**PALM VALLEY CITY COUNCIL**

**MINUTES**

**REGULAR MEETING**

**SEPTEMBER 8, 2016**

The City Council of the City of Palm Valley met in a Regular Meeting on the 8th day of September 20-16 at 5:00 p.m. at 1313 N. Stuart Place Road, Palm Valley, Texas. The meeting was attended by the following persons:

 Mayor George Rivera

Council members: John Widger, Julie Martin, Joe Jones, Debe Wright, Cynthia Thompson (via teleconference)

City Secretary: Sylvia R. Trevino

City Attorney: Jason Mann

City Staff: A. R. Garcia, Police Chief

 Rosendo Flores, Waterworks Supervisor

1. **CALL TO ORDER** – Mayor Rivera called the meeting to order.
2. **PLEDGE OF ALLEGIANCE –** Mayor Rivera led the Pledge of Allegiance.

Mayor Rivera announced that Councilwoman Thompson is present at the meeting via teleconference. Jason Mann announced that she is here for all purposes except to make a quorum in which case a teleconference would not be allowed by law.

1. **PUBLIC COMMENTS**

John Hollingsworth, a local resident, acknowledged that he is in favor of the tax increase and the increase in the sales tax and he encouraged the Council to seriously consider an assessment to all property owners. Without an assessment it is difficult to address the infrastructure needs of the City.

1. **MINUTES FOR APPROVAL – REGULAR MEETING OF AUGUST 16, 2016**

Councilman Widger noted a couple of corrections to Page 6-----to change the amount of budget adjustments from $17,500 to $9,000 in the Court budget and from $34,700 to $7,300 in the police budget.

With the corrections to be made, Councilman Widger made a motion to approve the minutes.

Councilwoman Martin seconded the motion.

Mayor Rivera took the votes and the motion carried unanimously by those present.

1. **ORDINANCE ADOPTED TO APPROVE THE CITY’S BUDGET FOR FISCAL YEAR 2016-17**

Councilman Widger explained the two options----one budget includes the tax rate increase and the second budget does not. He noted that the 7% franchise fee from the Water to the City has been removed in both budget options. Once a budget is approved the City is all set. The two options also account for the water rate increases and the increase in the fire service fee.

Charles Ramsey commented that it would make sense to approve the tax rate first.

Councilman Widger explained that the law requires that the budget be approved before the tax rate.

Charles Ramsey stated that he had said he would support a tax rate increase but it would be premature of him to do so until there is a bonafide plan in place.

Mayor Rivera commented that he proposed the tax rate increase. $42,000 that will be generated from this increase is just a drop in the bucket but we have to start somewhere. Yes, there needs to be a plan whether it for street repairs or ponds. Future leaders might use the monies for something else. How do we define how to legally set that money aside? That is money that can be set aside added to the increased revenue from the sales tax revenue. That reserve could now be about $130,000-$150,000. Now is the time for an assessment. There are many options and this would be a start.

Councilman Widger disagreed and stated that there has to be a plan first and he would be in favor of Option 2.

Councilwoman Thompson commented that the Council needs to start investing for things to come up. If something is not done this year we will have to wait another year and stated that she would be favor of Option 1.

John Polomny, a local resident, stated that the would be in favor of the increase in the sales tax but he would be opposed to the tax increase. He added that the Council still does not know what the requirements are specifically to justify the tax increase. Those requirements have to be identified and then taken to the citizens to sell a tax increase. It is difficult to earmark an amount if you don’t have a plan.

Councilman Widger stated that nothing is critical right now but we do need to look at future infrastructure needs and at this point we don’t know for sure how much money is needed. This is something that the Council has to decide and also look to other funding sources.

John Hollingsworth agreed that there has to be a better understanding and money will be needed even to pursue other funding sources such as grants.

Mayor Rivera added that by putting money aside, it would ‘soften the blow’.

Councilman Jones made a motion to approve Option 1.

Councilman Widger made a motion to approve Option 2 that reflects the same tax rate currently implemented.

Councilwoman Martin seconded the motion.

 Mayor Rivera took the votes and the motion carried by the following:

 Aye: Widger, Martin, Wright

 Nay: Jones, Thompson

The budget was approved without a tax rate increase.

1. **ORDINANCE SETTING THE TAX RATE ADOPTED**

Councilwoman Martin made a motion that the property tax rate be increased by adoption of a tax rate of $0.452541/$100 which is effectively a 0.96% increase in the tax rate.

Councilwoman Wright seconded the motion.

Mayor Rivera took the votes and the motion carried unanimously by those present.

1. **ORDINANCE INCREASING THE WATER RATES FROM $2.50 TO $2.65 CHARGE PER THOUSAND OVER BASE AND INCREASING THE BASE WATER SERVICE FEE FROM $17.50 TO $18.50 ADOPTED**

Mayor Rivera explained that Harlingen Waterworks increased their charge to the City for the treatment of our water by 17% and the City only passed 1/3rd of the increase to the customers. The increase is necessary to try to recover the extra charge. The base water service fee is increasing by $1.00 per month, the equivalent of $12.00 per year and the water rates are increasing by $.15.

Councilwoman Wright made a motion to adopt the ordinance.

Councilwoman Martin seconded the motion.

Mayor Rivera took the votes and the motion carried unanimously by those present.

1. **ORDINANCE INCREASING THE RESIDENTIAL FIRE SERVICE FEE FROM $12.65 TO $13.10 AND INCREASING THE COMMERCIAL FIRE SERVICE FEE FROM $55 TO $57 ADOPTED**

This increase is also due to the cost that the City of Harlingen charges Palm Valley for fire protection services. Their rate is based on the assessed values of properties in Palm Valley. The City is not collecting enough to recover this cost.

Councilman Widger made a motion to adopt the ordinance.

Councilwoman Martins seconded the motion.

Mayor Rivera took the votes and the motion carried unanimously by those present.

1. **CONTRACT BETWEEN THE CITY OF HARLINGEN AND CITY OF PALM VALLEY FOR FIRE PROTECTION SERVICES APPROVED**

Councilman Widger made a motion to approve the fire services contract.

Councilwoman Martin seconded the motion.

Mayor Rivera took the votes and the motion carried unanimously by those present.

1. **TRANSFER OF THE 7% FRANCHISE FEE FROM THE WATER DEPARTMENT TO THE CITY’S GENERAL FUND TERMINATED**

Councilman Widger explained that this is a formality to stop the transfer of 7% franchise fee from the Water Department’s budget to the City’s general fund. This transaction is accounted for in both the City and Water budgets that were just approved.

Councilwoman Martin made a motion to terminate the transfer as explained.

Councilwoman Wright seconded the motion.

Mayor Rivera took the votes and the motion carried unanimously by those present.

1. **SPEED BUMPS ON LOS AMIGOS REMOVED**

Jimmie Traylor, a resident of Los Amigos, submitted a petition signed by about 80% of the qualified residents asking for the removal of the speed bumps.

Councilman Widger made a motion to authorize the removal of the speed bumps at Los Amigos Townhomes.

Councilwoman Wright seconded the motion.

Mayor Rivera took the votes and the motion carried unanimously by those present.

1. **CONSENT AGENDA:**
2. **Police Monthly Report – August 2016**
3. **Municipal Court Monthly Report – August 2016**
4. **Monthly Check Listing – August 2016**
5. **Monthly Financial Report – August 2016**
6. **Investment Report – August 2016**
7. **Council/Liaison report**

Chief Garcia briefed the Council on his report regarding incidents in Palm Valley. He indicated he picked up more reserves. Mayor Rivera questioned him on the sale of the truck. Chief Garcia replied that Los Indios had gotten authorization to buy it but for their Public Works department. He commented that eventually he will sell the truck.

Chief Garcia reported on the grants received and stated he is still looking for others.

He added that he is getting ready for National Night Out. The cities of Harlingen, Primera, San Benito and Combes will also be having their event at the same time on October 4.

He reported briefly on the officers’ training. He was asked about a couple of citations and he explained the reasoning behind those citations.

Charles Ramsey briefed the Council on the Neighborhood Watch Program. He stated that the program is going well and is still keeping crime outside the city.

Councilwoman Martin updated the Council on her meetings with grant writers. She indicated that she and Councilman Widger met with a couple of grant writers just to get information on the process. Councilwoman Wright suggested that someone speak with Sunny Phillip. He was highly recommended by the former Mayor of La Feria. Councilwoman Martin commented that the grantwriters she met with sounded pretty positive about working with the City.

Councilwoman Wright made a motion to approve the Consent Agenda.

Councilwoman Martin seconded the motion.

Mayor Rivera took the votes and the motion carried unanimously by those present.

There being no further business, the meeting adjourned at 5:46 p.m. upon a motion by Councilwoman Martin and a second by Councilman Widger.

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George Rivera, Mayor

Attest:

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Sylvia R. Trevino, City Secretary