

DRAINAGE DISTRICT #1

The Honorable Renato Cuellar, County Judge, called the Drainage District No. 1 meeting to order, whereupon the following proceedings were had to wit:

CONSENT AGENDA

ITEM 1. APPROVAL OF CHECK REGISTER AND PAYMENT OF CLAIMS/BILLS - HIDALGO COUNTY AUDITOR

ITEM 2. PERMITS:

- A. City of Edinburg - Paparazzi Estates
- B. City of Weslaco - Hidalgo County Housing Authority Sub. #1

(See Exhibit A)

A motion was made by Commissioner Garces and seconded by Commissioner Handy to approve the consent Agenda, as presented.

MOTION CARRIED.

REGULAR AGENDA

ITEM 1. DRAINAGE DISTRICT #1:

- A. Approval of change order #1 - Solis & Chapa Construction Co.
- B. Acceptance of Office for Drainage District #1
- C. Authorization to process application and certificate for final payment to Solis & Chapa
- D. Authorization for exemption from bidding process - Professional Services
- E. Authorization to enter into a contract with Hinojosa Engineering for Pilot Channel Crossing

1/A-C

Godfrey Garza, Drainage Manager came before the Court requesting that no action be taken on items 1/A thru 1/C.

NO ACTION.

1/D

Mr. Garza then proceeded with the next item which called for authorization to exempt from the bidding process under professional services the firm of Hinojosa Engineering. This service that they are requesting is for improvements on the pilot channel crossing in the Mission area on Bryan Road. Commissioner Rosel asked if this was the same one that they had been having problems with about six months ago and Mr. Garza replied that this was a road that had been dedicated but there was no crossing and they were trying to provide the

improvements needed to open up that roadway. A motion was made by Commissioner Rosel and seconded by Commissioner Handy to approve the request as presented.

MOTION CARRIED.
(See Exhibit B)

1/E

Mr. Garza explained that on the next item they were requesting authorization to enter into contract with Hinojosa Engineering for the previous item. A motion was made by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit B)

ITEM 2. PURCHASING DEPT. FOR D.D. #1:

- A. Recommending award for bid for "One (1) New Long Reach Excavator" with purchase of extended warranty for 5 year 7500 hours Full Machine
- B. Requesting a Johnson Radio (Asset #18898) to be declared surplus

2/A

Martha Salazar, the County Purchasing Agent came before the Court requesting the awarding of a bid for a one new long reach excavator with the purchase of extended warranty. She mentioned that they had six bidders: J.C. Brown Inc., HOLT Co., Texas Crane Service, Waukesha-Pierce, Inc. and B-C Equipment Sales which had two bids. She stated that the vendor qualifying with the low bid was HOLT Co. from Weslaco, at \$186,649.00. This was the total price and it included the machine and the warranty. Commissioner Rosel indicated that there had been two vendors who had presented lower bids and Mrs. Salazar replied that they had but they had not met specifications. A motion was made by Commissioner Garces and seconded by Commissioner Rosel to award to HOLT Co. out of Weslaco for \$186,649.00.

MOTION CARRIED.
(See Exhibit C)

2/B

Mrs. Salazar then stated that they were requesting a Johnson Radio asset #18898 be declared surplus. A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit C)

ITEM 3. AUDITOR'S OFFICE:

- A. 1998 Budget Amendment for D.D. #1 in order to promptly pay 1998 bills based on 1997 open purchase orders

Godfrey Garza reported that this next item was a request a budget amendment from the 1998 Drainage District budget in order to promptly pay 1998 bills based on 1997 open purchase orders. He explained that there some 1997 purchase order that were not fully utilized so they were requesting that they be paid from the 1998 budget. Commissioner Rosel asked what the amount was and Mr. Cavazos, the County Auditor, responded that it was \$455,640.78. A motion was made by Commissioner Garces and seconded by Commissioners Rosel and Handy to approve the request as presented.

MOTION CARRIED.
(See Exhibit D)

There being no further business to come before the Drainage District Board, a motion was made by Commissioner Arcaute and seconded by Commissioner Rosel that said meeting be hereby adjourned.

MOTION CARRIED.

COMMISSIONERS' COURT

The Honorable Renato Cuellar, County Judge, called the Commissioners' Court meeting to order and noted that all members of the Court were present and accounted for. The meeting then commenced whereupon the following proceedings were had, to wit:

CONSENT AGENDA

ITEM 1. APPROVAL OF CHECK REGISTER AND PAYMENT OF CLAIM/BILLS - HIDALGO COUNTY AUDITOR

ITEM 2. 1997 LINE ITEM TRANSFERS

- A. Commissioner Pct. #3 - Park - \$300.00
- B. Commissioner Pct. #3 - Paved/Unpaved - \$1,800.00
- C. Commissioner Pct. #4 - Road & Bridge - \$1,000.00

(See Exhibit E)

ITEM 3. 1998 LINE ITEM TRANSFERS:

- A. Commissioner Pct. #2 - Road Administration - \$200.00
- B. Commissioner Pct. #3 - Paved/Unpaved - \$2,500.00

- C. Jail Impact Court - \$3,180.00
 - D. Elections Department - \$1,000.00
 - E. Veterans Service Office - \$300.00
 - F. Personnel Department - \$1,618.00
 - G. Adult Probation - Community Corrections (State Funds) - \$2,500.00
- (See Exhibit F)

ITEM 4. RIGHT OF WAY DEPARTMENT:

- A. Precinct #1 - City of Weslaco
 - North Alamo Water Supply
 - Southwestern Bell Telephone
 - General Telephone Company
 - B. Precinct #3 - La Joya Water Supply
 - Southwestern Bell Telephone
 - C. Precinct #4 - Southwestern Bell Telephone
 - North Alamo Water Supply
- (See Exhibit G)

ITEM 5. PLANNING DEPARTMENT:

- A. Subdivisions:
 - 1. Fonseca Subdivision - Pct. #3
 - B. Release of Letter of Credit:
 - 1. Tom Gill S/D No. 3 Phase 1 - Pct. #3
- (See Exhibit H)

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

MOTION CARRIED.
(See Exhibits A-H)

EXECUTIVE AGENDA

ITEM 1. CLOSED SESSION:

Commissioners Court may go into Closed Session pursuant to Chapter 551, Texas Government Code, Section 551.072 to discuss the following:

- A. Property:
 - 1. Potential acquisition of real property - City of Weslaco

ITEM 2. OPEN SESSION:

- A. Property:
 - 1. Potential acquisition of real property - City of Weslaco

ITEM 3. CLOSED SESSION:

Commissioners Court may reconvene in Closed Session for the discussion regarding the agenda items listed

The County Judge and Commissioners went into closed session accompanied by Mr. Steve Crain, the County Legal Counsel; Mr. Barry E. Jones, Mr. Francisco Castellanos, Humberto Silva and Raul Lozano.

ITEM 4. OPEN SESSION:

Commissioners Court may reconvene in Open Session for the discussion regarding the agenda items listed.

NO ACTION.
(See Exhibit I)

REGULAR AGENDA

ITEM 1. PLANNING DEPARTMENT:

A. Discussion & Possible action on refunding monies on the following subdivisions:

1. Cactus Land Phase IV - Pct. 4
2. Vista Del Sol Phase I - Pct. 4
3. Vista Del Sol Phase II - Pct. 4
4. Vista Del Sol Phase III - Pct. 4

Emilio Garcia, Chief Planner, came before the Court seeking direction on monies collected by the department for the placing of curb and gutter in the above named subdivisions. He pointed out that when these subdivision were first approved they were situated in rural areas, but since then the City of Edinburg had annexed these properties and they now lay within that City's ETJ. He mentioned that there were approximately 180 lots total, in these subdivisions, of which 120 have had curb and gutter installed. There is a balance of 60 lots that are still lacking culverts for which the developers paid \$177.60 each. He added that he had talked to Commissioner Garces and the Commissioner Garces said that they had talked to the City and they had said that it wasn't in their parameter of installing driveway culvert pipes. He added that the monies have been earmarked for the installations and he felt that technically the County could tell the developer to pick up their monies and go to the Cities for relief. Mr. Garcia reported that of these subdivisions they presently had a total of \$9,590.40 for Mr. Richard Ruppert and \$1,065.60 for Robert James. Commissioner Garces asked Steve Crain, the County Legal Counsel, if he had studied the situation and Mr. Crain replied that when they had established these escrows, they had approved the subdivisions subject on the escrows being deposited and the County would install the culverts. He felt that because of this the County was legally binded with the people who bought the lots, because they may have bought it based on their knowing that the County would be installing the culverts. Commissioner Garces then asked him how this would relate to

those lots know being with the City limits and Mr. Crain stated that if the County could reach an agreement with the City they could possible work this out. Commissioner Garces asked Mr. Garcia whom he had been talking to within the City and Mr. Garcia said that with Juan Lopez from their Planning Department. The Commissioner then indicated that maybe should sit down and discuss it with Mr. Lopez further and maybe work out some kind of interlocal agreement. He then requested that no action be taken at this time.

NO ACTION.
(See Exhibit J)

ITEM 2. HEALTH DEPARTMENT:

- A. Authorization and approval to reduce the position of Risk Coordinator from \$34,608.00 to \$24,000.00
- B. Authorization and approval to create a Certified Social Worker position and set salary at \$12,568.00

2/A

Mike Keenan, Health Department Administrator, came before the Court requesting authorization and approval to reduce the salary of their vacant RISC coordinator position from \$34,608.00 to \$24,000.00. He also wanted approval to create a certified social worker position and set the salary at \$12,568.00. He mentioned that this new slot was a part-time position. He added the Texas Department of Early Childhood Intervention is uncertain whether they are going to continue the program beyond this year and he is trying to fill the slots with existing resources in the contract and temporary part-time people so he doesn't get someone hired on a full-time basis in case the program gets defunded next year. He did say that he really needed the social worker because after the last person resigned they found that there was quite a backlog of children born in the County who had not been followed up on and he needed someone who can go out and do the home visits and possibly refer these babies to speech therapy or whatever they need. A motion was then made Commissioner Handy and seconded by Commissioner Garces to reduce the position of RISC coordinator from \$34,608.00 to \$24,000.00, as requested. Commissioner Arcaute asked if Mr. Keenan would have a problem hiring someone for the RISC coordinator, if there would be a problem and the response was that he would have to get the salary de-obligated and come back to Commissioners' Court to have the salary put back up to be able to hire someone. He doesn't believe that he would staff it the same way that it was done because he felt that a part-time social worker would work better, but he did feel that they needed a manager, but he would have to wait to see what ECI is going to decide about this RISC program.

MOTION CARRIED.
(See Exhibit K)

2/B

Mr. Keenan reiterated that this item was to allow him to create a certified social worker position and set salary at \$12,568.00. A motion was made by

Commissioner Handy and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit K)

ITEM 3. AUDITOR'S OFFICE:

- A. 1998 Budget Amendments for Various Departments in order to promptly pay 1998 bills based on 1997 open purchase orders

Mr. Manuel Cavazos, the County Auditor, informed the Court that these were various purchase orders that were open at the end of 1997 and they were ready to pay, as they did not want to wait until they get them all, so they will bring them to Court as they receive them. He then gave a brief recap of the bill to be paid and these were the following: Sheriff's Department \$541,799.23, Jail - \$2,794.44 and Countywide - \$117,500.00. Commissioner Rosel clarified that the Auditor was wanting the Commissioners' Court to move \$541,000.00 plus from the fund balance in order to encumber these items and the Auditor responded that that was the case. A motion was made by Commissioner Handy and seconded by Commissioner Garces to approve the 1998 budget amendments for the various departments that include the Sheriff's Office in the amount of \$541,799.23, the Jail in the amount of \$2,794.44 and the Countywide Department in the amount of \$117,500.00, to pay the 1998 bills based on the 1997 open purchase orders.

MOTION CARRIED.
(See Exhibit L)

ITEM 4. DISTRICT ATTORNEY:

- A. Approval of District Attorney's Office - DPS Motor Vehicle Theft budget for 1998

Roy Cazares, from the District Attorney's Office, came before the Court requesting approval of the District Attorney's Office DPS Motor Vehicle Theft budget for 1998. The monies for this budget come from vehicles that DPS awards to this office and they auction these vehicles. These are vehicles that are taken away from people because the VIN number has been removed or altered and they are not able to be traced back to its rightful owner. A motion was made by Commissioner Garces and seconded by Commissioner Rosel to approve the budget, as presented.

MOTION CARRIED.
(See Exhibit M)

ITEM 5. COMMISSIONER PCT. 2:

- A. Authorization to enter into an Interlocal Cooperation Agreement with City of San Juan to resurface Sam Houston Street and with City of Alamo to resurface Crocket Street

Commissioner Arcaute explained that this request was to give the authority to enter into an interlocal agreement with the Cities of Alamo and San Juan. This was for the resurfacing of two sections of street that are in the City that are an integral part of the road system. A motion was made by Commissioner Arcaute and seconded by Commissioner Handy to approve the request as presented.

MOTION CARRIED.
(See Exhibit N)

ITEM 6. COMMISSIONER PCT. 1:

- A. Approve and appropriate Solid Waste Enforcement grant budget

Raul Lozano came before the Court requesting approval of to appropriate the Solid Waste Enforcement grant budget. He mentioned that the contracts have come in and they have been signed by the County Judge and delivered to TNRCC. They are wanting to appropriate the budget for this grant at this time. He explained that there is an error on the back-up with regards to the account number. The correct account number is 8-150-421-338. A motion was made by Commissioner Handy and seconded by Commissioner Rosel to approve and appropriate the Solid Waste Enforcement grant budget, in the amount of \$53,000.00 with the change in object number of 150.

MOTION CARRIED.
(See Exhibit O)

ITEM 7. COMMISSIONER PCT. 3:

- A. Approval of interlocal Agreement between Hidalgo County Pct. 3 and Sullivan City
- B. Budget amendment for contractual services

7/A

Commissioner Rosel indicated that he was requesting approval of an interlocal agreement between Hidalgo County and Sullivan City. He pointed out item number three on the second page of the contract which read as follows:

“In consideration for the goods and services provided by the County, the City agrees to make the city park and neighboring facilities including but not limited to, baseball park, basketball court, family park area and Boys and Girls Club building (City Hall Building) available to the residents of unincorporated areas of the County”.

He added by saying that the assistance that they were asking for was for the clearance of some land. He then made a motion, which was seconded by Commissioner Handy to approve the interlocal between the County of Hidalgo and the City of Sullivan City.

MOTION CARRIED.
(See Exhibit P)

7/B

Commissioner Rosel stated that this was a request for a budget amendment. He reported that last year he had made a request of Commissioners' Court and they had budget approximately \$140,000.00 from the General Fund to the landfill. At that time, he continued, they were waiting for some bids to come through and they did not come in until this year;, so at this time he was requesting a budget amendment to pay for a liner and installation in the amount of \$32,511.00. He added that there were other things that needed to be done but he would present those at a later date. A motion was then made by Commissioner Rosel and seconded by Commissioner Garces to authorize a budget amendment in the amount of \$32,511.00 from the General Fund to the landfill for Precinct Three.

MOTION CARRIED.
(See Exhibit P)

ITEM 8. COUNTY JUDGES OFFICE:

- A. Discussion and possible action on rural fire calls contract for years 1998-99
- B. Discussion and possible action on Rural Fire Marshall Position

8/A

Loura Etnire, Administrative Assistant to the County Judge, explained that she had placed this item on the agenda because she felt that this Court should discuss the rural fire calls for the next two years. She stated that this had not been approved and at the moment the Sheriff's Office was carrying out those duties for the Fire Marshall and she did not believe that they wanted to carry them any longer. She did say that she knew that they had held a workshop with the fire chiefs and there were several things that had been discussed as far as the Fire Marshall was concerned and also the association at that time had requested that the City of La Villa come into the association. Mrs. Etnire reported that a workshop had been held on November 10, 1997 wherein they had discussed the salary for the Fire Marshall, the clerk and a question had come up regarding four deputy fire marshals be hired for each precinct. Commissioner Rosel added that one of the issues that had been discussed in the past was the fact that they had a contract out there that had no "bottom" to it. The concern, at the time, was that they needed to set some parameters in that contract to protect the County from some type of situation where a particular entity would claim a fire where the investigators had found was a false alarm. Lt. Roy Quintanilla, from the Sheriff's Office, entered the discussion by saying that the contract was same that has been in place since 1992 with just an increase in the figures for the payment per service calls. He added that they were able to redo some parts of the contract, however, he felt that it was still an open-ended contract with no parameters. Commissioner Garces stated that a matter that had come up in that workshop was in the area of the appeal from the County, in a situation where "this is a toilet paper roll burning" and they were being charged \$500.00 by the cities. Lt. Quintanilla explained that currently the way it is set up

right now, they received fire reports on a quarterly basis, when the bills are submitted and that's when the Sheriff's Department reviews them, and by that time it is too late to do an investigation. Commissioner Rosel indicated that this issue has to be resolved and Commissioner Arcaute pointed out to an item in the contract that stated that the County should designate an individual to be the Fire Marshal. Lt. Quintanilla reported that as of December 31, 1997 the Sheriff's Department was no longer performing the duties of Fire Marshal; all they were doing was processing the quarterly reports that were still out there and delivering them to the Auditor's Office. He added that he had spoken with Mrs. Etnire about them and asked where to refer these calls to this year. He then spoke to Commissioner Arcaute and told him that during the last workshop they had brought up the issue of those areas that currently have the rural emergency district to pay for these fire calls and some arrangements would have to be made for those areas that do not have this service. Commissioner Rosel said that the contract should have a stipulation that gives the Fire Marshal some type of discretion as far as approving or disapproving a particular call or fire calls made. Lt. Quintanilla stated that they did have that discretion and Commissioner Rosel pointed out that it wasn't part of the contract, it was just an agreed upon term and there might be some liability involved. A discussion ensued regarding this issue, as well as the hiring of a new Fire Marshal, as far as the qualifications and the four deputies. The discussion took a turn and continued along the budgetary issue, during which Commissioner Arcaute stated that he did not know how quick this Commission could move on this, but he felt that this Commission know what steps to take to be able to get this thing going. At this time they were not ready to go into a contract and Lt. Quintanilla interjected by saying that they had already budgeted for a Fire Marshal this year and if they could proceed in hiring the Fire Marshal and get him in place to be able to work on getting these contract process and services started. Commissioner Garces agreed and the Commission asked the Purchasing Agent if this position would qualify under a professional service. Steve Crain recommended that they go through the Personnel Department as this position would fall under the County, but he would have to check if the services of Fire Marshal would fall under professional services. Lt. Quintanilla indicated that it was an appointed position under Commissioners' Court under the Local Government Code and it was a two-year appointment. After further discussion no action was taken on this item.

NO ACTION.
(See Exhibit Q)

8/B

Commissioner Rosel asked if the Fire Marshal position carried an exempt or non-exempt status and Mr. Crain replied that he believed it was exempt, but he would have to verify with the Civil Service Rules. Commissioner Arcaute then commented that maybe the Personnel Director should be present at these meetings in order to be able to answer questions that may arise and Commissioner Rosel agreed. A motion was made by Commissioner Garces and seconded by Commissioner Handy to advertise for the position of Rural Fire Marshal position for Hidalgo County.

MOTION CARRIED.
(See Exhibit Q)

ITEM 9. COMMISSIONER PCT. 4:

A. Discussion and approval of Headstart Resolution

Commissioner Garces informed the Commissioners that in their packet was a copy of a resolution authorizing the County Judge "TO CONTRACT WITH THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES AND PERFORM ALL ACTIONS NECESSARY TO IMPLEMENT A HEAD START PROGRAM". He added that back in 1992 the total budget for the Headstart Program was \$250,000.00 and now it was close to \$13 million and it covered about 33 Headstart programs throughout the County. He stated that he felt that it was time that they look at the possibly establishing a grantee board versus the present executive directorship, in order to consider some of the items coming up regarding Headstart. He was wanting this Court to consider going into, changing, resolving this and submitting this to the Department of Health and Human Services allow them to go into a grantee scenario versus an executive director scenario. He then moved that they go ahead and approve the grantee board being Hidalgo County Commissioner Court versus the County Judge as an Executive Director. Upon a second by Commissioner Handy, Commissioner Rosel pointed out that this action would take care of a proposal made by the County Judge when he took office. County Judge Cuellar stressed that he did not want them to jeopardize the program in any way, shape or form and that they should check with the Department of Health and Human Services. He then reiterated the statement he had made when he came in regarding this issue and said that was that he felt "that if the Headstart program makes mistakes the whole Commissioners' Court is responsible and the constituents are the ones that have to pay and that was why it was not fair that one person sit on the board and the whole Commissioners' Court take responsibility". Commissioner Arcaute then asked if this was an annual funding and the County Judge stated that he thought that application was made each year and he pointed out some changes that have taken place in the last couple of years. Commissioner Arcaute asked what role this Commission would have after the passage of the resolution and Judge Cuellar stated that the Commissioners' Court would be over the director and they would be in charge of the hiring, subject to the Policy Counsel's approval. Commissioner Garces reported that he had been at the previous night's meeting and after telling the board what they were wanting to do, he had picked up on some positive comments. The County Judge then amended the motion to include that it was subject to there being no interruption from the federal funding agency. Upon a vote the motion carried.

MOTION CARRIED.
(See Exhibit R)

ITEM 10. HIDTA TASK FORCE:

A. Approval to enter into an agreement with the FBI and the Hidalgo County HIDTA Task Force for the period of January 1, 1998 through December 31, 1998

from the HIDTA Task Force, came before the Court requesting approval to enter into an agreement between the FBI and the Hidalgo County HIDTA Task Force. This

agreement would increase their budget by \$272,781.00 in support of the South Texas HIDTA Directors Support Unit. This Unit was already in existence and operates out of San Antonio. All funds are 100% reimbursed by the HIDTA Grant Program through the FBI and at no cost to the County. A motion was made by Commissioner Rosel and seconded by Commissioners Garces and Handy to approve the agreement with the FBI and Hidalgo County HIDTA Task Force for the period of January 1, 1998 through December 31, 1998.

MOTION CARRIED.
(See Exhibit S)

ITEM 11. URBAN COUNTY PROGRAM:

- A. Alton - Parks, Recreational Facility - UCP Year 9-1996 - Project #5096-10-0306-5000-1000 - Sprinkler System & Hydromulch Planting contract (Soccer field)
- B. City of Donna - Approval of budget amendment Year 9 & 10 (FY1996 & 1997)
- C. City of Elsa - Hearing on rescission of the approval of a demolition contract previously awarded to Modesto Hernandez. The contract should be awarded to the next highest bidder
- D. Pct. #1 - Approval of Budget amendment year 10 (FY 1997)
- E. HOME/Homeowner Occupied Housing Rehab Application - 1 family

11/A

Anthony Covacevich, Urban County Director, came before the Court indicating that the City of Alton was requesting a contract award to Ace Irrigation. It was the low bid in the amount of \$10,185.00 and this is for a sprinkler system and hydro-mulching at the soccer field in the City of Alton. A motion was made by Commissioner Rosel and seconded by Commission Arcaute to approve the request as presented.

MOTION CARRIED.
(See Exhibit T)

11/B

Mr. Covacevich stated that the next item was a request from the City of Donna for approval of a budget amendment for Years 9 & 10. They were wanting to move monies around by eliminating water and sewer activity in Year 9 and moving it over to street activity in the amount of \$359,224.29. Under Year 10 they are providing for Administrative Expenses and moving money away from water and sewer to Parks and Recreation. They have followed all procedures and he is recommending approval of the budget amendments. A motion was made by Commissioner Handy and seconded by Commissioners Rosel and Arcaute to approve the request as presented.

MOTION CARRIED.
(See Exhibit T)

11/C

Mr. Covacevich indicated that the next item was for the rescission of an award that was given to Modesto Hernandez on a contract to tear some buildings in Elsa. The contractor could not secure workers' compensation insurance so the award should go to the next highest bidder which is Delta Caliche and Fill Dirt Service for \$5,500.00. A motion was made by Commissioner Handy and seconded by Commissioner Rosel to rescind previous contract and award new contract to Delta Caliche and Fill Dirt Service.

MOTION CARRIED.
(See Exhibit T)

11/D

Mr. Covacevich reported that Precinct One was requesting approval of a budget amendment for Year 10. The budget amendment was to reduce the General Administration by \$15,000.00 and Street Improvements by \$3,000.00. This is being done to provide money for Fire Station Equipment, in Monte Alto, in the amount of \$10,000.00 and for the creation of a new line item Public Services in the amount of \$8,000.00. A motion was made by Commissioner Handy and seconded by Commissioner Arcaute to approve the request as presented.

MOTION CARRIED.
(See Exhibit T)

11/E

Mr. Covacevich came before the Court to request approval of the HOME/Homeowner Occupied Housing Rehab Application. He added that they have one application and they are recommending approval of this contract in the amount of \$15,000.00. A motion was made by Commissioner Handy and seconded by Commissioners Rosel and Arcaute to approve the request as presented.

MOTION CARRIED.
(See Exhibit T)

ITEM 12. PURCHASING DEPARTMENT:

A. Hidalgo County:

1. Presentation of final recommendation for award of RFP for: Hidalgo County's Group Health, Life and Accidental Death and Dismemberment (A D & D) Insurance Project
2. Authority to direct legal counsel to negotiate a contract for "Hidalgo County's Group Health, Life and Accidental Death & Dismemberment (A D & D) Insurance
3. Requesting authority to advertise for "Type D Hot Mix Asphalt"

B. Auditor's Office:

1. Recommendation as to proposal award for "Data Processing Hardware Support" to Hewlett Packard Company

C. County Judge's Office:

1. Requesting a desk (Asset #27786) to be declared surplus

- D. 275th District Court:
1. Requesting a desk (Asset #18983) and a small table (Asset #8658) to be declared surplus
- E. J.P. Pct. #4, Pl. 2:
1. Requesting a copier (Asset #25159) to be declared surplus
- F. Veterans' Service Office:
1. Requesting the following listed to be declared surplus
 - a. Item #1 - Asset #8715 - Chair, Secretarial Brown
 - b. Item #2 - Asset # - chair, Brown cloth
 - c. Item #3 - Asset # - chair, brown cloth
 - d. Item #4 - Asset # - Desk, computer (broken)
 - e. Item #5 - Asset # - Chair, Black/Red
 - f. Item #6 - Asset # - Shredder, Fellows PS50 (broken)
 - g. Item #7 - Asset #17190 - Desk, Executive
 - h. Item #8 - Asset #1441 - Table, Small Steel
- G. Sheriff's Department::
1. Presentation by Dr. Robert Fraser for Hidalgo County Sheriff's Dept.) of the proposed Work Injury Prevention Program by Universal Rehabilitation Institute
 2. Requesting exemption from competitive bidding requirement for professional services
 3. Requesting authority to negotiate a professional services contract with Universal Rehabilitation Institute for Work Injury Prevention Program

12/A/1

Martha Salazar, the Purchasing Director, came before the Court and explained that this item had to do with an RFP that was done some time back and it was regarding the Group Health Insurance, Accidental Death and Dismemberment. She stated that they had received twenty proposals on October 22, 1997 and she turned the presentation over to the project consultant, Mr. Kenneth Wethe. He explained that during the grading process the proposals were kept at the Purchasing Office and that's where the research and grading of these proposals was done. He stated that he was aware that there was a possibility of a workshop if there were still some questions regarding this issue. Mr. Wethe then proceeded to go into an in-depth explanation of the proposals which included some self-insured and some fully insured proposals. He said that based on the present plan, as of December 31, 1997 the County had a fund balance of \$2,117,316.00. He continued with an explanation of how a self-funding program worked, including the advantages and disadvantages of having this kind of plan. He did the same for a fully insured program and also answered some questions from Commissioners Rosel and Garces. Under the fully-insured programs he discussed both the traditional indemnity with a PPO and HMO plans. Mr. Wethe explained that under an HMO an employee would have to utilize a provider under the HMO network, subsequently they would not have access to a provider that was not in their network, in this area. Due to their focus on controlling costs there will be limited access to a specialist. He added that this would be a new concept for this area as this type of program has been in existence in this area for a short period of time.

Mr. Wethe then went into the Group Life and A D & D Program and stated that it was on a fully insured basis, and there was a provision in the group life plan, for waiver of premium and this was very important when the County went into transfer of coverage.

He continued by saying that they had twenty companies that responded, with five of those responding on the fully-insured health, eight responses of the self-insured health and for the Group Life A D & D they had fourteen companies and one company submitted a stop-loss insurance quote only. He went on to explain the various proposals in detail and also how they were graded with respect to different criteria. The final compilations were as follows:

For Self Insured

ASO - 82 points.

Ted Parker & Associates - 75.5 points

LifeRe - 66.5 points

Blue Cross Subsidiary Co. - 63 points

Mr. Wethe then moved into the coverage provisions under the fully insured proposals. The criteria used in the grading process were life-time maximum benefit, professional financial, availability of a drug card, hospital admission, out of network benefits and service issues. Commissioner Rosel asked if there would be a problem if a doctor had privileges in a certain hospital that was not on the network and Mr. Wethe stated that the individual would pay a little bit more but he would still have insurance coverage in that hospital that's not in the network. Commissioner Arcaute asked how much more the individual would have to pay and Mr. Wethe indicated that it would be a twenty percent (20%) difference. He then gave the ranking as per the criteria listed above.

For Fully Insured

Sierra Health and Life Ins. Co. - 78 points

Certus/Sierra - 72 points

Certus Health Care - 66 points

Blue Cross - 55 points

Prudential - 52 points

Humana - 39 points

After the discussion, Mr. Wethe asked the Commissioners if they had any further questions and Commissioner Garces asked Judge Cuellar if he wanted to go out of the self-insured and into fully-insured. Commissioner Rosel stated that the reason that this County and other entities had gone into self-insured was because of the fact that the market was just too high and Mr. Wethe mentioned that the figures that were being brought before the Court were very aggressive quotes. Commissioner Rosel continued by saying that they needed to look at the cost to the County and the benefits to the employee. He added that the current trend was to get away from self-insurance and Mr. Wethe stated that this was happening because the insurance companies were able to negotiate a little better with providers. Commissioner Arcaute came into the discussion by saying that as long as the County has been under self-insured, the County has a good solid base to go by, as far as cost is concerned and Mr. Wethe agreed. Commissioner Rosel indicated that he felt better if the County was fully-insured and Commissioner Arcaute stated that he would base his decision on statistics, rather than how he felt, and he thought that the County should continue with the self-insured program. The County Judge made his views known by saying he's had experience in

both ends of the field; and “self-insurance is something where you work to keep the costs down; Las Vegas does not build those hotels by losing money. Insurance companies are the same way they charge you to take your money to the bank. Now you can say, they will undo it, you never undo it, once you create a loss then they’re gonna make it up, it’s not gonna be this year, but it’s gonna be next year and it’s gonna be with a lot of loss of what you presently have. Self-insurance is something where you can keep some control. If you save it’s to your benefit, it’s to the employees’ benefit, if you don’t they’re the ones that are gonna pay”. Commissioner Rosel agreed with this statement. Judge Cuellar continued by saying “where you have a danger on going wild is when you have new highers”. Mr. Wethe directed the next discussion at this last statement and said that under the Health Insurance Portability and Accountability Act (HIPA) one of the requirements under this would be for all fully insured programs must comply. One of the provision under this was satisfying a pre-existing exclusion with prior service from another employer. This meant that if you have a new employee coming in they have to go through a twelve month period before they can satisfy that re-existing condition exclusion. Right now this County was being protected from an employee coming in to our plan and bringing a medical condition with them and the plan picking it up. Under HIPA the County would no longer be able to offer the out-right exclusion without some prior credits coming in, except if you’re a self-funded government entity they allow you to opt out of the HIPA provision. Commissioner Arcaute pointed out that there was a provision on there for a workshop later today. Commissioner Garces added that this issue was too important to just put a motion out on the floor. Commissioner Arcaute then made a motion which was seconded by Commissioners Handy and Garces to table this item.

MOTION CARRIED.
(See Exhibit U)

12/A/2
NO ACTION.

12/A/3
Martha Salazar informed the Court that she was requesting authority to advertise for “type D Hot Mix Asphalt”. A motion was made by Commissioner Arcaute and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit U)

12/B
The next request was for the County Auditor’s Office and they were recommending the awarding of the proposal for “Data Processing Hardware Support” to Hewlett Packard Company. The total amount of the award was \$7,110.00 per year and it was the only proposal received. A motion was made by Commissioner Garces and seconded by Commissioner Arcaute to approve the request as presented.

MOTION CARRIED.
(See Exhibit U)

12/C

Mrs. Salazar reported that the County Judge's Office was requesting that a desk asset number 27786 be declared surplus. A motion was made by Commissioner Garces and seconded by Commissioner Rosel to approve the request as presented.

MOTION CARRIED.

(See Exhibit U)

12/D

She also stated that the 275th District Court was requesting a desk, asset number 18983, and a small table, asset number 8658, be declared surplus. A motion was made by Commissioner Arcaute and seconded by Commissioner Handy to approve the request as presented.

MOTION CARRIED.

(See Exhibit U)

12/E

Mrs. Salazar indicated that the Justice of the Peace for Precinct Four Place Two was requesting that a copier, asset number 25159, be declared surplus. A motion was made by Commissioner Garces and seconded by Commissioners Arcaute and Handy to approve the request as presented.

MOTION CARRIED.

(See Exhibit U)

12/F

She continued by saying that the Veterans' Service Office was requesting the declaration of the following items as surplus.

- Item #1 - Asset #8715 - Chair, Secretarial Brown
- Item #2 - Asset # - chair, Brown cloth
- Item #3 - Asset # - chair, brown cloth
- Item #4 - Asset # - Desk, computer (broken)
- Item #5 - Asset # - Chair, Black/Red
- Item #6 - Asset # - Shredder, Fellows PS50 (broken)
- Item #7 - Asset #17190 - Desk, Executive
- Item #8 - Asset #1441 - Table, Small Steel

A motion was then made by Commissioner Garces and seconded by Commissioner Rosel to approve the request as presented.

MOTION CARRIED.

(See Exhibit U)

12/G/1

Mrs. Salazar reported that this next item was on a project by the Hidalgo County Sheriff's Department and it was for a presentation by Dr. Robert Fraser of the proposed work injury prevention program, by Universal Rehabilitation Institute. Lt. Roy Quintanilla approached the podium and explained that back on December 10, 1997 they had requested that the firm of Universal Rehabilitation Services be given exemption

under a professional status. He added that it was their effort to try to reduce the amount of workman's' compensation claims that they have and increase their ability to get their employees back to work in a timely manner. Lt. Quintanilla continued by saying that they had approached Dr. Fraser and asked him to look at the needs of the Sheriff's Department and he presented them with a proposal and they were recommending that the Commissioners' Court approve it at this time. Commissioner Rosel asked the County Judge that on these services, that normally require an RFP, if it would be considered fair practice to go ahead and let another company present its qualifications. The County Judge asked if this was something that the Sheriff's Office normally did and if it was within their budget and the response from Lt. Quintanilla was that these monies would be coming out of their budget under professional services. Commissioner Rosel asked legal counsel about his views and Mr. Crain indicated that he thought that this type of procedure would go through the purchasing department for a request to advertise. Commissioner Garces agreed and applauded the Sheriff for taking the issue and trying to do something about it, even though the correct process was not followed. Lt. Quintanilla explained that they were following the same process that was used in the hiring of Dr. Etheridge. Commissioner Arcaute tried to clarify by saying that the issue was whether a department can go and try to acquire the services that could otherwise be provided on a county-wide basis for all departments and not just isolate one department. He then directed this question at Steve Crain and Mr. Crain responded that the legal issue here was whether the correct process was followed and secondly if approved then they could do it. He added that if the question was concerning a procedure issue then they should ask themselves "what procedure do they want departments following in this county?" The discussion followed along this issue with comments from Commissioner Arcaute and Lt. Quintanilla who indicated that he could not help it if other departments weren't doing anything about it, but he was wanting to move forward with the Sheriff's Department and find a solution to the problem. Commissioner Garces questioned the lack of participation of the Purchasing Agent in this endeavor and Lt. Quintanilla added that there was plenty of time for any questions regarding the participation of the Purchasing Agent or any other county department to be addressed. Commissioner Garces then addressed the Purchasing Agent and she stated that indeed the request had been made in December and the request had been generated by the Sheriff's Department in particular to that department. The presentation letter was addressing the workman's' compensation issue of that department and the approach they took was in requesting an exemption for professional services. She continued by saying that statutorily, on any professional service, they were not obligated to do an RFP, best business practices would show that an RFP may be called for. Commissioner Garces told Lt. Quintanilla that if this Court opted to go out for RFP for the County then this would put Dr. Fraser in a conflict, because he had taken part in structuring the program that the Sheriff's Department was wanting to implement. Mr. Crain agreed with this and referred to a letter from the Sheriff's Department to Martha Salazar within the exhibits. Commissioner Rosel also voiced his concern about the process that was being followed and added that he would support this endeavor if the correct process is adhered to and also if the problems themselves were addressed in Commissioners' Court. Chief Castellano then approached the podium and stated that the attorney did have the blessing of this Court, since he had brought it before the Commissioners' Court two and a half years before. He explained that the reason they had hired an attorney was because there was a conflict of interest with the attorneys' representing civil service and they needed a civil service representative to

address their needs. He added that the firm that was representing civil service was also representing the County and as legal counsel they couldn't do it and that is why they had hired an outside attorney. Commissioner Garces asked Steve Crain that if they were to go out and request for proposals, if they could still incorporate what the Sheriff's Office was wanting to present today; and the response was that they could do that and that they needed to also look at what exactly they were advertising for (i.e. job description, preparation, physical/medical, etc.). Mr. Manuel Cavazos, the County Auditor, indicated that what this County needed was a Risk Manager and not consultants. Commissioner Garces indicated that the County did have this under the TAC contract. He added that this Court should recognize the effort from the Sheriff and his staff in that they took the political will to go out and do this and he felt that this County needs to go forward on this issue but it was the procedure that was taken that he was not in approval of. Sheriff Henry Escalon then came up and stated that he would like to point out that Dr. Fraser has put in a lot of work in so far as research and such and he has not been compensated. He then added that as far as the attorney, the only reason she was here was to address the conflict of interest that had been raised before. The County Judge thanked the Sheriff for his efforts and stated that the Commission would address the need for this service.

NO ACTION.
(See Exhibit U)

Martha Salazar then asked for some direction from the Court; whether they were wanting that an RFP be requested or if there would be further discussion on the possible formation of a department. Commissioner Garces informed her that in a situation such as this it was important who was putting these specs together, as they were trying to do away with any conflicts of interest. The County Judge asked that this be on next week's agenda. Lt. Quintanilla asked that if an RFP was drawn up that the Sheriff's Department be allowed to participate in the process to let the proposed committee know what their problems are and what they would like to get addressed.

ITEM 13. PENDULUM MANAGEMENT GROUP - JUAN HINOJOSA:

- A. Approval of Risk Management Proposal Contract by the Pendulum Management Group

Commissioner Garces asked if this would have any bearing on the previous item and Commissioner Garces said that it would and there was definitely a conflict there. Sheriff Escalon asked that this firm also be considered

NO ACTION.
(See Exhibit V)

ITEM 14. HIDALGO COUNTY NEW JAIL PROJECT

The County Judge informed the Commissioners that he had received a contract from the architect and he had hoped that they had gotten copies on it. He added that they would have to decide about negotiating with the architect. He then asked the Sheriff if he had received a copy of the proposal because he was wanting him to be involved in the whole jail process. Mrs. Salazar stated that the contract was the first offer and then a negotiating meeting would be the next step. Commissioner Rosel indicated that he would like for the Sheriff to be involved, as well as the County legal counsel, the County Judge and maybe one other person. Commissioner Garces asked if they had received a memorandum on a Conference for Urban Counties, and that there was a state contract on the table and it was a contract where the State might come in and subsidize some of the cost of transferring some of the inmates because of their situation. According to Bickerstaff they do not agree with the terms of that contract and they're inviting the members of the CUC to go and discuss it at that meeting and he was recommending that the Sheriff go to this meeting as well. A discussion ensued with regards to the State housing some of its prisoners in county jails at a minimum cost with the counties picking up the difference.

NO ACTION.

There being no further business to come before this Court, a motion was made by Commissioner Arcaute and seconded by Commissioner Handy that said meeting of Commissioners' Court be hereby adjourned.

MOTION CARRIED.