



## MINUTES OF THE CITY OF SAN BENITO SPECIAL CITY COMMISSION MEETING

On August 11, 2020 the City Commission met for a Special Meeting at the San Benito Municipal Building, Cesar Gonzalez Meeting Hall, 401 North Sam Houston Boulevard, San Benito, Texas.

City Commission Members Present: Benjamin Gomez, Mayor; Carol Lynn Sanchez, Mayor Pro Tem; Antonio Gonzales, Commissioner, Place 1; Rene Villafranco, Commissioner, Place 2; Mark Sossi, City Attorney.

City Commission Member Absent: Vacant, Commissioner, Place 3

City Administration Personnel Present: 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 at 5:30 p.m. confirming a quorum.

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

Commissioner Antonio Gonzales led the City Commission and audience in reciting the pledge of allegiance to the U.S. Flag and to the Texas Flag.

### ITEM 3: INVOCATION.

Adan R. Gonzalez, Public Works Director led the City Commission and audience in prayer.

### ITEM 4. Announcements: Items of Community Interest.

Mayor Benjamin Gomez thanked the Emergency Management members for being present during Hurricane Hanna taking care of the City.

### ITEM 5. PUBLIC COMMENTS. (Speakers/Remarks limited to three minutes. Public Comments limited to forty-five minutes).

Ruth McGinnis, City Secretary, announced no public comments.

### ITEM 6. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE MINUTES OF THE JULY 7, 2020 REGULAR CITY COMMISSION MEETING.

Mayor Benjamin Gomez requested a motion. 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, and Commissioner Rene Villafranco. Motion carried to **APPROVE THE MINUTES OF THE JULY 7, 2020 REGULAR CITY COMMISSION MEETING.**

### ITEM 7. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE AMENDMENT TO THE VARCO AGREEMENT BETWEEN THE SAN BENITO ECONOMIC DEVELOPMENT CORPORATION AND VARCO AS IT RELATES TO THE RESACA VILLAGE PROJECT.

Rebeca Castillo, Executive Director, San Benito Economic Development Corporation addressed the City Commission requesting approval of amendment to the Varco Agreement. City Manager, Manuel De La Rosa requested permission to address the City Commission regarding the sidewalk not yet built by VARCO who requested help in paying the sidewalk and we said no and they said need additional time. VARCO was advised to go back to the EDC because it is their contract. I spoke to Ms. Castillo and was surprised this came about because the only thing was adding the sidewalk and delaying it for

a short period of time, it's now going through 2020-2022, that's two more years down the road. I believe that is a long time from Phase I to Phase II, a few months is much more reasonable that could be palatable to the City Commission. However, with this other request and without an analysis to justify a reason. We understand we are in a pandemic and there are going to be some type of slow-downs. I do not know enough about the business whether it would be federally subsidized, if there's been an analysis, if there is a letter that says why we are explaining what they need. You may delay Phase I or II, or II to III; but, moving everything seems out of place. [Rebecca Castillo, EDC Executive Director](#) stated, there was a lot of adjustment on the timeline and that is why the EDC Board approved it; primarily ensuring that the sidewalk is included, but they did leave with the understanding that the final approval was coming to City Commission. The Final Amendment would be in the best interest of the project and to the City as a whole. [Mayor Benjamin Gomez](#) stated he received the book last week when the meeting was canceled and the sidewalk should have been done like yesterday, not until Phase IV. We are having a nice Village Shopping area and no sidewalk along the street on the easement. How are people that decide to walk getting there? I do not agree in providing them time until Phase IV as it should have been voted since yesterday. The sidewalk should have already been built, it was in the plans, they knew what the plans contained and we talked to them about this several times, more than six months ago and for them to come up with they want to leave it to Phase IV, I don't see how the pandemic or anything has anything to do with that sidewalk here. I do know that people get sick and stuff and maybe they are short on workers but this happened a long time ago. This sidewalk should have been there already. [Mayor Benjamin Gomez](#) stated I do not agree to waiting until Phase IV. If everyone agrees, we can probably negotiate a couple of months. [Commissioner Rene Villafranco](#) questioned if this matter had been brought to the City Manager for discussion in the past. [Rebecca Castillo](#) stated, we have discussed a need for putting the sidewalk and when the attorneys spoke. [Commissioner Rene Villafranco](#) interrupted by referring to the amendment. [Rebecca Castillo](#) stated, this amendment was just added to the agenda. [Commissioner Rene Villafranco](#) asked when did you bring it? [Rebecca Castillo](#) responded, about two weeks, it was approved on July 29<sup>th</sup> by EDC Board to be included in the City Commission on August 4<sup>th</sup> but there was no meeting. Mr. De La Rosa and I did discuss and addressed some of those concerns. At the time when EDC Board approved it, the main concern the EDC had was to make sure the sidewalk is included and are willing to modify the terms of this amendment without having to include those adjustments on the phases. [Commissioner Rene Villafranco](#) asked if she discussed City Manager Manuel De La Rosa's questions with the EDC Board. [Rebecca Castillo](#) confirmed, to have discussed with the EDC Board. [Commissioner Rene Villafranco](#) questioned if after that discussion if the EDC Board still approved. [Rebecca Castillo](#), stated in terms of what was discussed and what was presented, they approved it with that or with the understanding that if there were any changes to be modified by the City Commission considered prudent. It was left in a way that it would be finalized. Remember we finalize based on when the City Commission and the City as a whole and the best interest of the project. [Commissioner Rene Villafranco](#), asked how much money are we talking about for the sidewalk that they are trying to prolong? [Rebecca Castillo](#), advised, it will not be any additional funds from the EDC nor the City but the cost of the project, the last information they gave me was \$134,000.00. [City Manager Manuel De La Rosa](#) addressed Commissioner Villafranco stating, if I can answer your questions, some of them, let me try to get this; the EDC met on July 29<sup>th</sup>? [Rebecca Castillo, EDC Executive Director](#), stated, yes, sir. [City Manager, Manuel De La Rosa](#) advised, the next day, on Thursday, July 30<sup>th</sup>, is when I receive the information and the packet. We had an August 4<sup>th</sup> meeting, it gave me Friday, Monday, Tuesday. After the August 4<sup>th</sup> meeting I looked at the recommendation and this is my concern. The EDC is deferring to the City Commission. If you start taking up, I'll do D but I don't like E, they are supposed to make a decision, yes, or no, and you either accept it, yes or no in its totality. You are not supposed to go in and cherry pick provisions you like from their decision. That's my concern, it's, remove the timelines and let's adjust the sidewalk so that we can open up these two businesses because we do want to be business friendly. We've got these tenants that are going in with the understanding that they probably don't know that the developer has a requirement and now, we are being basically having our hands tied because if we don't let them move in, but if we do, then we are not in agreement with the sidewalk. The sidewalk is a City issue and it's a Development issue but it is part of the agreement. You need the development codes. [Commissioner Rene Villafranco](#), advised his concern is that the City is getting a tenant next door and

he is coming in with a sidewalk because he, his type of business will require a sidewalk. So, how can we tell him to build his. **City Manager Manuel De La Rosa** advised, you saw the Dale Carwash sidewalk and the one in between, we have another restaurant coming in and that's part of the requirement. **Commissioner Rene Villafranco** stated and if we tell those two that the one in the middle is coming in to do his but yet it can't connect to the other one until two years down the road. That is going to be hard for us. **Rebecca Castillo**, stated, we have had discussions that perhaps we could give them a few months, from the beginning of December considered enough time to implement the sidewalk project into the development and that we don't do any changes in terms of the phases or anything else. We just add a sidewalk today and if anything changes in terms of the timeline of the project will need to be further discussed in detail with the valid justification as to why those adjustments. **Commissioner Rene Villafranco** stated, not to know when the business coming next door would be but City does require them a sidewalk for the people that move there. Dale Shine is already there with the sidewalk, it doesn't make sense. **Commissioner Antonio Gonzales** asked, on this inaudible who is supposed to pay the business at Resaca Village, EDC or they were supposed to do it? Bringing the businesses? **Rebecca Castillo** advised bringing the business of development as to bringing tenants into the development, that is part of the formal agreement that they're committed for the next sixteen years to be able to activate the Resaca Village Retail Plaza, so part of the effort is they are the ones that have the business development component to bring the businesses into those spaces. **Commissioner Antonio Gonzales** asked and you would help them after they bring those businesses? **Rebecca Castillo** confirmed. **Commissioner Antonio Gonzales** stated because I think I read someplace else that it was the responsibility of EDC to bring the business to the City. **Rebecca Castillo**, advised we do in overall. **Commissioner Antonio Gonzales**, stated, yes, I understand that but not inaudible. **Rebecca Castillo** advised like them in seeking property owners in downtown, property owners of other retail plazas, they still need to promote their businesses and advertise and package they have locations for lease of retail space. That is part of their responsibility, to make sure that the development is up and running and is part of the agreement that we had. Our investment is already in place with the property. Anything in terms of agreement, the EDC and if I am correct, and Mr. De La Rosa can speak to that, our involvement as the EDC in the City will be to facilitate any programs the EDC has and the permits, certificate of occupancy, and the development in terms of what needs to go thru the planning department. In terms of trying to be business friendly, that's our goals in this development by terms of directly bringing in the tenants for those businesses; it's the development owner, the industrial and developer. **Commissioner Antonio Gonzales** asked for the value of the land, before it was built on, the value of 9.2? **Rebecca Castillo** advised, the value of the property is about \$1.2 million. **Commissioner Antonio Gonzales**, asked, million dollars, yes and how much did we sell it for? Did they pay by the foot or no? **Rebecca Castillo**, advised, the Performance Agreement calls for the spaces being leased for ten years. The lease includes they will be paying the property taxes on their space in a yearly basis giving ten percent to the EDC, ten percent of the property value to the EDC. The first payment we will be expecting in the next few months will be \$120,000.00 based on the initial property value. As the property value increases, the ten percent increases as well. **Commissioner Antonio Gonzales** asked who was in charge of the EDC at that time? **Rebecca Castillo** stated, at that time, I believe it was between the transition that the EDC was having, so I know that at that time, Ms. Rachel Siller was the coordinator and, it was a transition when I was hired in December, January, I'm sorry. **Commissioner Antonio Gonzales** stated, if my mind is correct and I stand to be corrected, it was Mr. De La Rosa that was in charge of EDC because they didn't have a director at that time. **Rebecca Castillo**, stated, they didn't have a director at that time but I do know that by August, they did update the bylaws. On August 2018 and it was a transition process, I am not sure of the state as to when Mr. De La Rosa had the oversight of the EDC. I do know that I came in late January of 2019. **Commissioner Antonio Gonzales**, stated, and also, I stand with the Mayor, here, on the sidewalks. The sidewalks should've been the first thing that they should've build before the construction. **Mayor Benjamin Gomez**, advised, that's what's on the agenda right now and we are going to give them up to the Phase IV or when they should build it; it's up to us. Right now, that is what they amended and that is one of the amendments that I saw that I do not agree with till Phase IV. **Rebecca Castillo**, advised after the conversations with City Administration, our recommendation would be to ensure that the sidewalk language is included and our recommendation is to give them until December 1<sup>st</sup>. If we go past that, then the holidays start kicking in and that will be

a little more troublesome. Mayor Benjamin Gomez asked what is the deadline for Phase I. Rebecca Castillo advised Phase I expires September 30<sup>th</sup>. Mayor Pro Tem Carol Lynn Sanchez asked when is the estimated opening for the two businesses they have right now. Rebecca Castillo advised Mr. De La Rosa may have more information but I know that they were working on certificates of occupancy to be able to open within the next two to three weeks if everything proceeds accordingly and we do have this amendment in place. City Manager, Manuel De La Rosa stated, Mayor and Commissioners, if I may add, Bernard Rodriguez facilitated the meetings with VARCO, ORIGOWORKS, and the City staff. The cost of the sidewalk, first meeting because we had two, was \$25,000.00 and the second time is \$30,000.00. But \$134,000.00 unless it's gold plated and its unrealistic. City Manager Manuel De La Rosa advised \$30,000.00 is reasonable. I don't know where Commissioner Gonzales' is going with this, but this contract did start while I was overseeing the EDC. Ricardo Morado was the EDC Attorney and the City Attorney at the time. I was removed, as you might recall, Mayor. Mayor Benjamin Gomez confirmed. City Manager Manuel De La Rosa continued, in August of that year. This contract was signed while Jose Morales was still the President of EDC and it was signed under Julian Rios. I did not put it together, as you might recall, it would have been in the budget process, I did not put together a budget because there was no budget for that first year because there was no leadership at the city's management team. How did it come to the conclusion? The final details, as you might recall, I was very clearly instructed by the City Commission to stay out of EDC business. That was in August of that year. My recommendation is that you deny this. We have a meeting next week, if we receive a request from EDC that very specifically adjusts the sidewalk, they can ratify whatever action afterwards. But based on what you've got, you can't cherry pick the sidewalk because the sidewalk isn't part of the contract. You are amending a whole bunch of other things. If EDC wants to bring something very specifically into the sidewalk with a reasonable time period, if she does the way we do, you notify the board like I do you, make a recommendation, if there is no opposition they can ratify that position and at the next meeting we move on. Mayor Benjamin Gomez stated this is a big corporation and our smaller developers when they build something, we require them to put a fire hydrant by the sidewalk and they have to meet that deadline. We have to treat everybody equally. That sidewalk should have already been there because we have been discussing this for a long time. Commissioner Antonio Gonzales stated, Mayor, you are right on that because when Walgreen's was built, they didn't want to put a sidewalk and they had to put a sidewalk. Mr. G's the same thing. City Attorney Mark Sossi recommend to discuss. City Manager Manuel De La Rosa recommend denial. Mayor Benjamin Gomez requested a motion to deny Item G in the amended contract for the sidewalk. Commissioner Antonio Gonzales moved to deny amendment to Varco Agreement and bring back as soon as they are ready or next meeting. Mayor Pro Tem Carol Lynn Sanchez seconded the motion. Voting Aye: Mayor Benjamin Gomez, Mayor Pro Tem Carol Lynn Sanchez, Commissioner Antonio Gonzales, and Commissioner Rene Villafranco. Motion carried to DENY AMENDMENT TO THE VARCO AGREEMENT BETWEEN THE SAN BENITO ECONOMIC DEVELOPMENT CORPORATION AND VARCO AS IT RELATES TO THE RESACA VILLAGE PROJECT.

#### ITEM 8. DISCUSSION AND POSSIBLE ACTION TO APPROVE THE THIRD SUPPLEMENTAL TO ORDER 2020-04.

City Manager, Manuel De La Rosa, addressed the City Commission advising about two months ago you approved the Second Supplemental Order, this continues to keep the parks closed except for the walking trails. All I am doing is standard every two months. Apparently, the pandemic will continue, it went for three months this time till November 17<sup>th</sup>. I like to bring to you, this is August, September, October, November, bring it the first meeting in November and if not, the second meeting. The reason being, if we don't make a meeting. But, again, it is a supplemental to extend it to continue the Declaration of Emergency and continue keeping the parks closed except for the walking trails. Mayor Benjamin Gomez requested a motion. 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, and Commissioner Rene Villafranco. Motion carried to APPROVE THE THIRD SUPPLEMENTAL TO ORDER 2020-04.

**ITEM 9. CONSIDERATION AND POSSIBLE ACTION TO RATIFY MAYOR BEN GOMEZ' ISSUANCE OF ORDER 2020-07 DISASTER DECLARATION AS A RESULT OF CATASTROPHIC WEATHER RELATED COSTS THAT WERE INCURRED IN PREPARATION AND RESPONSE TO HURRICANE HANNA IN SAN BENITO, CAMERON COUNTY, TEXAS.**

**Assistant City Manager, Fred Bell**, addressed the City Commission advising on July 24<sup>th</sup>, Hurricane Hanna made landfall and the governor issued a Disaster Declaration for the affected areas including the Rio Grande Valley. Additionally, the counties impacted by Hurricane Hanna issued similar disaster declarations. All cities within the affected counties were requested to issue Disaster Declarations as well. In doing so, costs directly connected to Hurricane Hanna are subject to reimbursement through FEMA if the overall threshold for the state is met. This is the same process the City followed as a result of Hurricane Dolly. In preparation for Hanna's landfall, staff from Public Works, Parks and Recreation, Planning, Police, Fire and the Emergency Management Department were adamant in the preparation and issuance of more than six thousand sandbags. During Hanna's passage through our City, additional staff was brought in and were utilized to go in between the heavy winds and rain in order to remove large debris from the streets and the storm drains. The cost associated with the above mentioned acts are subject to reimbursement at the minimum threshold announced region and statewide are met. I would like to thank the employees that helped the City prepare for and weathered the storm. Their performance is what made the difference in preventing major flooding throughout our City. Also, I want to thank the commissioners for supporting the staff for the response to this event. As I said, this is ratification as we did present this to Mayor Gomez and did get his signature. This is strictly a ratification amount so we can have it in record that it is formally approved by the commission. Staff is recommending approval. **Mayor Benjamin Gomez** requested a motion. **Mayor Pro Tem Carol Lynn Sanchez** moved to approve. **Commissioner Antonio Gonzales** seconded the motion. Voting Aye: **Mayor Benjamin Gomez, Mayor Pro Tem Carol Lynn Sanchez, Commissioner Antonio Gonzales and Commissioner Rene Villafranco**. Motion carried to **RATIFY MAYOR BEN GOMEZ' ISSUANCE OF ORDER 2020-07 DISASTER DECLARATION AS A RESULT OF CATASTROPHIC WEATHER RELATED COSTS THAT WERE INCURRED IN PREPARATION AND RESPONSE TO HURRICANE HANNA IN SAN BENITO, CAMERON COUNTY, TEXAS.**

**ITEM 10. PUBLIC HEARING: TO SOLICIT INPUT FROM CITIZEN PARTICIPATION ON PROPOSED SUBSTANTIAL AMENDMENT TO EXTEND THE 2015-2019 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FIVE YEAR CONSOLIDATED PLAN BY AN ADDITIONAL ONE YEAR.**

- a) Open Public Hearing
- b) Close Public Hearing

**Elvira Cavazos, CDBG Coordinator**, addressed the City Commission stating this public hearing is to solicit input or accept any comments on the substantial amendment to extend the 2015-2019 CDBG Consolidated Plan for an additional one year with an ending date of Fiscal Year 2020-2021.

**Mayor Benjamin Gomez** announced the time is 5:58 p.m. and the floor is open for public hearing. Is anyone present to participate in the public hearing? There were no comments received. **Mayor Benjamin Gomez** announced the time is 5:58 p.m. and the floor is closed.

**ITEM 11. CONSIDERATION AND POSSIBLE ACTION TO APPROVE A ONE YEAR EXTENSION TO THE CITY OF SAN BENITO 2015-2019 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FIVE YEAR CONSOLIDATED PLAN.**

**Elvira Cavazos, CDBG Coordinator** addressed the City Commission advising the Citizen Participation Plan requires publication in the San Benito News, which occurred on July 31<sup>st</sup> and on August 7<sup>th</sup>. The notice to reschedule and two public hearings were held on August 3<sup>rd</sup> and on previous not on this evening. It also requires a five-day comment period, which ended today at 5:58 p.m., and no comments were received. City staff recommends the approval to the Amendment of the 2015-2019 Consolidated Plan to ending date of Fiscal Year 2020-2021. **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 Antonio Gonzales, and Commissioner Rene Villafranco. Motion carried to APPROVE A ONE YEAR EXTENSION TO THE CITY OF SAN BENITO 2015-2019 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FIVE YEAR CONSOLIDATED PLAN.

ITEM 12. PUBLIC HEARING: TO SOLICIT INPUT FROM CITIZEN PARTICIPATION ON PROPOSED SUBSTANTIAL AMENDMENT TO AMEND THE CITIZEN PARTICIPATION PLAN TO INCLUDE LANGUAGE TO INCORPORATE THE PROCESS TO BE FOLLOWED DURING A PANDEMIC OR OTHER MODIFICATION OR WAIVERS ISSUED BY THE GOVERNMENT.

a) Open Public Hearing

b) Close Public Hearing

Elvira Cavazos, CDBG Coordinator, addressed the City Commission advising this public hearing is to solicit input or accept any comments on the substantial amendment to update the citizen participation plan to include language to incorporate the process to be followed during a pandemic or other modification or waivers issued by the government.

Mayor Benjamin Gomez announced the time is 6:01 p.m. and the floor is open for public hearing. Is anyone present to participate in the public hearing? There were no comments received. Mayor Benjamin Gomez announced the time is 6:01 p.m. and the floor is closed.

ITEM 13. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE SUBSTANTIAL AMENDMENT TO THE CITY OF SAN BENITO COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) CITIZEN PARTICIPATION PLAN.

Mayor Benjamin Gomez requested a motion. Mayor Pro Tem Carol Lynn Sanchez moved to approve. Commissioner Antonio Gonzales seconded the motion. Voting Aye: Mayor Benjamin Gomez, Mayor Pro Tem Carol Lynn Sanchez, Commissioner Antonio Gonzales, and Commissioner Rene Villafranco. Motion carried to APPROVE THE SUBSTANTIAL AMENDMENT TO THE CITY OF SAN BENITO COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) CITIZEN PARTICIPATION PLAN.

ITEM 14. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE FISCAL YEAR 2020-2021 ANNUAL ACTION PLAN FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDING.

Elvira Cavazos, CDBG Coordinator addressed the City Commission advising in your binders is the Final Action Plan for the CDBG Grant Year 46 Fiscal Year 2020-2021. The Citizen Participation Plan requires a publication in San Benito News which occurred on June 19<sup>th</sup> and two public hearings were held on June 24<sup>th</sup> and July 21<sup>st</sup>. It also requires a thirty-day comment period, which ended on July 22<sup>nd</sup>. No comments received. City staff recommends the approval of the allocations you noted during the June 16<sup>th</sup> meeting. 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 Antonio Gonzales and Commissioner Rene Villafranco. Motion carried to APPROVE THE FISCAL YEAR 2020-2021 ANNUAL ACTION PLAN FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDING.

ITEM 15. CONSIDERATION AND POSSIBLE ACTION TO REJECT ALL PROPOSALS RECEIVED PERTAINING TO REPAIRS TO THE SK210 EXCAVATOR.

Adan Gonzalez, Public Works Director addressed the City Commission requesting to reject all proposals received pertaining to repairs to the SK210 excavator. We will be going out for other proposals. City Manager Manuel De La Rosa questioned the age of the excavator. Adan Gonzalez advised about seventeen years old. City Manager Manuel De La Rosa commented the repair prices could be, \$13,000.00 should not be in there, approximately \$50,000.00. We are looking at this trying to figure out exactly what it is but while looking at the budget. We may try looking at replacing it, but I don't have enough facts but I am moving on it tonight, Mayor, that is why we are asking for these three proposals be rejected and see what else is out there. 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 and Commissioner Rene Villafranco. Motion carried to **REJECT ALL PROPOSALS RECEIVED PERTAINING TO REPAIRS TO THE SK210 EXCAVATOR.**

**ITEM 16. CONSIDERATION AND POSSIBLE ACTION TO RATIFY PAYMENT TO CUMMINS SALES AND SERVICE ON EMERGENCY REPAIRS TO THE WASTEWATER TREATMENT PLANT GENERATOR IN THE AMOUNT OF \$51,323.36.**

Adan Gonzalez, Public Works Director, addressed the City Commission requesting approval to ratify payment to Cummins Sales and Service for the emergency repairs to the Wastewater Plant generator in the amount of \$51,323.36. City Manager, Manuel De La Rosa advised, the generator on site is the size of a freight car, it is massive and the cost brand new would be upwards of \$1 million and a half to \$2 million. That is how big and expensive this type of equipment is. Where it is located and apparently, this has happened once before in the last fifteen years, it is within one-hundred feet of the heads which means, where the sewage comes into the plant, that nice aroma and nice sewer gases interlay in the metals, it is in the wrong place. Again, who engineered it and who the city manager was. Mayor Benjamin Gomez, asked, what is the cost of moving it? City Manager Manuel De La Rosa stated, we are going to look at it because we utilize about forty percent of it. If we do an upgrade, it will work, but it's too much. But to relocate, it is probably about one-thousand linear feet to the building. This is a heavy industrial type and we are going to look about relocating it and. Mayor Benjamin Gomez asked, how many times have we repaired it at this cost or is this the first time. Adan Gonzalez, Public Works Director advised this would be the second time. Mayor Benjamin Gomez questioned, it's about \$100,000.00 within what time frame. Adan Gonzalez, Public Works Director, advised about four to five or six years ago, it was about \$60,000.00. Mayor Benjamin Gomez, stated, it would be right to say every time it is going to last five to six years every time we repair it because of the fumes and gases. We should try to move it as soon as possible. City Manager Manuel De La Rosa, confirmed, yes sir and that is the idea. We just spent \$51,000.00 and it is running good today. We do not need the generator not running during hurricane season. It went down at the most inopportune time. We are up and running, Mayor, I sent you the notice that we needed to move on at the Mayor authorize. We need to ratify and we made an initial down payment of \$25,000.00 but we do need to pay. I can tell you it is running but it becomes a priority for us. 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 Antonio Gonzales and Commissioner Rene Villafranco. Motion carried to **RATIFY PAYMENT TO CUMMINS SALES AND SERVICE ON EMERGENCY REPAIRS TO THE WASTEWATER TREATMENT PLANT GENERATOR IN THE AMOUNT OF \$51,323.36.**

**ITEM 17. CONSIDERATION AND POSSIBLE ACTION TO RATIFY PAYMENT TO AGUAWORKS PIPE AND SUPPLY, L.L.C. ON EMERGENCY REPAIRS DAMAGE TO A 20" WATER MAIN AT I-69E AND 8TH STREET ADJACENT TO DR. RAUL GARZA JR. STEAM ACADEMY IN THE AMOUNT OF \$14,721.40.**

Adan Gonzalez, Public Works Director, addressed the City Commission requesting approval to ratify payment to Aguaworks Pipe and Supply on emergency repair to a twenty-inch water main at I-69E and 8<sup>th</sup> Street adjacent to Dr. Raul Garza STEAM Academy in the amount of \$14,721.40. Commissioner Antonio Gonzales, asked if the construction was still going or is it stuck. City Manager Manuel De La Rosa, advised they have a stop work order. They've not been issued a city permit. They were not issued a city permit to start and they have not been issued a city permit at this time. We have an application pending review of construction plans. Commissioner Antonio Gonzales, asked, construction plans are not in permits is not the apartments. City Manager Manuel De La Rosa, advised no, they are putting in some covert boxes in the drainage channel, as you might recall, this breakage happened on Friday, July 3<sup>rd</sup>, on a City holiday and apparently, there was work done on this weekend without a permit and they were issued a stop work order yesterday to no one onsite but today they were sent home or sent away from site. We are still working on it. Commissioner Rene Villafranco, asked, who are we communicating with? City Manager, Manuel De La Rosa, advised the contractor did the damage and

we now have an application and we have the insurance and that is how we are trying to work through the problem. [Mayor Benjamin Gomez](#) stated, the biggest issue here is they did some work and did not even bother to get the City permits. They obtained TXDOT but didn't get with the City and jeopardized many of our citizen's health by breaking the water line and not even telling us when they broke it. I agree on the decision not issuing the permits until they take care of this problem. I don't know what else to say but they did damage it, they were working without permits, they have to be held accountable. [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 Antonio Gonzales](#) and [Commissioner Rene Villafranco](#). Motion carried to [RATIFY PAYMENT TO AGUAWORKS PIPE AND SUPPLY, L.L.C. ON EMERGENCY REPAIRS DAMAGE TO A 20" WATER MAIN AT I -69E AND 8TH STREET ADJACENT TO DR. RAUL GARZA JR. STEAM ACADEMY IN THE AMOUNT OF \\$14,721.40](#)

ITEM 18. CONSIDERATION AND POSSIBLE ACTION TO DESIGNATE BELEN PENA, FINANCE DIRECTOR, AS THE CITY DESIGNEE TO THE CAMERON COUNTY TAX ASSESSOR-COLLECTOR'S OFFICE TO CALCULATE THE NO-NEW REVENUE AND THE VOTER-APPROVAL TAX RATES FOR THE CITY AS PER SENATE BILL 2.

[Belen Pena, Finance Director](#), addressed the City Commission referring to a letter from the Tax Assessor-Collector's Office requiring a designee after the Senate passed bill number two to calculate tax rates in the property taxes. In the past, it was not a requirement but now they require a designee which could be me, with your approval. [Mayor Benjamin Gomez](#) requested a motion. [Mayor Pro Tem Carol Lynn Sanchez](#) moved to approve. [Commissioner Antonio Gonzales](#) seconded the motion. Voting Aye: [Mayor Benjamin Gomez](#), [Mayor Pro Tem Carol Lynn Sanchez](#), [Commissioner Antonio Gonzales](#) and [Commissioner Rene Villafranco](#). Motion carried to [DESIGNATE BELEN PENA, FINANCE DIRECTOR, AS THE CITY DESIGNEE TO THE CAMERON COUNTY TAX ASSESSOR COLLECTOR'S OFFICE TO CALCULATE THE NO-NEW REVENUE AND THE VOTER-APPROVAL TAX RATES FOR THE CITY AS PER SENATE BILL 2.](#)

ITEM 19. PRESENTATION AND ACCEPTANCE OF THE CITY OF SAN BENITO INVESTMENT REPORTS FOR THE THIRD QUARTER ENDED JUNE 30, 2020.

[Belen Pena, Finance Director](#), addressed the City Commission advising in your packets is the Third Quarter of 2020, June 30, 2020 Investment Report. If you go to the second page, which is the summary, for the period of that quarter, we earned \$35,203.00 in interest revenue. Compared to the previous fiscal year, we earned \$129,299.00 because of the low interest we are facing right now. The year-to-date interest income for this third quarter is \$239,448.00. [Mayor Benjamin Gomez](#) requested a motion. [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](#) and [Commissioner Rene Villafranco](#). Motion carried to [ACCEPTANCE OF THE CITY OF SAN BENITO INVESTMENT REPORTS FOR THE THIRD QUARTER ENDED JUNE 30, 2020.](#)

ITEM 20. PRESENTATION OF THE CITY OF SAN BENITO FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2020.

[Belen Pena, Finance Director](#), addressed the City Commission advising in your packets is the Balance Sheet; first page for the General Fund for June 30, 2020. As of that month, we have a total of \$12,185,493.00 in assets. In liabilities, we have \$2,643,987.00, which gives us a fund Balance of \$9,541,506.00. Compared to June 30, 2019, we had \$10,577,082.00 in assets. At this moment, we have close to \$2 million more in assets. The next page is Revenue Expenditures and changes in fund balance; for June 30, 2020, we have \$679,455.00 in revenues; \$769,072.00 in expenditures which gives us revenues under expenditures of \$89,616.00. The year-to-day in revenues is \$10,585,490.00, expenditure of \$8,353,843.00 which gives us revenues over expenditures of \$2,231,647.00. The target for this period is 75%, you can see it on the right top corner. The revenue, we have 80.04% and the expenditures of 64.66%. No Motion carried to [PRESENTATION ONLY.](#)

**ITEM 21. DISCUSSION OF THE 2020 AD VALOREM PROPERTY TAX RATE.**

**City Manager Manuel De La Rosa** addressed the City Commission advising we already had the first workshop. We do not have the tax roll certified yet, pending final numbers. The booklet before you is balanced under certain conditions. I am not recommending to the City Commission that you raise taxes. The Senate Bill 2 says you can only bring x amounts of dollars and you cannot exceed your M and O. We don't know what that is yet, but regardless, worst case scenario we would drop a little bit to stay within that if the appraisals go too high. Last year we did fairly well and we might do it this year. These appraisals occurred on January 1, 2020 the coronavirus did not become an issue until March. Today the folks are contesting something as opposed last year, and there's a lot of protests going on, maybe because financial they will be paying next year. It is our recommendation we maintain the same tax rate or lower just to stay within lower for the general fund if you recall two months ago we got the audit report we've done fairly well we have \$4 million in unassigned funds, part of these reserves were at 120 days of general fund reserves. That's good. We sold land, we settled WP2 we built up these other reserves. We build these unassigned funds for emergencies. We can get through this year without affecting the anybody's tax rate by utilizing \$700,000.00, it's going to be over \$4 million to balance the books. There's only one person we will be hiring is for the police department to help in dispatch. The rest of employees stay the same within the general fund. You will have to issue some depb on the water and sewer side. It is something we've discussed for three years and last year and we are running out of time infrtraucting continues to age. It's so late in the year trying to get engineers. We have a plan to get us there. You will have to most likely, your decision, we need to do a water rate study. In the water and sewer we had over two hundred days of reserves to pay for the study and pay for the first year. The water and sewer is an enterprise fund unable to transfer funds. We have six lift stations pending to meet a timeline and meeting TCEQ. We have an aquatic center plans at the expressway at 732, the school district has 30 acres part of Dr. Garza school. Now up to seven lift stations. On Colorado Street we have another lift station. A little over forty two lift stations that need to be addressed. We need generators. The EDC tentatively approved the City's water and sewer project and we will have to provide them a document. Part of the budget is about purchasing police cars with asset forfeiture funds and do same with Fire trucks through funds with the contract with the Cameron County ESD, dedicated toward fire trucks. On page 22, center of page, materials and supplies, construction materials, we put roadways, curbs and sidewalks, it is his recommendation 450 be changed and add 550 make it a \$1 million strictly for residential roads. The City Commission will direct administration streets to be worked on. The budget is balanced. No Motion carried to **DISCUSSION ONLY.**

**ITEM 22. DISCUSSION ON PROPOSED BUDGET FOR FISCAL YEAR OCTOBER 1, 2020 TO SEPTEMBER 30, 2021.**

**City Manager Manuel De La Rosa** addressed this agenda item together with agenda item number 21. No Motion carried to **PRESENTATION ONLY.**

**ITEM 23. ADJOURNMENT.**

**Mayor Benjamin Gomez** requested a motion to adjourn. **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** and **Commissioner Rene Villafranco**. Motion carried to **ADJOURN AT 6:38 P.M.**

CITY OF SAN BENITO

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**BENJAMIN "BEN" GOMEZ**  
**MAYOR**

ATTEST:

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**RUTH MCGINNIS**  
**CITY SECRETARY**