

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

ITEM 2. PERMITS

- A. City of Edinburg - Family recreation & Aquatic Center
- B. Edinburg Energy Limited Partnership, Inc.
- C. City of Pharr - Los Marineros

(See Exhibit A)

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

MOTION CARRIED.

REGULAR AGENDA

ITEM 1. PURCHASING DEPARTMENT

- A. Requesting a 1988 GMC Pickup Truck (Asset #20278), a Truck Bed and a Tractor Spring tool rake be declared surplus

A motion was made by Commissioner Garces and seconded by Commissioner Rosel to authorize the declaration of a 1988 GMC Pickup Truck (Asset #20278), a Truck Bed and a Tractor Spring tool rake as surplus.

MOTION CARRIED.

(See Exhibit B)

There being no further business to come before the Drainage District #1 Board, a motion was made by Commissioner Arcaute and seconded by Commissioner Garces to adjourn.

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:

CONSENT AGENDA

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

ITEM 2. LINE ITEM TRANSFERS

- A. Commissioner Pct. 1 - Park - \$16,000.00
- B. Commissioner Pct. 2 - Paved/Unpaved - \$10,000.00
- C. Purchasing Department - \$500.00
- D. Planning Department - \$1,000.00
- E. Adult Probation - General Fund - \$200.00
- F. Health Department - ECI - \$2,100.00
- G. Constable Pct. 1 - \$380.00
- H. Constable Pct. 4 - \$1,550.00
- I. Constable Pct. 5 - \$1,800.00
- J. J.P. Pct. 2 Pl. 1 - \$100.00
- K. J.P. Pct. 1 Pl. 2 - \$71.00

(See Exhibit C)

ITEM 3. URBAN COUNTY

- A. HOME - First-Time Homebuyer Contract Agreement and Letter of Commitment to Mortgage Company - 1 Family
- B. HOME - Homeowner Occupied Housing Rehab Application - 1 Family

(See Exhibit D)

ITEM 4. RIGHT OF WAY

- A. Pct. 3 - Southwestern Bell Telephone
- B. Pct. 4 - Sharyland Water Supply
 - Southwestern Bell Telephone - Terry Road

- Southwestern Bell Telephone - Doolittle Road
- Southwestern Bell Telephone - Brushline Road

(See Exhibit E)

ITEM 5. DISTRICT ATTORNEY

A. Approval of processing fees report for the month ending in May, 1998 - \$16,134.11
(See Exhibit F)

The County Judge introduced the Consent Agenda and asked if there were any changes. A representative from the Auditor's Office informed the Court that there was one check under Item 1, check number 145275 in the amount of \$9,000.00 should be voided since they just received the invoice. Commissioner Rosel then seconded the motion with the amendment. Commissioner Arcaute asked why the check was on the agenda and the representative informed him that they had received the invoice last Wednesday and they had cut the check without properly auditing the invoice. Commissioner Arcaute asked him if this was the procedure for all invoices, including the District Court Judges invoices and the representative informed him that it was. Commissioner Garces pointed out that Commissioner Arcaute had brought up a good point, because this Court has been paying for services for the District Court's after the projects have been completed without going through the proper procurement process. The Commission proceeded to vote on the amendment first and it failed.

MOTION FAILED. (Commissioner Rosel voted in favor; Commissioners Garces and Arcaute voted against the motion.)

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

MOTION CARRIED. (Commissioner Rosel voted against the motion)

REGULAR AGENDA

ITEM 1. OPEN FORUM

The County Judge announced that no one had signed up for the open forum.

NO ACTION.

ITEM 2. RIGHT OF WAY DEPARTMENT

A. Approval of application of the City of La Villa for a License from the IBWC

Godfrey Garza, Drainage District Manager, reported that the City of La Villa was applying for a license from the IBWC on a storm sewer project. They were at this time requesting the approval from the County. A motion was made by Commissioner Rosel and seconded by Commissioners Garces and Arcaute to approve the request as presented.

MOTION CARRIED.
(See Exhibit G)

ITEM 3. PLANNING DEPARTMENT

- A. Approval to create 3 inspector positions
- B. Approval of budget amendment
- C. Set Salaries

3/A

Emilio Garcia, Chief Planner, came before the Court requesting the approval to create three inspector positions. He stated that this was a request from the Planning Department due to the compliance strategy of the Subdivision Model Rules and Regulations. He added that the new positions should assist the Department in providing better service as far as the inspection of any new subdivisions. He was requesting that these positions be effective August 3, 1998. Commissioner Arcaute asked Mr. Garcia what was going to be done differently, as far as the inspections, that wasn't done before. Mr. Garcia replied that they would be doing on-site inspections, making sure that the water or water meters are in place as well as checking that the septic tank systems are installed in accordance to the rules and regulations. Commissioner Arcaute asked him if these three positions were a requirement under the amended rules and regulations and the reply was that they were not. These positions were part of the compliance by the Texas Water Development Board in order to release funding. A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit H)

3/B

Mr. Garcia stated that the creation of the three positions would require a budget amendment of \$23,701.00 to cover for the period of August 3rd, 1998 through the end of the year. A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the budget amendment.

MOTION CARRIED.
(See Exhibit H)

3/C

Mr. Garcia indicated that he wanted to set the salaries for the three inspector positions at \$15,000.00 annually, effective August 3rd, 1998. A motion was made by

Commissioner Rosel and seconded by Commissioner Garces to set the salaries at \$15,000.00 as presented.

MOTION CARRIED.
(See Exhibit H)

ITEM 4. COUNTY JUDGE'S OFFICE

A. Select and employ the Fire Marshal

Paul Vazaldua, Administrative Assistant to the County Judge, stated that the item on the agenda was to select and employ a Fire Marshal. He stated that they had received two applications; one applicant declined the position and the County is left with the option of either re-advertising or employ the second applicant. Commissioner Arcaute stated that this Court had more or less agreed the previous week that they would hire Rick Torres for the position. A motion was made by Commissioner Arcaute and seconded by the County Judge to hire Rick Torres as County Fire Marshal.

MOTION FAILED. (Commissioner Arcaute and the County Judge voted in favor of the motion; (See Exhibit I) Commissioners Rosel and Garces voted against the motion)

Commissioner Garces then asked Steve Crain, the County Legal Counsel if this matter was a flat denial or if it could be brought before the Court again. Mr. Crain indicated that they could place it on the agenda again. Commissioner Garces made a motion to re-advertise the position of Fire Marshal with an open salary and Commissioner Arcaute indicated to him that his motion was out of order as it was not on the agenda. He also stated that that motion had been brought before this Commissioners' Court had it had been voted down. Commissioner Garces then announced that this County would remain without a Fire Marshal.

ITEM 5. JUVENILE PROBATION

A. Approval of budget amendment

Israel "Buddy" Silva, the Juvenile Probation Director, came before the Court requesting approval of a budget amendment in the amount of \$2,500.00. He stated that these funds were funds that have been generated through their "interest earned accounts" from their State grants. A motion was made by Commissioner Garces and seconded by Commissioner Rosel to approve the request as presented.

MOTION CARRIED.
(See Exhibit J)

ITEM 6. HEALTH DEPARTMENT

A. Approval of line item transfer from the TB Grant - (TDH has approved)

Dr. Mike Keenan, County Health Director, came before the Court requesting approval of a line item transfer from the TB Grant in the amount of \$21,563.00. He added that he would like to appropriate those funds into medical supplies and this transfer was suggested by the Tuberculosis Program Manager in Austin. A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit K)

ITEM 7. TAX OFFICE

- A. Approval of tax refunds
1. Countywide Mortgage Co. - \$702.93
 2. Reyna Financial Corp. - \$2,306.30
 3. Rodolfo Marroquin - \$520.34

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

MOTION CARRIED.
(See Exhibit L)

ITEM 8. SHERIFF'S OFFICE

- A. Presentation and possible action on resolution to recover daily incarceration costs (per diem) from convicted inmates who are financially able to pay all or a portion of the costs
- B. Approval to authorize the County Auditor to process payment of clothing allowance to non-uniform officers in the Sheriff's Department, Jail and the South Texas Auto Theft Grant and may payment of same, in conjunction wit the Regular payroll

8/A

Lt. Roy Quintanilha came before the Court requesting approval of a resolution to recover daily incarceration costs from convicted inmates who are financially able to pay all or a portion of the costs. He stated that this was a proposal that was being recommended by the sheriff's of the State in order to try to get the Legislature to enact some laws that would enable them to collect per diem costs for inmates. A motion was made by Commissioner Garces and seconded by Commissioners Rosel and Handy to approve the resolution in support of the inmate reimbursement legislation.

MOTION CARRIED.
(See Exhibit M)

8/B

Lt. Quintanilha indicated that the next item was for the second installment of clothing allowance and the Auditor needed it to make it part of the payroll. A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit M)

ITEM 9. DISTRICT ATTORNEY

- A. Approval of budget amendment in the D.A., D.P.S. Motor Vehicle theft Account
- B. Approval to pay overtime
- C. Approval of budget amendment - D.A. Bad Checks Account

9/A

Roy Caceres came before the Court requesting approval of a budget amendment for the District Attorney's Office. The amendment was for the DPS Motor Vehicle Theft Account and it was in the amount of \$2,000.00. These monies would be used to purchase shoulder holsters and a pressure washer for the DPS/McAllen Office and the monies were coming from available unappropriated funds. A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit N)

9/B

Mr. Caceres was also requesting the approval of overtime pay. He informed the Commissioners that Rene Guerra, the District Attorney, had some carpenters work on the weekend because they were varnishing some walls in the felony section and he also had some maintenance personnel assist in the removing of some floor tile in the third and fourth floors. Commissioner Garces asked if this was due to the water damage and the reply was that it was. A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit N)

9/C

The last request by the District Attorney's Office was for a budget amendment in the amount of \$683.87 from the Hot Checks account. A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit N)

ITEM 10. COMMISSIONER PCT. 1 (Verbatim)

A. Request for payment by Dagoberto Quintanilla d/b/a Quintanilla Security and Investigations

RICHARD HABERMAN Judge, Commissioners, good morning, my name is Richard Haberman, I'm an attorney here in McAllen. With me is Mr. Dagoberto Quintanilla who is a provider of services under the title of Quintanilla Security Service and Private Investigations. He was hired, directed to provide service and did provide services to Delta Lake Parks and Sunrise Hill Park, in the way of guard services. He provided those from the...

COMM. GARCES I'm sorry I didn't get your name.

RICHARD HABERMAN I'm sorry. Richard Haberman is my name.

COMM. GARCES Haberman?

RICHARD HABERMAN H-A-B-E-R-M-A-N.

COMM. ARCAUTE We're in an open forum or are we, where are we at?

RICHARD HABERMAN I'm sorry, Commissioners...

COMM. HANDY No this is Precinct One. We put it on the...

RAUL LOZANO Excuse me Commissioners, Judge, Raul Lozano, Administrative Assistant for Precinct Number One. Payment for Quintanilla Security Services and Investigations or Security and Investigations was approved a couple of weeks ago, by this Commissioners' Court. However, there is a problem that Mr. Quintanilla has come, has wanted an audience with Commissioners' Court so he could explain a situation that has, that has...

COMM. GARCES A problem?

COMM. ARCAUTE Where is the problem?

RAUL LOZANO He is going to explain that.

COMM. ARCAUTE No, no, no, I'm asking you. Where is the problem?

RAUL LOZANO Okay, the problem has to do with an IRS levy.

COMM. ARCAUTE I'm sorry?

RAUL LOZANO It has to do with an IRS levy on Quintanilla Security Services.

COMM. ARCAUTE So...

JUDGE CUELLAR ----- the item on this sheet here...

COMM. ARCAUTE Where do we come in...

JUDGE CUELLAR ...will explain it.

COMM. ARCAUTE ...----- decides IRS, I'm tired of all these handouts. We get more handouts ----- and we don't have time to go through them.

COMM. ROSEL Wait, but wait a minute, wait a minute. The attorney's here trying to explain a point and I think whether we need to listen to his point and decide as to whether we have an recourse or not. At that particular time, you know, he'll get this answer he can go home or he can get this money or one of the two. I think it's only fair that you allow this, the presentation that's all. Now whether we can do anything about it or not that's something else.

COMM. ARCAUTE I know, I know you enjoy these long meetings, Commissioner, like talk can say a lot of things. The question is here we are not IRS, okay. So what is the explanation to this Commissioners' Court.

COMM. ROSEL I don't know, I don't know what he's going to say.

COMM. ARCAUTE I didn't ask you, I'm asking the gentleman from Precinct One.

RAUL LOZANO Ah, Commissioner, it is my understanding that payment for the services are going to IRS. If that's, if that's, they just want to explain that to Commissioners' Court that, that they feel that it shouldn't.

COMM. HANDY Let me, let me explain to Commissioner Arcaute.

RAUL LOZANO Okay.

COMM. HANDY This gentleman here and his father have two separate security businesses. His got his own security business, his father has, but they're both Quintanilla. The IRS has put a levy on his father's account, but it's a different account and a different business; and all

he's here to explain is that he has a different federal I.D. number and the Auditor's Office has said, has indicated to us that they would, that they would take...

COMM. ROSEL

Watch it now.

COMM. HANDY

...their, their check and send it to the IRS on their father's account. That's what he wants, he's, he's saying that he, that that is his father's business not his, but he wants to get paid for his services.

COMM. ROSEL

Legal Counsel? Legal Counsel have an opportunity to review this thing or...

COMM. GARCES

That's what I was going to say, this should've been taken care of maybe through the Courts or their attorney with ours before it comes on the agenda.

COMM. ARCAUTE

Our question is with the Auditor's not, not Mr. Quintanilla.

DAGOBERTO
QUINTANILLA

Can I.., I did go through the County Auditor's Office and I explained to Mr. Garza, I believe, his name is. I gave him copies of my license, my federal I.D. number and what have you and he said he couldn't do anything about it. So, that's the reason that we're here. There's no other location where I could go, I did sent a representative to the County Judge's Office and, and he sent me back to the Auditor's Office, so that's the reason we submitted to..

COMM. ARCAUTE

Okay, let me just say that this Commissioners' Court, not just once, but at least, as long as I've been here, I'd say at least fifty times have approved payment of bills and the Auditor's Office still refuses to pay. So, it's out of our hands here, it's already been approved, right?

COMM. GARCES

Right. Yeah, that's the, I think the key word -----, I mean we approved it...

COMM. ARCAUTE

Now, so the item here is for you to go to the Board of Judge's and tell them what their Auditor Department, or the Auditing Department is doing to this County.

COMM. GARCES

Commissioner Arcaute, I don't think that we...

COMM. ARCAUTE

Not Commissioners' Court.

COMM. GARCES ...yeah, I don't think it's so difficult to identify an I.D. number that does not comply with what the levy says. This things should have been worked out before you come here, I don't -----.

DAGOBERTO
QUINTANILLA We went to the Auditor's Office...

COMM. GARCES Yeah, I understand...

DAGOBERTO
QUINTANILLA It wasn't difficult for him to identify that, so, that, that's the reason I'm here.

JUDGE CUELLAR The item is not properly on the agenda, because we have approved the payment. Again this is something that goes over and beyond us, so we, we really, you know, you wanted to air it, you've aired it we have no solution for you except and the Auditor's Office has explained to us what the IRS is saying, but that's something that's got to be handled on a different level. I think the Commissioner's offered a pretty good solution that you go to the Board of Judges, but at this point you're not properly on....

COMM. GARCES Commissioner Handy, let me ask you. Do you feel that you've done enough to get this remedied?

COMM. HANDY Yes, we've, we have. We've tried everything and...

COMM. GARCES Okay.

COMM. HANDY ...other than the explanation from the Auditor's Office I didn't know what else to do and, I mean, Steve Crain is the attorney for Commissioners' Court not for Quintanilla Services so that's why he has his own attorney and he was here last week and he was gonna go on the open forum to address us on it and he wasn't able to get on the list. So, I went ahead and put it under Precinct One so he would be able to do his presentation.

COMM. GARCES Let's see if we can just have someone on record, Steve, you want to get up one more time on this subject matter and kind of give us some direction and maybe the process.

COMM. ARCAUTE You mean legal advise not direction.

STEVE CRAIN Let me just give you the procedure of what's going on so you'll know what's going on and the exposure to the County. Apparently from the documents that I have seen just after I got here this morning,

there was an IRS levy filed and if there is an IRS levy filed then you have notice of it, you have to pay the IRS. The issue here is was it filed against this business, business "A" or business "B" which have similar names; and who did we originally contract with; was it business "A" or business "B". I don't know that, I don't think any of us know that in this room. Somebody needs to, to research the original contract, find out who it was, who the County contracted with and also, I think, the one obvious way to clear this up is if, if business "A" will get a letter from IRS saying they have no levy on business "A" and it only goes to business "B", then we can feel fairly safe in paying it. The downside of the County is if you go ahead and force payment now and pay the man if it turns out the IRS letter claims it really was one and the same business then the County has to pay twice for the same service.

COMM. GARCES

Okay.

COMM. ROSEL

Thank you. Everybody's giving answers I didn't know the problem, unless they're clairvoyant here.

COMM. HANDY

So, what should Mr. Quintanilla do at this point, Steve?

COMM. ARCAUTE

Sue the County. Everybody else does it.

STEVE CRAIN

I think the first thing that needs to be done is, is the Auditor's Office or somebody needs to go back and check the original contract and determine who that contract was with. I think, I'm assuming those documents can be, however you all, whoever you want to check it. It's got to be approved by the Auditor's Office anyway, but somebody needs to check those documents, somebody secondly needs to contract the IRS and confirm if there is no outstanding levy and that there are two separate businesses and two separate tax ID numbers and get that from the IRS and try to get a letter from the IRS Office saying it's okay to pay business "A".

COMM. GARCES

Commissioner Handy, when did we get invoiced for these services from...

COMM. HANDY

Well I feel bad for this service...

COMM. GARCES

Has it been a while?

COMM. HANDY

...because he's, this is a security service that has been helping us...

COMM. GARCES Right.

COMM. HANDY ...when we really needed them they've been there for us...

COMM. GARCES When did they invoice us, mas o menos? A month or two ago?

COMM. ARCAUTE ----- the invoice.

COMM. GARCES Do you remember?

COMM. HANDY Raul, do you have them with you?

COMM. ARCAUTE Yes.

COMM. GARCES Just to...

COMM. HANDY He probably has them there.

DAGOBERTO
QUINTANILLA (Inaudible)

COMM. GARCES A month. When did you invoice us for the, the...

DAGOBERTO
QUINTANILLA Oh, gee I would send them every end of the month.

COMM. GARCES Okay, so we have thirty days on an outstanding invoice that hasn't been worked on or...

COMM. HANDY No, I think...

DAGOBERTO
QUINTANILLA No, more than that.

COMM. HANDY I think this goes back to November.

DAGOBERTO
QUINTANILLA ----- actually December of 1997.

COMM. GARCES Well, I'd like to think that maybe through our administrative levels that we could, ----- remedy this thing give us some corresponding information...

COMM. ARCAUTE December?

COMM. HANDY December of '97.

COMM. GARCES ...about the...

COMM. ARCAUTE That's about right. Takes them six months to settle this.

COMM. GARCES I think what, what you're dealing with here is not so much of a legal matter but just confirming the ID numbers and that's it.

DAGOBERTO
QUINTANILLA Well, I did that...

COMM. GARCES I mean, you hope you don't have to come back to Court.

DAGOBERTO
QUINTANILLA ...I did that with the Auditor's Office ----- and it was...

COMM. HANDY There's a summary in...

COMM. GARCES (Inaudible)

COMM. HANDY Yeah.

COMM. ARCAUTE Well that's the problem see, once it goes into the Auditor's hands, forget it. If they can't notify you the next day, you know, they wait two months and then they tell you; and then it takes a month to respond, another month and that's it.

DAGOBERTO
QUINTANILLA Well I did show them the difference of the business and the difference of the federal ID number and everything so...

COMM. GARCES Well?

COMM. HANDY Mr. Haberman, I'm sorry, Mr. Quintanilla. Mr. Quintanilla, I appreciate everything you've done for us and I know you, you gave us the services and, and I want you to get paid and I just want to ask Mr. Haberman if, you do understand what the next step is to go before the Board of Judges...

RICHARD HABERMAN I'm, I'll check...

COMM. GARCES I think we went out a couple of times on bids right and we didn't get any response and finally we get somebody and...

COMM. ARCAUTE If you file a lawsuit it's faster, okay.

COMM. GARCES ...we can't pay them.

RICHARD HABERMAN I'm trying to avoid having to do that 'cause...

DAGOBERTO
QUINTANILLA (Inaudible)

COMM. ARCAUTE Well, they have to answer the lawsuit within twenty days.

TINO HERNANDEZ Do you still want the levy, the levy advised to through business -----
---- with this information ----- here ----- . They're asking you
know, they're telling us that the levy applies to, to their business, too.
And that's where ----- told us and we're trying to get that in
writing.

COMM. GARCES Now it's become a legal battle.

TINO HERNANDEZ We have gotten direction from the IRS themselves, you know, -----
first the levy on, on -----

RICHARD HABERMAN That sounds right, yes.

TINO HERNANDEZ And then now...

DAGOBERTO
QUINTANILLA Which I've got a copy...

TINO HERNANDEZ They still ----- as one in the same business ----- and so they are,
they're asking us to, that they still want ----- to pay, you know --
----- IRS.

COMM. GARCES So, it looks obvious that we're gonna need an attorney to interpret,
right?

TINO HERNANDEZ Yeah.

COMM. GARCES What they're submitting as a...

COMM. ARCAUTE You have already provided the service, right?

DAGOBERTO
QUINTANILLA A long time ago.

COMM. ARCAUTE And you still haven't gotten paid?

DAGOBERTO
QUINTANILLA Correct.

COMM. ARCAUTE And this is a verbatim, please, okay. And you still haven't gotten paid for those services?

DAGOBERTO
QUINTANILLA Right.

COMM. ARCAUTE As of November of '97?

DAGOBERTO
QUINTANILLA As of December, actually.

RICHARD HABERMAN December. November bill, sir, was paid and December bill was not paid.

DAGOBERTO
QUINTANILLA I've got, I've got, I received one payment back in...

COMM. ARCAUTE Well the fact is this County hasn't paid you in six months, still hasn't paid the bill?

DAGOBERTO
QUINTANILLA Right.

COMM. ARCAUTE That's all.

JUDGE CUELLAR This Court authorized the payment it still does for a different reason.

COMM. GARCES Lalo?

COMM. ARCAUTE Please don't include us in your lawsuit, just the County Auditor, okay.

DAGOBERTO
QUINTANILLA I need to check it...

JUDGE CUELLAR (Inaudible)

DAGOBERTO
QUINTANILLA I appreciate it, thank you so much.

COMM. HANDY Thank you.

COMM. ARCAUTE A bigger return and invested in the bank, you know, it's only 5% or less.

NO ACTION.
(See Exhibit O)

ITEM 11. COMMISSIONER PCT. 4

- A. Discussion and possible action on meeting of June 17, 1998 (Paul Vazaldua & County Department Heads) and instructions issued via Paul to cut approximately 10% off budget

Commissioner Garces indicated that this item was to discuss action on the meeting of June 17th on some of the department heads. He added that he had received three calls from different department heads and they asked him about the direction that they were given with regards to reduce their 1999 budgets by 10%. He asked Paul Vazaldua to give this Commissioners' Court to provide some insight as to this request.

Mr. Vazaldua stated that a meeting had been held with the County department heads to begin a preliminary budget hearing for the 1999 budget. He continued by saying that keeping in mind the certificates of obligations for the various projects that the County is intending to go through, he felt that they needed to be cautious about what the M & O budget and the debt service budget would look like in 1999, because this would measure the amount of tax increase that would be required for the 1999 year. The request at the time was for the department heads to go through their individual budgets, from categories 12 through 99, leaving the 03 categories out of the picture and prepare a budget that would have a 10% cut in all object numbers from object 12 to object 99. Commissioner Arcaute asked what the 10% was in reference to and Mr. Vazaldua indicated that it was 10% from the approved 1998 budget for those object numbers. Mr. Vazaldua added that they had requested the amended budget but were unable to get it. A discussion then ensued with regards to what budgets and how they had tried to acquire them. During this discussion, Commissioner Arcaute asked on whose authority this meeting was being held, as this Commissioners' Court had not designated a budget officer for 1999. Mr. Vazaldua then stated that the County Judge's Office was beginning to prepare for the 1999 budget. Commissioner Garces then asked what was so difficult about placing this item on agenda and that the Auditor's Office had yet to finish the first half of the year. He felt that it should be placed on the Commissioners' Court agenda to find out what route to take and not to follow one individual's or a few individual's plans. Commissioner Rosel stated that he admired Mr. Vazaldua's efforts, but he was not in agreement with him doing it without this Court's authorization. Mr. Vazaldua then recommended that they place something on the agenda for next week and Commissioner

Arcaute suggested that they check the statutes on how this is supposed to be done with respect to appointing a budget officer. Commissioner Garces, Tino Hernandez and Loura Etnire then began a discussion with regards to the budgets and the amended budgets and where the County was at, at this time with regards to figures and projected assessed evaluations. The County Judge then announced that the person who normally takes care of the budget has been out sick for some time and they were trying to get ahead on this issue. The discussion continued during which Commissioner Arcaute pointed out that the Auditor's Office gave the departments a print out for every month except December and he wanted to know why and Mr. Hernandez and Mrs. Etnire tried to answer his question. The issue of the appointment of budget officer came back into the discussion and Mr. Vazaldua was instructed to look in to this matter. After further discussion, no action was recommended on this item.

NO ACTION.
(See Exhibit P)

ITEM 12. O.E.T.

- A. Approval of Phase II Request from Governor's Reserve Funds for Trade Affected Workers
- B. Approval of the proposals for Title IIA, IIC, III & Title I Section 123 (8%) Request for Proposals (RFP's) for PY '98
- C. Approval of the submission of the Welfare-to-Work Competitive Grant
- D. Authorization to approve OET's reclassifying positions from Grade 2 to Grade 4 Step (1-8)
- E. Authorization to approve and set salaries for the new reclassifications

12/A

Dick Dickinson, OET Director, came before the Court requesting approval of Phase II request for funds out of the Governor's Reserve Funds. He stated that this was for the Hagar and Trade Affected Workers and he went on to elaborate. He added that they had requested some additional funding to assist the people that were let go from the Hagar Plant and this was the Phase II of that allocation. The amount of the proposed allocation is approximately \$968,000.00 and he was asking that the Court approve this so that they can submit it to the NAFTA TAA Representative with TWC for funding. A motion was made by Commissioner Rosel and seconded by Commissioner Handy to approve the request as presented.

MOTION CARRIED.
(See Exhibit Q)

12/B

Mr. Dickinson stated that this item was for the annual response proposal approvals for Title IIA, IIC, Title III, Title I Section 123. He added that these proposals had gone out approximately about a month ago for the program year PY '98-'99 and he had supplied the Commissioners with a matrix of the graded scores for the proposals. He was

requesting that the proposals be approved subject to a pre-award survey and regulatory compliance as well as policy compliance. He did point out that on the proposals, only those that were not highlighted would be considered as they attained a score of 70 or better. A motion was made by Commissioner Garces and seconded by Commissioner Rosel to approve the request as presented.

MOTION CARRIED.
(See Exhibit Q)

12/C

Mr. Dickinson said that this item was for the approval of the submission of the Welfare-to-Work Competitive Grant. He stated that OET had been allocated the \$5.8 million for Welfare-to-Work and it required a 1/6 either soft or hard match from the SDA. This \$5 million competitive grant that they were applying for, however, did not require a match. He went on to give reasons why this County had a good chance of acquiring this grant. A motion was then made by Commissioner Handy and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit Q)

12/D

Mr. Dickinson proceeded to explain that he was wanting to reclassify some positions. He added that this was for the intake specialist position and he noted that it was an oversight on his part when he had come in to ask for approval of the PY '98-'99 budget. He added that he was wanting to reclassify these positions because they were responsible for the accumulation of all the necessary documentation and a first contact person with the clients. He was wanting to reclassify them from a Grade 2 to a Grade 4 Step. A motion was made by Commissioner Garces and seconded by Commissioner Rosel to approve the request as presented.

MOTION CARRIED.
(See Exhibit Q)

12/E

A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve and set the salaries for the new reclassifications, as presented.

MOTION CARRIED.
(See Exhibit Q)

ITEM 13. URBAN COUNTY PROGRAM

- A. Approval of a Construction Contract with Rodriguez Builders for a PFI - Parks, Recreational Facilities, Year 9 (1996) - City of Elsa
- B. Approval of an Amendment o a Contract with Snowden Engineering, Inc. for PFI - Water/Sewer Improvements - City of Edcouch
- C. Approval of a Corrected Budget Amendment - City of Palmview - Urban County Year 10 (1997)
- D. Formal Action to Approval Submission of a Fair Housing Initiative Program (FHIP) Grant Application
- E. Approval to enter into a contract with Proyecto Azteca, as a Community Housing Development Organization (CHDO) for County's FY 1997 HOME Program
- F. City of Elsa - HOME/Housing Rehabilitation Change Order (1 Family)
- G. City of Alamo - HOME Housing Rehabilitation Program - Construction Contract Award
- H. City of Granjeno - HOME Housing Rehabilitation Program - Construction Contract Awards
- I. Public Hearing considering the passage of an Order designation as a reinvestment zone property with the unincorporated areas of Hidalgo County in particular 40 acres of land lying in Porcion 48, Hidalgo County, Texas, Lot 2 of the Mission Farm Estates Subdivision
- J. Approval of an Order designating certain real property within the unincorporated areas of Hidalgo County as Reinvestment Zones, more particularly being the forty acres of land lying in Porcion 48, Hidalgo County, Texas, Lot 2 of the Mission Farm Estates Subdivision as recorded in Volume 9, Page 26, Map and Plat Records of Hidalgo County, Texas
- K. Approval of an agreement between County of Hidalgo and Frontera LLP granting tax abatement in accordance with Guidelines and Criteria's adopted March 31, 1998

13/A

The City of Elsa was requesting approval of a construction contract with Rodriguez Builders under their Year 9 Parks and Recreational Facilities line item. The contract amount is \$7,448.75 and it will provide swimming pool repairs to the City of Elsa's Park. A motion was made by Commissioner Handy and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.

(See Exhibit R)

13/B

The City of Edcouch was requesting approval of an amendment to a contract with Snowden Engineering, Inc. for a water/sewer improvement project under their Year 7. The amendment is to perform boundary and topographical field surveys in conjunction with the upcoming water facilities expansion project. The amount of the amendment is \$6,500.00. A motion was made by Commissioner Handy and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit R)

13/C

The City of Palmview was requesting the approval of a corrected budget amendment in their UCP Year 9 budget. The amendment called for the elimination of the Sidewalk line item and moving those monies into the Street Improvement line item and their Fire Department line item. A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit R)

13/D

Anthony Covacevich, the Urban County Director, informed the Court that this item was for approval the submission of a Fair Housing Initiative Program Grant Application. He added that monies were made available every year and the County has applied in the past and they were now going out for the establishment of a fair housing center for the County of Hidalgo. He added that one of the obligations under this grant is that the County further Fair Housing Activities within the County. The application is for an amount of \$100,000.00. A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit R)

13/E

Mr. Covacevich stated that he was requesting approval to enter into a contract with Proyecto Azteca, as a Community Housing Development Organization under the County's FY 1997 HOME Program. He added that the amount of the contract is \$100,000.00 to assist six low income families in the construction of six new houses. A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit R)

13/F

The City of Elsa was requesting approval of a change order under their HOME/Housing Rehabilitation program. The amount of the change order is \$150.00 and it is for the installation of a door to separate the living room from the rest of the house in order to maintain the cool air from the air conditioner in this room so the elderly couple living in this home won't suffer from the heat. A motion was made by Commissioner Handy and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit R)

13/G

The City of Alamo is requesting approval of a construction contract award under their HOME Housing Rehabilitation Program. The contract is with the low bidder being De Leon Construction under bid option I for an amount of \$132,000.00 and it is for six dwelling units. A motion was made by Commissioner Garces and seconded by Commissioner Rosel to approve the request as presented.

MOTION CARRIED.
(See Exhibit R)

13/H

The City of Granjeno was requesting approval of a construction contract award under their HOME Housing Rehabilitation Program. The contract is with the low bidder being J.D. Villarreal for an amount of \$81,594.00 and it was for three dwelling units. A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit R)

13/I

The County Judge called a public hearing to consider the passage of an order designating as a reinvestment zone a property within the unincorporated areas of the County of Hidalgo. The property in question is described as 40 acres of land lying in Porcion 48, Hidalgo County, Texas, Lot 2 of the Mission Farm Estates Subdivision. Mr. Covacevich reported that this was for a company that was requesting tax abatement in this area. There were no comments from the public and therefore the public hearing was closed.

NO ACTION.
(See Exhibit R)

13/J

Mr. Covacevich stated that this item was for the approval of an order designating certain real property within the unincorporated areas of Hidalgo County as Reinvestment Zones, more particularly being the forty acres of land lying in Porcion 48, Hidalgo County, Texas, Lot 2 of the Mission Farm Estates Subdivision as recorded in Volume 9, Page 26, Map and Plat Records of Hidalgo County, Texas. He added before an entity could grant a tax abatement, a reinvestment zone had to be created. A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit R)

13/K

Mr. Covacevich stated that the this item was for approval of an agreement between the County of Hidalgo and Frontera Generation LLP, granting tax abatement in accordance with the Guidelines and Criteria's adopted on March 31, 1998. He added that this company was proposing the creation of \$200 million in new value in an area south of the Bates Power Plant in Palmview. They were asking for a 90% tax abatement for real property for five years as per the Guidelines and Criteria. This company is a merchant plant that will sell electricity to other companies. Mr. Covacevich stated that they will build a 500 mega watt electrical combined cycle plant and it will be a \$200 million investment. After further comments, a motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the request as presented.

MOTION CARRIED.
(See Exhibit R)

ITEM 14. PURCHASING DEPARTMENT

A. HIDALGO COUNTY

1. Requesting exemption from competitive bidding requirements for Professional Services/TPA run-off claims with ASO North America for the pending claims under the former Hidalgo County self insured program
2. Requesting approval of a contract for an additional 90 day term with ASO North America for third party administration of run-off claims under Hidalgo County's former self insured program
3. Requesting exemption from competitive bidding requirements for Professional Services/Audit Services to identify, pursue and collect any Hidalgo County sums, funds or amounts which may have been previously overpaid to or erroneously assessed by state agencies with Resource Recovery Service
4. Approval of a professional services contract with Resource Recovery Service

B. HIDALGO COUNTY PRECINCT NOS. 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 Nos. 1, 2 & 4 - Crushed Caliche" to multiple vendors

C. HIDALGO COUNTY PRECINCT NOS. 1 & 4

1. Recommending bid award on bid for "Pit Run Caliche"

D. HIDALGO COUNTY PRECINCT NO. 2

1. Requesting authority to advertise for "One (1) New Motor Grader"

E. HIDALGO COUNTY PRECINCT NO. 3

1. Requesting authority to advertise "Hauling Services"
2. Requesting authority to advertise "Crushed Caliche - East of Abram"

F. HIDALGO COUNTY CONSTABLE PRECINCT NO. 4

1. Requesting various seized vehicles be declared surplus

G. HIDALGO COUNTY COMMUNITY SERVICES

1. Requesting authority to extend existing contract from June 7, 1998 through September 30, 1998 to permit bid process to be complete (current evaluation of lease bids received with CSA Director on-going) and to avoid any lapse in services

H. HIDALGO COUNTY DISTRICT ATTORNEY

1. Requesting three (3) seized vehicles and numerous pieces of office equipment be declared surplus

I. HIDALGO COUNTY HUMAN SERVICES

1. Recommending to exercise renewal clause on contract for additional one (1) year period at the same rate, terms and conditions and a modification with ASO North America, Inc. of Houston, Texas, or in the alternative
2. Requesting authority to advertise for "Third Party Administrator - Texas Indigent Health Care and Treatment Act" for Human Services Department

J. HIDALGO COUNTY LIBRARY SYSTEM

1. Requesting various office equipment be declared surplus
2. Requesting a "Sole Source Declaration" of Amigos Bibliographic Council of Texas

K. HIDALGO COUNTY SHERIFF'S DEPARTMENT

1. Requesting a 1993 Ford Crown Victoria (No asset #, VIN #2FACP71W2PX198621) be declared surplus

L. HIDALGO COUNTY TAX OFFICE

1. Requesting office equipment be declared surplus

M. HIDALGO COUNTY WIC DEPARTMENT

1. Requesting authority to advertise for "Rental of Office Space for the City of Mercedes"

N. HIDALGO COUNTY WIDE SHOP

1. No bids received for "One (1) 1997 or newer extended cab ½ ton pick-up truck"
2. Requesting authority to purchase "One (1) 1998 Extended Cab ½ Ton Pickup Truck" through the Interlocal Agreement with the Houston-Galveston Area Council (H-GAC)

14/A/1

A motion was made by Commissioner Rosel and seconded by Commissioner Garces to authorize the exemption from competitive bidding requirements under professional services for run-off claims with ASO North America for the pending claims under the former Hidalgo County self insured program.

MOTION CARRIED.
(See Exhibit S)

14/A/2

A motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve a contract for an additional ninety day term with ASO North America for third party administration of run-off claims under Hidalgo County's former self-insured program.

MOTION CARRIED.
(See Exhibit S)

14/A/3

Martha Salazar, the County Purchasing Agent, informed the court that this item was for the exemption from competitive bidding requirements under professional services for audit services to identify, pursue and collect any Hidalgo County sums, funds or amount which may have been previously overpaid to or erroneously assessed by State agencies with Resource Recovery Service. She added that this issue had been brought before Commissioners' Court at a prior meeting and it was a vendor who had expertise in going in and auditing assessed claims by State agencies and it was done on a recovery service charge of only 35% if they find overpayments and recover them for the County. This would be a one year contract and this firm also had a contract with Webb County. After some questions and comments, a motion was made by Commissioner Rosel and seconded by Commissioner Garces to approve the exemption as presented.

MOTION CARRIED. (Commissioner Arcaute voted against the motion)
(See Exhibit S)

14/A/4

No action is required on this item at this time.

NO ACTION.
(See Exhibit S)

14/B/1

Mrs. Salazar informed the Court that she had received three bids for "Hidalgo County Precincts No. 1, 2 & 4 - Crushed Caliche"; Valley Caliche at \$2.30 a ton, Redland Stone Products at \$2.35 per ton and Frontera Materials at \$2.30 per ton. She stated that Precincts One and Two, due to the location of the pit was recommending to award to Frontera Materials at \$2.30 per ton. She was being advised by Precinct Four that in order to go to Valley Caliche they had to go through unpaved roads and a more direct route for them would be to Redland Stone and they are recommending that the bid be awarded to Redland Stone at \$2.35 per ton. Her recommendation at this time was for Frontera Materials for Precincts One and Two and to Redland Stone for Precinct Four. Steve Crain, the County Legal Counsel, indicated that they would need to review the specifications to see if they can award the bid in this fashion. He added that if Precinct Four was awarding due to the distance then this Court would have to make a finding on the distance issue. A discussion then ensued with regards to

the quality and possible testing of the caliche with comments from Commissioners Garces and Handy as well as Mrs. Salazar. A motion was made by Commissioner Garces and seconded by Commissioner Handy to approve the low bidder of Frontera Materials at \$2.30 per ton for Precincts One and Two. (No action on the awarding for Precinct Four at this time)

MOTION CARRIED.
(See Exhibit S)

14/B/2

A motion was made by Commissioner Handy and seconded by Commissioner Garces to approve a contract with Frontera Materials for crushed caliche for Precincts One and Two at \$2.30 per ton.

MOTION CARRIED.
(See Exhibit S)

14/C

Mrs. Salazar reported that with regards to the awarding of the bid for pit run caliche she had received three bids: Redland Stone Products at \$1.00 per ton; Roy's Hauling Service at \$1.05 per ton and Buenga Caliche at \$.76 per ton. She mentioned that pit run caliche has had no specifications in the last couple of years and the Purchasing Department developed some specs for the gradation and standardization for quality control. She mentioned that these specs are below the crushed caliche standard but very similar. She mentioned that in this case the contract would call for the testing of the pit run caliche and the Purchasing Department is recommending the low bidder at this time. A motion was made by Commissioner Handy to award for Precinct One and this was seconded by Commissioner Garces for the sake of discussion. Commissioner Garces pointed out that he would not want to award for Precinct Four and Mrs. Salazar indicated that they would have to award for both Precincts as it was the way it was stated on the specifications. After a brief discussion it was recommended that no action be taken on this time and the motion and second were withdrawn.

NO ACTION.
(See Exhibit S)

14/D

A motion was made by Commissioner Arcaute and seconded by Commissioner Handy to authorize the advertising for bids for "one (1) new motor grader" for Precinct No. Two.

MOTION CARRIED.
(See Exhibit S)

14/E

A motion was made by Commissioner Garces and seconded by Commissioner Rosel to authorize the advertising for bids for "Hauling Services" and "Crushed Caliche - East of Abram" for Precinct No. Three.

MOTION CARRIED.
(See Exhibit S)

14/F

A motion was made by Commissioner Garces and seconded by Commissioner Rosel to authorize the declaration of various seized vehicles from Constable Precinct No. Four as surplus.

MOTION CARRIED.
(See Exhibit S)

14/G

A motion was made by Commissioner Garces and seconded by Commissioner Rosel to authorize the extension of existing contract for janitorial services from June 7, 1998 through September 30, 1998 to permit bid process to be complete and to avoid any lapse in services for the Community Services Agency.

MOTION CARRIED.
(See Exhibit S)

14/H

A motion was made by Commissioner Garces and seconded by Commissioner Rosel to authorize the declaration of three seized vehicles and numerous pieces of office equipment from the District Attorney's Office as surplus.

MOTION CARRIED.
(See Exhibit S)

14/I/1

A motion was made by Commissioner Rosel and seconded by Commissioner Garces to authorize the use of the renewal clause on a contract for an additional one year period at the same rate, terms and conditions and a modification with ASO North America, Inc. of Houston, Texas for the Hidalgo County Department of Human Services.

MOTION CARRIED.
(See Exhibit S)

14/I/2

It was indicated that due to the prior action that no action was needed on this item.

NO ACTION.
(See Exhibit S)

14/J/1

A motion was made by Commissioner Garces and seconded by Commissioner Rosel to authorize the declaration of various office equipment from the Hidalgo County Library System, as surplus.

MOTION CARRIED.
(See Exhibit S)

14/J/2

A motion was made by Commissioner Garces and seconded by Commissioner Rosel to authorize a sole source declaration of Amigos Bibliographic Council of Texas for the Hidalgo County Library System.

MOTION CARRIED.
(See Exhibit S)

14/K

A motion was made by Commissioner Rosel and seconded by Commissioner Garces to authorize the declaration of a 1993 Ford Crown Victoria, from the Sheriff's Department, as surplus.

MOTION CARRIED.
(See Exhibit S)

14/L

A motion was made by Commissioner Garces and seconded by Commissioner Rosel to authorize the declaration of office equipment from the Tax Office as surplus.

MOTION CARRIED.
(See Exhibit S)

14/M

A motion was made by Commissioner Handy and seconded by Commissioner Garces to authorize the advertising for "rental of office space in the City of Mercedes" for the WIC Department.

MOTION CARRIED.
(See Exhibit S)

14/N/1

Mrs. Salazar reported that no bids were received for the purchase of One (1) 1997 or newer extended cab ½ ton pickup truck for the County Wide Shop.

NO ACTION.
(See Exhibit S)

14/N/2

A motion was made by Commissioner Garces and seconded by Commissioner Handy to authorize the purchase of one (1) 1998 or newer extended cab ½ ton pickup truck through the interlocal agreement with the Houston-Galveston Area Council with Triangle Chevrolet, Port Arthur, Texas. The total price of the pickup truck is \$19,640.30 and it does include the H-GAC administration fee and delivery charge.

MOTION CARRIED.
(See Exhibit S)

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.