

**PALM VALLEY CITY COUNCIL
MINUTES
SPECIAL
MEETING
October 14, 2020**

The City Council of the City of Palm Valley met in a Special Meeting on the 14th day of October 2020 at 6:00 p.m. at 1313 N. Stuart Place Road, Palm Valley, Texas. Attendance by the Council members was via ZOOM videoconferencing. (ZOOM videoconferencing was available for the public).

Participants via ZOOM:
Mayor George Rivera
Councilman Eric Hoff
Councilwoman Lisa Taylor
Councilwoman Cynthia Thompson

Absent: Councilman Jerry Wade
Councilman Michael Galvan

Jason Mann, City Attorney (Via ZOOM)

City Secretary: Sylvia R. Trevino (in person)

Staff present: Chief A. R. Garcia (in person)
Rosendo Flores, Director of Public Works (in person)
Elsa Guajardo, Support Services Aide (in person)

1. **CALL TO ORDER** - The meeting was called to order by Mayor Rivera.
2. **PLEDGE OF ALLEGIANCE** - The Pledge of Allegiance followed led by Mayor Rivera.
3. **LEGISLATIVE PRAYER** - The Legislative Prayer was led by Councilman Hoff.
4. **PUBLIC COMMENTS** – None

At this time, Mayor Rivera led an open discussion on the Items 5, 6, and 7 being that they are all related.

Mayor Rivera explained the grant related to the north ditch drain project along the Golf Course out to Bougainvillea. An Intent to Apply resolution needs to be submitted. It also requires hiring a financial adviser as well as a bond counsel. These are required by law to participate in the grant. The Cameron County Drainage District #5 will be sending the City an interlocal agreement indicating that they will be responsible for repayment of this loan.

Bobby Villarreal, partner with Estrada Hinojosa & Company, LLC gave a brief background on their financial advisory services. He stated that he is local, living in McAllen and is honored to do work for the City of Palm Valley. Between him and the bond counsel, they have a fiduciary duty to the City to make sure that this grant submission is done correctly.

Matt Lee, partner with bond counsel, Norton Rose Fulbright also provided a brief background of the agency. They are primarily the bond counsel for other TDWB grants.

He also stated that he is local, having been raised in Palm Valley and his parents still living here.

Don Gonzalez, also with Estrada Hinojosa, stated that the agency is doing significant amounts of work on these types of grants and the challenge is that everything is due on Monday, October 19 @ 5:00 p.m. The entire application will go through a review and if there are any missing items the City will be notified and will be given about five days to complete and provide the missing items.

Councilwoman Thompson asked how the project cost was determined. David Flinn replied that he had prepared a cost estimate back in 2019 that included soft costs, contingencies, geotesting and all related costs associated with the project. The cost of the project is \$1.4 million and will be paid by CCAD #5.

Mayor Rivera further explained that all costs go back to the Drainage District. The City is involved because the ditch is in Palm Valley and the Drainage District cannot assume debt.

In summary, the Grant total is \$70,922.00 and the TWDB loan amount is \$1,347,509.00 for a total project cost of \$1,418,431.00 at a 0% interest rate. This will be paid by the Cameron County Drainage District directly to the City of Palm Valley through a separate agreement between the Drainage District and the City. Fees for the financial advisors and the bond counsel will be paid from the loan proceeds.

Councilman Hoff asked if anyone had been in contact with the Harlingen Country Club about the ditch easement. Mayor Rivera commented that the Drainage District owns the easement, and this would be a communication between the District and the Club.

David Flinn added that he met with the Club Manager and some members but did not address the entire Board of Directors.

5. **RESOLUTION REQUESTING FINANCIAL PARTICIPATION FROM THE TEXAS WATER DEVELOPMENT BOARD; AUTHORIZING THE FILING OF AN APPLICATION FOR FINANCIAL PARTICIPATION; AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH.**

Councilwoman Thompson made a motion to approve the resolution.

Councilman Hoff seconded the motion.

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

6. **AGREEMENT WITH ESTRADA HINOJOSA & COMPANY, INC. FOR FINANCIAL ADVISORY SERVICES APPROVED.**

Councilwoman Thompson made a motion to approve the agreement for financial services.

Councilman Hoff seconded the motion.

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

7. **NORTON ROSE FULBRIGHT HIRED TO PROVIDE BOND COUNSEL SERVICES TO THE CITY OF PALM VALLEY**

Councilwoman Taylor made a motion to hire bond counsel.

Councilwoman Thompson seconded the motion.

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

At this time, Mayor Rivera stated that Councilman Galvan was not able to attend this meeting and Councilman Wade was asked not to attend because of a potential conflict of interest.

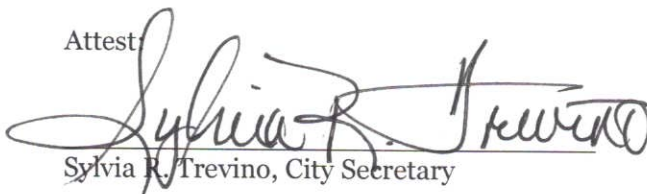
Mayor Rivera thanked Howard Tozzo and John Topp for their assistance with this project as well in getting the necessary financial figures together.

There being no further business, the meeting adjourned at 6:30 p.m. upon a motion by Councilman Hoff and a second by Councilwoman Thompson.



George Rivera, Mayor

Attest



Sylvia R. Trevino, City Secretary