

The Honorable J. Edgar Ruiz, County Judge, called this meeting to order, whereupon the following proceedings were had to wit:

CONSENT AGENDA

ITEM 1. APPROVAL OF BILLS - COUNTY AUDITOR

GENERAL FUND	- #123794 - #124066 - \$1,602,114.07
SPECIAL REVENUE FUND	- #123088 - #123318 - \$1,583,607.63
DEBT SERVICE FUND	- # 1034 - # 1035 - \$ 164.60
TRUST AND AGENCY FUND	- # 5746 - # 5772 - \$ 103,202.86
ENTERPRISE FUND	- # 2820 - # 2832 - \$ 7,363.22

(EXHIBIT A)

ITEM 2. APPROVAL OF MONTHLY FEE REPORTS:

A. COUNTY CLERK PART I - \$105,313.25 - AUGUST
 PART II - \$121,285.77 - AUGUST

(EXHIBIT B)

ITEM 3. URBAN COUNTY:

A. APPROVAL OF BUDGET AMENDMENTS FOR YEAR 1994 & 1995

(EXHIBIT C)

ITEM 4. PLANNING DEPARTMENT:

A. SUBDIVISIONS:

1. J.P. GOUGH SUBDIVISION	- PCT. 1
2. ENCANTO RIDGE	- PCT. 2
3. JESUS FLORES	- PCT. 3
4. JACKSON HEIGHTS	- PCT. 4
5. O.L.S. CATHOLIC CHURCH	- PCT. 4
6. AMENDED PLAT OF PALACIO REAL SUBDIVISION PHASE I	- PCT. 4
7. VALLEY DOWNS SUBDIVISION PHASE III	- PCT. 4

(EXHIBIT D)

ITEM 5. INTERNAL LINE ITEM TRANSFER:

A. COUNTY AUDITOR	- \$ 5,800.00
B. SHERIFF'S DEPARTMENT	- \$ 12,000.00
C. COURTHOUSE SECURITY SYSTEM	- \$ 780.00
D. J.P. PCT. 2, PL. 1	- \$ 400.00
E. HEALTH DEPARTMENT - CLINICS	- \$ 4,500.00
F. HISTORICAL COMMISSION	- \$ 473.02
G. ROAD & BRIDGE - INSURANCE	- \$ 2,722.00
H. INSURANCE - GENERAL FUND	- \$20,304.00
I. BUILDINGS AND GROUNDS	- \$ 359.00
J. ADULT PROBATION - GENERAL FUND	- \$ 150.00
K. 332 ND DISTRICT COURT	- \$ 899.94
L. COUNTY TREASURER	- \$ 4,145.85
M. PCT. 3 - PARK	- \$ 1,200.00
N. PCT. 3 - ADMINISTRATION	- \$ 400.00
O. WIC	- \$ 1,396.00

(EXHIBIT E)

ITEM 6. PERMITS:

A. SOUTHWESTERN BELL TELEPHONE CO.	- PCT. 3
B. VALERO TRANSMISSION	- PCT. 4

(EXHIBIT F)

Judge Ruiz opened by asking if there were any questions, comments, additions or deletions to the Consent Agenda. There being none, **a motion was made by Commissioner Garces and was seconded by Commissioner Arcaute to approve the Consent Agenda as presented.**

***MOTION CARRIED
(EXHIBITS A-F)***

REGULAR AGENDA

ITEM 1. AMIGOS DEL VALLE:

A. DESIGNATE A REPRESENTATIVE & AN ALTERNATE TO SERVE ON THE AMIGOS DEL VALLE, INC. BOARD OF DIRECTORS

1A

Judge Ruiz opened by stating that it is now time to re-designate the members and the alternates to serve on the Amigos Del Valle Board. Currently, the member is Commissioner Rosel and Commissioner Sanchez is the alternate. Commissioner Rosel stated that he would like to continue serving as a member. **A motion was then made by Commissioner Garces and was seconded by Commissioner Arcaute to approve the re-appointment of Commissioner Rosel as the board member and Commissioner Sanchez as the alternate to the Amigos Del Valle Board.**

***MOTION CARRIED
(EXHIBIT G)***

ITEM 2. JUVENILE PROBATION DEPARTMENT:

A. APPROVAL OF FIRST AMENDMENT TO JUVENILE JUSTICE ALTERNATIVE EDUCATION PROGRAM AGREEMENT B. APPROVAL OF INTERLOCAL AGREEMENT FOR THE McALLEN ISD-STAR

2A

Buddy Silva opened by stating that this is the agreement with Student Alternatives Inc. for the providing of Juvenile Justice Alternative Education to students who have been expelled. This amendment lowers the rate from \$30 per day per student to \$28 per day per student. This has been approved by the Juvenile Board. The reason for the change is because of the meeting with superintendent in which they felt that the \$30 rate was too excessive. This rate is more amenable to everyone involved. **A motion was then made by Commissioner Sanchez and was seconded by Commissioner Arcaute to approve an amendment to the contract between the Hidalgo County Juvenile Board and the Student Alternative Inc. as presented.**

***MOTION CARRIED
(EXHIBIT H)***

2B

Mr. Silva stated that this agreement is in its second year with the McAllen ISD. This agreement provides the JPD with funds to start up a STAR program. They will provide the County \$98,238 to hire staff for this program. This has also been approved by the Juvenile Board and it has been successful up to now. This program targets the middle school students that have borderline behavior. This amount of money will allow for the hiring of a Captain and two drill instructors to provide the services. There are no funds from the County needed. A further comments, **a motion was made by Commissioner Garces and was seconded by Commissioner Rosel to approve the Interlocal Agreement for the McAllen ISD Star Program jointly with the Juvenile Probation Department.**

**MOTION CARRIED
(EXHIBIT H)**

ITEM 3. SHERIFF'S DEPARTMENT:

- A. **APPROVAL OF BUDGET APPROPRIATION FOR \$8,455.63 - INSURANCE CHECK ON 1989 VEHICLE LOSS**
- B. **SOUTH TEXAS AUTO THEFT ENFORCEMENT GRANT:**
 - 1. **PROVIDE MATCHING LOCAL FUNDS OF \$23,216.00**
 - 2. **APPROPRIATE RETROACTIVE TO SEPTEMBER 1, 1996 THE GRANT BUDGET IN THE AMOUNT OF \$177,507.00**
 - 3. **SET SALARIES FOR LIEUTENANT POSITION & THREE INVESTIGATOR POSITIONS**
 - 4. **APPROVAL OF INTERLOCAL AGREEMENT, ASSURANCES CERTIFICATIONS, COMPLIANCE REQUIREMENT, AMERICANS WITH DISABILITIES & ACT CERTIFICATION, & COOPERATIVE WORKING AGREEMENT**

3A

Emilia Uriegas addressed the Court and stated that this money was from an insurance check in the amount of \$8,455.63. They would like to appropriate this amount into the Sheriff's Investigation Fund. **A motion was made by Commissioner Sanchez and was seconded by Commissioner Arcaute to approve a budget appropriation of \$8,455.63 into the Sheriff's Investigation Fund 102, line item 95.**

**MOTION CARRIED
(EXHIBIT I)**

3B1

Ms. Uriegas stated that this was continued funding and it will be the fifth year for this grant. They would like to appropriate \$23,216 be appropriated as a local match. There was some confusion as to where this money was coming from. After the clarification that it will come from the General Fund and following further comments, **a motion was made by Commissioner Rosel and was seconded by Commissioner Garces to provide the matching local funds, it is actually a budget amendment in the amount of \$23,216 from the General Fund to the Sheriff's Department for the match of the South Texas Auto Theft Enforcement grant.**

**MOTION CARRIED
(EXHIBIT I)**

3B2

A motion was made by Commissioner Rosel and was seconded by Commissioner Garces to appropriated retroactive to Sept.1, \$169,503.

**MOTION CARRIED
(EXHIBIT I)**

3B3

Judge Ruiz stated that the salary for the lieutenant is at \$33,755 and the investigators are at \$26,850. Judge Ruiz asked if there were any raises for these positions being included. Ms. Uriegas responded by stating that there is a 5% increase included in this budget but they will only see it if the County approve one. After further comments, **a motion was made by Commissioner Rosel and was seconded by Commissioner Garces to set salaries.**

MOTION CARRIED

(EXHIBIT I)**3B4**

A motion was made by Commissioner Rosel and was seconded by Commissioner Garces to approve the Interlocal Agreement with all the assurances and compliance as recommended.

**MOTION CARRIED
(EXHIBIT I)****ITEM 4. URBAN COUNTY:**

- A. **CITY OF DONNA - WATER/SEWER LINE IMPROVEMENTS - SOUTH TEXAS UTILITY CHANGE ORDER #1**
- B. **APPROPRIATE ACTION CONCERNING THE WATER/SEWER IMPROVEMENTS SEALED BIDS AT THE CITY OF ELSA**
- C. **ACTION TO SUSPEND ADOPTION OF COUNTY THOROUGHFARE PLAN**

4A

Anthony Covacevich opened by stating that this change order would reduce this contract by \$24,289.40. The reason for this deduction is because the contractor was not able to verify the utility locations in one of the streets. The new contract amount will be \$154,580.34. **A motion was made by Commissioner Sanchez and was seconded by Commissioner Garces to approve the City of Donna request for a change order deduction # 1.**

**MOTION CARRIED
(EXHIBIT J)****4B**

Mr. Covacevich stated that this was for guidance from the Court. This project is for water and sewer improvements and it will entail years 6,7&8 monies. This project was bid out but they were not opened on the specified date. The City Commission, at a later date, rejected all bids. Mr. Covacevich stated that he was instructed by Steve Crane that state law requires that bids be opened on specified dates. Being that the bids were not opened on that date and them being rejected without being opened, they do not know what direction to take. Judge Ruiz attempted to clarify this issue. He asked if the City Council took action to advertise for these bids in which they hired an engineer to prepare specifications for this project and go out for bids. The problem lies in that there are two different City Councils. Mayor Ramiro Alvarado addressed the Court and stated that the reason they would like to reject the bids is because they feel that the Engineering Firm was in violation of their contract when they announced for bids. The City of Elsa did not authorize the announcement for bids even though a form is provided with a signature of the Mayor block on which of course was not signed. The city was not notified of this announcement either. Even if they would have requested permission from the city, it would have been denied due to the engineer having been terminated. The reason that the bids have not been opened is because they feel they need the same object engineer to the present at the opening. If they opened the bids, it would take the engineer who is no longer there right into the construction phase. Judge Ruiz stated that the city might have placed themselves in the middle of a liability issue. Mayor Alvarado stated that there was an entry in which they could reject any and all bids if so desired but Judge Ruiz informed him that they have to be opened before they can be rejected. Mayor Alvarado stated that they have no problem in opening as long as the understanding is there that they will not involve the same engineer. Judge Ruiz asked if these bids could be opened at this time, here in an open meeting and Mr. Covacevich stated that it can be done. The Mayor wanted time to consult with the City Attorney for Elsa before giving his answer. Judge Ruiz feels that no matter what happens here, there will be litigation proceedings. Commissioner Sanchez stated that he is under the understanding that the engineer is requesting payment for what he has done up until now. During further discussion, Judge Ruiz stated that if this is not resolved, they will need to set aside the amount of money for this project which is estimated at \$175,000. This

money will be set aside and not touched. They can resolve this by rejecting the bids and then they only set aside the money for the engineer until that is resolved. Commissioner Sanchez asked if they could just hire another engineer to continue with this project. Mr. Covacevich stated that if they do that, they pay for additional work. After further comments, Mayor Alvarado was still not ready to proceed. **Judge Ruiz moved on to the next item and will return to this item at a later time.**

4C

Mr. Covacevich stated that action has already been taken on this item. He is now requesting that no action be taken. He went on to brief the Commission on what the cities were doing to impose this plan with regard to their jurisdiction as far as their ETJ. The cities also want to be able to grant variances. Judge Ruiz stated that the Commission will grant variances conditioned on that at any time that right of way has to be bought, it will be bought by the cities. After further comments, **no further action was taken.**

NO ACTION**Judge Ruiz returned to item 4B.****4B (CONT'D)**

Mayor Alvarado stated that they had no problem with opening the bids at this time. Mr. Covacevich proceeded to open the bids at this time. The first bidder is R.P. Constructors Inc. with a bid of \$545,000 with a 5% bid bond. The second bidder is Water Tower Inc. in Mission Texas in the amount of \$56,000 and a cashier's check in the amount of \$2,800 and this is a partial bid only. The last bid is from South Texas Utility Contractors of Mercedes, Texas in the amount of \$184,000 and a bid bond is enclosed. This is also a partial bid. Mayor Alvarado requested that these bids be rejected. **Commissioner Arcaute felt that the action to reject should be taken by the city and not the Commission. After further comments, no further action was taken by the Commission.**

**NO ACTION
(EXHIBIT J)****ITEM 5. PCT. 4:****A. RESOLUTION AUTHORIZING 4-WAY STOP INTERSECTIONS****5A**

Commissioner Garces stated that this stems from an elementary school on Rogers Rd. next to Edinburg North High School. He would like to place 4 way stop intersections on Rogers and Sugar roads and Rogers and Jackson roads. **A motion was then made by Commissioner Garces and was seconded by Commissioner Rosel to approve and authorize the 4 way stops at these two intersections.**

**MOTION CARRIED
(EXHIBIT K)****ITEM 6. PLANNING DEPARTMENT:****A. SUBDIVISION:**

1. **EAGLE'S NEST ESTATES SUB'D UNIT 1 - PCT. 1 - (WITH LETTER OF CREDIT)**
2. **MOOREFIELD HEIGHTS SUBDIVISION - PCT. 3**
3. **TOM GILL SUBDIVISION - PCT. 3 (WITH LETTER OF CREDIT)**

6A1

Emilio Garcia addressed the Court and stated that everything is in order and he is recommending approval. **A motion was made by Commissioner Sanchez and was seconded by Commissioner Arcaute to approve Eagles Nest Estate Subdivision Unit 1, Precinct 1 as presented.**

***MOTION CARRIED
(EXHIBIT L)***

6A2

A motion was made by Commissioner Rosel and was seconded by Commissioner Sanchez to approve Moorefield Heights Subdivision in Precinct 3 as presented.

***MOTION CARRIED
(EXHIBIT L)***

6A3

A motion was made by Commissioner Rosel and was seconded by Commissioner Sanchez to approve to approve Tom Gill Subdivision no.2 as presented.

***MOTION CARRIED
(EXHIBIT L)***

ITEM 7. PURCHASING DEPARTMENT:

- A. **REQUEST FOR DECLARATION AS A SOLE SOURCE VENDOR FOR X-RAY MACHINE AT HIDALGO COUNTY COURTHOUSE - SHERIFF'S DEPARTMENT**
- B. **APPROVAL TO PURCHASE VEHICLE FROM BAYOU CITY FORD THROUGH INTERLOCAL FROM HOUSTON-GALVESTON AREA COUNCIL - PCT. 1**
- C. **AUTHORIZATOIN TO ADVERTISE FOR VIBRATORY COMPACTOR (ROLLER) - PCT. 1**
- D. **AWARD BIDS & APPROVAL OF CONTRACTS - OFFICE SUPPLIES & EQUIPMENT WIC**
- E. **AWARD BID & APPROVAL OF CONTRACT - MEDICAL SUPPLIES - WIC**
- F. **AWARD BID & APPROVAL OF CONTRACT - CULVERT PIPES - PCT. 3 & 4**
- G. **AWARD BID & APRPOVAL OF CONTRACT - CRUSHED CALICHE PCT. 3**
- H. **APPROVAL OF CONTRACT FOR SEAL COAT - STREETS & ROADS - PCT. 2**
- I. **APPROVAL OF CONTRACT FOR RESURFACING OF LINDA VISTA SUB'D & NUEVO ALTO SUB'D - PCT. 3**
- J. **REJECTION OF ALL BIDS FOR PCT. 1 FOR CULVERT PIPES AND AUTHORIZATION TO RE-ADVERTISE**

7A

Judge Ruiz opened by stating to Mrs. Salazar that she is the one who recommends this, then the Commission will authorize the exemption of the bidding procedure. Mrs. Salazar stated that this was for the repair of the x-ray machine at the Courthouse. The local vendor has advised her that they are not certified to repair this machine. She has also talked to the manufacturer and the have advised her that there is only one company who is certified to repair the machine and they are located in Fort Worth Texas. They are the only ones within a five state region to do so. That company did send her a standard service rate schedule. There will be further charges along with this repair because they have no way of knowing what is wrong with the machine unto they come down and expect it and the price will not include the trip to fix the machine. **She has also spoken to Mr. Withington of Continental Airlines, who owns and manages the security system at Miller International Airport. He also does not know of any other repair company other than the one that is in Fort Worth.** His machine is also from the same manufacturer that provided the County with this

machine. That company is E, G& G Astro Physics Coastal Engineering. Roy Quintanilha addressed the Court and stated that the way he understood this was that this was bought 3 years ago and they just now got the manuals and keys to it and when they turned it on, there were some calibration problems internally. He also stated that according to the paperwork that he has on this, nowhere does it state that there is a service agreement or contract for service. The vendor is also not aware of any agreement of any kind. Commissioner Sanchez asked if they could ship the machine to them but Mrs. Salazar stated that they had gone over that and that did not seem to be an option. There was some discussion as to who was in charge of buying this machine where it was stated that it might have been Ms. Saucedo or Mr. Salinas. Judge Ruiz then expressed his discontent with the delays in setting up the security for the Courthouse. **He then asked what Mrs. Salazar what she was looking for from the Commission and she stated that she is looking for authority to declare a sole source to proceed with the repairs. Judge Ruiz then called for a motion to declare E, G& G Astro Physics and exempt from the bidding procedure upon the recommendation of and the research by the Purchasing Agent to declare it sole source. Commissioner Arcaute so moved an was seconded by Commissioner Rosel.**

***MOTION CARRIED
(EXHIBIT M)***

7B

Mrs. Salazar stated that this was a request by precinct one and she was able to acquire a Ford F-250 pickup and it is being held by this entity. She is able to purchase this vehicle through a cooperative agreement. The amount of the pickup is \$21,546.43. She is also in the process of negotiating a the delivery of this vehicle. **A motion was then made by Commissioner Sanchez and was seconded by Commissioner Rosel to authorize the purchase of a vehicle from Bayou City Ford through an Interlocal Agreement with the Houston Galveston Area Council for precinct one.**

***MOTION CARRIED
(EXHIBIT M)***

7C

Martha Salazar stated that the bid opening would be Oct.9 and bid award would be Oct.22. This will call for a 1995 or newer compactor roller. **A motion was then made by Commissioner Sanchez and was seconded by Commissioner Rosel to authorize the advertisements for bids for the purchase of a roller in precinct 1.**

***MOTION CARRIED
(EXHIBIT M)***

7D

Mrs. Salazar opened by stating that there were 4 bids. The first bid was from Corporate Express with a 40% discount on miscellaneous office supplies and office furniture and a 10% discount on office equipment. The second bid was by R&E Supply with a 20% discount on all categories and 10% on office equipment. The third bid was by Gateway Printing with a 30% discount on miscellaneous supplies and furniture and no discount on the equipment. The last bid was by Clean Rite Products with a 30% discount on miscellaneous office supplies and furniture and a 20% discount on equipment. She is now recommending the awarding of two contracts. The first is to Corporate Express for miscellaneous office supplies and office furniture at 40% and to Clean Rite Products for the office equipment at 20%. After further brief comments, **a motion was made by Commissioner Garces and was seconded by Commissioner Rosel to award bid to purchase office supplies, office equipment and office furniture, 2 contracts going to Corporate Express and one to Clean Rite as presented.**

**MOTION CARRIED
(EXHIBIT M)**

7E

Mrs. Salazar opened by stating that there were two bids received. She is recommending International Medical Supply at this time. **A motion was made by Commissioner Garces and was seconded by Commissioner Rosel to award bid to the low bidder of International Medical Supply for all purchases of medical supplies to WIC for a period of one year.**

**MOTION CARRIED
(EXHIBIT M)**

7F&J

Mrs. Salazar stated that there were 4 bids received for culvert pipe installation for precincts 1, 3&4. The first bid was Modesto Hernandez with a bid of \$589 for precinct 1, \$629 for precinct 3 and \$610 for precinct 4. The second bid is from Monroe & Monroe for \$995 for precinct 1, \$995 for precinct 3 and \$995 for precinct 4. The third bid is by Robert C. Nava with a bid of \$550 for precinct 1, \$475 for precinct 3 and \$475 for precinct 4. The final bid was Newton Construction with a bid of \$595 for precinct 1, \$395 for precinct 3 and \$395 for precinct 4. She is recommending for precincts 3 and 4, Newton Construction for \$395. These are the only two precincts that are within the budget. During further discussion, **Commissioners Rosel and Garces stated that they wanted to reject the bids for their precinct and Commissioner Sanchez wanted to reject also and re-advertise one more time.** After further comments, **a motion was made by Commissioner Garces and was seconded by Commissioner Sanchez to reject all bids received for the culvert pipes for precincts 1, 3 and 4 and authorize the re-advertisement for precinct 1.**

**MOTION CARRIED
(EXHIBIT M)**

7G

Mrs. Salazar stated that this contract had already been awarded. This was just be approval of the proposed contract that will be forwarded to the vendor. **A motion was then made by Commissioner Rosel and was seconded by Commissioner Garces to approve the requirements agreement as per bid by Valley Caliche Products Inc.**

**MOTION CARRIED
(EXHIBIT M)**

7H

There were some comments with regards to these contracts being read so that the commissioners can be familiar with the terms and conditions in the contracts. Following these comments, **a motion was made by Commissioner Arcaute and was seconded by Commissioner Sanchez to approve the contract with nation Mission Paving as presented.**

**MOTION CARRIED
(EXHIBIT M)**

7I

A motion was made by Commissioner Rosel and was seconded by Commissioner Garces to approve a service contract for Mission Paving in accordance with the bid previously awarded.

MOTION CARRIED

(EXHIBIT M)**ITEM 8. TEXAS DEPARTMENT OF PROTECTIVE & REGULATORY SERVICES:****A. AUTHORIZATION TO DECREASE 1996 BUDGET LINE ITEM 78 - BOARD OF CHILDREN \$446,434.29****8A**

Judge Ruiz stated that this was budgeted in 1996. The cost for this has been incurred by the State of Texas 100%. They would like to decrease this line item by \$446,434.29 and this amount will revert back to the fund balance of the General Fund. **A motion was made by Commissioner Garces and was seconded by Commissioner Rosel to decrease our budget line item 7B, Board of Children by an amount of \$446,434.29 and it be returned to the fund balance of the General Fund.**

MOTION CARRIED**(EXHIBIT N)****ITEM 9. AUTHORIZATION TO TRANSFER FUNDS FROM ROAD & BRIDGE INSURANCE - JUDGEMENTS & DAMAGES TO PARKS**

Loura Etnire opened by stating that there was not enough money in the parks to pay for judgments and damages but there is more than enough in road and bridge. **Judge Ruiz stated that there might be a problem with this transfer being that road and bridge funds are very restrictive as to what they can be used for.** He felt that this should come from the fund balance of the General Fund. The total amount of this transfer is \$3,935. **A motion was then made by Commissioner Arcaute and was seconded by Commissioner Sanchez that \$3,935 be taken from the General Fund and placed in the Park Fund for payment of judgments and damages.**

MOTION CARRIED**(EXHIBIT O)****ITEM 10. REQUEST FOR BUDGET AMENDMENT - \$50,000 - JAIL**

Joe Jackson addressed the Court and stated that they were requesting a budget amendment for four different line items. \$20,000 into chemicals, drugs and medications, \$20,000 into cleaning and sanitation supplies, \$5,000 into office supplies and \$5,000 into contractual services. He stated that this was for anticipated expenses to last through the end of the year. Judge Ruiz wanted to know why this amendment was happening now. Capt. Jackson stated that the reason for the increase in medications is because of the increase of medical staff leading to an increase in the number of inmates being seen also because of the number of inmates being housed. As far as cleaning and sanitation goes, the reason for that increase is because their laundry is being done on a 24 hour basis also due to the amount of inmates. This includes sanitation supplies for kitchen utensils which is also being done 3 times a day. After further comments, **a motion was made by Commissioner Sanchez and was seconded by Commissioner Arcaute to approve the budget amendment.**

MOTION CARRIED**(EXHIBIT P)****ITEM 11. OFFICE OF EMPLOYMENT AND TRAINING:**

- A. AUTHORIZATION TO ENTER INTO BINDING ARBITRATION WITH THE PRIVATE INDUSTRY COUNCIL ON THE PIC/CEO AGREEMENT**
- B. AUTHORIZATION TO REQUEST THE GOVERNOR'S OFFICE TO INTERVENE IN JTPA NON-CONCURRENCE OF ITS PIC/CEO AGREEMENT**

11A

Judge Ruiz opened by stating that they as a Commission approved a PIC/CEO agreement and submitted it to the Private Industry Council for their approval. The commission was hoping that the PIC would have met by now for formal approval, but this is not the case. There will be a meeting tomorrow on this agreement. They have been trying to meet with the chairman, but they have been unsuccessful due to Mr. Arriaga refusing to meet with them. Judge Ruiz stated that they asked the steward to place on the agenda, a joint Commissioners Court / Private Industry Council meeting for the following night and that they review and approve the agreement being that there was no majority vote the previous time it was voted on. Also in case it did not pass, that they enter into a contract of binding arbitration which is the request of the Texas Workforce Commission and once this is done, that they agree to a date for arbitration and select an arbitrator so that they can move forward. Judge Ruiz stated that it was the ruling of the Texas Workforce Commission that they are in non-compliance because they failed to reach an agreement effective Sept. 9, 1996. Judge Ruiz also stated that they have been informed that they are not allowed to do anymore drawdowns. They have to run the agency on the existing funds available. He feels that this letter implies that once they agree on arbitration and an arbitrator, they can continue the drawdown. Steve Crane addressed the Court and stated that this letter by the Workforce Commission also directed them that if a resolution is not reached concerning the agreement, they must enter into binding arbitration. That arbitration must specify that the agreement will be signed no later than Sept. 27, 1996. Also in this letter, there is a form called general binding arbitration agreement. There have been some changes to this form to comply with both the requirements in the letter by Mr. Kapche and also another requirement by the Judge. Mr. Crane met with Judge Ruiz and the biggest problem that they foresaw was the selection of an arbitrator, someone that would be familiar with both the act and also the day to day operations of the PIC Board as well as the Service Delivery Area. Furthermore, in discussions by Mr. Crane and Mr. Kapche, Mr. Kapche has agreed to provide a pool of names of these types of people who can act as an arbitrator. These names will be delivered to the County for the County and the PIC to select from within 24 hours. Therefore, one of the changes made is section 2, to state that the arbitrator will be selected from a pool of names provided by the Texas Workforce Commission. The second change is in section 1 which is in the letter by Mr. Kapche who wanted a sentence or requirement in the arbitration agreement that the result would be that after the arbitration, a PIC / CEO agreement would be executed on or before September 27, 1996. The last change is in section 4 in that each party bears their own arbitration cost equally and the arbitrator's compensation is to be shared equally among the parties. Judge Ruiz felt that Mr. Crane explain the difference between mediation, arbitration and binding arbitration. Mr. Crane started with mediation which is that mediation is the necessarily binding. In mediation, the mediator is trying to get the parties to agree to mutual terms. The binding arbitration is that there will be an agreement reached and once the arbitrator makes his decision, it is final and binding for all parties. This can be recorded in any court of competent jurisdiction in the State. After further comments, **a motion was made by Commissioner Rosel and was seconded by Commissioner Garces to enter into a binding arbitration with the Private Industry Council on the PIC / CEO agreement and authorize the County Judge to sign this general binding arbitration agreement as recommended by legal counsel and the Texas Workforce Commission.**

***MOTION CARRIED
(NO EXHIBIT)***

**11B
NO ACTION**

Judge Ruiz presented the Commission with a proclamation honoring Raul G. Reyna, Sr. Judge Ruiz proceeded to read the proclamation for this individual. **A motion was then made by Commissioner Rosel and was seconded by Commissioner Garces to accept this proclamation.**

**MOTION CARRIED
(NO EXHIBIT)**

A motion was made by Commissioner Rosel and was seconded by Commissioner Garces to adjourn Commissioners Court Agenda.

MOTION CARRIED

The Honorable J. Edgar Ruiz, Co. Judge, called this Drainage District Board Meeting to order, whereupon the following items were had to wit:

DRAINAGE DISTRICT CONSENT

**ITEM 1. PERMIT - CITY OF PHARR
(EXHIBIT Q)**

**ITEM 2. LINE ITEM TRANSFER
(EXHIBIT R)**

A motion was made by Commissioner Arcaute and was seconded by Commissioner Garces to approve the Consent Agenda as presented.

**MOTION CARRIED
(EXHIBITS Q-R)**

DRAINAGE DISTRICT

ITEM 1. APPROVAL OF CONTRACT FOR TIRES

A motion was made by Commissioner Sanchez and was seconded by Commissioner Garces to accept the requirements agreement between the County of Hidalgo Drainage District and Vista Oil Company for the purchase of tires for a period of one year.

**MOTION CARRIED
(EXHIBIT S)**

A motion was made by Commissioner Arcaute and was seconded by Commissioner Garces to adjourn Drainage District #1.

MOTION CARRIED

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THIS DRAINAGE DISTRICT BOARD, THIS MEETING STANDS ADJOURNED.