



**MINUTES
OF THE CITY OF SAN BENITO REGULAR CITY COMMISSION MEETING
AND BUDGET WORKSHOP**

On September 1, 2020 the City Commission met for a Regular Meeting and Budget Workshop 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.

Bernard Rodriguez, Planning & Development Director led the City Commission and audience in prayer.

ITEM 4. PRESENTATION OF A PROCLAMATION FOR THE LATE ELIDA S. VILLARREAL.

The City Commission read paragraphs from the proclamation and presented it to the late Elida S. Villarreal daughters, Ms. Marylou Saldana, Ms. Diana Farias, and Ms. Minerva Lopez.

ITEM 5. Announcements: Items of Community Interest.

Mayor Benjamin Gomez announced free COVID-19 Testing at San Benito Fairgrounds on September 8th through 11th. and City crews continue working on waterleak on Robertson Street and Sam Houston Boulevard City.

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

Ruth McGinnis, City Secretary, announced no public comments.

ITEM 7. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE MINUTES OF THE AUGUST 11, 2020 SPECIAL 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 Commissioner Rene Villafranco.** Motion carried to **APPROVE THE MINUTES OF THE AUGUST 11, 2020 SPECIAL CITY COMMISSION MEETING.**

ITEM 8. DISCUSSION AND POSSIBLE ACTION TO APPROVE FIRST AMENDMENT TO PERFORMANCE AGREEMENT BETWEEN VARCO REAL ESTATE SAN BENITO, L.L.C., AND THE SBEDC AND THE ACCOMPANYING LETTER AGREEMENT PROPOSED BY VARCO, AND OTHER MATTERS INCIDENT AND RELATED THERETO INCLUDING POSSIBLE AMENDMENTS AND/OR REVISIONS TO SAME.

Rebeca Castillo, Executive Director, San Benito Economic Development Corporation addressed the City Commission referencing a similar agenda item previously denied by the City Commission. Currently presenting First Amendment different from last time factoring deadline of Phase 1 to November 30th to complete the sidewalk at the project site. Any additional conversations in the future in term of any changes to Phases and timeline will be subject to conversations. In your packet is a letter proposing the EDC is in agreement for VARCO and the City to have conversations in terms of what is the best outcome and moving forward as to timeline and changes on the phases, subject to those conversations then will have more concrete information to any changes or to any amendment in the future it will be collaborating in having the conversation and moving forward to determine those possible amendments in the future. **City Attorney Mark Sossi** commented on the Letter Agreement needs to be reformed for City of San Benito not to be signatory to it. The Letter Agreement should state the SBEDC not the City of San Benito since Agreement is between VARCO and EDC and then be brought before the City Commission for approval. **City Manager Manuel De La Rosa** recommended to the City Commission to make a motion only in the manner to accept the First Amendment to the Performance Agreement. **Mayor Benjamin Gomez** requested motion to approve the First Amendment to Performance Agreement for Phase 1 to include the deadline of November 30, 2020 to complete the sidewalk and excluding the Letter Agreement. **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 FIRST AMENDMENT TO PERFORMANCE AGREEMENT FOR PHASE 1 TO INCLUDE THE DEADLINE OF NOVEMBER 30, 2020 TO COMPLETE THE SIDEWALK AND EXCLUDING THE LETTER AGREEMENT.**

ITEM 9. CONSIDERATION AND POSSIBLE ACTION TO APPROVE A MAINTENANCE WARRANTY BOND TO PROVIDE A ONE-YEAR WARRANTY FOR SUBDIVISION IMPROVEMENTS PERTAINING TO LIBERTY ESTATES PHASE II SUBDIVISION.

Bernard Rodriguez, Planning & Development Director, addressed the City Commission advising the Maintenance Warranty provides a one-year warranty for Utility Improvements including water and distribution, sanitary sewer, storm drainage, and street improvements for Liberty Estates Phase II Subdivision. This is a requirement per City of San Benito Ordinance Chapter 10, Section 10.02.010 Guarantees and Performances. **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 A MAINTENANCE WARRANTY BOND TO PROVIDE A ONE-YEAR WARRANTY FOR SUBDIVISION IMPROVEMENTS PERTAINING TO LIBERTY ESTATES PHASE II SUBDIVISION.**

ITEM 10. CONSIDERATION AND POSSIBLE ACTION TO APPROVE A MAINTENANCE BOND TO PROVIDE A ONE-YEAR WARRANTY FOR SUBDIVISION IMPROVEMENTS PERTAINING TO VILLA MARCELA SUBDIVISION.

Bernard Rodriguez, Planning & Development Director, addressed the City Commission advising this is another subdivision that came to the City of San Benito and it has been reviewed and approved as per the construction. The Maintenance Warranty Bond provides a one-year warranty bond in the amount of \$4,500.00. **Mayor Benjamin Gomez** requested a motion. **Commissioner Antonio Gonzales** 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 A MAINTENANCE BOND TO PROVIDE A ONE-YEAR WARRANTY FOR SUBDIVISION IMPROVEMENTS PERTAINING TO VILLA MARCELA SUBDIVISION.**

ITEM 11. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE ORDER OF ELECTION FOR THE NOVEMBER 3, 2020 GENERAL ELECTION FOR THE ELECTION OF A MAYOR, A COMMISSIONER, PLACE 1, AND A COMMISSIONER, PLACE 2.

Mayor Benjamin Gomez requested a motion. Commissioner Antonio Gonzales 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 ORDER OF ELECTION FOR THE NOVEMBER 3, 2020 GENERAL ELECTION FOR THE ELECTION OF A MAYOR, A COMMISSIONER, PLACE 1, AND A COMMISSIONER, PLACE 2.

ITEM 12. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE ORDER OF A SPECIAL ELECTION FOR THE NOVEMBER 3, 2020 GENERAL ELECTION FOR THE ELECTION OF A COMMISSIONER, PLACE 3.

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 ORDER OF A SPECIAL ELECTION FOR THE NOVEMBER 3, 2020 GENERAL ELECTION FOR THE ELECTION OF A COMMISSIONER, PLACE 3.

ITEM 13. CONSIDERATION AND POSSIBLE ACTION TO APPROVE A CONTRACT WITH CAMERON COUNTY TO CONDUCT THE CITY OF SAN BENITO ELECTIONS ON NOVEMBER 3, 2020 FOR THE ELECTION OF A MAYOR, A COMMISSIONER, PLACE 1, A COMMISSIONER, PLACE 2, AND A COMMISSIONER, PLACE 3.

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 A CONTRACT WITH CAMERON COUNTY TO CONDUCT THE CITY OF SAN BENITO ELECTIONS ON NOVEMBER 3, 2020 FOR THE ELECTION OF A MAYOR, A COMMISSIONER, PLACE 1, A COMMISSIONER, PLACE 2, AND A COMMISSIONER, PLACE 3.

ITEM 14. PRESENTATION OF CITY OF SAN BENITO FINANCIAL STATEMENTS FOR THE PERIOD ENDED JULY 31, 2020.

Belen Pena, Finance Director addressed the City Commission presenting the City of San Benito Financial Statements ending July 31, 2020 and briefing various funds for the City. No Motion carried PRESENTATION ONLY.

ITEM 15. DISCUSSION ON PROPOSED BUDGET FOR FISCAL YEAR OCTOBER 1, 2020 TO SEPTEMBER 30, 2021.

City Manager Manuel De La Rosa, addressed the City Commission advising they were provided a budget book with the details of the proposed budget for the upcoming fiscal year and requested they review it, as it contains very few changes to the overall budget. The City windstorm insurance increased \$100,000.00, we added a new employee, included the three percent increase, the new employee for the San Benito Police Department Dispatch. We are approximately \$1.7 ahead we continue to see our sales taxes, our portion that comes to the City are generally well, our water revenue stream continues to hold, we cut back in a lot of our expenses, we are not traveling. Kind of rule of thumb, reduce everything since historically well, we have not been in the pandemic long enough to know what it's going to look like, to move the budget like a seesaw or up and down is not good, we leave as it is until we get back into some normal operating. As you can tell historically, from the audits, the most current Fitch Rating, that we just got, we went up from A- to a AA the analysis provided in fitchs rating in how we handled our budget and expenditures since 2016 have improved significantly while this elected body has been serving, we don't spend just to spend. We do have projects coming up, capital improvements, water plant 2 status, working with TCEQ to get in onboard, Lasby Park why not completed, we are digging 8 feet down in middle of roadway because Poinciana Road and the road it intersects backs up sewer line is 2 feet in and we have to put new sewer line and work around the drainage channels and

covered pipes, there's a cost. We don't spend until we need to and trying to address these items. The propose budget does not change much we are dipping \$326,000.00 into the unassigned reserves and another \$550,000.00 for total of \$1million with the other \$450,000.00 you've been allocating for a number of years for \$1mil in road improvements \$550,000.00 totally dedicated to residential roadways, the other \$450,000.00 will be for sidewalks, curbs, gutters, and other areas that we work in, the speed humps comes out of that line item. Overall next budget year you will have \$1million dedicated. We've had a healthy unassigned fund, we are still in a pandemic, and we don't want to raise taxes, and we are not. We don't know what the water rates are going to be, if you read analysis, it states prior to 2016 you were using some of the funds in the Enterprise to balance your General Fund. We have not been doing that in four and half years since I've been here. We have the General Fund, water fund, sewer, have a sinking fund where we receive ESD funds, Cameron County Service District 1 goes to pays our notes on our most current Fire Trucks and how we are going to pay in the future the proposed bonds you approved the plan of finance, we have not finalized it will come before you. We will meet again next Tuesday, First Reading of Ordinance and go through your concerns, please contact finance or myself with any questions. We maintain our budget and it is stable. EDC has presented their budget, it's in the binder. We lost one regular meeting and one special called meeting we are behind, nobody's fault, its reality, we need to meet next week you have a first reading and second readings needs to be completed by September 15. My deadline is to approve before October 1 or last day in September. The County Tax Office has to print notices and deadline is from another agency. Next week is a regular meeting and a workshop with directors and public at the Community Building. No Motion carried **DISCUSSION ONLY.**

ITEM 16. DISCUSSION ON PROPOSED 2020 AD VALOREM PROPERTY TAX RATE FOR FISCAL YEAR 2020-2021.

City Manager Manuel De La Rosa, addressed the City Commission advising based on what we see on the certified tax roll there's no reason to consider possible increase. Recommendation is we maintain current tax rate. No questions received. No motion carried **DISCUSSION ONLY.**

ITEM 17. PUBLIC HEARING ON BUDGET FOR FISCAL YEAR 2020-2021.

a) Open Public Hearing

b) Close Public Hearing

Mayor Benjamin Gomez announced the time is 6:04 p.m. and the floor is open for public hearing. **Citizen Joe Rodriguez** addressed the City Commission questioning how many elections the City will be having next year. **City Manager Manuel De La Rosa** advised there will be two, General Election in May 2021 for Place 3 vacant seat and Place 4, and the November 3, 2020 General Election. **Mayor Pro Tem Carol Lynn Sanchez** advised possible four due to possible run offs. **Mr. Rodriguez** requested the cost per election based on history, due to City budgeting \$90,000.00 and he though would be \$15,000.00 because City is contracting everything. **Mayor Pro Tem Sanchez** advised approximately \$50,000.00 depending if there is a runoff. **Mr. Rodriguez** advised he is looking for an amount per election, a breakdown of the \$90,000.00 per election. **Mr. Rodriguez** asked if there is any other way, when looking at this budget he is trying to compare it to the current fiscal year, it does not show the actual amount spent this year, sees only two years ago. Maybe get a presentation showing this year's estimated actuals, eight month budget and four months estimated and get a total twelve month estimated actual so can be compared to what your budget is. It seems some of these numbers are same as last years and we don't know how much the City spent. He wants to reiterate what City Manager Manuel De La Rosa said as he looks at the actuals. Some citizens are telling him the City is spending more than we need to and what Mr. De La Rosa said we are not spending what we have to, we are spending everybody thinks we are telling we are spending what we actually enter but showing the actuals as to what the City spent and compared to the budget will give a better picture of how you stick it to your expenditures and anything over above that you can explain. The elections going from \$35,000.00 to \$90,000.00 you explained there's a possible four elections.

Mayor Benjamin Gomez announced the time is 6:10 p.m. and the floor is closed.

ITEM 18. FIRST PUBLIC HEARING ON THE 2020 AD VALOREM PROPERTY TAX RATE FOR FISCAL YEAR 2020-2021.

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

Mayor Benjamin Gomez announced the time is 6:11 p.m. and the floor is open for the Public Hearing. Received no input from the public. Mayor Benjamin Gomez announced the time is 6:11 p.m. and the floor is closed.

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(1) TO RECEIVE LEGAL ADVICE ON A PENDING CONTRACT FOR AMBULANCE AND EMS SERVICE.

THE CITY COMMISSION CONVENEED INTO EXECUTIVE SESSION AT 6:12 P.M. AND ADJOURNED AT 6:56 P.M.

ITEM 20. CONSIDERATION AND POSSIBLE ACTION ON AGENDA ITEM 19(A).
Mayor Benjamin Gomez announced **NO ACTION**.

ITEM 21. CONSIDERATION AND POSSIBLE ACTION ON AGENDA ITEM 19(B).
Mayor Benjamin Gomez announced **NO ACTION**

ITEM 22. 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 and Commissioner Rene Villafranco. Motion carried to **ADJOURN AT 6:57 P.M.**

CITY OF SAN BENITO

BENJAMIN "BEN" GOMEZ
MAYOR

ATTEST:

RUTH MCGINNIS
CITY SECRETARY