



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

On August 18, 2020 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.

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

Ramon Rodriguez, Parks and Recreation Director led the City Commission and audience in prayer.

ITEM 4. ANNOUNCEMENTS: ITEMS OF COMMUNITY INTEREST.

Mayor Benjamin Gomez announced no community announcements at this time due to pandemic and requested for the public to be safe and mindful of others and continue the social distancing, minimize gatherings and cover up.

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

Ruth McGinnis, City Secretary announced **Mr. Elias Cantu, Citizen**, who addressed the City Commission advising he is the president of the RGV LULAC Council and requested for the City to allocate funds for a mural at the Veteran's Memorial for the late Vanessa Guillen. He briefing all present with a small biography of Ms. Guillen.

Ruth McGinnis, City Secretary announced **Mr. Ricardo Guerra, Citizen**, who addressed the City Commission advising concern on City Budget. On agenda is item seven, eight and nine being vague and being voted on. He questioned the status of the City budget and reason for the sale of bonds and hopes City Commission tables these agenda items.

Ruth McGinnis, City Secretary announced no one else was present for comments.

ITEM 6: CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE MINUTES OF THE JULY 21, 2020 REGULAR CITY COMMISSION 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 Rene Villafranco. Motion carried to **APPROVE THE MINUTES OF THE JULY 21, 2020 REGULAR CITY COMMISSION MEETING.**

ITEM 7: CONSIDERATION AND APPROVAL OF RESOLUTION 2020-0015 A PLAN OF FINANCE PERTAINING TO THE ISSUANCE OF OBLIGATIONS TO BE DESIGNATED AS "CITY OF SAN BENITO, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2020" AND "CITY OF SAN BENITO, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020"; AUTHORIZING THE CITY STAFF AND THE CITY'S FINANCIAL ADVISOR AND BOND COUNSEL TO PROCEED WITH THIS PLAN OF FINANCE; AND AUTHORIZING OTHER MATTERS RELATED TO THE FOREGOING.

City Manager Manuel De La Rosa addressed the City Commission introducing Mr. Don Gonzales, Financial Advisor with Estrada Hinojosa and advising Mr. Arnold Cantu, Bond Counsel, will not be here. We are at that point where we discussed at some of our budget workshops, the financing of certain work that needs to be done for the lift stations. We discussed at the last meeting, the six lift stations that are part of sanitary sewer overflow initiative agreement with the Texas Commission on Environmental Quality. We talked about the Alamo lift station, we talked about thirty-five other lift stations needing repairs. We spent over \$50,000.00 repairing the Waste Water Treatment Facility generator which needs to be relocated. The Water Plant Number 1 needs a scada system for it to signal alerts after hours. The Waste Water Treatment Plant also needs one. Water Plant 2 will have a scada system which we approved internet service for it to alert after hours helping operation reduce man power, especially right now with COVID-19 and FMLA. We talked about needed equipment for the water department which has been rolled into some of these expenses we are going to post as bond refunds. You are also going to see fire trucks which will not be burden on the taxpayers as they are paid for through the funding we receive for the fire suppression duties provided to Cameron County Emergency Service District Number One, being managed by Cameron County Commissioners' Court. We bring in roughly \$57,000.00 a quarter, that is a little over \$200,000.00 a year. That's how that is proposed to be paid. There is also refinancing opportunity. Mayor, unless you have a question for me very specifically, I am going to ask Mr. Gonzalez walk you through the PowerPoint presentation. This was the latest that was given to you on Friday, we made some changes, for example, we paid the fire truck out, it's a five-year note, we will put the majority of the payments on the first four years and because the final payment will be on the fifth year with interest payments so we made some adjustments. Mayor Benjamin Gomez questioned how much deviation or difference is there from what is in our binder to what was provided to us today, or can you tell us which pages there is a difference, because, I read my binder but yet, we got presented with something else today. I know that there were somethings left blank, some numbers or dates left blank on my binder because you were going to present something. If you can explain where or what's the difference on each page and refer to the other page that you made changes to. Financial Advisor, Don Gonzales advised he has some information in the form of presentation and will go through and advised to feel free to stop and ask any questions at any point or time. On page one, Market Update, the part that I would like to zero in on is on the bottom right hand corner. You see that table there and if you recall when we were here last year and we were doing a small amount of financing that was going to be for engineering and some of the preliminary development costs associated with the capital improvements that you were exploring to do now. That financing was done and we had very, very low interest rates and you all were very, very pleased with that. And, we said, if you are going to accelerate things, our gut tell us, based on financial data, that we will actually be seeing potentially lower interest rates. So, if you look at that far right column on that table, it says, the changeover year, you can see the interest rates today are lower than where they were a year ago. And, if you look on the right side starting at about year six, sixty-five days is a point lower today than they were a year ago. If you go out to year twenty, their fifty-one days point, is almost one and a half to one percent lower today than it was back then. When the city manager was talking about moving forward with capital improvements, it's a great time to do it because interest rates are actually lower now than where they were a year ago. Moving on to page two, this is a table that I really like to show this graph because if you look at the blue squares, those are the averages that we would see interest rates from year one to year thirty going all the way back to year 2000. We have a twenty-year history here, and, average is where the blue squares are. The blue bars represent the high and the low over the last twenty years.

The green diamond is where we are today. We are ninety-nine percent lows where interest rates have been. So, that means, maybe, one percent of the time interest rates have been lower than where they are now. It's as good a time as you can probably anticipate trying to borrow money. And, so, when you look at the finances of the city, and we actually had a call with one of the rating agencies about two and a half weeks ago, they were very pleased with the discussion that we had with the city manager and the director of finance. They do surveillance every year and in that surveillance process they get us good feedback saying that a lot of cities in the state of Texas are seeing their property values going down. They are seeing their sales tax revenues going down, San Benito is not in that situation. In fact, your property values have held steady and have gone up a little bit. That was very positive news that came forward from the rating agency discussion. When we look at this interest rate environment, you have a very good intersection of a lot of good things happening all at one time.

Moving on to page three, this is another graph showing where interest rates were in the year 2000. You can see when we made our deal in 2019, you can see that one dip and see where we are now in 2020 rates are even lower than 2019, it's a great opportunity to make capital improvements.

Page 4 shows the preliminary view of the financing team would look like and addressed each entity and addressed the City's current underlying rating, have not pursued a rating yet for this transaction until you give the authorization tonight they won't be doing that. The underlying rating is Moody's an A1, S&P an A, and Fitch an A+. Per previous surveillance call with Fitch Ratings, not related to this transaction, they just do their annual surveillance had a very positive conversation.

Page 5 shows the historical tax rate information for the past twenty years. The tax rate went down from 2013 to 2014 slightly and then stayed the same. No tax rate increase before 2013 and rates have held steady and with our analysis not anticipating any tax rate increase with these transactions.

Page 6 shows the preliminary side of financing looks like for Certificates of Obligation, this financial tool we use associated with amount financed for the lift station renovation/construction at \$7 million, the Fire Vehicle and Equipment at \$700,000.00, and Other Utility System Improvements and Related Equipment at \$1 million, cost of issuance, includes underwriters, rating agencies, and attorneys at \$310,529.00 for a total of \$9,010,529.00. **Commissioner Antonio Gonzales** asked if there is a spreadsheet showing a breakdown on equipment being purchased. **City Manager Manuel De La Rosa** confirmed advising he put a spreadsheet indicating looking at the scada system at Waste Water Plant and for Water Plant 1, about \$300,000 for excavator, at Colorado street there is a force main encroached by a home, unable to access liftstation, is considering to purchase an adjacent tract of land to use as access point to the alley and drive behind peoples home, other improvements are for other equipment and liftstations which have been tabulated on the spreadsheet.

Page 7, Preliminary Sources and Uses, shows interest rates are low, the City looking to execute on refunding of some bonds previously issued. We will pay off Series 2011 bonds and GO refunding bonds, series 2015, which totals below \$9.6 million. The cost of issuance associated with that is \$328,000.00. You can see the \$9.9 million, taking old debt and refinance at a lower interest rate to save the City money.

Page 8, Refunding Analysis, in 2011 these bonds were issued, each maturity starting with the 2022 to 2031, interest rate currently paying is 3% and 4% for the last number of years and you can see the amount you would have as principal for each one of those years. Under current tax law, we are not allowed to refund these until 90 days after the call date. The call date is February 1, 2021 and can act and close the bond on November 1, 2021, within ninety days from the call date. Trying to price in October and close first week in November, meeting the 90 days in November and maximize the tax monies for the City. On the 2011 bonds there is \$4,540,000.00 outstanding. **Mayor Benjamin Gomez** clarified he wishes to know what was bond money used for and where it went to and was there resistance. **Mr. Don Gonzales** advised they were all for were for sewer and water related improvements. He is unable to tell what projects they were for and for most part when City has voted to issue bonds, it's always been unanimous as you have good

ratings and financial results and have made capital improvements for the City that were all in the best interest to save money. If you do piece by piece it gets expensive. His recollection there has not been a divided vote. Towards the bottom page 8 is 2015 bonds refunding 2006 and 2007 bonds already, and can refund these and save money, from 2022 through 2027 at 2.4% and can take those even lower to save the City money. That's almost \$4.9 million bonds outstanding there. The totals is \$9.4 million. The refunding summary is on the right side looking to refund under \$8.5 million and savings is over \$.5 million and net present value basis is \$ 475,641.00 or five percent. The benchmark is minimum of 3% savings and works to the benefit of the City to refund these two bonds.

Page 9, this is the history of the City's debt going to 2011, he reviewed the GO, Sales Tax, CDBG, EDC, and WWSS and City used CO, main reason, the City's credit rating is so good, actually can use the City's credit rating and not the Utilities as it will not rate as well, the second benefit, don't have to meet certain coverage requirements for the utility system, which push rates higher, and third reason, you don't have to have a reserve fund requirement.

Page 10, similar to what we did in 2019, just discussed different revenues to pay back in order to support new piece of debt, we will not be making any changes on CDBG. EDC will be contributing to the City as some bonds will be paid off. City Manager will recommend do a water rate study to evaluate how Utility System.

Page 11, the Debt Service by Fiscal Year and payment source after adjustments shows no tax rate increase.

Page 12, Current Outstanding Debt Service Schedule values for 2021 for certified tax roll went up almost a 4% increase in assessed value. City is doing very well and is steady.

Page 13, Projected Tax Rate Impact Analysis, 2020 Issuances savings roughly about \$52,000 per year in column E. He reviewed all columns including equipment and tax rate. Main changes in column K, modified numbers total remains at \$700,000.

City Manager Manuel De La Rosa referred to Page 10, addressing the City Commission, advising when he read the article in the Valley Morning Star this morning, he clarified there is no proposed tax rate increase for fiscal year 2021 nor is there a water increase. These are water and sewer related, you are just using the ad valorem to get a better rate. If there would be any, it would be in the water at a future date very specifically, footnote number 3, where City Manager plans to recommend a Utility System Rate Study in FY 2021. We have been having this conversation for two or three months. We need the rate study as the last rate study was in 2011. We issued bonds last year, those bonds trigger a new bond, and new market. Wanted to make a correction to a statement made in the paper that I said specifically and I did not make the statement specifically, was not in quotes, but eludes that he said. We are not proposing a tax rate this coming fiscal year. I cannot tell you what water rates look in the future until you have analysis in front of you and then you and I will make an informed decision based on this and you will vote on this. We might have to cut operations or some type of action. Unable to know what rates will be in Fiscal Year 2021 or 2022. What people read and what they hear is not the same thing.

Page 14, preliminary timetable of events was reviewed and advised of the reimbursement resolution and the notice of intent to issue certificates of obligation, state legislature requires instead of 30 days to 45 days with two publications in the newspaper, August 21 and the second publication on August 28. Other requirement is notice of intent must be posted on website occur on or before notice of publication in newspaper. Might try to execute on refunding resolution depending on rates, below 5%, once City provides authorization.

City Manager Manuel De La Rosa addressed the City Commission on a comment made during public comments. The City is in good financial position. Our assessed values are better than last year, the tax

rate will stay the same, we do not have to dip into unassigned funds. You can still do roadway improvements. We are near a deadline to move on some of these things reason we have asked for participation from EDC. We have a balanced budget, we do not have to touch the two hundred days. Recommendation by City Manager is that we do not delay this any further and continue to address our water and sewer related issues. 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 RESOLUTION 2020-0015 A PLAN OF FINANCE PERTAINING TO THE ISSUANCE OF OBLIGATIONS TO BE DESIGNATED AS "CITY OF SAN BENITO, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2020" AND "CITY OF SAN BENITO, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020"; AUTHORIZING THE CITY STAFF AND THE CITY'S FINANCIAL ADVISOR AND BOND COUNSEL TO PROCEED WITH THIS PLAN OF FINANCE; AND AUTHORIZING OTHER MATTERS RELATED TO THE FOREGOING.

ITEM 8. CONSIDERATION AND APPROVAL OF ORDINANCE 2576 BY THE CITY COMMISSION OF THE CITY OF SAN BENITO, TEXAS AUTHORIZING THE ISSUANCE OF "CITY OF SAN BENITO, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020"; DELEGATING THE AUTHORITY TO CERTAIN MEMBERS OF THE CITY COMMISSION AND CITY STAFF TO APPROVE AND EXECUTE CERTAIN DOCUMENTS RELATING TO THE SALE OF SUCH BONDS; AND OTHER MATTERS RELATED AND INCIDENT THEREOF.

Mr. Don Gonzales with Estrada & Hinojosa addressed the City Commission advising the Bond Ordinance has blanks associated with the page because we don't have the final interest rates, but you have authority to do a refunding as previously mentioned in earlier presentation. You can delegate the authority to the Mayor or to the City Manager, so that when we lock in the interest rates, we give the verbal award for those interest rates on that day, and you'll be signing documents that day or the following day to lock that in. Instead of it coming before the entire City Commission at that particular time. Right now, we are planning to do both, at the same time, but if for some reason we see interest rates improve to your benefit, if you have the authority given to the Mayor or to the City Manager through this parameters resolution, it sets the cap in the amount of money to be borrowed and it sets the interest rate cap as well, and sets terms won't extend beyond the term of the bonds that are currently outstanding. For refunding this is a common procedure. We may not use it, but if it makes sense and save the City more money, we don't have to wait till October, we can move on it late September or early October instead of middle of October. Respectfully request your authorization to do that. 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 ORDINANCE 2576 BY THE CITY COMMISSION OF THE CITY OF SAN BENITO, TEXAS AUTHORIZING THE ISSUANCE OF "CITY OF SAN BENITO, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020"; DELEGATING THE AUTHORITY TO CERTAIN MEMBERS OF THE CITY COMMISSION AND CITY STAFF TO APPROVE AND EXECUTE CERTAIN DOCUMENTS RELATING TO THE SALE OF SUCH BONDS; AND OTHER MATTERS RELATED AND INCIDENT THEREOF.

ITEM 9. CONSIDERATION AND APPROVAL OF RESOLUTION NUMBER 2020-0013 BY THE CITY COMMISSION OF THE CITY OF SAN BENITO, TEXAS AUTHORIZING AND APPROVING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION; COMPLYING WITH THE REQUIREMENTS CONTAINED IN SECURITIES AND EXCHANGES COMMISSIN RULE 15c2-12; AND PROVIDING AN EFFECTIVE DATE.

Mr. Don Gonzales, Estrada & Hinojosa addressed the City Commission advising this item is the Notice of Intention that starts the process, so there would be a notice, if you decide to move forward with this, that would have to be published in the newspaper, two consecutive weeks, forty-five days after the lapse before we can come back and have you take action on the issuance of the Certificates of Obligation. That transaction we will have to come back before you with final numbers and will bring the other transaction

as well so you can see the final results. We cannot act on that one we would actually price the day before on Monday and be at your regular meeting October 18 or 19 we will have for you to approve at that time. Notice of Intent starts the publication process and posting on your website, a requirement under state law for 45 days to lapse. With respect to the forty-five days, during forty-five days a petition can be brought by citizens of San Benito if they want to bring a petition to force a vote by the citizens, we rarely see that happen because most people know they already entrusted you to make these decisions. When you're moving with very low interest rates to make these capital improvements to your utility system, so you don't get fined, it makes a lot of sense what you're doing with the timing. [City Manager Manuel De La Rosa](#) advised the City Commission he has seen cities where those petitions have been received, that doesn't necessarily stop it moving forward, what that means, you won't have the ad valorem backing it. It goes to a water or sewer revenue bond, strictly based on the water side. Interest rates go up, it is the worst case scenario, cities do it because they don't have a choice. Don is trying to tell you what they can do, I'm telling you how cities get around it. It's never very pretty, some cities are required to keep moving forward with water and sewer. It doesn't necessarily stop anything but it is much more costly. [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 RESOLUTION NUMBER 2020-0013 BY THE CITY COMMISSION OF THE CITY OF SAN BENITO, TEXAS AUTHORIZING AND APPROVING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION; COMPLYING WITH THE REQUIREMENTS CONTAINED IN SECURITIES AND EXCHANGES COMMISSIN RULE 15c2-12; AND PROVIDING AN EFFECTIVE DATE.](#)

ITEM 10. CONSIDERATION AND APPROVAL OF RESOLUTION 2020-0014 RELATING TO ESTABLISHING THE CITY'S INTENTION TO REIMBURSE ITSELF FOR THE PRIOR LAWFUL EXPENDITURE OF FUNDS RELATING TO CONSTRUCTING VARIOUS CITY IMPROVEMENTS FROM THE PROCEEDS OF TAX-EXEMPT OBLIGATIONS TO BE ISSUED BY THE CITY FOR AUTHORIZED PURPOSES; AUTHORIZING OTHER MATTERS INCIDENT AND RELATED THERETO; AND PROVIDING AN EFFECTIVE DATE.

[Don Gonzales, Estrada & Hinojosa](#) addressed the City Commission advising this item is the ability to reimburse yourselves, in the event that you spend money from engineering or project development or find fire equipment that you want to purchase and want to get it today, I want to spend the money, even though we don't close until the middle of November, you can reimburse yourselves out of the bond proceeds. It's a tax law requirement we want to make sure you have in place, so that in the event you say we want to buy an excavator, fire equipment, you don't have to wait to until you have the money from bond proceeds to go out and purchase it right away and then reimburse yourself. That's why things like this say, other matters incident related thereto, we don't know if right now whether you will go out and buy a piece of equipment next week or next month this just gives you flexibility to spend the money and then reimburse yourselves at bond proceeds when we close in the middle of November. [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 RESOLUTION 2020-0014 RELATING TO ESTABLISHING THE CITY'S INTENTION TO REIMBURSE ITSELF FOR THE PRIOR LAWFUL EXPENDITURE OF FUNDS RELATING TO CONSTRUCTING VARIOUS CITY IMPROVEMENTS FROM THE PROCEEDS OF TAX-EXEMPT OBLIGATIONS TO BE ISSUED BY THE CITY FOR AUTHORIZED PURPOSES; AUTHORIZING OTHER MATTERS INCIDENT AND RELATED THERETO; AND PROVIDING AN EFFECTIVE DATE.](#)

ITEM 11. CONSIDERATION AND POSSIBLE ACTION TO AUTHORIZE THE MAYOR TO SIGN A TWO-YEAR INVESTMENT AGREEMENT WITH VALLEY VIEW CONSULTING, L.L.C.

[Belen Pena, Finance Director](#) addressed the City Commission requesting approval of the Valley View Consulting Agreement as they help us look for investments when we have funds, especially during the tax period. The City is looking to extend the contract for an additional two years, ending September 30, 2022.

This is done every two years, last time was done for one year. We have been with them more than ten years. **City Manager Manuel De La Rosa** advised the City Commission that at one time the City thought of taking this in-house, but based on their expertise and professionalism, and it is very complicated, our investment policies and all those other requirements, we just refer to them that's why staff recommendation to renew another two years. **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 **AUTHORIZE THE MAYOR TO SIGN A TWO- YEAR INVESTMENT AGREEMENT WITH VALLEY VIEW CONSULTING, L.L.C.**

ITEM 12. CONSIDERATION AND POSSIBLE ACTION TO APPROVE AN AGREEMENT WITH MUNDO AND ASSOCIATES, INC. FOR COMPLETION OF THE 2019 ANNUAL TAX INCREMENT REINVESTMENT ZONE REPORT.

Belen Pena, Finance Director addressed the City Commission requesting approval of the Mundo & Associates Agreement to complete the 2019 TIRZ Report that the City presents to Cameron County for reimbursement. Cameron County contributes a portion and City does another portion for this fund. They charge \$4,000.00 for that report. **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 AN AGREEMENT WITH MUNDO AND ASSOCIATES, INC. FOR COMPLETION OF THE 2019 ANNUAL TAX INCREMENT REINVESTMENT ZONE REPORT.**

ITEM 13. DISCUSSION AND APPROVAL TO EXTEND THE CITY'S BANK DEPOSITORY SERVICES CONTRACT WITH FIRST COMMUNITY BANK FOR A ONE-YEAR TERM ENDING ON SEPTEMBER 30, 2021.

Belen Pena, Finance Director addressed the City Commission requesting approval of an extension for the current two year contract with First Community Bank. This is to extend for one year until September 30, 2021. **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 TO EXTEND THE CITY'S BANK DEPOSITORY SERVICES CONTRACT WITH FIRST COMMUNITY BANK FOR A ONE-YEAR TERM ENDING ON SEPTEMBER 30, 2021.**

ITEM 14. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE FINAL PLAT OF LIBERTY ESTATES SUBDIVISION PHASE II. BEING 10.65 ACRES OF LAND COMPRISED OF THE FOLLOWING: A 0.08 ACRE TRACT OUT OF BLOCK 12; 0.48 ACRE OUT OF BLOCK 3; 0.44 ACRE OUT OF BLOCK 4; 4.66 ACRES OUT OF BLOCK 5; 4.09 ACRES OUT OF BLOCK 6; 0.44 ACRE OUT OF BLOCK 7; 0.44 ACRE OUT OF BLOCK 8; AS DESCRIBED IN DEED RECORDED IN VOLUME 23853, PAGE 125 OFFICIAL RECORDS OF CAMERON COUNTY, TEXAS AND 0.02 ACRE OUT OF A 30.0 FT. ROAD RIGHT OF WAY ALL OUT OF CUNNINGHAM'S SUBDIVISION RECORDED IN VOLUME 1, PAGE 43 MAP RECORDS, CAMERON COUNTY, TEXAS. APPLICANT: JNSP PROPERTIES, LLC.

Bernard Rodriguez, Planning & Development Director addressed the City Commission requesting approval. This is a proposed 34 lot residential subdivision, this is the second phase of a bigger part of Liberty Estates, which they intend to continue when they move forward with sales. It lies within city limits. The development will be tied into existing water and sanitary sewer lines Liberty Estate Phase I. Two new fire hydrants will be installed along with street lights per City ordinance. A final plat complies with all applicable city ordinance and state statutes. **Mayor Benjamin Gomez** requested a motion. **Commissioner Antonio Gonzales** 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 FINAL PLAT OF LIBERTY ESTATES**

SUBDIVISION PHASE II. BEING 10.65 ACRES OF LAND COMPRISED OF THE FOLLOWING: A 0.08 ACRE TRACT OUT OF BLOCK 12; 0.48 ACRE OUT OF BLOCK 3; 0.44 ACRE OUT OF BLOCK 4; 4.66 ACRES OUT OF BLOCK 5; 4.09 ACRES OUT OF BLOCK 6; 0.44 ACRE OUT OF BLOCK 7; 0.44 ACRE OUT OF BLOCK 8; AS DESCRIBED IN DEED RECORDED IN VOLUME 23853, PAGE 125 OFFICIAL RECORDS OF CAMERON COUNTY, TEXAS AND 0.02 ACRE OUT OF A 30.0 FT. ROAD RIGHT OF WAY ALL OUT OF CUNNINGHAM'S SUBDIVISION RECORDED IN VOLUME 1, PAGE 43 MAP RECORDS, CAMERON COUNTY, TEXAS. APPLICANT: JNSP PROPERTIES, LLC.

ITEM 15. PUBLIC HEARING: TO SOLICIT INPUT FROM CITIZEN PARTICIPATION ON REQUEST TO REZONE 2045 EAST STENGER STREET, ALSO BEARING A LEGAL DESCRIPTION OF SAN BENITO LAND & WATER CO SUBDIVISION 1.000 ACRE OF SW CORNER OF W ½ OF SE ¼ OF BLOCK 11 & SAN BENITO LAND & WATER CO SUBDIVISION 1.00 ACRE OF W ½ OF SW ¼ BLOCK 11, SAN BENITO, CAMERON COUNTY, TEXAS, FROMS INGLE FAMILY ONE (SF-1) ZONE TO COMMERCIAL RESTRUCED BUSINESS (C-1) ZONE. APPLICANT: IGNACIO AND TERESA CASTILLO.

- A) OPEN PUBLIC HEARING
- B) PUBLIC HEARING

MAYOR BENJAMIN GOMEZ OPENED THE PUBLIC HEARING AT 6:35 P.M. NO COMMENTS RECEIVED. MAYOR BENJAMIN GOMEZ CLOSED THE PUBLIC HEARING AT 6:35 P.M.

Bernard Rodriguez, Planning & Development Director, addressed the City Commission advising the proposed site consists of a two acre lots, one lot is vacant and the other is residence brick veneer, from Stenger Street and borders commercial own property. The Planning & Zoning Commission approved this request on July 23, 2020 and City Staff has not received any comments for or against this item. A Public Hearing Notice was sent within two hundred foot radius. No Motion carried **PUBLIC HEARING ONLY.**

ITEM 16. CONSIDERATION AND POSSIBLE ACTION TO APPROVE REQUEST TO REZONE 2045 EAST STENGER STREET, ALSO BEARING A LEGAL DESCRIPTION OF SAN BENITO LAND & WATER CO SUBDIVISION 1.000 ACRE OF SW CORNER OF W ½ OF SE ¼ OF BLOCK 11 & SAN BENITO LAND & WATER CO SUBDIVISION 1.00 ACRE OF W ½ OF SW ¼ BLOCK 11, SAN BENITO, CAMERON COUNTY, TEXAS, FROMS INGLE FAMILY ONE (SF-1) ZONE TO COMMERCIAL RESTRUCED BUSINESS (C-1) ZONE. APPLICANT: IGNACIO AND TERESA CASTILLO .

Bernard Rodriguez, Planning & Development addressed the City Commission advising this property does run from Stenger Street and does border a commercial restricted business own property. They are looking at doing the first acre into commercial development, it does have a house and looking to go and transform into that type of business. It did go before Planning and Zoning Commission and they did approve it. 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 REQUEST TO REZONE 2045 EAST STENGER STREET, ALSO BEARING A LEGAL DESCRIPTION OF SAN BENITO LAND & WATER CO SUBDIVISION 1.000 ACRE OF SW CORNER OF W ½ OF SE ¼ OF BLOCK 11 & SAN BENITO LAND & WATER CO SUBDIVISION 1.00 ACRE OF W ½ OF SW ¼ BLOCK 11, SAN BENITO, CAMERON COUNTY, TEXAS, FROMS INGLE FAMILY ONE (SF-1) ZONE TO COMMERCIAL RESTRUCED BUSINESS (C-1) ZONE. APPLICANT: IGNACIO AND TERESA CASTILLO .**

ITEM 17. CONSIDERATION AND POSSIBLE ACTION AUTHORIZING THE PURCHASE OF FIVE FORD EXPLORER POLICE PATROL UNITS IN THE AMOUNT OF \$183,035.00 FROM CALDWELL COUNTRY FORD.

Fred Bell, Assistant City Manager and Interim Police Chief addressed the City Commission requesting to deny this item as Assistant Chief Perea and he are looking at additional options. Mayor Benjamin Gomez requested a motion to deny this item. Commissioner Rene Villafranco moved to approve the denial. 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 THE PURCHASE OF FIVE FORD EXPLORER POLICE PATROL UNITS IN THE AMOUNT OF \$183,035.00 FROM CALDWELL COUNTRY FORD.

ITEM 18. CONSIDERATION AND POSSIBLE ACTION AUTHORIZING THE PURCHASE OF POLICE VEHICLE EMERGENCY EQUIPMENT IN THE AMOUNT OF \$90,108.32 FROM CAP FLEET UPFITTERS.

Fred Bell, Assistant City Manager and Interim Police Chief addressed the City Commission requesting the same as previous agenda item, to deny this item being that Assistant Chief Perea and he are looking at additional options. Mayor Benjamin Gomez requested a motion to deny. Commissioner Rene Villafranco moved to approve the denial. 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 THE PURCHASE OF POLICE VEHICLE EMERGENCY EQUIPMENT IN THE AMOUNT OF \$90,108.32 FROM CAP FLEET UPFITTERS.

ITEM 19. EXECUTIVE SESSION:

- a) CONSULTATION WITH CITY ATTORNEY PURSUANT TO TEXAS GOVERNMENT CODE §551.071(1) AND (2) TO RECEIVE PRIVILEGED ATTORNEY-CLIENT COMMUNICATION AND REGARDING PENDING OR ANTICIPATED LITIGATION.
- b) CONSULTATION WITH CITY ATTORNEY PURSUANT TO TEXAS GOVERNMENT CODE §551.071 FOR THE PURPOSE OF FACILITY PRIVILEGED ATTORNEY CLIENT COMMUNICATION REGARDING LEASE WITH CITY.

THE CITY COMMISSION CONVENED INTO EXECUTIVE SESSION AT 6:40 P.M. AND ADJOURNED AT 7:16 P.M

GENERAL SESSION:

ITEM 20. CONSIDERATION AND POSSIBLE ACTION ON AGENDA ITEM 19(A).

Mayor Benjamin Gomez, requested a motion for counsel to proceed as discussed in Executive Session. 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 for COUNSEL TO PROCEED AS DISCUSSED IN EXECUTIVE SESSION.

ITEM 21. CONSIDERATION AND POSSIBLE ACTION ON AGENDA ITEM 19(B).

Mayor Benjamin Gomez announced NO ACTION TAKEN.

ITEM 22. ADJOURNMENT.

Mayor Benjamin Gomez requested a motion to adjourn. Commissioner Antonio Gonzales moved to approve. Mayor Pro Tem Carol Lyn 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 ADJOURN AT 7:17 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

**BENJAMIN "BEN" GOMEZ
MAYOR**

ATTEST:

**RUTH MCGINNIS
CITY SECRETARY**