

REGULAR MEETING

CITY COMMISSION

HARLINGEN, TEXAS

December 06, 2017

A Regular Meeting of the Harlingen Elective Commission was held on December 6, 2017 at 5:30 p.m., City Hall, Town Hall Meeting Room, 2<sup>nd</sup> Floor, 118 E. Tyler Street, Harlingen, Texas. Those in attendance were:

Mayor and Commissioners

Chris Boswell, Mayor  
Michael Mezmar, Mayor Pro-Tem, District 3  
Richard Uribe, City Commissioner, District 1  
Tudor Uhlhorn, City Commissioner, District 2  
Ruben de la Rosa, City Commissioner, District 4  
Victor Leal, City Commissioner, District 5

Staff Present

Dan Serna, City Manager  
Amanda Elizondo, City Secretary  
Alan Ozuna, Asst. City Attorney

Mayor Boswell called the meeting to order and announced the meeting was duly posted according to State Law. The following proceedings were held:

Invocation/Mayor Pro-Tem Michael Mezmar

Pledge of Allegiance/Welcome

Mayor Boswell led the Pledge of Allegiance and welcomed those in attendance and proceeded with the following items:

- 1) Announcement by Yvonne Loflin, HEB Representative to publicly invite the City Commission to the 100<sup>th</sup> H-E-B Curbside Location across Texas Event, scheduled for December 22, 2017, 9 a.m., H-E-B Store, 1103 Morgan Street, Harlingen, Texas.

Rick Balli, HEB Director publicly invited the City Commission to the 100th H.E.B. Curbside Location across Texas Event. The purpose of the event is to announce to the community the curbside service on HEB Morgan. The event was scheduled for 9:00 am, December 22nd, 2017.

Mayor Boswell thanked Mr. Balli for the invitation.

- 2) Presentation by Wayne Lowry, Executive Director for Habitat for Humanity regarding the Brush-Up Harlingen Program.

Mr. Wayne Lowry, Habitat for Humanity Executive Director stated they would be joining with Keep Harlingen Beautiful in an effort to beautify Harlingen homes through the Brush-Up Harlingen Program. They were proposing to beautify five (5) homes with a budget of \$1,500 per house for an exterior face lift only. Recipients must qualify for the program. The date of the event will be schedule between January 15<sup>th</sup> and March 15<sup>th</sup>, 2018. They were expecting 50 to 100 people of the community to participate in this event. Habitat for Humanity will cover the insurance and liability concerns, including volunteer liability waivers for volunteer participants. They plan to market the Brush-Up Harlingen Program through Face book, campaigns, and word of mouth. He highlighted the qualification criteria and participants must own their homes and be occupied by families within the designated program area. They will oversee all construction activities; provide safety instruction, training, supervision on the job site, and any supplies necessary. Habitat for Humanity is also responsible for all procurement payment and would start promoting the Recycling Center which is the driving funding source of the project through two (2) face book posts per month. Habitat for Humanity will have an additional recycling drop off spot with additional hours and transport the articles on a daily to bi daily bases to the Recycling Center in efforts to have citizens near or in the area of First Street to contribute to the cause. KHB agrees to fund Habitat with \$9,000 in two installments of \$4,500 for the Brush-Up Harlingen Program. First payment will be issue January 15<sup>th</sup>, 2018 and final payment will be due upon completion of the project. Phase Two consists of bringing additional funding support to participate in the project. There will be a referral in place that may include ramps, rails, bathroom modifications, installation of window units, etc. If there are families, in need of energy improvements and other critical home repairs by referral from either the Community Action Corporation of South Texas and Harlingen Community Development they will have the

opportunity to receive assistance. The Brush-Up Harlingen Program's goal is to beautify a block or multiple set of homes to lift up the City structures.

Mayor Boswell stated it's a great initiative and partnership as neighborhoods have been cleaned up by building new homes through Habitat for Humanity. This will continue the efforts in improving the neighborhood appearance. He congratulated the staff and Habitat for Humanity for making the idea come to life.

3) Presentation by the Harlingen Police Department Executive Staff and district representatives to present recognition plaques to sponsors of the Annual Run with the Heroes.

Chief Adickes, Harlingen Police Department stated the 3rd Annual Run with Heroes Event held September 30<sup>th</sup>, 2017 was a success. He presented plaques to the sponsors who made the donations possible to American Cancer Awareness \$2,500; Hurricane Harvey American Red Cross \$2,500; Special Olympics RGV \$2,500 and the Harlingen Humane Society \$7,500 totaling \$15,000. Chief Adickes also presented a display plaque to Brigg's Equipment, Platinum Sponsor who has donated \$5,000 every year for the past 3 years.

4) Report from Internal Auditor.

Danny Coyle, Harlingen Internal Auditor highlighted his role as the 3rd line of Defense for the City to assure the effectiveness of the Code of Ethics adopted in June 6, 2017. He stated he had accomplished seven performance audits, one agreed upon procedures review, and two required follow-up audits and other areas of work to ensure the efficiency.

The following departments were audited from December 2015 to present: Municipal Court, Public Works-Weigh Station, Harlingen Convention & Visitors Bureau, Tony Butler Golf Course, Municipal Court Special Project, Harlingen Public Library, Police Grant Management, Planning & Development, Parks & Recreation & Public Buildings, Police Cash & Evidence Room, Municipal Auditorium, Health & Vital Statistics, Community Development, Fire Department, Downtown District, and Finance Central Cashier.

Mayor Boswell thanked the Audit Committee Members and Mr. Coyle for his report.

Dan Serna, City Manager introduced the New Public Works Director Celina Gonzalez former Los Fresnos Asst. City Manager.

Celina Gonzalez thanked the City Manager and City Commission for allowing her the opportunity to work with the City of Harlingen.

Mayor Boswell welcomed Celina Gonzalez to the Harlingen Team on behalf of the City Commission.

5) Status report on Convention Center Project.

Carlos Sanchez, Asst. City Manager stated most of the work was excavation, removing the debris, and raising the dirt to an elevation of 8 ft. The work had started on October 9, 2017. The City had paid Killian Construction \$95,059.66 and the project was at 2% completion with no delays so far.

Gabriel Gonzalez, Asst. City Manager briefed the City Commission on the marketing efforts which included rack cards distributed at the 2016 and 2017 Texas Municipal League Annual Conference. The Conference Center will be promoted more aggressively as construction date gets closer.

6) Approval of Minutes

a) Regular Meeting of November 1, 2017

Motion was made by Commissioner Uhlhorn and seconded by Commissioner Uribe to approve the Minutes of November 1, 2017. Motion carried unanimously.

Consent Agenda

7a) Second and final reading to approve and adopt an ordinance for the renewal of a Specific Use Permit ("SUP") to allow a dance/reception hall (where alcohol is permitted) in a General Retail ("GR") District located at 302 N. 1<sup>st</sup> Street, bearing a legal description

- of Lots 11-12, Block 26, Harlingen Original Townsite Subdivision. Applicant, Mirna Trevino.
- b) Second and final reading to approve and adopt an ordinance to rezone from Office ("O") District to General Retail ("GR") District for Lot 11, Block 4, Coronado Acres Subdivision, located at 725 Morgan Boulevard. Applicant, Ryan Busse.
  - c) Second and final reading to approve and adopt an ordinance to rezone from Not Designated ("N") District and General Retail ("GR") District to Planned Development ("PD") District to allow for single family homes and patio homes for a 15.18 acre tract of land out of Block 95, Lon C. Hill Subdivision, located on the west side of Ed Carey Drive south of Morris Road. Applicant, Robman Management, LLC.
  - d) Second and final reading to approve and adopt an ordinance for a rezone from Residential, Single Family ("R-1") District to Residential, Duplex ("R-2") District for Lot 8, Colonia Guadalupe No. 2 Subdivision located at 902 N. "D" Street. Applicant, George Haro.
  - e) Approval of a resolution adopting city policy requiring periodic ethics training in accordance with Texas Administrative Code requirements.
  - f) Consideration and possible action to approve the UT Health Science Center Contract amendment for a three month term due to a change on fiscal year beginning from October to January to promote healthy lifestyles to the community and authorize the Mayor to sign the amendment.
  - g) City of Harlingen Investment Report for quarter ended September 30, 2017.
  - h) Consideration and possible action to approve a request from Iglesia Alfa y Omega to close "B" Street, in between Adams Avenue and Washington Avenue from 3:00 p.m. on Thursday, December 21, 2017 for their Christmas Festival.

Motion was made by Commissioner Leal and seconded by Commissioner De La Rosa to approve the consent agenda Item 7 (a) thru (h). Motion carried unanimously.

For the record, the caption of the following ordinances read as follow:

ORDINANCE NO. 2017-39

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF HARLINGEN: TO RENEW A SPECIFIC USE PERMIT ("SUP") FOR MIRNA TREVINO TO ALLOW FOR THE CONTINUED OPERATION OF A DANCE/RECEPTION HALL, WHERE ALCOHOL IS PERMITTED, IN A GENERAL RETAIL ("GR") DISTRICT LOCATED AT 302 NORTH FIRST STREET, BEARING A LEGAL DESCRIPTION OF LOTS 11-12, BLOCK 26, HARLINGEN ORIGINAL TOWNSITE SUBDIVISION, SUBJECT TO: (1) COMPLYING WITH ANY APPLICABLE STATE REQUIREMENTS; (2) MAINTAINING THE REQUIRED OFF-STREET PARKING SPACES; AND (3) COMPLYING WITH REQUIREMENTS ADMINISTERED BY THE PLANNING, BUILDING INSPECTIONS, ENVIRONMENTAL HEALTH, FIRE PREVENTION, AND POLICE DEPARTMENTS; PROVIDING FOR PUBLICATION AND ORDAINING OTHER MATTERS RELATED TO THE FOREGOING

ORDINANCE NO. 2017-40

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF HARLINGEN: REZONING FROM OFFICE (O) DISTRICT TO GENERAL RETAIL (GR) DISTRICT FOR LOT 11, BLOCK 4, MORGAN BOULEVARD; PROVIDING FOR PUBLICATION AND ORDAINING OTHER MATTERS RELATED TO THE FOREGOING

ORDINANCE NO. 2017-41

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF HARLINGEN: REZONING FROM RESIDENTIAL, SINGLE FAMILY (R-1) DISTRICT TO RESIDENTIAL, DUPLEX (R-2) DISTRICT FOR LOT 8, COLONIA GUADALUPE NO. 2 SUBDIVISION, LOCATED AT 902 N. "D" STREET; PROVIDING FOR PUBLICATION AND ORDAINING OTHER MATTERS RELATED TO THE FOREGOING

PASSED AND APPROVED on first reading this 15th day of November, 2017  
PASSED AND APPROVED on second reading this 6th day of December, 2017

- 8) Consideration and possible action on a request to amend the agreement between the Development Corporation of Harlingen, Inc., and Qualfon Data Services Group, LLC and authorize the Mayor to sign the agreement.

Raudel Garza, Chief Executive Officer, Harlingen EDC stated Qualfon Data Services Group, LLC and Harlingen EDC entered into an economic incentive agreement on April 4, 2014 to establish a call center facility and create primary jobs in the City of Harlingen. The agreement specifies that the HEDC shall provide a job creation grant to Qualfon equivalent to \$1,000 per full-time job as a credit against the \$200,000 Promissory Note, which was granted within the first five days of Qualfon commencing operation. If Qualfon does not create and hire enough full-time positions to pay off the \$200,000 Promissory Note by the end of the 24th month after the date of the note, Qualfon shall pay the remaining balance to HEDC. The HEDC Board has granted Qualfon a \$147,000 credit against the Promissory Note based on the addition of 147 employees, leaving a balance on the Note of \$53,000. Qualfon is requesting an extension of time to create 200 total eligible positions from April 4, 2016 to the end of the lease term or October 31, 2019. Total current employment is at 128.

Motion was made by Commissioner Uribe and seconded by Commissioner Leal to approve the amendment to the agreement between the Development Corporation of Harlingen, Inc., and Qualfon Data Services Group, LLC and authorize the Mayor to sign the agreement. Motion carried unanimously.

- 9) Public hearing and presentation regarding the FY16-17 Consolidated Annual Performance and Evaluation Report (CAPER).

Tammy De Gannes, Community Development Director stated as required by the City of Harlingen's Citizen Participation Plan, a public hearing is required to receive comments from the citizens prior to the submission of the Consolidated Performance and Evaluation Report (CAPER) to HUD by December 28, 2017. The report is an accounting for each activity summary of resources and accomplishments during the FY 2016-2017 Program Year (October 1, 2016 through September 30, 2017). These expenses were in accordance with the approved One-Year Action Plan.

**Financial Summary Program Year (IDIS PR26)**

Unexpended Balance from last year (10/1/16)	\$829, 987.04
FY 16-17 Entitlement Grant	\$796,099.00
Housing Rehab Program Income	\$ 55,519.86
Funds Returned to the Line-Of-Credit	\$ 0
<b>Subtotal</b>	<b>\$1,681,605.90</b>

**CDBG Expenditures**

Street Improvements	\$310,256.68
Park Improvements	\$129,511.78
Housing Rehabilitation	\$253,652.56
Clearance & Demolition	\$ 32,327.00
Public Services	\$110,434.52
CD Administration	\$125,212.81
Home-Program Income	\$ 88,273.57

Home-Administrative Support	\$ 9,052.82
<u>Home-Affordable Housing Program</u>	<u>\$338,764.47</u>
<b>Subtotal</b>	<b>\$1,397,486.21</b>

2017 Unexpended Project Balances	\$720,210.55
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Mayor Boswell thanked the staff for their hard work to provide a better quality of life to the citizens.

Mayor Boswell opened the public hearing and stated anyone wishing to speak for or against this item may do so.

There being no other comments, Mayor Boswell closed the public hearing.

No Action was taken.



- 10) Consideration and possible action on a Resolution authorizing the Mayor to accept a Modular Shooting Range from Austin, Texas Police Department. The Austin Interim Police Chief Brian Manley has offered the Shooting Range to the Harlingen Police Department at no cost and with the approval of the Austin Mayor, City Manager and City Counsel.

Jeffery Adickes, Police Chief stated the modular shooting range made by Laser Shot Firearms Solutions is an enclosed semi-trailer outfitted with all the equipment and safety protocols to have a four lane shooting range. The range technology permit is for simulation and live fire training. It will allow the Police Department to have routine firearms training without having to request assistance from other agencies that have a shooting range. The Police Department will arrange the transportation of the trailer from Austin to Harlingen.

Motion was made by Commissioner Leal and seconded by Commissioner Uribe to approve the resolution authorizing the Mayor to accept a Modular Shooting Range from Austin Police Department at no cost and with the approval of the Austin Mayor, City Manager and City Counsel. Motion carried unanimously.

- 11) Consideration and possible action to change or postpone the date of the Harlingen City Commission Regular Meeting of December 20, 2017 due to the Christmas Holiday.

Motion was made by Commissioner De La Rosa and seconded by Commissioner Leal to postpone the date of the Harlingen City Commission Regular Meeting of December 20, 2017 due to the Christmas Holiday to January 03, 2017. Motion carried unanimously.

- 12) Consideration and possible action to approve a Resolution amending Resolution No. R2017-1 that created the Downtown Public Improvement District as a public improvement district under Chapter 372.

Gabriel Gonzalez, Asst. City Manager stated the City Commission approved Resolution No. R-2017-1 on January 18, 2017 for the creation of a Downtown Public Improvement District. On October 9, 2017, the DID Board of Directors voted to amend the boundaries of the district to include areas within La Placita District. The newly created DID will be able to meet the requirement that the board be comprised of record owners of taxable real property within the district who represent more than 50% of the appraised value of taxable real property. In order to meet the square footage requirement, two or three members would need to be appointed to the board. The existing resolution allows the Mayor to increase the membership from 12 to 15 members. Staff will provide names of possible business owners who will satisfy the square footage requirement of the statute. He asked the Mayor to appoint Jaime Rodriguez and Stephanie Tromboni on the DID board as well as approving the resolution. The third member will be brought before the commission on the next meeting.

Motion was made by Commissioner Uhlhorn and seconded by Commissioner Leal to approve the resolution amending Resolution No. R-2017-01 creating the Downtown Public Improvement District. Motion carried unanimously.

- 13) Consideration and possible action to make plan changes to the City of Harlingen 401 (a) Plan for 2018 to add loan capabilities for Participants in the Plan.

Mr. Gonzalez stated the City initially did not allow for loans to be made from the 401(a) Plan. This provision was left out at the request of the City Commission. This Plan is only available for employees hired on or after October 1, 2007. The Investment Advisory Board approved changes to the plan to include loan capabilities at their meeting held Wednesday, November 29, 2017. Below are the recommended changes:

- Minimum of \$1,000 for a loan;
- Maximum of 1/2 of participants account or \$50,000 (whichever is less) up to a maximum loan term of 5 years except when using the funds for down payment assistance for a first time home then the maximum term may be up to 15 years;
- Interest rate of 2% above the prime interest rate (interest payments are made into participant's account);
- Maximum of one outstanding loan per participant;
- Loan payments will be required to be made by payroll deduction;
- 90 day cure period (if loan payment is not made after 90 days from due date then the loan is in default and considered a distribution); and
- The loan will not be fully payable upon termination of employment.

Discussion was held regarding the recommended changes approved by the Investment Advisory Committee. Mr. Serna stated this was one of the items discussed during the police collective bargaining negotiations to avoid losing some of the police personnel.

Commissioner Uhlhorn asked who would be administering the loan(s). There are typical limitations to access this type of loans and mostly for education costs, to avoid eviction of home, to pay medical expenses or first time home residence investment. He asked if this was discussed.

Mr. Gonzalez responded TCG would administer the loans. There were no restrictions placed on the loan proceeds, in an effort to retain police officers, the allowance of access to their funds was highly recommended.

Mr. Serna stated one of the comments that came about during the discussion with the Police Officers Union was that some the officers were leaving to gain access to their funds. The idea was to allow employees to borrow against their own retirement to keep them working.

Mayor Pro-Tem Mezmar stated there were no City restrictions to prohibit employees how they wish to use their money.

Mayor Boswell asked if the Commissioners needed additional time to make a decision on this item.

There being no further comments, motion was made by Mayor Pro-Tem Mezmar and seconded by Commissioner De La Rosa to approve the recommended changes made by the Investment Advisory Committee to the City of Harlingen 401 (a) Plan for 2018 to add loan capabilities for participants that were in the plan. Motion carried unanimously.

#### 14) Board Appointments

Mr. Ozuna stated Item 12 related mostly to the approval of the district boundaries. He stated that the board appointments mentioned in Item 12 be considered for appointment under board appointments.

Mayor Boswell - appointed Jaime Rodriguez and Stephanie Tromboli to the Downtown Improvement District Board.

Motion was made by Commissioner Uhlhorn and seconded by Commissioner Leal to approve Jaime Rodriguez and Stephanie Tromboli to the Downtown Improvement District board. Motion carried unanimously.

#### 15) Executive Session/Closed Session on the following items:

- a) pursuant to Chapter 551, Subchapter D, V.T.C.A. Government Code, Sections 551.087, 551.071 and 551.072, to discuss or deliberate regarding commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay, or expand in or near the city and with which the city is conducting economic development negotiations and/or to discuss or deliberate financial or other incentives with ULA, and to deliberate the purchase, exchange, lease, or value of real property, and to seek legal advice from the City Attorney regarding the same.
- b) pursuant to Chapter 551, Subchapter D, V.T.C.A. Government Code, Sections 551.097, 551.071 and 551.072 regarding commercial and financial information from a business prospect with which the City is conducting economic development negotiations and/or to discuss or deliberate financial or incentives with the business prospect known as *Project Waterside* and to seek legal advice from the City Attorney regarding the subject matter.
- c) pursuant to Section 551.071, Texas Gov't Code to consult with the City Attorney in connection with the MPO Merger.

At 6:55 p.m., Mayor Boswell announced the City Commission would convene into executive session to discuss Item 15 (a) thru (c).

Motion was made by Commissioner Uhlhorn and seconded by Commissioner Leal to convene into executive session to discuss Item 15 (a) thru (c). Motion carried unanimously.

At 7:32 p.m., Mayor Boswell announced the City Commission had completed its executive session and declared the meeting open to the public.

16) Consideration and possible action on Project Waterside as discussed in executive session.

Motion was made by Mayor Pro-Tem Mezmar and seconded by Commissioner De La Rosa to approve Project Waterside as discussed in executive session.

There was no action on Item No. 15 (a) & (c).

17) Citizen Communication

No citizen communication

There being no further business to discuss, Mayor Boswell adjourned the meeting.

CITY OF HARLINGEN

  
Chris Boswell, Mayor

ATTEST:

  
Amanda C. Elizondo, City Secretary