVE A CHAPTER 380 PAYMENT IN THE AMOUNT OF \$63,630.04 TO H.E.B. GROCERY COMPANY, L.P., FOR FISCAL YEAR 2018 PER ECONOMIC DEVELOPMENT AGREEMENT DATED JULY 15, 2010.**

**Belen Pena**, Finance Director addressed the City Commission requesting approval per agreement between City and HEB Grocery Company. **Mayor Pro Tem Carol Lynn Sanchez** moved to approve. **Commissioner Rene Villafranco** seconded the motion. Voting Aye; **Mayor Benjamin Gomez**, **Mayor Pro Tem Carol Lynn Sanchez**, **Commissioner Antonio Gonzales**, **Commissioner Rene Villafranco**, and **Commissioner Ricardo Guerra**. Motion carried to **APPROVE A CHAPTER 380 PAYMENT IN THE AMOUNT OF \$63,630.04 TO H.E.B. GROCERY COMPANY, L.P., FOR FISCAL YEAR 2018 PER ECONOMIC DEVELOPMENT AGREEMENT DATED JULY 15, 2010**.

ITEM 14. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE SECOND AND FINAL READING OF ORDINANCE NUMBER 2557, AN ORDINANCE REPEALING ORDINANCE NUMBERS 2393 AND 2393-A OF THE CITY OF SAN BENITO, ADOPTING THE 2015 EDITION INTERNATIONAL CODES INCLUDING THE APPENDIX CHAPTERS BY THE INTERNATIONAL CODE COUNCIL, INC., TO INCLUDE; INTERNATIONAL BUILDING CODE, INTERNATIONAL ENERGY CONSERVATION CODE, INTERNATIONAL EXISTING BUILDING CODE, INTERNATIONAL FIRE CODE, INTERNATIONAL FUEL GAS CODE, INTERNATIONAL MECHANICAL CODE, INTERNATIONAL PERFORMANCE CODE, INTERNATIONAL PLUMBING CODE, INTERNATIONAL PRIVATE SEWAGE DISPOSAL CODE, INTERNATIONAL PROPERTY MAINTENANCE CODE, INTERNATIONAL RESIDENTIAL CODE, INTERNATIONAL WILD LAND-URBAN INTERFACE CODE, AND ADOPTING THE NATIONAL FIRE PROTECTION ASSOCIATION (NFPA) 101 LIFE SAFETY CODE, INCLUDING THE ANNEX CHAPTERS, AND ADOPTING THE 2017 EDITION OF THE NATIONAL ELECTRIC CODE (NFPA 70), INCLUDING THE ANNEX CHAPTERS, AND REPEALING ALL CITY ORDINANCES IN CONFLICT HEREWITH AND ORDAINING OTHER MATTERS RELATING TO THE FOREGOING.

City Manager Manuel De La Rosa, addressed the City Commission recommending adoption of ordinance due to currently using 2016. The 2018 will come out in 2021. Commissioner Rene Villafranco moved to approve. Mayor Pro Tem Carol Lynn Sanchez seconded the motion. Voting Aye; Mayor Benjamin Gomez, Mayor Pro Tem Carol Lynn Sanchez, Commissioner Antonio Gonzales, Commissioner Rene Villafranco, and Commissioner Ricardo Guerra. Motion carried to APPROVE THE SECOND AND FINAL READING OF ORDINANCE NUMBER 2557, AN ORDINANCE REPEALING ORDINANCE NUMBERS 2393 AND 2393-A OF THE CITY OF SAN BENITO, ADOPTING THE 2015 EDITION INTERNATIONAL CODES INCLUDING THE APPENDIX CHAPTERS BY THE INTERNATIONAL CODE COUNCIL, INC., TO INCLUDE; INTERNATIONAL BUILDING CODE, INTERNATIONAL ENERGY CONSERVATION CODE, INTERNATIONAL EXISTING BUILDING CODE, INTERNATIONAL FIRE CODE, INTERNATIONAL FUEL GAS CODE, INTERNATIONAL MECHANICAL CODE, INTERNATIONAL PERFORMANCE CODE, INTERNATIONAL PLUMBING CODE, INTERNATIONAL PRIVATE SEWAGE DISPOSAL CODE, INTERNATIONAL PROPERTY MAINTENANCE CODE, INTERNATIONAL RESIDENTIAL CODE, INTERNATIONAL WILD LAND-URBAN INTERFACE CODE, AND ADOPTING THE NATIONAL FIRE PROTECTION ASSOCIATION (NFPA) 101 LIFE SAFETY CODE, INCLUDING THE ANNEX CHAPTERS, AND ADOPTING THE 2017 EDITION OF THE NATIONAL ELECTRIC CODE (NFPA 70), INCLUDING THE ANNEX CHAPTERS, AND REPEALING ALL CITY ORDINANCES IN CONFLICT HEREWITH AND ORDAINING OTHER MATTERS RELATING TO THE FOREGOING.

**ITEM 15. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE UPDATED LAW ENFORCEMENT APPLICATION FOR PARTICIPATION BETWEEN THE SAN BENITO POLICE DEPARTMENT AND STATE PLAN OF OPERATION STATE OF TEXAS AGREEMENT.**

Assistant City Manager Fred Bell addressed the City Commission requesting approval of the updated law enforcement application for participation between the San Benito Police Department and State Plan of Operation, State of Texas Agreement. Mayor Pro Tem Carol Lynn Sanchez moved to approve. Commissioner Rene Villafranco seconded the motion. Voting Aye; Mayor Benjamin Gomez, Mayor Pro Tem Carol Lynn Sanchez, Commissioner Antonio Gonzales, Commissioner Rene Villafranco, and Commissioner Ricardo Guerra. Motion carried to **APPROVE THE UPDATED LAW ENFORCEMENT APPLICATION FOR PARTICIPATION BETWEEN THE SAN BENITO POLICE DEPARTMENT AND STATE PLAN OF OPERATION STATE OF TEXAS AGREEMENT.**

**ITEM 16. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE APPOINTMENT, REAPPOINTMENT, OR REMOVAL FROM THE ZONING BOARD OF ADJUSTMENTS BOARD MEMBER TO PLACE 1, FOR TERM EXPIRING MAY 31, 2020.**

Mayor Benjamin Gomez, requested a motion. Commissioner Antonio Gonzales motioned to table as he is not ready with a nominee. Commissioner Rene Villafranco moved to table. Mayor Pro Tem Carol Lynn Sanchez seconded the motion. Voting Aye; Mayor Benjamin Gomez, Mayor Pro Tem Carol Lynn Sanchez, Commissioner Antonio Gonzales, Commissioner Rene Villafranco, and Commissioner Ricardo Guerra. Motion carried to **TABLE.**

**ITEM 17. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE AGREEMENT FOR MUNICIPAL COURT JUDGE AND THE REAPPOINTMENT OF MR. DAVID GARZA AS PRESIDING JUDGE, FOR TERM EXPIRING MAY 31, 2021.**

Christina Sanchez, Municipal Court Administrator, addressed the City Commission requesting approval of agreement for municipal court judge and reappointment of Mr. David Garza as presiding judge. Mayor Benjamin Gomez, requested a motion. Commissioner Rene Villafranco moved to approve. Commissioner Antonio Gonzales seconded the motion. Voting Aye; Mayor Benjamin Gomez, Mayor Pro Tem Carol Lynn Sanchez, Commissioner Antonio Gonzales, Commissioner Rene Villafranco, and Commissioner Ricardo Guerra. Motion carried to **APPROVE THE AGREEMENT FOR MUNICIPAL COURT JUDGE AND THE REAPPOINTMENT OF MR. DAVID GARZA AS PRESIDING JUDGE, FOR TERM EXPIRING MAY 31, 2021.**

**ITEM 18. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE AGREEMENT FOR MUNICIPAL COURT JUDGE ON THE REAPPOINTMENT OF MR. BENJAMIN M. YUDESIS AS ALTERNATE JUDGE, FOR TERM EXPIRING MAY 31, 2021.**

Christina Sanchez, Municipal Court Administrator, addressed the City Commission requesting approval of agreement for municipal court judge and reappointment of Mr. Benjamin M. Yudesis as alternate judge. Mayor Benjamin Gomez, requested a motion. Commissioner Rene Villafranco moved to approve. Commissioner Antonio Gonzales seconded the motion. Voting Aye; Mayor Benjamin Gomez, Mayor Pro Tem Carol Lynn Sanchez, Commissioner Antonio Gonzales, Commissioner Rene Villafranco, and Commissioner Ricardo Guerra. Motion carried to **APPROVE THE AGREEMENT FOR MUNICIPAL COURT JUDGE AND**

**THE REAPPOINTMENT OF MR. BENJAMIN M. YUDESIS AS PRESIDING JUDGE, FOR TERM EXPIRING MAY 31, 2021.**

**ITEM 19. PRESENTATION OF THE CITY OF SAN BENITO FINANCIAL STATEMENTS FOR THE PERIOD ENDED APRIL 30, 2019.**

**Belen Pena, Finance Director**, presented and explained the City of San Benito Financial Statements. No Motion carried **PRESENTATION ONLY.**

**ITEM 20. EXECUTIVE SESSION:**

- A) **DISCUSSION PURSUANT TO TEXAS GOVERNMENT CODE §551.087(2), TO DISCUSS OR DELIBERATE REGARDING COMMERCIAL OR FINANCIAL INFORMATION THAT THE GOVERNMENTAL BODY HAS RECEIVED FROM A BUSINESS PROSPECT THAT THE GOVERNMENTAL BODY SEEKS TO HAVE LOCATE, STAY OR EXPAND IN OR NEAR THE TERRITORY OF THE GOVERNMENTAL BODY AND WITH WHICH THE GOVERNMENTAL BODY IS CONDUCTING ECONOMIC DEVELOPMENT NEGOTIATIONS. BUSINESS PROSPECT 2019-005.**
  
- B) **CONSULTATION WITH LEGAL COUNSEL PURSUANT TO TEXAS GOVERNMENT CODE §551.071 FOR THE PURPOSE OF RECEIVING REPORTS PROTECTED BY THE ATTORNEY CLIENT COMMUNICATIONS PRIVILEGE.**

**THE CITY COMMISSION CONVENED INTO EXECUTIVE SESSION AT 8:02 P.M. AND ADJOURNED AT 8:42 P.M.**

**GENERAL SESSION:**

**ITEM 21. DISCUSSION AND POSSIBLE ACTION ON ITEM DELIBERATED UNDER EXECUTIVE SESSION 20(A).**

**Mayor Pro Tem Carol Lynn Sanchez** announced authorizing staff and EDC to move forward as discussed in Executive Session. **Mayor Pro Tem Carol Lynn Sanchez** moved to approve. **Commissioner Rene Villafranco** seconded the motion. Voting Aye; **Mayor Benjamin Gomez, Mayor Pro Tem Carol Lynn Sanchez, Commissioner Antonio Gonzales, Commissioner Rene Villafranco, and Commissioner Ricardo Guerra.** Motion carried **TO AUTHORIZE STAFF AND EDC TO MOVE FORWARD AS DISCUSSED IN EXECUTIVE SESSION.**

**ITEM 22. DISCUSSION AND POSSIBLE ACTION ON ITEM DELIBERATED UNDER EXECUTIVE SESSION 20(B).**

**Mayor Pro Tem Carol Lynn Sanchez** announced no action on Item 20(B).

**ITEM 23. ADJOURNMENT.**

**Mayor Benjamin Gomez** requested a motion to adjourn. **Commissioner Rene Villafranco** moved to approve. **Commissioner Antonio Gonzales** seconded the motion. Voting aye. **Mayor Benjamin Gomez, Mayor Pro Tem Carol Lynn Sanchez, Commissioner Antonio Gonzales, Commissioner Rene Villafranco, and Commissioner Ricardo Guerra.** Motion carried to **ADJOURN AT 8:43 P.M.**

Note: The City of San Benito does not discriminate on the basis of disability in the admission of, access to, treatment of, or employment in its programs, activities, or public meetings. Any individual with a disability in need of an accommodation is encouraged to contact the City Secretary at (956) 361-3800, Extension 103, by Monday, no later than 5:00 P.M., to make proper arrangements.

CITY OF SAN BENITO

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**Benjamin Gomez**  
Mayor

ATTEST:

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**Ruth McGinnis**  
City Secretary