

DRAINAGE DISTRICT #1

The Honorable Renato Cuellar, County Judge, called the Drainage District #1 Board meeting to order, whereupon the following proceedings were had, to-wit:

CONSENT AGENDA

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

The County Judge introduced the Consent Agenda and there being no changes, a motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve.

MOTION CARRIED.

REGULAR AGENDA

ITEM 1. AUTHORIZATION TO APPROPRIATE FEES COLLECTED FOR SUBDIVISION DRAINAGE REVIEW

Godfrey Garza, Drainage District Manager, informed the Court that he was requesting authorization to appropriate fees collected for subdivision drainage review. He stated that they had a total of approximately \$4,500.00 that have been deposited with the Planning Department and he was requesting that they be transferred to the Drainage District. A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit A)

ITEM 2. PURCHASING DEPARTMENT

- A. Hidalgo County Drainage District No. 1
 1. Requesting approval of contract for "North and South Main Drain Junction Improvements" with McAllen Construction Inc.
 2. Requesting authority to exercise option to extend present contract on "Highway diesel Fuel Products" for sixty (60) days so as to

allow bid process to be completed and to coincide with termination of "Gasoline and Off Highway Diesel"

3. Requesting authority to advertise for various pieces of heavy equipment

2/A/1

Martha Salazar, County Purchasing Director, came before the Court requesting approval of a contract with McAllen Construction Inc. for the "North and South Main Drain Junction Improvements". A motion was made by Commissioner Rosel and seconded by Commissioner Handy to approve the request as presented.

MOTION CARRIED.
(See Exhibit B)

2/A/2

Mrs. Salazar was also requesting authority to exercise the option to extend the present contract for "Highway Diesel Fuel Products" for sixty days. A motion was made by Commissioner Garces and seconded by Commissioner Rosel to approve the request as presented.

MOTION CARRIED.
(See Exhibit B)

2/A/3

Mrs. Salazar reported that the Drainage District was requesting authority to advertise for two 1998 tractors with boom mowers, three new 1999 4-wheel ½ ton pick-up trucks, one new tractor with cab and one 1998 hydraulic excavator. A motion was made by Commissioner Garces and seconded by Commissioner Rosel to authorize the advertising for various pieces of heavy equipment for Drainage District #1.

MOTION CARRIED.
(See Exhibit B)

There being no further business to come before the Drainage District #1 Board, a motion was made by Commissioner Garces and seconded by Commissioner Arcaute that said meeting be hereby adjourned.

MOTION CARRIED.

COMMISSIONERS' COURT

The Honorable Renato Cuellar, County Judge, called the Commissioners' Court meeting to order, whereupon the following proceedings were had, to-wit:

REGULAR AGENDA

ITEM 1. OPEN FORUM

The County Judge announced that Mr. Mike Risica had signed up for the Open Forum. Mr. Risica indicated that he was representing St. Matthew's Episcopal Church and School on Canton Road and he was in opposition on the proposed jail expansion. He then proceeded to indicate why he felt it was not feasible to expand the jail at the current site.

NO ACTION.

CONSENT AGENDA

ITEM 1. APPROVAL OF CHECK REGISTER AND PAYMENT OF CLAIMS AND BILLS -

COUNTY AUDITOR

(See Exhibit)

ITEM 2. LINE ITEM TRANSFERS

- A. Commissioner Pct. 1 - Administration - \$1,250.00
- B. Commissioner Pct. 1 - Road & Bridge - \$500.00
- C. Commissioner Pct. 1 - Parks - \$1,000.00
- D. Commissioner Pct. 3 - Administration - \$2,700.00
- E. Commissioner Pct. 4 - Road & Bridge - \$15,000.00
- F. Commissioner Pct. 4 - Landfill - \$1,000.00
- G. Child Welfare - \$1,500.00
- H. 139th District Court - \$789.00
- I. Youth Village - \$1,000.00
- J. Tax Assessor/Collector - \$1,000.00
- K. Veterans Memorial Project - \$215.00
- L. Elections Department - \$3,250.00
- M. Historical Commission - \$1,413.00
- N. Computer Department - \$9,000.00

O. HIDTA Task Force - \$51,247.00 & \$19,000.00

P. Purchasing Department - \$960.00

(See Exhibit C)

ITEM 3. URBAN COUNTY PROGRAM

A. HOME - Homeowner Occupied Housing Rehab Application - 5 families

B. HOME - First-Time Homebuyer Contract Agreement and Letter of Commitment to Mortgage Company - 1 Family

C. Extension on Letter of Commitment to Mortgage Company on HOME First-Time Homebuyer Contract Agreement - 4 families

(See Exhibit D)

ITEM 4. RIGHT OF WAY DEPARTMENT

A. Permits

1. Pct. 1 - Southwestern Bell Telephone

- North Alamo Water Supply
- Vastar Resources, Inc.

2. Pct. 3 - Sharyland Water Supply - Los Ebanos Road

- Sharyland Water Supply - Taylor Road

3. Pct. 4 - Sharyland Water Supply

- North Alamo Water Supply
- North Alamo Water Supply

(See Exhibit E)

ITEM 5. PURCHASING DEPARTMENT

A. Hidalgo County Tax Office - Collecting:

1. Approval of Maintenance Agreement(s) with Southwest Business Machines

B. Hidalgo County Juvenile Probation

1. Approval of Service Agreement with EnviroTech Carriers, Inc.

(See Exhibit F)

ITEM 6. COUNTY CLERK

A. Approval of monthly collection report - May, 1998 - Total \$142,962.90

(See Exhibit G)

The County Judge introduced the Consent Agenda and there being no changes, a motion was made by Commissioner Garces and seconded by Commissioner Handy to approve.

MOTION CARRIED.

REGULAR AGENDA

ITEM 9. COUNTY JUDGE

G. Public Hearing on Hidalgo County Subdivision Regulations as Revised and Restated

COUNTY JUDGE We're going to change the order of the agenda. We're going to go to the public hearing, 9/G, at this time. "Public Hearing on Hidalgo County Subdivision Regulations as revised and Restated". The public hearing is now open. Anybody wanting to speak?

COMM. ARCAUTE Judge, before we start, we're not taking any action to approve or disapprove this regulations, are we?

COUNTY JUDGE No, that's not today.

COMM. GARCES Til tomorrow.

FATHER MIKE MONTOYA Good morning, my name is Father Mike Montoya and I'm the pastor of Our Lady Queen of Angels in La Joya and I'm a leader with Valley Interfaith.

JANIE CUELLAR Good morning, my name is Janie Cuellar, I'm a leader with Valley Interfaith and I am from La Joya; and I have here with me, Mori Guzman and Eddie Anaya. Three weeks ago you voted unanimously to adopt a strategy that not only will bring Hidalgo County into compliance with the State Model Subdivision Rules, as interpreted by the Attorney General's Office and the Texas Water Development Board, but that will also correct any problems that resulted from any misinterpretations in the past. That was an important first step, but the job is not done yet. We are here today to urge you to finish the job. The amendments that you have before you is the result of a great deal of work on the part of your Planning Department, the Texas Water Development Board, the Attorney General's Office and Valley Interfaith leaders. It has been reviewed, revised and

adapted to Hidalgo County, so at this point this document is the best instrument we have to bring Hidalgo County into compliance. Because the County has been under investigation for being out of compliance, over a hundred and three million dollars for much water and sewer projects have been frozen by the State. These project affect over thirty thousand residents of Hidalgo County. This can reversed by the Hidalgo County Commissioner on Wednesday and on Thursday the Texas Water Development Board will release over a hundred and three million dollars. To vote "yes" on Wednesday will mean that Hidalgo County intends to follow the State law. The County Commissioners are committed to quality development in Hidalgo County. To vote "no" on Wednesday will give a strong message that will not only be heard here, but all over the State. Funding will be halted by Texas Water Development Board and you will be turning back the clock twenty years to a time of outhouses and contaminated water and disease.

MORI GUZMAN

You did the right thing three weeks ago...

COUNTY JUDGE

State your name, please.

MORI GUZMAN

My name is Mori Guzman, I'm a, also a Valley Interfaith leader. You did the right thing three weeks ago. We trust that tomorrow you will do the right thing, also and we can go to Austin on Thursday , put the smile on our faces and be very, very proud to be from Hidalgo County. We've talked to all of you individually at one time or another and we feel that your support is all that we need on tomorrow's vote and we feel that you will do the right thing for Hidalgo County. Thank you very much.

COUNTY JUDGE

Anybody else? We have present with us somebody from the Office of Senator Carlos Truan. Will you please, after you pass out the letter, Salvador, read the letter from Senator Carlos Truan.

SALVADOR VALDEZ

Judge, Commissioners, my name is Salvador Valdez. I'm the Chief of Staff for Senator Carlos Truan in Austin, Texas. I also serve as his Director of the Senate

Committee on International Relations, Trade and Technology, which takes up the issue of colonia and border economic issues. The letter I presented to the Judge this morning, comes from the Senator and I'll read it aloud, for the record. It says "Dear Judge Cuellar and Commissioners, I understand that the Hidalgo County Commissioners' Court will be taking public comment and voting on proposed Hidalgo County subdivision regulations. And I want to take this opportunity to voice my strong support for those revisions. As you know your affirmative vote is vital to ensure that current and future State funding will be available to address the water and wastewater needs in Hidalgo County. It is my understanding that both the Texas Attorney General's Office and the Texas Water Development Board are in agreement with ----- language being proposed to you and that this same language has provided other border counties an adequate means of enforcement and compliance with State Law. Needless to say, I'm sure that you will agree that we cannot afford to jeopardize future funding, to address the needs of our citizens in Hidalgo County. Rest assured of my continued support as we work together to serve the needs of all our constituents. With best personal regards, I remain sincerely, Carlos Truan". Thank you.

COUNTY JUDGE

Thank you, Mr. Valdez. Anybody else? Good morning Mr. Campbell.

SCOTT CAMPBELL

Good morning. Scott Campbell, I'm a developer that develops here in Hidalgo County and Cameron County. I thank you for, I'm also President of the Valley Association for Quality Development; and I'd like to thank you for the opportunity and first off, I'd like to sing a little praise for the Judge here. I'm one of the few who know what a terrible position that he's been in over the last couple of months. In retrospect, I think, there might have been some things we'd all would rather have done differently. I don't know that it made a whole lot of difference, what..., whether we had or..., done them differently or not; but I do commend the Judge for trying very, very hard to represent us well. We have some

problems, we have some problems with what's being proposed. We're a little afraid that the haste that this is being passed in that I'm not sure that we're not going to end up with some interpretation problems and whether the Maverick County Rules are all that adaptable to Hidalgo County, since we have twenty-four communities and they only have one. I know and understand the pressure that you're under. I differ from a few things that were stated earlier. We do not know for sure what is law. So, far every judge in Travis County has turned down the injunctions to stop developers from, from selling lots, except for Gary Frisbie, who he volunteered to, because he didn't have any lots for sale, so he didn't mind the injunction. Judge Dietz has put everything into mediation and until it comes out of mediation which is supposed to be by September the 9th, we're really not sure where we're at and we may not know then; but I do appreciate the severe time pressure that you're under to get the monies released. The only thing that we would like for you to consider is the portion that requires septic tanks and water meters to be installed or bonded. That it be made temporary in nature, until such time that the Court decides or the Legislature decides who is responsible. We understand and we appreciate the problem, but I do think that there is room there perhaps to adopt these rules basing it temporarily until, until such time that the Court and then if the Court decides that the subdivider is in fact responsible then they can be made permanent. If he is not responsible those subdivisions that have been passed in the interim, can be released to that responsibility. I thank you very much for your time.

COUNTY JUDGE

Thank you Scott. Anybody else?

RICHARD RUPPERT

Good day, I'm Richard Ruppert, developer from McAllen, Texas. I have Santa Cruz Land Sales and I here to speak for a minority of some of us developers who want to get moving forward. Who are willing to put the septic tanks and water meters and want, would like to have the go, move forward. I understand there's one, there's one fellow here, in audience who's ready to do it and now he can't even make it happen 'cause we're waiting on you all to make a decision. So, I just

encourage you to make a, to make a good decision so we that we can move forward and, and go back to developing like we were doing in the past, or at lease, the way, I mean the way I was doing the development in the past is putting the septic tanks the water meters in there and I'd like to continue to move forward doing so. And like I say, I speak for, for a few developers on behalf of that plan. I'd be, the changes that, that, some of the changes in the subdivision plats, the engineers have to do and I think it's an overkill situation and, but that's gonna be.., those decisions will have to be made by people that are, that are higher up than I am. So, I would like to see a quick decision being made so we can move forward. Thank you.

COUNTY JUDGE Thank you Mr. Ruppert. Anybody else?

OTTO HOFLAND Good morning gentlemen.

COUNTY JUDGE Good morning.

OTTO HOFLAND My name is Otto Hofland. What I'm here to make a request for is subdivisions that are in, in the County, but in the cities' that is put in and developed to the cities' specifications such as water, sewer, fire protection, curb and gutter and paved streets. I'd like to see you all come to a decision that subdivisions like, like I say in the ETJ but have all the amenities that, that are required be okayed even though they're in the County. I have one that I'd like to see developed that's put in a considerable cost and it follows every, everything that is required by the City of Edinburg and I know there's others, subdivisions in the same situation. Thank you very much.

COUNTY JUDGE Thank you Mr. Hofland. Anybody else? Anybody else like to speak?

EDDIE ANAYA Yeah, I have one comment if I may.

COUNTY JUDGE Yes, Mr. Anaya.

EDDIE ANAYA

Judge, Commissioners, first of all I'd like to thank you for your time and the, the work and the effort that the Judge and the Commissioners have made in speaking with the community, members of Valley Interfaith and so forth. One of the issues that I'm concerned about is that if we wait for any Court decisions, it might take months, it might take years. If appeals come forth it might take a long time. In the meantime as we all know, the Texas Water Development Board is at a crucial point where these funds might be exhausted, might not be there. So, I think it's very important that we make our decision now so these millions of dollars that are at the table are, are sent down to these areas so that we can develop our communities. I believe that, you know, with regards to septic tanks, I believe that it's, it's workable. I think that the buyers of these lots are probably willing to pay a little bit more so they can have proper sewer facilities in the communities. So, I just want to reiterate that it's imperative and it's important that we make a decision tomorrow and that we go up to Austin on Thursday and have the Texas Water Development Board hopefully vote on this issue so that we can leave it behind us and move forward so that we can develop our communities the way they should be. Thank you very much.

SCOTT CAMPBELL

If I may be permitted, please.

COUNTY JUDGE

You're supposed to speak one time, Scott, but we won't hold you back.

SCOTT CAMPBELL

Would you please? Thank you sir. I have just one question, this, I had not seen this until just now and it calls for adopting this as of July the 3rd, 1990. What impact are we talking about here?

COUNTY JUDGE

Let me ask the attorney that put these things together and believe me there's been many, many hours put through, even weekends, even while he was baby-sitting; and let him, he, maybe he can answer your question, Scott, because, all right.

DAVID GIRAULT

Judge, just for the information of the people in the audience. The, what he's referring to is there's a

handout that I brought in that details, at your request, I made these up yesterday, the changes to the June 11th draft that's been widely circulated. As you in the Court know we worked through the weekend with, on the phone and on the internet, e-mailing drafts back and forth with the Water Development Board and the AG's Office to try to get to the point that we are at today to have something ready for adoption tomorrow. There is one reference in the document that ties back to a date in 1990 and the reason for that particular reference is that that is the date that the Hidalgo County initially adopted the model rules or a form of the model rules standards for its subdivision regulations. That is the only reference to 1990 in the rules. The rest of the rules will be effective or drafted to be effective July 1 and going forward.

COUNTY JUDGE

July 1, 1998?

DAVID GIRAULT

July 1, 1998 going forward. The tie back to 1990 is just for a reference to the initial adoption of model rules standards in Hidalgo County.

COMM. ROSEL

That's the reference to 1990?

DAVID GIRAULT

Yes sir.

COMM. ROSEL

No other reference?

DAVID GIRAULT

No other reference to 1990 other than that tie back.

COMM. ROSEL

The commitment to, to previous...

DAVID GIRAULT

No, it's just they, they, there's a, there's a, as the rules are now structured, there's a specific section that deals with model rules standards and in the model rules standards it references that the model rule standards are, were adopted as of 1990 and should have been being complied with from that time forward.

COMM. GARCES

David, one of the areas that I was...

COMM. ARCAUTE

Judge, are still under a hearing or are we...

COUNTY JUDGE Yes, we're still in a hearing.

COMM. ARCAUTE Don't appear like it.

COMM. GARCES Check for ambiguities. Obviously that's what got us in this predicament....

DAVID GIRAULT Right, we, we, we have gone through it a couple of times, the AG's Office has gone through it a couple of times, I believe we have them all cleaned up, I, I do intend to try to go through it again this afternoon, so if we have any other corrections we can get them for you tomorrow before they're adopted; but I believe we've done the best we can do so far to get, to get everything cleared up. The AG's Office and the Water Development Board indicated yesterday afternoon in a phone conference that they are, they are happy with the draft as it stands with the mod..., a couple of minor modifications that are now incorporated in and are contained on this list.

BOB GASTON Judge and Commissioners, I'm Bob Gaston, I'm a developer here in Edinburg and I also, like Dick Ruppert, would like to urge you to, to pass something that we can live by and I believe this, from what I've seen is something we can live by. I know the last years, I've required, I have sold my lots with septic tank and water meter included in the price. There's not been any problems. I've always found that my forty-five or fifty years of being in business in Edinburg, Hidalgo County, if I know the rules I'll abide by them and I think that's our problem right now is that we don't know exactly what the rules are. I urge you to pass this, if this fits so we know where and what we have to do, we'll do it and go on with our lives; but we just need to know where we stand. One thing I'd like to urge the Court is, in the past I personally have complained about some outhouses out in the County and the Health Department says "well, our hands are tied, we can't do anything about it". If they had been enforcing the health laws we wouldn't be where we are here today.

COMM. ROSEL
BOB GASTON

Amen.
And so I urge you to put some teeth in the law so the Health Department can enforce these rules and regulations. That's all, thank you very much.

COMM. GARCES

Yes sir.

COUNTY JUDGE

Thank you. Anybody else that would like to speak? Let me say, folks, to bring you, most of you up to date. On or about February the 20th, we were notified that the Attorney General and the Water Development Board did not agree with the way that we were interpreting the, the model rules that, that we were under. Since then there's been a lot of meetings, there's been a lot of talk, let me say I appreciate very much the help that Valley Interfaith has put into this, because they have really, really dedicated their time not only to passing the money for the EDAP funds, but to making sure that they're put to good use. The developers have helped in their own way that they, that they have not been confrontational as the gentleman that just got through saying what they want to know is what the rules are. How do we get it done? I think it's, it's a time when Hidalgo County has to come together because nothing here is trying to do anything bad for anybody. Now, what we're saying we're going to look, we stopped approving plats until we come into what they call compliance. We've never said we did anything wrong, we didn't know what, that, that it was wrong until we were told and then we told them to tell us how we get it right. After several meetings and a lot of discussions, we've come together with these, we've had the attorney to check them, we've had the Planning Department to check them. A person that's been out front on this, Anthony Covacevich, has been working very hard, my staff has all been working very hard on it and with the cooperation of the rest of the County, we've come up with these things which is not new legislation, folks, under that the County does not legislate. We set these rules and what we're doing is saying that we want to make sure that they comply. The EDAP funds are something that the Water Development Board handles and they have the right to stop this at any time that they think the County is not in compliance with the model

rules. So, all we're doing here is getting right with them. No law and no rule is set in stone, anytime a need comes they can be changed. The only thing is we need to work closer with the State and they need to work closer to us, and that's why we're doing this what we're doing here. We have a strategy that's gonna continue where we're continue dialogue, talking to the cities and fully understand when cities, when you build subdivisions in cities, the County has nothing to do that. The only time, thing we have to do is with the Drainage District, but the rest is up to the cities themselves and they go directly to the County Clerk to register those things. What we deal with is, is areas outside of the cities' jurisdictions. We're a County that has 283,000 population in the County, not counting the cities. Some of the other cities ----- well that, that they're smaller. The one we're modeling after is about 36,000 but we think that as we go along and we run into problems we're gonna solve them. I think the Health Department has done a very good job, I know the Planning Department's done a very good job. I know the County Commissioners have tackled a hard, hard problem and without their support we couldn't take care it, but understand what we're trying to do now is get in compliance in accordance with their language and with their interpretation so we can get these funds released. We have approximately from 30,000 to 142,000 people affected by what's being held up. We're going to vote on these tomorrow. If passed then we'll go to the Water Development Board will have their meeting on Thursday and I intend to be up there to be present to answer any of their questions to see if we can get those funds released and get these people taken care of. Anytime that there's something wrong it needs correcting. We don't look who to place the blame on, but how do we get it corrected. Would anybody else like to speak?

COMM. ARCAUTE

Judge, I have some questions, but they would be outside the hearing, after hearing is closed, I would suppose.

COUNTY JUDGE

If there's no...

COMM. ARCAUTE Or you want to make it a part of the hearing?

COUNTY JUDGE It's up to you, Commissioner.

COMM. ARCAUTE Okay, what is the amount of money that is being, I guess, we're being ransomed with, with the Water Development Board?

COUNTY JUDGE I don't understand what "ransomed with" means, Commissioner?

COMM. ARCAUTE Well, we either deliver or they don't release the money, right? I just see this in the movies, that why...

COUNTY JUDGE They're gonna make a...

COMM. ARCAUTE But, but if the language is not correct. Let me just ask, out of this a hundred million, who has applied for those a hundred million?

COUNTY JUDGE Commissioner, I asked for a breakdown of that stuff. Valley Interfaith has a figure which is much higher than that. But I asked for a breakdown of those and what, what has happened is remember that all of these funds don't come to the County. Most of them go to the cities. The majority of them go to the cities, some of them have already gone, I think there's four projects that have already been done. There's about twelve or fourteen that are still in line, but then there's about four that the, that the funding is being held up on. The funding that's being held up at this time is approximately and that's a guess, about a hundred and a., about one and a half million dollars, but there's more to come.

COMM. ARCAUTE So the cities are being, in this case, I guess...

COUNTY JUDGE They're the ones...

COMM. ARCAUTE punished ----- resolving of our...

COUNTY JUDGE They're the ones that, I'm not going to say they're being punished, but they're not punished help which the legislature passed in House Bill 1001. They made these

funds available and, and all we're going to do, what we're doing here is asking the Water Development Board to release the freeze that they have so this can be done. And let me say I met with about six of the cities and they're all very supportive of these changes. They want us to make the changes so they can get their funding on.

COMM. ARCAUTE I've always had this problem, I never get my questions answered.

COUNTY JUDGE You got an answer, you just didn't understand it or didn't like it, Commissioner.

COMM. ARCAUTE No the answer was, who has applied for these a hundred million? And I didn't hear you mention anybody that's been or that's being held up for that.

COUNTY JUDGE Sister, Sister has some information on that, Commissioner, is you'd like to hear that.

SISTER JUDY Sister Judy ----- with Valley Interfaith. I don't know the figures in front of me, but the hundred and three million are for projects in Alamo, Mercedes, Weslaco, I believe...

COMM. ARCAUTE Cities, in the cities?

SISTER JUDY but there's also a County sponsored, the County's, a County sponsored project as well and then there are projects in the pipeline that are ready to be approved or hopefully will be approved in July and August by the Water Development Board. One is a forty million dollar project for Palmview to Sullivan City, it'll be the second largest public works project in the history of Texas. Another is a project for the City of Penitas and one for Alton, too, I believe; but the current a hundred and three is just for, you know, projects that are awaiting funding right now that are ready to go in Alamo, in Weslaco and in Mercedes, I believe.

COMM. ARCAUTE Cities?

SISTER JUDY Yes and one with the County. One County sponsored.

COMM. GARCES Is that to tie in with the municipality service...

COMM. ARCAUTE You don't know about the County...

COMM. GARCES or a water corporation, right, Sister? If I'm not mistaken.

SISTER JUDY These are the applicants for this money, that's all, that's what I'm telling you.

COMM. GARCES The way I understand it, Lalo, is I think that if the project is not tied in to a municipality service, then it's not eligible or a water corporation out there...

SISTER JUDY Right., sometimes the applicant is, you know, North Alamo Water Supply Corporation, Military Highway, City of Mercedes, the City of Alamo, it depends who the, the applicant has to be a political entity that can tie into an existing service.

COUNTY JUDGE I thought, I think two projects were for the County, Mr. Covacevich is that correct? And let me say the Water Development Board did not stop the projects that have been approved, all it did was stop new projects. That's what they -----.

ANTHONY COVACEVICH The only projects we have right now under the feasibility stage is Rancho Sanchez and El Paraiso. And in those, both those projects, I think, El Paraiso is now part of the Alton project. The second Alton and then Rancho Sanchez is still, they're placing a new requirement on the environmental that we have to do so we're looking toward the State Department of Housing and Community Affairs to take care of that project instead of going through the Water Development Board. The other ones, DeAnda-Saenz and that one we started it and then we turned it over to the City of Mercedes and I think that one is the one that she's speaking about. DeAnda-Saenz is east of Mercedes, right on the County line and that project, the City of Mercedes is the sponsor for that and that's met some delays of, for reasons I

don't, I don't know why. But those are the only ones, they're really small projects.

COMM. GARCES The delays came before or, our ordeal with Water Development Board.

ANTHONY COVACEVICH No, no. On these projects?

COMM. GARCES On the Saenz one.

ANTHONY COVACEVICH DeAnda-Saenz when Mercedes took it over, my understanding that, that people had a change of heart and they didn't want an organized sewer system out there. 'Cause There were looking at the sewer fees so that's the latest I heard on the DeAnda-Saenz and since Mercedes is the sponsor now, we're no longer in contact with them.

COMM. ARCAUTE So, out of the I heard a figure of a hundred and eighty-three thousand population in the rural area...

COUNTY JUDGE Two hundred eighty-three thousand.

COMM. ARCAUTE Two hundred and eighty-three in the rural areas.

ANTHONY COVACEVICH There would be, if we were to fund Rancho Sanchez and El Paraiso.

COMM. ARCAUTE Two hundred and eighty-three in the County.

COUNTY JUDGE That's the County, Commissioner. Those are the figures that I took from a survey of all counties and they show a figures of -----, two hundred and eighty-three thousand as a county population. Again...

COMM. ARCAUTE In the rural areas?

COUNTY JUDGE Yes. Outside of the city limits. Now that may include some of the extra territorial jurisdictions, I don't know.

COMM. ARCAUTE We're talking of only two hundred and seventeen thousand population in all the cities in the County.

COUNTY JUDGE Don't ask me what I can't answer.

ANTHONY COVACEVICH The population of the County is over five hundred and...

COMM. ARCAUTE Over five hundred.

ANTHONY COVACEVICH Five hundred and fifteen thousand.

COMM. ARCAUTE Five fifteen.

ANTHONY COVACEVICH Yes. As of '98.

COMM. ARCAUTE Okay. Two hundred and thirty-two thousand is the population of our cities.

ANTHONY COVACEVICH Out of, more or less, I imagine.

COMM. GARCES What you're doing is you've gotten the...

COMM. ARCAUTE My mathematics don't show that.

ANTHONY COVACEVICH See, a lot of these projects with the cities, they go out into rural areas like the Alton project, goes out into the rural areas, the Mercedes project extends some rural areas...

COMM. ARCAUTE Are the cities providing services outside their cor...

ANTHONY COVACEVICH Outside their corporate limits, yes. Most of these projects do have that.

COMM. ARCAUTE As of when?

ANTHONY COVACEVICH Oh as of, the beginning...

COMM. ARCAUTE ----- since 1976.

ANTHONY COVACEVICH yeah, they've been doing that for a long time. The utility fund, through utility fund you can do service outside city limits.

COUNTY JUDGE But those are based on State laws, because these are areas that are gonna be annexed and they want to make sure that they comply with what the cities'...

COMM. ARCAUTE They're anticipating, assuming that they will be annexed.

COUNTY JUDGE Yes.

COMM. ARCAUTE I will have more questions tomorrow. (Laughter)

COUNTY JUDGE Yes, Mr. Muñoz?

PABLO MUÑOZ My name is Pablo Muñoz and I'm going to commend the Commissioners' that raised questions about this inflated numbers because the inflated numbers have been coming since they started, since the Water Development Board started a search for colonias and in, and at that time the colonias were supposed to be anything that did not have sewers or water. Now, the, when the legislation met and Cuellar knows that, they used those numbers that they had, but the Water Development Board had already put together the list including all the subdivisions that had paved streets and some of them were very exclusive subdivisions and those inflated numbers were used by legislation and then they were used by the Attorney General and if you people didn't know I was there when legislation was being passed, in Austin. Renato was there when that was happening. So, we are aware that the inflated numbers have always existed all, all the time. They have existed all the time and I congratulate you for, for raising questions, because it is time for somebody here at the Commissioners' Court to start thinking ahead and not just do things because somebody is showing them a bundle of money and saying either "you do what I say and not what the law says" because we all know that the law has some gray areas and it's being determined either in Court and/or it's going to fix on the legislation and we already know that. The reason I said we is because we're several of us have talked already up there, in Austin, with the legislatures and with the policy makers to Governor Bush. So, we know that it's going

to be, that the gray areas that concerns everybody whether it is the Judge or the lawyers or the Attorney General's people, it's going to be clarified. All those gray areas are going to be clarified because now they know which and we know which are the gray areas that are affecting, not just the developers, but that are affecting the County and at the same time the County has the County Commissioners' Court has to think on what they are voting. Because they are voting on saying "Okay we're going to do whatever you say from now on until ever, forever", instead of saying "we will do what you say and when the legislation or the Courts fix the gray areas depending on which way they go it doesn't matter, but then you people would be doing something legal. You would be within the law and not voting on something that is not the law, but you people are not, are not leaving any areas to move around and say "hey, the County has always been right, since 1989 it's when I put my first subdivision, that's when the subdivisions rules, to me, that's when they started and for most people because we had to provide streets, water and electricity and telephone lines for the people so that we could sell our lots. That was my first subdivision, I'm a very small developer and, and I know that that has happened and we know now because I was up there in Austin, when this was going on in 1995 and I know that you guys are and I agree, you people need to do something about this, I agree with that, but you should think ahead and don't leave yourselves open to more criticism because the newspaper has a chance to criticize you people when the gray areas are clear and they know whether it went one way or the other and if it goes the way that the County has always done then you people that have been here for sometime should be proud to know that you guys were doing it right and that somebody that has a bundle of monies coming and saying you have to do it my way otherwise I won't give you the money. So you're voting on money, you're not voting on, on the law or what is right or what is wrong. So, this has been dragging for a long time and I agree, you guys, right now are under pressure to do things another way, but there has been times for you guys to have asked for a declaratory judgment which at this

point it doesn't matter which way the declaratory judgment would have gone, you would be voting on something that was right. Something that was legal, something that a judge has said, this is the right way to do it" and then you people would follow the law and say, "hey this is it". Whether developers like it or nobody likes or whether the Interfaith or the Attorney General likes it or doesn't like it, who cares. As long as it is legal and it is the right thing to do. As long as you people cover your behinds so that nobody can come after you guys later on the newspaper and, I know that some of you people are going out already...

COMM. ARCAUTE We're used to that...

PABLO MUÑOZ Yeah, I know that, but there would be more football for the people that are going to star here. The people that are going out, well so what, we're leaving and that's the end. You guys can do whatever you want...

COMM. ARCAUTE But not in my...

PABLO MUÑOZ ,,but the people that are staying here are the people that are going to have to take some heat, whether you like it or not that's, it's a fact of life, but you could take some heat the good way instead of the bad way.

COUNTY JUDGE Pablo, this Commission is going to be responsible for everyday we're here. We're not going to leave any problems knowingly for anybody else.

COMM. ROSEL I have a couple of questions.

COMM. ARCAUTE I have challenged this Commissioners' Court already, to be able to, to go to Court and settle this but, I just want to make it a part of the record again, now that we got a big audience, you know, go to a Court and decide, let the Courts decide what the law is.

PABLO MUÑOZ That, like I said that has been, we've have had a chance to do that, unfortunately...

COMM. ARCAUTE Has anyone read House Bill 1001?

PABLO MUÑOZ Say it again, I didn't hear you.

COMM. ARCAUTE Has anybody read House Bill 1001?

PABLO MUÑOZ I think we have all read it and we got tired of it, because we, and I agree with you...

COMM. ARCAUTE Because there is nothing there that addresses water or waste water services. It only addresses the companies or the facilities that provide the water. It has nothing to do developments.

PABLO MUÑOZ And I'm sorry if I, if I offended anybody or if I'm offending anybody, but I'm trying not to do it because I am a small developer and I don't want anybody to after, my speech to see me as the bad guy. I just want to show the Commissioners' Court that there's something in the future for everybody and the future of the County I think should be the first thing that you people as leaders should be concerned of. Okay, if, if, if there are black eyes that are being given to the County, this is the time to accept, for you people to accept them, because you say "okay, we will do it and we will do it forever" but if you say "we will do it but when the court or the legislation fixes it, depending on which way they go, then we will know whether they are permanent or whether the County was doing right and we will do exactly the same thing we were doing", but right now the way that it is being done is just, we're going to vote for this because the funds are there and I agree the funds are there and maybe you should do it, you should do it now, but leave yourselves a way out so that if something good happens for the County, the County can be very proud of having done right all the time. Thank you very much.

COUNTY JUDGE Thank you, Pablo.

COMM. ROSEL I have some questions for today, that, David?

DAVID GIRAULT Yes sir.

COMM. ROSEL

Obviously it an understatement to say that in the preparation of these documents, that you, that you also have to take into consideration that, the future changes in, in statutes and also in Court hearings. So, at, at anytime in the future, my question to you would be these are amendable.

DAVID GIRAULT

Yes, yes, by all means, Commissioners. The, in fact, what we're looking at doing here in the procedure we're going through here today is the process of amendment because we have regulations in place under Chapter 232 of the Local Government Code and what we are doing is basically revamping those regulations through this process and it's simply a matter of, of running the notices of the hearing in the newspaper. We would certainly as, as the Judge indicated if we do make any changes we want to make sure that, that they are consistent with, with the law as it, as it in exist, and in consistent with what Water Development Board is expecting of these regulations to assure that we don't jeopardize funding if we make changes; but, but they are amendable and in fact they, one of the provisions in the, in the document itself is, restates the fact that they are, they are amendable by, by action of the Court and certainly if the, when and if the legislation is updated or if there's a final action by a court that clarifies the authority to, to mandate water meters versus, you know, stubbing out the lines, or to mandate certification that septic tanks can be used versus installation of the tanks and the County decides that they want to adjust the rules we simply go through the amendment process and, and get it accomplished. So, this is nothing that's going to be permanent for the next hundred years. It, it, I would anticipate it's going to be a continually changing document. At lease every two years, because I don't think the Legislature is done with this copy yet.

COMM. ROSEL

And the, the other question I would have for you, is where we're talking about, case in point septic tanks that the property or the purchase, purchaser of that particular lot would be assured of a septic tank on that property, while that's on the amendments, the process is not there in as far as an instrument to assure that septic tanks

from the subdivider, that's something that this Court will have to take up. Is it not?

DAVID GIRAULT

Yes, there is a, there is something built into the rules and it's a form that was that was recommended from the, the Maverick County document that we worked from as a base. That is a, a subdivision development agreement form that basically a developer would enter into with the County that indicates who's responsibilities are what and how that's going to be carried out; and I, I think this is a mechanical process that's going to be very helpful to the County because one of our problems is we've been sort of going in ten different directions trying to keep everything, keep all of our chickens together and keep them from running out to try to get the subdivisions developed quickly and, and efficiently and so, I think that's going to be a helpful document to outline those responsibilities and, and allow us the checklist and the forms to make sure that things actually do happen once, once they've been signed off on.

COMM. ROSEL

So the other question would be that, these were e-mailed to you...

DAVID GIRAULT

Yes.

COMM. ROSEL

...or faxed to you...

DAVID GIRAULT

Yes.

COMM. ROSEL

...or whatever; but again they may not be the absolute truth. I mean if someone may come in tomorrow and say well that's according to Maverick County, which you adopted, but they're wrong. So, there's really no assurance that this is the instrument that's sent from heaven and it will never fail.

DAVID GIRAULT

Ah, it's, that's, that's true, that's true, we have transmitted docu..., transmitted the document back and forth two or three times with the State Water Development Board and the AG's Office have reviewed them, but no I, I haven't gotten anything e-mailed from anyone other than the State. Any higher power than,

than them pronouncing this to be the correct document, you're right.

COMM. ROSEL

Question. Do you...

DAVID GIRAULT

But I'll be happy to give him my e-mail address if he'd like me to sent that. If he'd like to send that to me.

COMM. ROSEL

My question to you would be the fact that being that, that we have this, now what we're going to adopt, the Attorney General's Office is saying to you, "we've verified it, we checked it off, it's okay". The Water Development Board is saying "well, you know, company "A" is got the right "t". How about from, from our legal counsel, the, the opinion and, and the position that this County is in at this time, does this counsel take the position that this is the right instrument and these are the right regulations.

DAVID GIRAULT

I'll, I'll let the partner talk on that one.

STEVE CRAIN

I think it, and what we've heard today from David and what the Judge said is these, at the present time, are the best we have that will comply with the request of both the AG's Office and the Texas Water Development Board and that's what all we can say.

COMM. ROSEL

Is it your opinion or is it their opinion that this is the best and is it your opinion that this is the best.

STEVE CRAIN

I don't think we have an opinion that this is the best, I think that the, the objective that we were given is to work with the AG's Office and Water Development Board to come up with a set of rules that both Drainage District and this County could live with and comply with requests to the AG's Office and Water Development Board. As David said, I think this is going to be a continuing process. I think, this will get the, this will do everything the AG's Office wants done. It will do everything that the Texas Water Development Board want done. Are these correct? I don't think anybody here incl..., and also some other who are not here, the AG's Office and the Water Development Board can make that

determination either. It's ultimately got to be made by a court and there's some cases pending right now that will, probably will answer some of these questions. However, those cases are probably not going to answer those questions, because the decision won't be made at best, until months from now and as David said, what's built into the rules is the ability for this County to amend these rules once we get a definitive answer on some of the issues. The only thing we can tell you at this point is what David said AG's Office and Water Development Board now concur with these rules.

COMM. ROSEL

Isn't that true that we are not the only ones that have, we are, that we are not unique, that this in fact is a common cause for, a common problem with, with some other counties, not only the County of Hidalgo?

STEVE CRAIN

Commissioner, it is my opinion only, and that's the only thing I can say, it is my opinion only that we are not unique. I still personally believe that we had a good set of rules, that this Court studied the issues back, not only in '95, but also in '89 and came up with a good set of rules at that time. For whatever reason and I don't to pretend those reasons, for whatever reason something happened, don't know what that was, that triggered the AG and Water Development Board to come in and look at our rules and look at how they were being enforced. I guess in summary all I can say is the first one I know of that they looked at was, was Maverick County. I can tell you that the AG's Office worked with the Maverick County people and it took them almost if not over a year to come up with the rules in Maverick County. This County has done that, two drafts of rules, in less than five weeks and now we do have a sign off by both AG and Water Development Board. At least, from their people we're talking to at those two offices, but to answer your question, now I don't think we're unique, I think this could to have far reaching implications. I think if you've read The Monitor last week, there's an article about Cameron County and what they were doing about their rules.

COMM. ROSEL And I think that the last comment that I'd like to make would be the fact that I think that some of us and maybe I have stated that that we were being used as a guinea pig, in order to set the precedent for some other counties that are behind us. And if that solves the problem and it solves the problem at little cost then fine, you know, we'll take the lead; but if we see down the line that we were serious in nature they were not then I will come here to the Commissioners' Court and support my colleague and these other colleagues that in, in addressing this in Court.

STEVE CRAIN And Commissioner, if I may, and Judge, Commissioner may have one more thing. When this County adopted the rules in '95, we were the leader. Other counties took our rules, we sent those rules to the AG's Office, they were, there were no comments back from the AG's Office as to the inadequacy of those rules. So, that's all water under the bridge, but I don't think this County, in my opinion, has anything to be embarrassed about, with regards to these subdivision rules or the previous subdivision rules.

COMM. ROSEL I agree with you and I think he, Commissioner Arcaute agrees with you more than I do.

COMM. ARCAUTE Is that water under the bridge, is that the meter to -----
...

STEVE CRAIN That's probably still up to the Court to determine.

COMM. ARCAUTE So, these, these, these rules that we're going to consider tomorrow, by the way I just got the notice, same thing happened last week...

COMM. ROSEL Me, too.

COMM. ARCAUTE ...have already been reviewed by the Water Development Board and...

STEVE CRAIN And the AG's Office.

COMM. ARCAUTE And the AG?

- STEVE CRAIN Yes sir.
- COMM. ARCAUTE No wonder the language is all screwed up.
(LAUGHTER) Okay.
- COMM. ROSEL Judge, I'd like to announce to this Commissioners' Court that I have an appointment with a surgeon tomorrow at the hospital, but I will sit down and talked to him to see if I can postpone it, but if he say's no, then, then I want you to know that I fully support this, this cause and in adopting these rules and...
- COMM. ARCAUTE Have you read them?
- COMM. ROSEL Ah, I'm going to be, I have read some of them, I have not read the whole thing. Now there's some questions that we have, that's why I wanted to ask some questions and I think I've got those questions answered.
- DAVID GIRAULT And just if I might comment, Commissioner, I think in, in substance I don't think these rules are a major departure from the substance of the rules as they existed since 1995. I think as, as Steve said, this Court did a very good job in 1995 of very quickly incorporating the requirements if you recall in '95 the Legislature passed House Bill 1001 very near to the end of the session and mandated that counties be in compliance by July 1st. And I think the County did a very good job and, and historically the, the model rules actually came out in large part out of the 1987 Hidalgo County Subdivision Rules. Many of the concepts that are in the model rules date back to 1987 in our rules. So, I think this County has always been a leader in trying to ensure quality development subdivisions and I don't think these rules are a major departure from that, they're a few minor glitches that were ironed out, such as the water meter issue, the septic tank issue, the, the State had a little bit different opinion on, but other than that I don't foresee that subdivisions are going to be dramatically different Thursday than they are today.
- COMM. ROSEL So other than those two then the rest of it is...

- DAVID GIRAULT Most of it is, is a, I would characterize as a, a non-substantive or only slightly re-substantive restatement of the rules. They are, I think may be a little bit more user friendly. What we have done in the past is we had started with the, the '87 rules and, and adopted those in '89 and '90 for the model rules and adopted them again in about '92 and, and, and revised them again always working within the same format and it may have become a little cumbersome to work with and I think that has been fixed with this draft. It's a little bit more straightforward easier to deal with. There are some good forms and appendixes that the AG has help us and provided us to make sure that our enforcement personnel have the right tools to make sure that, that they're checking off that everything really is there and... Like I said other than those few issues I don't, I don't think this is a substantive change.
- COMM. ROSEL Statutorily we have the, the enforcement...
- DAVID GIRAULT We've got all the pieces in there, now, it's just not...
- COMM. ROSEL Personnel?
- DAVID GIRAULT Right, right. And that's, that is an important issue that, that, you know and it still, I'm sure, needs to be on the table...
- COUNTY JUDGE A strategy should take care of it...
- DAVID GIRAULT Right, it's following through with a strategy to make sure that we've got the, the enforcement personnel and the adequate, you know, equipment and technology to track everything to make sure that it all happens.
- COUNTY JUDGE Anybody else that would like to speak.
- COMM. ARCAUTE Judge, I'd like to say something, you know I'm not going to be here tomorrow either, so.
- COMM. GARCES Are we going to have a quorum?

- COMM. ARCAUTE That's why I was trying to get in all my jabs at this time. Well I had some appointments that I had already made, you know like last week. We walk in here and we see a notice that there's a meeting tomorrow to consider these rules and I don't know what to, I think some changes will be addressed there but that's an entirely...
- COMM. GARCES Well the timeline is gonna be really messed up, Judge, if we can't get enough of us here to make the decision to adopt.
- COUNTY JUDGE So far there is.
- COMM. ROSEL I'll make the best effort, Judge, este, I'll tell the surgeon that's he's gonna have to wait and everybody out there is gonna pray for me. (LAUGHTER)
- COUNTY JUDGE Yes ma'am, your name, please?
- CAROL MUÑOZ Yes, I'm Carol Muñoz I don't have a speech so this is extemporaneous.
- COUNTY JUDGE I've read your...
- CAROL MUÑOZ We just received this new draft on Friday which gave us very little time to really go through it and, and see what's involved. And while everybody has been focusing on water meters and septic tanks, I see other things in here that raised a red flag. They may or may not be problem, but for example, there is, there is a line here that says "the plat now has to show the adjoining property owners names and references to the deeds under which they hold ownership". I don't know what the purpose of that is but the red flag is that are we now going to have to get permission from adjoining property owners to subdivide land and if so who's going to put out hundreds of thousands of dollars for property without knowing that you can subdivide it. There's also a provision in here about the subdivider being forced to warranty the subdivision for a period of one year and put up a letter of credit or bond to guarantee that. That was never in the rules before and as far as I know I'm not a subdivider, I

just happen to be married to one, as far as I know it's up to the people who put in the streets and the other infrastructure to warranty their, their work. So, now why is the subdivider suddenly responsible? These are only two small things, because I haven't had really a lot of time to review this, but I think instead of focusing just on water meters and septic tanks because we already currently do provide water meters and septic tanks that there might be other little things in here that would raise a red flag and needs to be reviewed. Thank you.

COUNTY JUDGE Than you very much, Mrs. Muñoz. Anybody else?

VICIA DANIEC Yes.

COMM. ARCAUTE If only us could read them, it would be all right, you know. We would be ready tomorrow.

VICIA DANIEC My name is Vicia Daniec and I'm the wife of a developer. He couldn't be here with us today so I'm prepared to present his speech.

COUNTY JUDGE Would you raise your voice a little bit please?

VICIA DANIEC Yes. "Dear Judge and Commissioners, have you read the new regulations yourself and do you fully understand them. Because I read them and I have many questions. There are many instances vague and conflicted or do not make any sense. Has the Water Development Board committed itself to the release of funds as soon as you approve it? Please remember the attitude, "let's pass it and we'll fix later". It's what got us into trouble in the first place. Even if that is the way things are done in Austin, it does not the way the constituents want it. We are suffering the consequences of the unclear and vague wording in Bills 376 and 1001. As stated in the Auditor's report and by courts. If that is what the Water Development Board wants let's make sure it is what the law says. In the meantime you should release those subdivisions that received preliminary approval under old rules and construction has been completed. Do not carry along the hardship for those who got caught and frozen in time. And if the Water Development Board

balks at it, let's do them the developers will join you. It is about time that you show some spine in it. During the Court's meeting two weeks ago you had stated that the community should give, should be given at least fifteen days for review of the proposed changes to the subdivision rules. The Planning Department has a list of over seventy developers that are going, that were going to receive a copy of the rules for comment. None of that has happened. You were handed these rules on Tuesday, on Thursday, but the Water Development Board. Here this is what we want. Have County engineers reviewed them? What is the impact on the Planning Department. What are the manpower requirements and fiscal implications. For common sense and decency you should at least allow the fifteen days you promised for community to review it. Thank You very much" signed by my husband, Adam Daniec. Thank you.

COUNTY JUDGE Thank You.

COMM. ARCAUTE I'd like to have a copy of that.

COUNTY JUDGE Anybody else? There's nobody else? Going once, going twice. Then the hearing is closed.
(SEE EXHIBIT H)

EXECUTIVE AGENDA

ITEM. 1. CLOSED SESSION:

Commissioners' Court may go into Closed Session pursuant to Chapter 551,

Texas Government Code, Section 551.071 to discuss the following:

A. Real Property

1. Hidalgo County -vs- Don R. Holbrook - T383-93-E; Request to waive penalty & Interest

The County Judge and Commissioners went into Closed Session accompanied by Steve Crain, the County Legal Counsel; Lucy Canales, delinquent tax attorney and Yolanda Villescas from the Tax Office.

NO ACTION.

ITEM 2. OPEN SESSION

A. Real Property

1. Hidalgo County -vs- Don R. Holbrook - T383-93-E; Request to waive penalty & Interest.

A motion was made by Commissioner Rosel and seconded by Commissioner Handy that the delinquent tax attorneys proceed with the instructions that were given to them by the County Commissioners' Court.

MOTION CARRIED.

REGULAR AGENDA

ITEM 2. MEDAL OF HONOR MEMORIAL

- A. Approval of application and certificate of payment #1 submitted by CornerStone Construction Co.
- B. Authorization for the Auditor to process payment

2/A

Pete Leal, Memorial Project Director, came before the Court requesting approval of application and certificate of payment number one as submitted by Cornerstone Construction Co.. The amount of payment number one is \$19,191.34. A motion was made by Commissioner Rosel and seconded by Commissioner Arcaute to approve the request as presented.

MOTION CARRIED.
(See Exhibit I)

2/B

A motion was made by Commissioner Rosel and seconded by Commissioner Handy to authorize the Auditor to process the payment.

MOTION CARRIED.
(See Exhibit I)

ITEM 3. TAX OFFICE

- A. Approval of the following Tax Refunds
 1. Outdoor Systems, Inc. - \$699.64
 2. TransAmerica Mortgage Co. - \$1,182.04

3. Countrywide Mortgage Co. - \$2,953.96
4. Eva E. Ruiz - 748.53
5. Cresenciano Falcon Jr. - \$1,149.20
6. McAllen Medical Center - \$21,571.17
7. Irma Jasso - \$513.79
8. Oscar Maltos - \$2,763.24
9. Sergio Lozano - \$629.83
10. UB Vehicle Leasing Inc. - \$700.23
11. Dill Kulathum Trustee - \$2,068.32
12. James Clausen - \$601.83
13. Francisca Lopez - \$642.43
14. International Bank of Commerce - \$1,800.32
15. Tracy L. Clements - \$591.14
16. Reyna Financial Corp. - \$2,694.84

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

MOTION CARRIED.
(See Exhibit J)

ITEM 4. WIC DEPARTMENT - NO ACTION

- A. Request for approval of payment of disallowed costs of \$433.80 in program benefits due to improper documentation

The County Judge announced that there would be no action on this item at this time.

NO ACTION.
(See Exhibit K)

ITEM 5. SHERIFF'S OFFICE

- A. Authorization and approval for the following changes in positions effective 7/1/98
 1. Reclassify the position of Chief of Administration (Slot #3) to Computer Technician and set salary at \$28,544.00
 2. Reduce the position of Security Specialist (slot #19) from \$19,868.00 to \$19,752.00
- B. Authorization and approval to utilize the remaining amount of \$13,958.00 due to the above changes to increase the salary for the following positions effective 7/1/98

1. I.D. Technician (slot #116) from \$25,666.00 to \$28,408.00
 2. Evidence Technician (slot #117) from \$23,220 to 25,000.00
 3. I.D. Technician (slot #118) from \$24,669.00 to \$28,408.00
 4. Executive Secretary (Slot \$137) from \$20,303 to \$25,000.00
- C. Reclassify a Senior Communications Officer position to Communications Supervisor and set salary at \$24,335.00 effective 7/1/98. The increase of \$3,878.00 is from \$1,000.00 in sheriff's Budget (After changes and \$2,878.00 Transferred from the Jail budget)
- D. Approval of Interlocal Governmental Agreement between the City of McAllen and the County of Hidalgo for the use of a 1993 Ford Econoline Van

SHERIFF'S OFFICE - JAIL

- E. Authorization and approval for the following changes in positions, effective 7/1/98
1. Reclassify the position of Response Team Supervisor (slot #139) to Detention Officer and set salary at \$19,752.00
 2. Reduce the position of Food Prep II (slot #143) from \$19,692.00 to \$18,375.00
- F. Authorization and approval to utilize the remaining amount of \$3,858.00 for adjustments in the following positions, effective 7/1/98
1. Increase in Secretary III (slot #148) from \$15,571.00 to \$15,685.00
 2. Increase in Secretary II (slot #149, 150 & 151) from \$15,139.00 to \$15,254.00
 3. Increase Maintenance Technician (slot #147) from \$19,231.00 to \$19,751.00
- G. Approval to transfer \$2,878.00 to the Sheriff's Budget for the increase in the Communications Supervisor Position
- H. Approval of Line item transfers in the amount of \$3,585.13 from the Jail Budget to the Sheriff Budget for the increase in salary and related fringe benefits for the Communications Supervisor Position

5/A-C

Lt. Roy Quintanilha came before the Court and reported that the Sheriff's Department was requesting the reclassification of a Chief of Administration slot to a Computer Technician with the salary going from \$42,386.00 to \$28,544.00. Commissioner Rosel asked what the reason for the reclassification was and Lt. Quintanilha indicated that he did not feel that the present computer was large enough to take care of the County's needs. After a brief discussion, a motion was made by Commissioner Rosel to authorize the Sheriff's Department to reclassify the position of Chief Administration, slot number three to Computer Technician and set the salary at \$28,544.00. The County Judge seconded the motion after which a discussion ensued with

comments from Commissioner Garces speaking against this type of request. He felt that if they approved this request then every department would come to Court and request their own computer technician. He felt that only one department should take care of these needs and he asked Lt. Quintanilha if he would consider allocating this position to the computer department and have him work out of there and the response was no. Commissioner Rosel then spoke in favor of the request and indicated that if he was head of this department he would want a technician on-board. Lt. Quintanilha pointed out that the request was in order to have someone come in and develop the techniques that the Sheriff may want to have in the future for divisions of community policing. Commissioner Rosel asked the County Judge to explain to Commissioner Handy who came into this discussion, at this time the situation with this item. Commissioner Rosel then proceeded to give Commissioner Handy a briefing of this item. Commissioner Handy then pointed out that her concern with this request was that when this item was placed on the agenda, she had a lot of other departments head call her and say that they had similar request during the year and this Court had told them to wait until budget time to place their personnel requests. The discussion then turned to the budgetary requirement in that the Sheriff was trying to do the reclassification within their own budget and this resulted in further discussion with additional comments from the Henry Escalon, the County Sheriff, who state that he would no have a problem to put it aside until budget time, as long as it was addressed then. After further discussion, Commissioner Rosel withdrew his motion and no action was taken.

NO ACTION.
(See Exhibit L)

5/D

A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve an interlocal governmental agreement between the City of McAllen and the County of Hidalgo for the use of a 1993 Ford Econoline Van.

MOTION CARRIED.
(See Exhibit L)

5/E-H
NO ACTION.
(See Exhibit L)

ADD. 1. SHERIFF'S OFFICE

- A. Approval of a budget amendment for a Licensed Vocational Nurse to TB testing in the County Jail effective June 16, 1998
- B. Approval to create an LVN position for the TB testing in the County Jail - effective June 16, 1998
- C. Set Salary

Add.1/A

Lt. Quintanilha informed the Court that this was for a budget amendment from the General Fund to create a position for a Licensed Vocational Nurse for TB testing at the County Jail. The amount of the budget amendment is \$20,028.20. The salary will be pro-rated for the remainder of the year. A motion was made by Commissioner Garces and seconded by Commissioner Arcaute to approve a budget amendment in the amount of \$20,028.20, as presented, effective June 16, 1998.

MOTION CARRIED.
(See Exhibit M)

Add.1/B

A motion was made by Commissioner Garces and seconded by Commissioner Rosel to approve the creation of a Licensed Vocational Nurse for TB testing at the County Jail effective June 16, 1998.

MOTION CARRIED.
(See Exhibit M)

Add.1/C

A motion was made by Commissioner Garces and seconded by Commissioner Rosel to set the salary for an LVN at \$29,419.00 annually and \$20,028.20 prorated for the remainder of the year.

MOTION CARRIED.
(See Exhibit M)

ITEM 6. YOUTH VILLAGE

- A. Approval of an agreement between Weslaco ISD and the Hidalgo County Ramiro M. Guerra Youth Village

Amador Martinez came before the Court requesting approval of an agreement between the Weslaco ISD and the Hidalgo County Ramiro M. Guerra Youth Village. This was to provide tutoring for at-risk kids. A motion was made

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

MOTION CARRIED.
(See Exhibit N)

ITEM 7. HEAD START PROGRAM

A. Approval of amendment to Head Start by-laws

Lillian Quintanilla, Chairwoman for the Headstart Policy Council, came before the Court requesting approval of an amendment to the Headstart by-laws. The amendment was the replacement of "the County Judge, as Executive Director" with "Commissioners' Court". The other amendment in Article 5 Section 5 with regards to the term that a member may serve on the Policy. It was changed from "September 1 through August 31st" to "October 15th through October 14th". There was another amendment under Article 6 Section 4, duties of officer for Treasurer the word "funds" was added. Under Article 7 Section 1, the line "Alternates may serve on any subcommittee without any voting rights" was added. Article 7, Section 7, they added Appendix A - governance and Management Responsibilities. A motion was made by Commissioner Garces and seconded by Commissioner Arcaute to approve the amendments as presented, subject to legal counsel approval.

MOTION CARRIED.
(See Exhibit O)

ADD. 2. COMMISSIONER PCT. 4

A. Discussion and possible action on rate of compensation for acting Head Start Director as opposed to several interim positions that are/have been receiving full allotment of salary as permanent placement employees.

Commissioner Garces indicated that he wanted to discuss this matter and the Judge Cuellar pointed out that there was a question raised by the individual in question and he had requested that he be paid retroactively for being Acting Director. A similar matter had come before the Court and at the time Legal Counsel had stated that this could not be done, as per State statute, and none of the exceptions applied here. The County Judge then pointed out that this Court had never appointed this Court as Acting Director and it had been this Court's opinion that as Deputy Director, his duties included "taking charge in the absence of a Director". Commissioner Garces felt that this individual should have been

given the salary of the Executive Director like the temporary directors that were placed in that position. Paul Vazaldua then mentioned that he had handed to the Commissioners a copy of the statute that the legal counsel had just mentioned as well as a copy of the unofficial minutes when this matter had been discussed in Commissioners' Court previously. In the minutes, it verified that this Court had agreed not to name Edmundo Garcia as Interim Director or anyone else at the time. After further clarification no action was required on this matter.

NO ACTION.
(See Exhibit P)

ITEM 8. OET

A. Approval of nominations for the Private Industry Council vacancies

Dick Dickinson, OET Director, came before the Court and announced that he had six vacancies on the PIC Board which needed to be filled. There was one vacancy in the Labor, one in Education, one from Public Employment and three in the private sector. In the exhibit was a list of possible nominations that had been submitted by the Chambers of Commerce from the respective cities for the vacancies. A motion was made by Commissioner Handy and seconded by Commissioner Rosel to appoint Eduardo Gonzalez, from Edcouch, for the private sector.

MOTION CARRIED..
(See Exhibit Q)

A motion was made by Commissioner Garces and seconded by Commissioner Handy to appoint S.J. Sethi, from Edinburg, for the Education sector.

MOTION CARRIED.
(See Exhibit Q)

A motion was made by Commissioner Garces and seconded by Commissioner Arcaute to appoint Helen Moreno, from McAllen, for the Public Employment sector.

MOTION CARRIED.
(See Exhibit Q)

ITEM 9. COUNTY JUDGE

- A. Approval of the Hidalgo County Drug Impact Court Grant Award, Appropriation of Budget (1998/1999), and setting salaries
- B. Approval of budget amendment for the Court Reporters Fund
- C. Announcement regarding ban on open fires
- D. Approval of budget amendment (Ellis, Koeneke & Ramirez)
- E. Approval of payment for Ellis, Koeneke & Ramirez
- F. Approval to re-advertise for the Hidalgo County Fire Marshal Position

9/A

Paul Vazaldua, Administrative Assistant to the County Judge, came before the Court requesting approval of the Hidalgo County Drug Impact Court Grant Award, the appropriation of the budget for 1998-1999 and the setting of salaries. The total amount of the grant is \$217,784.00 and the appropriation is included in the exhibits. The salaries are as follows: Court Coordinator - \$37,380.00; Court Clerk - \$21,061.00; Court Reporter - \$47,070.00 and Court Bailiff - \$29,110.00. This grant is in the last year of funding and this grant will run from June 1, 1998 to May 31st, 1999. At that time the County may apply for funding for a different scope of service from the Texas Narcotic Control Program. This grant is 75% funded by the State and 25% from local county government. A motion was made by Commissioner Garces and seconded by Commissioner Rosel to approve the request as presented.

MOTION CARRIED.
(See Exhibit R)

9/B

A motion was made by Commissioner Garces and seconded by Commissioner Rosel to approve a budget amendment in the amount of \$6,000.00 for the Court Reporters Fund.

MOTION CARRIED.
(See Exhibit R)

9/C

Mr. Vazaldua reported that this next item was for an announcement regarding the ban on open fires. He added that this was just a reminder and no action was required. A discussion ensued with Mr. Vazaldua indicating that they were wanting to remind the public that due to the severe dry conditions they were making this recommendation. The discussion then turned to fireworks and the coming of the July 4th celebrations and they requested that the fireworks vendors put notices to remind their patrons about firework safety.

NO ACTION.

(See Exhibit R)

9/D

Lisa Saucedo, Administrative Assistant to the County Judge, informed the Court that this was on a case in the case regarding the previous Headstart Director. The firm of Ellis, Koeneke & Ramirez had done some work for the Headstart program that were disallowed costs by the Headstart program, on legal matters regarding with the pending case with the previous program director. The budget amendment was for the amount of \$14,480.25. She added that the bill was originally for \$24,133.75, but the County Judge was able to negotiate it to this amount. A motion was made by Commissioner Garces and seconded by Commissioner Handy to approve the budget amendment as requested.

MOTION CARRIED.
(See Exhibit R)

9/E

A motion was made by Commissioner Garces and seconded by Commissioner Handy to approve the payment to Ellis, Koeneke & Ramirez in the amount of \$14,480.25.

MOTION CARRIED.
(See Exhibit R)

9/F

Ms. Saucedo stated that they had previously received two applications and one of the applicants had turned this position down. This Commissioners' Court at that time had wanted to re-advertise. Commissioner Rosel indicated that he would just like to go back and try to negotiate with the other applicant. A motion was made by Commissioner Garces and seconded by the County Judge to re-advertise for the Hidalgo County Fire Marshal position.

MOTION FAILED. (Commissioners Rosel, Arcaute and Handy voted against the motion)
(See Exhibit R)

ITEM 10. COMMISSIONER PCT. 4

- A. Discussion and possible action for the purchase from a QISV vendor
The Software Group for an electronic purchase module

- B. Authority to direct legal counsel to finalize terms and conditions on the contract for the purchase and implementation of the management information system referenced above

Martha Salazar, the Purchasing Director, came before the Court requesting approval for the purchase of an electronic purchase module from a QISV vendor, The Software Group. She mentioned that as a result of the new computer upgrade that was being county-wide, it was possible to connect the Purchasing Department and the Auditor's Office for the possibility of electronic requisitioning. She then went on to give an in-depth explanation of what was needed to accomplish this project. After discussion it was recommended that no action be taken at this time.

NO ACTION.
(See Exhibit S)

ITEM 11. COMMISSIONER PCT. 1

- A. Exemption from professional services procurement and approval of Engineering contract with L.L. Rodriguez Engineers for Road & Bridge 1998 Road Paving Project

A motion was made by Commissioner Handy and seconded by Commissioner Garces to authorize the exemption from the bidding procedure under professional services and to approve an engineering contract with L.L. Rodriguez Engineers for Road & Bridge 1998 road paving project.

MOTION CARRIED.
(See Exhibit T)

ITEM 12. JUVENILE PROBATION

- A. Authorization to appropriate state reimbursement funds TJPC-E-98 (Title IV-E)

A motion was made by Commissioner Garces and seconded by Commissioner Handy to authorize the appropriation of State reimbursement funds for Title IV-E in the amount of \$169,910.00.

MOTION CARRIED.
(See Exhibit U)

ITEM 13. URBAN COUNTY PROGRAM

- A. Awarding of bids and entering into contract with Mercer & Ussery, Inc. for Water/Sewer Improvements - City of Elsa - Urban County Program Year 1994, Year 8 (1995) and Year 9 (1996)
- B. Approval of change Order No. 1 - Water Plant Off-Site Utilities Project - City of La Joya UCP Year 7, 1994
- C. Approval of budget amendment - City of Penitas - Urban County Year 10 - 1997
- D. Approval of a Personal Service Agreement with Carter and Burgess for the preparation of a Park's Master Plan for Parks, Recreational Facility Year 7 (1994) and Year 9 (1996) - City of Weslaco
- E. Approval of a subrecipient Agreement with Rio Grande Valley OIC Foster Grandparent Program - Year 8 1995 - Year 9 1996 - Pct. 4

13/A

Anthony Covacevich, Urban County Director, came before the Court and reported that the City of Elsa was requesting the awarding of bids and entering into a contract with Mercer & Ussery, Inc. for water/sewer improvements. The amount of the contract is for \$572,160.00 and it will come from their Years 8 and 9 funds. A motion was made by Commissioner Handy and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit V)

13/B

The City of La Joya was requesting approval of change order number one for Water Plant Off-Site Utilities Project. The change order is on a contract with Citrus Valley and it is for an increase of \$9,490.00 and also for an additional thirty (30) days. A motion was made by Commissioner Garces and seconded by Commissioner Handy to approve the request as presented.

MOTION CARRIED.
(See Exhibit V)

13/C

The City of Penitas is requesting approval of a budget amendment under their Year 10. The amendment is to take \$5,000.00 from their Parks & Recreation line item and creating a line item for General Administration. A motion was made by Commissioner Garces and seconded by Commissioner Arcaute to approve the request as presented.

MOTION CARRIED.

(See Exhibit V)

13/D

The city of Weslaco was requesting approval of a personal service agreement with the firm of Cater and Burgess for the preparation of a park's master plan. The amount of the contract is for \$37,000.00 and it will be coming out of their Years 7 and 9. A motion was made by Commissioner Handy and seconded by Commissioner Arcaute to approve the request as presented.

MOTION CARRIED.

(See Exhibit V)

13/E

Precinct Four was requesting approval of a subrecipient agreement with Rio Grande Valley OIC Foster Grandparent Program. The amount of the agreement is \$10,000.00 and it will be paid from their Years 8 and 9. A motion was made by Commissioner Garces and seconded by Commissioner Handy to approve the request as presented.

MOTION CARRIED.

(See Exhibit V)

ITEM 14. PURCHASING DEPARTMENT

A. HIDALGO COUNTY PRECINCT NO. 1, 2 & 4

1. Recommending award of bid for "Hidalgo County Precincts #1, 2 & 4 - Crushed Caliche" to multiple vendors
2. Recommending approval of contract for bid on "Hidalgo County Precincts 1, 2 & 4 - Crushed Caliche to multiple vendors

B. HIDALGO COUNTY PRECINCT NO. 3

1. Recommending bid award for "Paving Street Improvements"
2. Recommending approval of contract for "Paving Street Improvements"
3. Recommending bid award for "Two (2) New 1998 Heavy Duty dump trucks with beds"
4. Recommending bid award for "One (1) New 1998 Heavy Duty Water tank truck with mounted 3000 gallon water tank with accessories

C. HIDALGO COUNTY BUILDINGS & GROUNDS

1. Requesting a 1982 Ford Van (asset #010711) be declared surplus

D. HIDALGO COUNTY SHERIFF'S DEPARTMENT

1. Requesting numerous pieces of equipment, 1 (one) seized vehicle and 5 (five) county owned vehicles be declared surplus
- E. HIDALGO COUNTY WIC DEPARTMENT
1. Recommending award of bid for "Floor Maintenance"
 2. Recommending approval of contract for bid on "Floor Maintenance"

14/A

Martha Salazar, County Purchasing Director, came before the Court and announced that no action would be required on this item at this time.

NO ACTION.
(See Exhibit W)

14/B/1

A motion was made by Commissioner Rosel and seconded by Commissioner Garces to award bid for "Paving Street Improvements" for Precinct Three to the low bidder being Mission Paving Company at a low bid of \$36,000.00.

MOTION CARRIED.
(See Exhibit W)

14/B/2

A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve a contract with Mission Paving Company for "Paving Street Improvements" for \$36,000.00.

MOTION CARRIED.
(See Exhibit W)

14/B/3

A motion was made by Commissioner Rosel and seconded by Commissioner Garces to award bid for "Two (2) New 1998 Heavy Duty Dump trucks with beds" to Rush Truck Center at a bid price of \$62,874.00 each with a delivery date of thirty (30) days.

MOTION CARRIED.
(See Exhibit W)

14/B/4

A motion was made by Commissioner Rosel and seconded by Commissioner Arcaute to award bid for "One (1) New 1998 Heavy Duty Water

tank truck with mounted 3000 gallon water tank with accessories” to Rush Truck Center with a bid of \$65,759.00 and a delivery date of thirty (30) days.

MOTION CARRIED.
(See Exhibit W)

14/C

A motion was made by Commissioner Rosel and seconded by Commissioner Garces to authorize the declaration of a 1982 Ford Van (asset #010711) as surplus from the Buildings & Grounds Department.

MOTION CARRIED.
(See Exhibit W)

14/D

A motion was made by Commissioner Garces and seconded by Commissioner Rosel to authorize the declaration of numerous pieces of equipment, one seized vehicle and five county owned vehicles be declared surplus from the Sheriff’s Department.

MOTION CARRIED.
(See Exhibit W)

14/E/1

A motion was made by Commissioner and seconded by Commissioner to award bid for “Floor Maintenance” for the WIC Department to the sole bidder being Valley Janitorial Service at a bid price of \$2,000.00 per month for six clinic sites.

MOTION CARRIED.
(See Exhibit W)

14/E/2

A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve a contract with Valley Janitorial Service for “Floor Maintenance” at six WIC clinics at \$2,000.00 per month.

MOTION CARRIED.
(See Exhibit W)

ITEM 15. JAIL PROJECT

- A. Discussion and Possible Action on the Adult Detention Facility Negotiations Committee Report
- B. Discussion and Possible Action on Scope of Service for Adult Detention Facility
 - 1. Number of New Beds including all necessary services
 - 2. Renovation of existing site

PAUL VAZALDUA Jail Project.

JUDGE CUELLAR Jail Project. We can't accept those gifts, Commissioner.

PAUL VAZALDUA Judge, Commissioners, Jail Project, Item 15/A
 "Discussion and Possible action on the Adult Detention Facility Negotiations Committee Report". The negotiations committee met on two occasions with Joe Santo Petro of DiStefano, SantoPetro Architects Inc. and we have a report to bring to you all. Marty Salazar the Purchasing Agent who chaired the committee for us will take the podium at this time, so...

MARTY SALAZAR Mr. Vazaldua is correct, we have met twice with Mr. SantoPetro, ah, we, ah, to up until I saw this correspondence you received, ah, on the last meeting we had we did negotiate not only his percentage rate downward of which we and I think that most of the committee is here would concur, he agreed with. He had, he has questions, he had problems with our exhibit "B" which is part of the modified contract that has been used by the County and, and drafted and modified by our counsel on certain aspects of Exhibit "B". He, he did voice to us that he felt that he was being given a lot of liability in the construc..., in any kind of, ah, these acts or faults that he..., that we were finding with maybe even the contractor. We advised him after being advised by counsel that we aren't architects therefore we are going to be asking for a higher standard of, of quality from our architect in building this jail. To make a long story short we felt that at the end of the day he had agreed to the terms and conditions that we had discussed to that point. The one point still being left to negotiate at that point was because we haven't been given clear direction as to the scope of the project namely what is the size of beds that we require, whether

there'll be existing renovation of existing four hundred good beds and an addition of either 800 or 1200 beds making the total either total 1200 or maybe possibly 1600 beds. We were going to leave that at the end because there was still one issue pending which was insurance. He has made comments to us that he felt there were uninsurable parts of Exhibit "B". Our counsel has advised us that up to now the County has entered into modified AIA contracts with other architects and have found the coverage that, that they require. We are currently negotiating also on that issue with the Juvenile Project that we have going and at one of the negotiation meetings we had with that, those issues were also raised, went back to his carrier and we are now smoothing those out. So, obviously there are carriers who will accommodate those requests on our part. Being the case that is why on the agenda today there is also direction by the Court as to the scope of the project therefore that would leave us with only his insurance requirements that we would require left for him to negotiate with us. Thus knowing the amount we would have to either ask him to raise his personal liability insurance which is what he wanted to do or possibly because of the size of the jail project, a project policy to encompass dollar-for-dollar amount on the, the entire budget of this project. That was still left. I was surprised I only saw the letter yesterday, ah, yes he did voice his objections to certain parts of Exhibit "B" but at the end of the day when we left I think we were all very pleased that he had accepted the terms and conditions that I feel and I still stress negotiated. It was our charge as the committee to do the best we can for the County and the money that they are going to spend in making this project happen. I don't think he was unduly forced to agree to anything. I don't know the where his comments now are coming from other than maybe going back and there may be some disagreement within his own rank and file, but I do not have a clue as to his objections, other than exhibit "B" seems to be his prime objective.

COMM. ROSEL

Martha, but, the percentage of, was reached right, a compromise was reached which was...

MARTHA SALAZAR Yes sir.

COMM. ROSEL ...what -----.

MARTHA SALAZAR Well, since we're still negotiating I'd, but he has made it public letter, he had started at seven and we negotiated to 6.5.

COMM. ROSEL Okay so six and a half.

MARTHA SALAZAR Yes sir.

COMM. ROSEL So, the only thing that we're going to have to decide is to whether we're going to engage into a contract with this particular architectural firm for a fee of 6.5.

MARTHA SALAZAR Well, there was another requirement. He was advising and requesting that there be on-sight representation. We, at \$186,000.00, ah, we had negotiated that to a flat \$100,000.00 figure and we also imposed on him the requirement that it be either an engineer, or a licensed engineer or architect. We wanted reports to the Commissioners' Court from someone who was knowledgeable in what they were representing for us and looking out for us. There was also a negotiated downward percentage on points on expenses from 2.5...

PAUL VAZALDUA To 2.0.

MARTHA SALAZAR ...to 2.0.

PAUL VAZALDUA Additional costs.

MARTHA SALAZAR Additional costs.

COMM. ROSEL Well, I agree with you that, that, that the on-field representative should be either an engineer or an architect, but it has to be, we have to make absolutely sure that that particular person is not going to be under the wings of the architect who's designing the jail.

MARTHA SALAZAR And we did...

- COMM. ROSEL ...but, but he's going to be a person who's going to take directions from this Commissioners' Court.
- MARTHA SALAZAR And I believe that, that was left open for us yes.
- COMM. GARCES Okay was it structured, Marty? The way I see it if he's asking for six point whatever and there's additional and he's calling his AIA contract isn't that under his, ah, pay. So, we need to remove that and bring it back to us, Juan. Good point. Now, I called a couple of local architects that have done schools, okay and they have much smaller projects and they do have that type of person out there on location quantifying and making sure that the grades are all right and all these little particulars. All right, but the way I, I'm hearing you right now, he is at the whim of the architect. This on-sight project whatever you want to call him.
- MARTHA SALAZAR Well, we made the architect aware that, you know, his, he is the architect in charge. He's, as he said it also, he's signing off on everything and he should have personnel. This was an additional representation for the Court to know that things were on schedule things were on line. We asked that it be a licensed architect or engineer.
- COMM. ROSEL So, is that's inclusive in the fee, is that what it is?
- PAUL VAZALDUA No.
- MARTHA SALAZAR No, it is an additional requirement.
- COMM. ROSEL Additional. Aside from ----...
- MARTHA SALAZAR Yes, and the way we, we, we felt at the end of the day, that with the downward, ah reduction on the fee, which was percentage rate from seven to six point five and the reduction to \$100,000.00 on that representation we had literally come under seven percent total, to begin with.
- COMM. ROSEL Well, I just wanted to make absolutely sure...

MARTHA SALAZAR Of any, budgeted amount, we based it on about a twenty..., I think about a twenty-two million dollar project just using figures for ourselves.

COMM. GARCES That's the very first time that we discuss a figure...

MARTHA SALAZAR Right, we had not figure to discuss.

COMM. GARCES We never, ever mentioned a figure.

MARTHA SALAZAR Yes, and that is why...

COMM. GARCES For the sake of conversation you're using twenty-two, but...

MARTHA SALAZAR We used twenty-two, ah, but for the, that is why the scope of the project and insurance requirements have been left open. We, we need direction from the Court. The scope of the project will give us a much better handle on our, ah, total...

COMM. ROSEL So, what do you need in as far as the architect is concerned?

MARTHA SALAZAR Well, he's stating...

PAUL VAZALDUA I think that if, if we take Item B and, ah, and take action on Item B that gives us the number of beds and if we're going to do any renovation. Then at that point we can take action on Item A and the Court can, ah, go ahead and authorize the committee to continue in the process and, and put a, an executed actual contract to be brought back to this Court for consideration.

COMM. ROSEL Well we need the Sheriff then.

PAUL VAZALDUA The Sheriff is here.

MARTHA SALAZAR Yes he is here and the Sheriff is a member of our committee. Now I did speak to him briefly before Court, Court started he had not seen the letter. He read it, I showed my backup, he also was surprised because at our last meeting we felt we had come to a 75%

agreement because as I say there was two things that are still pending in, in coming to a finalized proposed document for you.

COMM. ROSEL

So, in, in Item, under Letter B we need to discuss the number of beds?

MARTHA SALAZAR

Well yes, because the first page of that agreement is going to be the scope of work.

COMM. ROSEL

So, how many beds are we talking about?

MARTHA SALAZAR

I believe this is where the Court needs to give us direction.

COMM. GARCES

I think the documents we got from the Jail Commission recommending eleven twenty-four, something like that, eleven hundred and something, right Judge?

MARTHA SALAZAR

I would think that the Sheriff could be very informative to you because we also discussed at that point that we do have a possibility that those four hundred existing beds at the jail could be used for federal prisoners on a long term contract with the Federal government. That would really bring in revenue for the County to help offset some costs; but that would be something that we just discussed, I think the Sheriff is much better versed on it than I am.

SHERIFF ESCALON

There's two needs assessments I just gave you. One of them is from the Jail Standards and the other one was done here locally by Dr. Ethridge, who is a Professor here at Pan American University. Both come close to the same amount of beds which is around 1200 and this is if we're looking at a, ah, from, from what I gather and the Jail Standards, nineteen, I mean, to the year 2006 which is only eight years. It's not even covering the ten years that I would at least have, ah, ya'll to be considering in future growth. I think Dr. Ethridge can explain more how he came to his assessment on this one.

DR. ETHRIDGE

The, the second handout that was given to you, I used the same formula that the Jail Commission used. What I discovered is when the Jail Commission did their analysis a couple of years ago or last year, there's, there were some inmates that were out-of-county and they did not include those and so, if you see the first, the first page which has a lot of numbers the only difference between these two pages is the State looks at something called the incarceration rate and that's just the number, it's the definition that's here it just says you just calculate by dividing the average daily population of the jail by the population. Now, when the State did that a couple of things that are unique about Hidalgo County is first of all to get an accurate population figure. The numbers that I used are from the Health Department, they're the projections up to the year 2010. Also, when you, when you look at the, the, the jail population, when you look at this incarceration rate, I did it two ways, I did it at 1.3 and then also 1.5. The reason I did that is the average incarceration was 1.4, so I just want to give you an idea that, depending on the number of people that are arrested and brought to the jail, obviously that's gonna affect your population, but as the Sheriff said if you look at the year 2006, my, my estimation is that the, the total capacity for the first page there is about 1,016, now at 1.3 incarceration rate. If you turn to the next page at the year 2006 it will be 1,173. Those are, those are pretty close to what the State came out with, but one of the things that, that I added in this analysis if you turn over to the first chart it just talks about the total number of jail bookings. One of the, one of the projects that I've done this year is I've gone back through and with the, the, the assistance of the, the staff at the jail, we've gone through and physically counted everyone that was booked into the jail and if you go back to 1993 to 1997 you'll see that there's a tremendous increase in the number of bookings. Now, the reason I wanted to include this is this is something that the, the Jail Commission doesn't look at, at all. They, they look at, you know, what's going on now, they look at the past and they look at the population growth. That increase from 10,821 in 1993 to 14,947 in 1997 is almost a thirty-seven or thirty-eight percent increase. One of the, one

of the factors that comes in is not just the fact that the County's growing, but that every police agency and when I got done looking through all the booking sheets, there were over, well, I came up with forty different agencies that book people into the County jail. We've got school districts now, we've got the Precincts, the Sheriff's Office the Federal Government. Everyone of those agencies is adding personnel. The Sheriff's Department is gonna be adding a number of personnel and so I wanted to include this, because if each one of those new officers in one, in those agencies only makes one arrest per month this is gonna continue and if you go out another five years and you, you increase this by another thirty-three percent you're gonna have a huge increase in the number of people being booked in. Now, I wasn't, I wasn't concerned whether they were booked in for one day or three days or five days, the reality is everyone of those inmates that gets booked in is going to end up in that jail at least for a few hours and as we saw recently some of these inmates are gonna be in there for a few months. So, the bottom line is, that by the year 2006, the projection that I did or the State did is your jail is going to have almost twelve hundred inmates. If we continue to increase the number of agencies and continue to increase the bookings that means that in seven or eight years that jail will be at full capacity. One of the other factors that the Jail Commission looks at is the number of maximum security. Right now the Sheriff is suffering because many of the additions are not maximum security. Also the fact that the Sheriff is, is dealing with a lot of issues dealing with the fact that you've got to have special sales for some of these medical health problems. The last page I wanted to include here is the impact of what's going on in the jail. The last page is the cost; from 1995 when we started housing inmates out-of-county, up until the end of May, the County has spent over two million dollars housing out-of-county inmates. The reason I wanted to cover that is right now a lot of counties are building extra space and, and I know the Sheriff might share with this, but the reason they're, they're building extra is they know the Federal Government, they know the State of Texas and they

also know that other counties like Hidalgo County now are begging for space; and so, those are some factors. It's not just associated with the, the needs of this County, but there are other opportunities out there. So, I put this packet together, I hope it answers some questions about the continued growth, but the reality is that, a jail right now with twelve hundred beds, if you build a jail with twelve hundred beds, according to my numbers or the State numbers, is going to be full by the year 2006; and if this County continues to, to increase and I included that on the first page, by the year 2006 this County is going to have between 625,000 and 665,000 people. So, the good that comes along with the growth is great for business and, and we should be proud of that, but at the same time the Sheriff is kind of suffering from this growth and there seems to be no stopping that.

COMM. ROSEL

We can also get an out of State contract too, you know. It's been, you didn't mention out-of-State. Of course there's a lot of liability involved there too. Ask Brazoria.

DR. ETHRIDGE

One other thing I just got this from the Jail Commission, to, to look at your point. As of May 11th, in the State of Texas there are currently 3,000 inmates from out of State being housed in the State of Texas. There are also 1,616 prison inmates that are actually under contract with county jails. So, if you, if you add those two up, there's 4,656 inmates where somebody's paying somebody else this completely excludes the Bureau of Prisons, the Federal Bureau of Prisons which is begging for space. The INS which is begging for space and also the U.S. Marshals. I got a chance to talk with a U.S. Marshal yesterday, he actually says that they have a plane flying around the country and if they can find space anywhere they land the plane and put those people in jail; and they're paying...

COMM. GARCES

ConAir.

DR. ETHRIDGE

...they're paying some good money. Locally a number of other counties are taking advantage of our County because we're paying this out of counties expense

which is as I said adding up to the millions. Also these other counties are taking advantage of the U.S. Marshals and the Border Patrol and INS and the Bureau of Prisons and as, as been recently in the news, some of these counties are getting quite a bit of money up front to help with, to help with that, but just in Texas right now it's big business.

- COMM. ROSEL Two things, in the past, I think that this County was tendered somewhere in the area of five million dollars to build a jail, but that didn't come through. The other thing is that we need to have some sort of idea as a per diem or a per contracted beds.. I would hope it'd be somewhere in the area of fifty, because I think in the past and that may be too low...
- COUNTY JUDGE A call I got yesterday Commissioner, they're getting fifty dollars and they think they may go up to fifty-eight...
- COMM. ROSEL Yeah, in the past we, we're giving our beds away and at thirty some odd dollars a day or something like that.
- COMM. GARCES Well we have a contract right now with the U.S. Marshals paying fifty?
- SHERIFF ESCALON No, we're, in the process of negotiating with them right now in bringing that contract to you. To bring up the fee 'cause they're not paying what normally we should be getting; and in their contract it indicates that we can negotiate yearly. I know that they won't go, you know, they've denied Starr County, they've denied Cameron County. What they've asked in the past and they're around closer to forty at this point.
- COMM. GARCES U.S. Marshals?
- SHERIFF ESCALON Yeah, U.S. Marshals.
- COMM. GARCES What's our current...
- SHERIFF ESCALON I believe right now it's about \$32.00.

COMM. GARCES Well, Sheriff, where did I and, I don't know if it's Tarrant or Harris County is getting paid close to \$85.00 for Federal.

SHERIFF ESCALON I've never heard of it, in fact, I talked to the U.S. Marshals yesterday and I think that the most that they've paid out was fifty, around fifty dollars.

COMM. ROSEL And that's fine if we can-----.

COUNTY JUDGE What was Brazoria asking, Sheriff, when you talked to them the last time. The had...

SHERIFF ESCALON They're asking for forty-one.

COUNTY JUDGE Forty-one.

SHERIFF ESCALON Yeah.

COMM. ROSEL What is your recommendation on the number of beds?

SHERIFF ESCALON Well twelve hundred is, is, it seems to be the figure there, but this is only for eight years. By the time we finish building this one, we're gonna probably be asking for more money to build another jail. So, we have to look at the future, at lease ten years from now. We have a jail that's still accessible and I, and I've said this before that we could probably renovate four hundred beds that are actually usable in the old facility. So that's four hundred beds there we can use to rent out to others which can help pay for the new jail. I think It'll generate some money, quite a bit of money, in fact..

COMM. ROSEL Now, four hundred is a guesstimate because you, we really don't know, you may salvage three hundred.

SHERIFF ESCALON Well, we have five hundred and ninety-seven, but the rest of them were built on temporary buildings on, in the back part of the existing jail which those have already served their purpose. They're made out of tin and, and I think it's plywood.

COMM. ROSEL That much money at that particular time, I think that's why they were built in that...

SHERIFF ESCALON Exactly, they were built temporary and that's why they called them temporary.

COMM. ARCAUTE Sheriff, how much does it cost right now, you know, in your present jail budget, how much does it cost per day per inmate?

SHERIFF ESCALON I think we figured out that we're paying approximately, it's costing us around \$28.00 per day per inmate.

COMM. ARCAUTE Twenty-eight. So, in the design of the new jail this is really what we're looking at, right.

COMM. ROSEL Reducing...

COMM. ARCAUTE That way we'll be able to, you know, we're managing will be the, 'cause the cost of the jail is really not the important thing here. The important thing is what it's gonna cost...

COUNTY JUDGE Running it.

COMM. ARCAUTE ...and if we're gonna use ----- gonna get a design or a jail built where, you know, we get, you know more effective and if we use the, the existing one it's gonna costs more to operate the existing one than the new addition. Don't you agree?

SHERIFF ESCALON If you, if we only use the beds, what, what we have right now anyway, the infrastructure is, is, has met it's limits years ago. I don't know whether you all have been in, in, in, like the kitchen that we utilize. This new jail has to include all the infrastructure up to at least two thousand beds and, and I suggest that we go up to at least two thousand beds 'cause that what Jail Standards says that, it's a, it's one of those things that you could..

COUNTY JUDGE (INAUDIBLE)

SHERIFF ESCALON

...yeah, at least on any jail, they utilize at least a cap of two thousand at any given time simple because of the how, how bad it would be if we had a major riot of over two thousand people. So, obviously we're having to look at that too, I mean, after two thousand beds whatever year from now than we would have to be looking at another space, another, another area or somewhere else.

DR. ETHRIDGE

Can I share one thing. Right now we're caught in a unique situation in the jail, because the Jail Standards has come in at, at the end of, toward the end of last year and so, the, the five hundred and ninety-seven cap once it gets close the Chief Jailer or, what he has to do is he has to send people out of county. Before this happened, just to give you an idea how, how crowded things were last, last summer. In August of last year, there was on day, the, the average number of people in the jail last year in August was eight hundred twenty-nine, but there was one day with the research I'm doing, I look at the peak, I say what is the maximum, the most you ever had. The Sheriff had eight hundred fifty-eight inmates in its jail last August. In September of last year, he had a day when he had eight hundred forty-four, so we're kind of under this false illusion that we only have about six hundred people here, but the reality is we've already had a day before this cap came in where you had eight hundred fifty-eight so, when we start talking about some of these projections of nine hundred or a thousand, we can already go back and say we've already had eight hundred fifty-eight inmates. This summer, what I've seen so far this year is the first couple months of the year that the population was high it kind of went down in March and April, but now for a variety of reasons, June, July, August and September what I've seen in every year that I've looked at, is the numbers continue to go up for a variety of reasons, but when we start talking about these numbers, nine hundred inmates, we could have had a jail for nine hundred and it almost would have been filled already.

COMM. ROSEL

Costly.

COMM. ARCAUTE It's the air condition.

MANUEL CAVAZOS I believe, Commissioner, that by building a new deal, with a new capacity you're not increasing the, the business. Business is there already, we're just gonna house them ourselves instead of sending them out.

COMM. ROSEL Yeah.

SHERIFF ESCALON So, is the air condition when I talked to Representative Robert Gutierrez, he was asking where, you know, how to get it, and it's in the Jail Standards, if you look under the Jail Standards that's where you take away the air conditioning from these people and obviously we'll just have to make holes in windows and we'd suffice, but I don't have a problem with that, it's just that the law needs to be changed in Jail Standards to be able to do that.

COMM. GARCES The Civil Liberties is gonna be on top of any type of proposed legislation to. ----- that in the past so...

SHERIFF ESCALON I, I think they'll probably run into that, but it's something that we can probably look at in the future; but I, I seriously believe that we should build for twelve hundred and utilize the four hundred existing beds that we can...

COMM. ARCAUTE You're talking about sixteen hundred....

SHERIFF ESCALON Sixteen hundred beds, yes sir. The four hundred we need to utilize them, there is a dire need of bed space throughout the State. Feds included and everybody and that's something we should consider. If not let's go twelve hundred, but up to sixteen, let's fill in at least up to sixteen hundred.

COMM. GARCES Sheriff, I've never read or heard of U.S. Marshals having a cap on what they're gonna go and lease space from any entity and given a two hundred bed facility with fifty, I think if we can get a lot more. ----- out to 3.6 a year per note.

- SHERIFF ESCALON It can add up to some money. I'll give you some figures from Brownsville. Brownsville has got seven hundred and thirty-eight capacity in the jail right now. They're negotiating a six hundred bed facility right now. They'll have a total of thirteen hundred and thirty-eight within the next two years; and they're a lot smaller county than this County.
- COMM. GARCES I'm sorry, who was that?
- SHERIFF ESCALON The, Cameron County. They have an estimated population of six hundred and seventy-six. They have a capacity of seven hundred and thirty-eight, but they're negotiating right now and building and breaking ground on a six hundred bed facility, which will total up to a thirteen hundred and thirty-eight beds total, within the next couple of years. So, we, we need to, and we're a lot bigger than they are.
- COMM. HANDY I thought we had decided fifteen hundred beds a long time ago.
- COMM. ARCAUTE (INAUDIBLE)
- COMM. ROSEL Well, anyway, do we need to take action in as far as accepting the number of beds. Are we gonna call them a maximum or are we gonna call it a minimum amount of beds of sixteen hundred or what?
- PAUL VAZALDUA Okay, Judge, Commissioners, once we determine the amount of beds that we're going to build, the Jail Standards mandates to the architect on the number of maximum beds that are required. The ratios from maximum, minimum and medium security; and they also dictate how many caged style, ah, pods can be in your facility; and so there's, there's some, some mandates to that. So, right now what we need from Court is the number of beds and if we're going to do a renovation to the existing sight.
- COMM. ROSEL Well, obviously that's what I'm talking about.
- COMM. GARCES So, we have four, four hundred usable beds...

MARTHA SALAZAR Right now there's four hundred usable beds.

COMM. GARCES ...eleven twenty-one plus the four or you just want to go with sixteen and break it down from the balance of the four.

PAUL VAZALDUA Number of new beds...

COUNTY JUDGE We need to check and see...

COMM. ROSEL The number of new beds are 1200 from what I heard the Sheriff talking about.

JUDGE CUELLAR Well, he's talking about twelve and he's talking about sixteen.

PAUL VAZALDUA Right.

JUDGE CUELLAR The possibility of going twelve which would make sixteen or sixteen which would make twenty, ah, two thousand.

PAUL VAZALDUA The Sheriff is talking about doing and correct me if I'm wrong Sheriff, ah, twelve hundred new beds and shelling out for up to sixteen hundred new beds or going ahead and doing sixteen hundred new beds and then doing the four hundred, ah, on the renovation of the existing site for a total of two thousand beds.

JUDGE CUELLAR But even in the shelling he wants to renovate.

COMM. GARCES (INAUDIBLE)

MARTHA SALAZAR Right, right would be a sixteen hundred bed facil., new facility with twelve hundred completed you're gonna leave open four hundred to shell out.

COMM. GARCES Right.

MARTHA SALAZAR When you, because the infrastructure as he stated would be for two thousand...

COMM. GARCES I think he mentioned two thousand...

MARTHA SALAZAR ...for two thousand.

COMM. GARCES I think that's the cap.

MARTHA SALAZAR Correct.

COMM. GARCES Having one location.

MARTHA SALAZAR Correct and that would really go far...

COMM. GARCES We'll still have growth for another four hundred...

MARTHA SALAZAR And that would give us the final direction we need to finish the contract negotiations.

COUNTY JUDGE So we'll need to let legal check and see if we need a special use permit or...

COMM. GARCES Well that should have been taken care of...

PAUL VAZALDUA On the property.

COMM. GARCES ...back when we opted for the option. That's gonna be another hurdle, it's probably gonna be our biggest.

COMM. ROSEL Well, I mean, that's something else, I think what we need to do is just take action on whether we're going to accept the Sheriff's recommendation or not; and the only thing that I think that we need to do is we need to make a motion to, ah, to accept the Sheriff's recommendation of a maximum amount of sixteen hundred beds whether they be new, a combination of new or, or the renovation, but a total of sixteen hundred beds. 'Cause you're saying four hundred beds out of the existing site, ah, then you might not have it, so you might have to come back and, and put fifty more over here on your new site. So, I'm saying a combination of, of two thousand beds however they come.

PAUL VAZALDUA No,...

COMM. HANDY So we're saying sixteen hundred new beds and then utilizing the four hundred?

COMM. ROSEL Sixteen hundred total new, new beds whether they be new or, I mean sixteen hundred beds whether they be new, ah, from the new construction site or from the existing site.

JUDGE CUELLAR Total.

COMM. ROSEL Total.

COMM. HANDY Is that a motion?

COMM. ROSEL Yeah, I guess so.

COMM. HANDY Then I second.

COMM. GARCES Is that specific though or do we need to be more specific, Steve?

PAUL VAZALDUA No, I got it.

JUDGE CUELLAR My suggestion, in talking to the Sheriff, was that he, that he figure out what it would cost to go twelve and then go to sixteen with the shell or what it would cost to go the sixteen with, with the renovation, you know.

COMM. GARCES Yeah, and the reason I'm asking...

COMM. ROSEL That's why you got sixteen hundred total beds.

COMM. GARCES Yeah and renovate and to new construct, that tot., there's a lot of difference; and I think with the key word as the "scope of work" we need to kind of fine tune it and say well it's going to be "x" amount of new construction and renovate four, and I think we work with that magical number of renovating four.

PAUL VAZALDUA And we'll say no less than twelve hundred new beds.

COMM. GARCES Right.

- COMM. ROSEL Steve, one of the things and I hate to bring this out now is the fact that you're looking at possibly the U.S. Marshal pitching in some money to help us out. Well, instead of taking that money out to help us in the new construction site, we might just designate that money just for the, ah, renovating the existing site and, and with that money go ahead and bring those beds up to par and then rent that out to, to the Feds instead of going in there. So there's some other angles.
- DR. ETHRIDGE Excuse me, can I add just one thing. In the new construction, which is called modular, when you start to build a prison, once you have the infrastructure, the kitchen and, and all that, you can just add mods or, and some of these are forty-eight and, and once you, once you start to add these forty-eight if you start with that philosophy in the future instead of adding on the ways it's been added on in the last few years because of the original construction, no matter where you start, if you've got that philosophy you can add these on because your, your kitchen is centralized. The food goes out and you just continue to add these on because everything's been from the very beginning.
- COMM. GARCES (INAUDIBLE)
- DR. ETHRIDGE And therefore when you add a forty-eight if you see a need in the a year or two you can add forty-eight and forty-eight and forty-eight instead of having to build separate buildings as had been done in the past.
- COMM. ROSEL The motion is for a minimum of sixteen hundred beds.
- COMM. HANDY I second that motion.
- PAUL VAZALDUA And, ah, Commissioner, Marty brings up a good point can we add to the motion that the new facility would have infrastructure for a cap of two thousand inmates...
- COMM. ROSEL Oh yeah.
- PAUL VAZALDUA ...meaning the kitchen, the laundry services and, ah, all those other, ah,...

COMM. ARCAUTE Why not, it's only money.

COMM. ROSEL Well, foresight division has something to do with it, but yeah since it's only money.

JUDGE CUELLAR There was a motion...

COMM. GARCES What motion?

JUDGE CUELLAR ...and there was a second...

COMM. ARCAUTE Yeah.

COMM. HANDY Yes.

JUDGE CUELLAR ...and now we're in discussion already. Any further discussion?

COMM. ARCAUTE Yes, what, have we already determined what it'll cost to renovate, ah, the existing one?

COMM. ROSEL No.

PAUL VAZALDUA There's no cost figures at this time.

JUDGE CUELLAR It's got to be worked on now, when they get a number, Commissioner. Or for the new beds and then the renovation. Is there any further discussion? There being none all those in favor signify by saying aye.

COMMISSIONERS Aye.

JUDGE CUELLAR Opposed? Ayes have it.

PAUL VAZALDUA Judge, Commissioners if we'll go back to item...

COMM. ARCAUTE Two thousand? Two thousand beds?

COMM. HANDY No, sixteen hundred.

COMM. ROSEL No, sixteen hundred.

PAUL VAZALDUA Sixteen hundred.

COMM. GARCES The infrastructure of this is two thousand.

PAUL VAZALDUA If we'll go back to Item 15/A and then, there's a discussion and possible action on the Adult Detention Facility Negotiations. At this time, we'd like to recommend if we can go back to meet with the architectural firm and contract and prepare a final contract for this Commissioners' Court with the 6.5 rate of fee, the a hundred thousand dollar for the project rep and the 2.0 for any additional services.

COMM. ROSEL So, the hundred thousand dollars is something that we need to discuss here.

PAUL VAZALDUA Well, now is the time.

COMM. ROSEL I think that if we don't offer him a hundred thousand dollars, I think it's this Commissioners' Court that's going to set the salary of the engineer or the architect that we're going to hire to supervise the construction. I don't want the architect dictating to that engineer or architect that we're going to hire what he's gonna do, what he's gonna say in Commissioners' Court. I think it's, it's more, it's a better balance that if we hire the person that we want to hire, this Commissioners' Court and he answers directly to us.

COMM. GARCES Doesn't that fall under the professional services contract of fiduciary responsibilities to the public ----- that's bringing you on as a professional service?

COMM. ROSEL Or are we gonna hire someone in addition to the one he's gonna hire?

COUNTY JUDGE Let's see what legal has to say.

COMM. ARCAUTE Are we talking about design or construction already?

STEVE CRAIN Right now we're talking...

PAUL VAZALDUA It's construction.

STEVE CRAIN No.

COMM. GARCES No.

STEVE CRAIN No...

COMM. GARCES ----- with that, Paul.

STEVE CRAIN The concern that, talk to other entities about this before, is having someone independent somewhat defeats the legal liability purposes...

COMM. GARCES Right.

STEVE CRAIN ...of this. You're, you hired or when you do hire an architect, that architect has certain responsibilities to the owner and what I'm concerned about is if you put someone independent in to quote "supervise" or whatever terminology you want to use, your architect, then you got liability questions as something does go wrong who's fault is it. Is it your independent one that's supervising or is it the one you hired to do the job; and what the architect that we're negotiating with is asking for is he wants to have somebody under his control on site to make sure that the contractor is building the project in accordance with the plans and specifications the architect designed. I have a difficulty with employing someone else separate from that because then you've got a situation that could arise of your independent person saying it should be done this way and your architect saying it should be done another way and I think you're gonna have all kinds of problems with that approach of how you say which way is best; because none of us here are architects. That's why traditionally in all the AIA setups as well as in, in every other entity I know that's done it, is you have the architect being solely responsible so if something does go wrong you've got one party to look at rather than another independent architect somehow getting in there and gumming up the works.

COMM. GARCES Area of surety or the insurance...

STEVE CRAIN Well you've also got that protection on the contractor, you've got, you've got the surety on the contract and the performance bond and the payment bond and additionally you have the insurance on the architect.

COMM. GARCES Let me ask you, Steve, have, have any of the members of the committee, yourself, Marty, Paul or maybe...

STEVE CRAIN Oh, I'm not a member.

COMM. GARCES You're not, okay, well anybody gone and, and done a little bit of research, Paul, as to the amount of coverage per contractor versus the architect of record and all that? I know that's the question, right, Steve, on some of these comments that you made and I'd like to see if maybe we can call another county that's done this type of work and asked of the certain amount of performance bonds with every...

STEVE CRAIN Well, your performance and payment bonds will be set, will be on the contractor and they'll be set by the amount of the contract price. The issue you're speaking about is how much professional liability insurance do you need on your architect; and it varies. If you've got, it varies from, not from county to county but from project to project. Typically most governmental entities will re..., on the lower scale of what they require is for some mundane, I say mundane, no construction is mundane, but for some ordinary type construction, like if you're building an office building, well you pretty much know what goes in an office building and, you know, almost any garden variety architect can design an office building. Where you see the insurance requirements go up is in the school areas when you're building a school because you've got governing TEA and everyone else requiring, you know, certain standards and you've got a different population that'll be using a school, for example than you would an office building, i.e. young kids...

COMM. GARCES Public money involved, too.

STEVE CRAIN ...and public money. I think the jail, in my mind, ranks somewhere if, at least as great if not greater than the requirements of a school, because of the, of the specialized construction, specialized facility that you're designing and that's why, I think, when you look at architects in your specifications for your RFQ you ask for architects who have experience in designing jails, cause not every garden variety architect can go out and design a jail. There's just a lot of acquired knowledge the architect has to have in order to complete the project. I think you're risks in a jail are somewhat greater to than a school or an office building.

PAUL VAZALDUA It's a twenty-four hour...

STEVE CRAIN It's a twenty-four hour facility and it's also got to be designed in such a manner that there are control mechanisms built into the facility and back-up systems if something doesn't work.

COMM. GARCES That's what I'm getting at, Steve. Now, I'm looking at it in layman sense and saying "well, if the design is faulty, let's get after that architect.

STEVE CRAIN Correct.

COMM. GARCES But if there's something having to do with maybe a major contractor in the, in the scope of work or the actual construction, then we need to go after that entity. See and that's where the role of the amount required and all I'm not asking from you all...

STEVE CRAIN Well

COMM. GARCES ...is just to go out and research this and see if we're on line with whatever is out there...

STEVE CRAIN I think we can go and look at, at what other counties have required on insurance for architects jail projects, possibly through the, the State Commission, but I think when it comes down to it, ultimately the decision will be, is yours, just like if you were building your own home, how much insurance do you want to buy, homeowner's

insurance do you want to buy. Do you want to buy replacement costs, do you want to add, do you want to buy flood insurance and ----- but it's, you're gonna have to analyze the risks. I think that you can look at what the other counties have done, but I think ultimately it comes back to you all to figure out how much risk does the County want to take visa vi looking at the insurance policy.

COMM. GARCES Well, that's where the negotiating committee can come in and give us those options and amounts.

PAUL VAZALDUA We will look at that and Dallas County recently did a jail and they have a facilities director that I have been talking to from time to time in the past month or so and I will call them and talk to them about the requirements that they have. So,...

COMM. ROSEL I can see the, the reason why the architect would want that particular person onsite, you know, to protect his interests and also it's an advantage to us because that increases our -----, and liability back on the architect rather than, than on the County. I still, still think it's healthy to come back and, and at a future time hire someone from, from us and, and let that particular person be our liaison or overseer of that particular project so he can, he can report directly to us. So, you want to take, you want, he's gonna ask us to take action on this thing, right now or get rid of it or what?

PAUL VAZALDUA Right now there really is no action required. What we'll do is we'll meet with the architect one more time and finalize the contract, put the insurance requirements in there and present it to Commissioners' Court..

(See Exhibit X)

ITEM 16. NOTICE OF INTENT TO ISSUE BONDS

- A. Presentation by Chris Vela, Financial Advisor, First Southwest and Paul Vazaldua, Jr. County Judges Office
- B. Approval Notice of Intent to Issue Combination Tax and Revenue Certificates of Obligations not to exceed in the amount of \$8.5 (Eight and One Half Million U.S. Dollars)

16/A

Paul Vazaldua informed the Court that this item was for the consideration and approval of underwriter in connection with the issuance of certificates of obligation and refunding bonds for the 1998 series. He added that this approval would be specifically for the \$8.5 million that is specified in item 16/B. Commissioner Rosel indicated that this Court needed to discuss the projects that were listed on the exhibit for item 16. Mr. Vazaldua then proceeded to brief the Commission on the projects being considered under the certificates of obligations and refunding bond issue. One of the projects was County Roadway Safety for \$350,000.00 and it was pointed out that this kind of study had not been performed in the County within the last fifty years and the County was required by statute to do them every five years. Commissioner Garces then commented on the two health clinics being proposed. He stated that at one time they had shut down one clinic and they couldn't justify the closing of two other and at this time there were two health clinics being proposed. Commissioner Handy pointed out that on the clinic for Elsa, they were building a new one because the existing one does not meet ADA requirements and they will be using five acres that the County presently owns in the Edcouch-Elsa area. Commissioner Handy also stated that on this tract they were going to include the JP offices and Constable substation. Anthony Covacevich informed the Commissioners that back in 1991 when they did the CO bond issue, they were supposed to have built the Elsa clinic and the Alton clinic along with the ones that were done in Sullivan City, Edinburg and Weslaco. The land had been purchased in Elsa and Commissioner Garces advised that he hoped these clinics would be built due to need and not because the monies were available. Mr. Covacevich reported that there was a primary care entity going into Alton but they were not providing preventive care. Commissioner Arcaute then noted that they should also look at what the cost would be to operate the Elsa and Alton clinics and Commissioner Handy informed him that the Elsa clinic would be using the existing staff. Mr. Vazaldua told the Commissioners that a copy of the resolution was being passed out that would allow for the County to issue certificates of obligation for the STCC project, the Weslaco Substation, the health clinics, the County Roadway Safety and reimbursements to the General Fund. This would delete the purchase of office space for the Veterans' Services. Commissioner Rosel then pointed out that they should also look into purchasing some property in order to move the Adult Probation offices out of the Administration Building. He also asked about the information infrastructure project and Mr. Vazaldua replied that this item had also been deleted from the scope of projects. The discussion then turned into maybe including the Adult Probation offices in this CO bond issue with comments from Manuel Cavazos, the County Auditor and Joe Lopez, the Adult Probation Director. It was then recommended that they consider these two issues in the following year. Commissioner Rosel then turned to the reimbursement to the

General Fund and Mr. Cavazos had pointed out that the statute of limitations on some of those reimbursements had expired. Jesus Ramirez, the County Bond Counsel, then stated that it was true, they had only had eighteen months to utilize those funds and that time had already elapsed. Mr. Vazaldua asked the Commission if he could bring the Jail, Adult Probation and Juvenile Probation the next time that this Court considered the issuance of certificates of obligation. Commissioner Arcaute brought up the ADA compliance and pointed out that the County's compliance should have been done sometime this year and Mr. Vazaldua pointed out that this was not being considered in the current scope of projects. Martha Salazar, the Purchasing Director, then indicated that Commissioner Arcaute was correct in that the County should have been in compliance as of January 1st, 1998 and the County could be assessed a fine for not being in compliance. Mr. Vazaldua then informed the Court that in speaking with bond counsel they could add the ADA compliance to the current resolution as an amendment at this time. The amount of this project would be \$500,000.00. Mr. Ramirez noted that the amount of \$8.5 million that was being presented was just a cap, as per the notice, and this Commissioners' Court could issue a bond issue for less than that amount if it so desired. He continued by saying that on the notice this Court could list the projects but they didn't necessarily have to specify the amounts. Commissioner Arcaute then brought up the issue of the Water Development Board with regards to the septic tanks and the water meters and Commissioner Rosel asked bond counsel if this was a bondable issue. Chris Vela, the Financial Adviser then asked that this Commissioners' Court to list all the potential costs and work from there on the worst case scenario.

Commissioner Garces then announced that the projects that have been discussed so far are:

STCC	\$1,200,000.00
Weslaco Substation	\$1,350,000.00
Health Clinics	\$1,300,000.00
County Roadway Safety	\$ 350,000.00
Reimbursement to GF	\$1,165,509.00
ADA compliance	\$ 500,000.00

Mr. Vela pointed out that on the reimbursement to the General Fund, the County may only get half that amount based on the information that he has received from the County Auditor. He did say that the present figure as per the information given was \$5.865 million and they still had to add underwriters' discounts and cost of issuance and related matters.

Mr. Ramirez supplied some information on the question from Commissioner Arcaute concerning septic tanks and water meters and he did not think that these would qualify under these bonds as they were taxable bonds. Commissioner Garces then asked Anthony Covacevich if this issue could be addressed under Urban County and Mr. Covacevich replied that they could and a discussion ensued with regards to this issue.

Mr. Vela then commenced with his presentation, with the help from Raul Villaseñor from First Southwest, Jesus Ramirez and Noe Hinojosa and Don Gonzalez with Southwest Securities. Mr. Vela then proceeded to explain the rates for an amount of \$7.25 million that included underwriters discounts and cost of issuance for a total of \$7.42 million. He then went on to report on the impact on the tax rate for this bond issue and any proposed bond issues for the year in an amount not to exceed \$30 million. After further explanation, Mr. Vela noted that the impact on the tax rate for fiscal year 1999, for the new debt would be a little bit over five cents on a fifteen year basis and it included \$30 million and the current \$7 million. He then continued his presentation for a twenty year debt versus the fifteen year. Mr. Vela also reported on the proposed timeline and he felt that it was imperative that this Commissioners' Court act now, otherwise the schedule would be compressed and they would not be able to issue the bonds on a timely basis for a sale on the bonds on July the 28th and delivery of the money to the County by the end of August.

Mr. Ramirez came into the presentation on the subject of the STCC project. He mentioned that he had previously advised the Court on this matter as they were having difficulty in finding the authority to fund this project and they figured that the City of McAllen and the County of Hidalgo would enter in to an interlocal agreement whereby the County would fund the construction of a clinic in McAllen and McAllen would in turn fund the STCC for the County. On the other projects, they were gonna have to begin work in acquiring architects or other professionals as needed, in order to commence those projects. Mr. Vazaldua added that they would bring those contracts before Commissioners' Court for consideration at a later date. They would also consider a separate bond issue for the Adult Detention Facility, the Adult Probation Department and the Juvenile Probation Department at a later date. Joe Lopez, the Adult Probation Director, informed the Court that the Adult Probation Department project also included the Restitution Center and these monies would probably be reimbursed by the State. Mr. Vazaldua noted that being that some of the funds for the Adult Probation Department and Restitution Center would be reimbursed by the County he did not know if it was feasible for the County to get into long term debt on this project.

Mr. Vela then commented that the notice could be left as is, because even though it indicated \$8.5 million it didn't mean that they would issue the whole amount and it would give them some flexibility to include the cost of issuance and any and all other projects that are still pending and can be identified. Mr. Vazaldua then clarified that the resolution would include "ADA compliance for County-owned buildings" in place of "information infrastructure" and "Veterans' Services".

16/B

A motion was made by Commissioner Rosel and seconded by Commissioners Handy and Garces to issue a notice of intent to issue

combination tax and revenue certificates of obligation not to exceed the amount of \$8.5 million. The projects to be covered are the Weslaco Substation, three Health Clinics, County Roadway Safety, Courthouse Improvements, ADA compliance on County buildings and the Restitution Center.

MOTION CARRIED.
(See Exhibit Y)

ITEM 17. SELECTION OF UNDERWRITER

- A. Consider and Approval Underwriter in Connection with issuance of Certificates of Obligation and Refunding Bonds
- B. Exempt Estrada, Hinojosa & Company, Inc. from competitive bidding under professional services procurement act

Commissioner Rosel asked about the approval of the underwriter and Manuel Cavazos, the County Auditor, recommended that they go out for proposals. Commissioner Garces then pointed out that there were some representatives from two firms in the audience. The representatives were Noe Hinojosa, from Estrada, Hinojosa & Company and Donald Gonzalez from Southwest Securities. Commissioner Rosel asked Chris Vela, the Financial Advisor, if it would be feasible to go out for proposals and Mr. Vela did not recommend it as it did not afford enough time to issue the bonds on a timely basis.

A motion was then made by Commissioner Rosel and seconded by Commissioner Garces to exempt Estrada, Hinojosa & Company, Inc. from competitive bidding under the Professional Service Procurement Act and approve said firm as underwriter in connection with the issuance of up to \$8.5 million in certificates of obligation and refunding bonds.

MOTION CARRIED.
(See Exhibit Z)

ADD. 3. PLANNING DEPARTMENT

- A. Discussion and possible action on Bradshaw Subdivision - Pct. 4

It was announced that no action would be taken on this item at this time.

NO ACTION.
(See Exhibit AA)

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

MOTION CARRIED.