STATE OF TEXAS
COUNTY OF HIDALGO
CITY OF MCALLEN

The McAllen Board of Commissioners convened in a Workshop on **Monday, July 24, 2017** at 4:00 pm, at McAllen City Hall Third Floor (3rd) Commission Chambers, with the following present:

Mayor Jim Darling, Commissioner Omar Quintanilla, Commissioner Joaquin Zamora, Commissioner John Ingram and Commissioner Veronica Whitacre

Absent: Mayor Pro Tem Aida Ramirez, Commissioner Richard Cortez

Staff: City Manager Roy Rodriguez, City Attorney Kevin Pagan, Assistant City Manager Jeff Johnston, Assistant City Manager Joe Vera, City Secretary Perla Lara, Airport Director Liz Suarez, Engineering Director Yvette Barrera

CALL TO ORDER

Mayor Jim Darling called the meeting to order.

1. **PRESENT QUESTIONS TO STAFF RELATING TO THE JULY 24, 2017 REGULAR MEETING AGENDA, TO BE DISCUSSED AT SUCH MEETING.**

Questions were asked on item 2A.

2. **DISCUSSION OF PROPOSED BOND ELECTION.**

Staff provided an update on the four (4) propositions proposed for a bond election as follows:

✓ Proposition 1: Drainage Improvements	$22 Million
✓ Proposition 2: Traffic Improvements	$ 2 Million
✓ Proposition 3: Fire Station #2	$ 2 Million
✓ Proposition 4: Parks and Recreation Office Relocation	$ 3 Million

A brief update on the proposed improvements was discussed as follows:

Drainage Improvements

- Proposed to construct drainage improvements at 25 locations throughout the City
- Construction cost estimated at $20 million
- Soft Cost (Survey, Design, Testing) estimated at $2 million

Traffic Improvements

• Hardware (Cabinets/Controllers/Cameras)	$1,787,000
• Communication (Fiber 80/20 match along bus routes)	$ 463,000
• Engineering (Timing Plans, Coordination)	$ 750,000

Fire Station #2

Construction for New Station # 2 Includes:

- Demolition of current station
- Design and Construction of New Station
- Furniture and Equipment $2 Million

Parks and Recreation Office

Construction of New Parks and Recreation Office Includes:

- Acquisition for New Location
- Design and Construction of New Building
- Furniture and Equipment

A lengthy discussion ensued. Staff answered questions posed by the Mayor and City Commission. Staff was instructed to bring back information on a combination of certificates of obligations for Fire Station #2 and the Park and Recreation Office. Also requested was

information on General Obligations Bonds providing for Drainage Improvements and Traffic Infrastructure. Staff was also directed to bring back an item for a May Election in January 2018.

3. PRESENTATION ON MCALLEN INTERNATIONAL AIRPORT LEASING POLICY.

Staff gave a brief update on the McAllen International Airport Leasing Policy and highlighted the following:

- Business Strategy
  - 5 Year Revenue Trend
  - FY 12-13 and FY 15-16
  - Key Non-Aeronautical Revenue Sources
  - Rental Car Revenue
  - Parking Revenue

- GA Economic Impact
  - Activity in McAllen
  - Characteristics of GA Users
  - GA Operations – McAllen vs Other Texas Airports
  - Based Aircraft

- GA Lease Summary
- Ground Rate Analysis
- GA Rates

- Follow Up Action
  - Executive Committee Input (June 6, 2017)
  - Policy to City Commission at (July 24, 2017 Meeting)
  - Commence GA Tenant Negotiations

Discussion ensued and questions and concerns were posed by the Mayor and City Commission. Staff advised said item was on Regular Meeting Agenda for consideration. Mayor Jim Darling thanked staff for their presentation.

4. PRESENTATION ON ENPLANEMENT UPDATE FOR MCALLEN INTERNATIONAL AIRPORT.

Staff gave a brief enplanement update for McAllen International Airport as follows:

- McAllen Enplanement Trends
- YTD Enplanements
- McAllen Total Passengers vs Market Seats
- McAllen 2017 Market Share
- AA Trends
- GA Trends
- VW Trends
- Regional Enplanement Trends
- RGV Load Factors
- CY 2016 Market Share by Airport
- McAllen O & D – YE Q4 2016
- BRO O & D – YE Q4 2016
- HRL O & D – YE Q4 2016
- RGV O&D – YE Q4 2016
- RGV Fare Comparison

Discussion ensued and questions and concerns were posed by the Mayor and City Commission. Question was asked about what the acronym PDEW stood for. Staff answered "Passengers Daily Each Way." Mayor Jim Darling thanked staff for their presentation.

5. REPORT ON CONVENTION ACTIVITIES BY MCALLEN CONVENTION AND VISITORS BUREAU.

Said item was not addressed.

6. STATUS REPORT ON PARKS & RECREATION PROJECTS.

Said item was not addressed.

7. SUBDIVISION MONTHLY REPORT ENDING JUNE 30, 2017.

Said item was not addressed.

8. PROJECT STATUS REPORT THROUGH JUNE 30, 2017.

Said item was not addressed.

9. EXECUTIVE SESSION, CHAPTER 551, TEXAS GOVERNMENT CODE, SECTION 551.071 (CONSULTATION WITH ATTORNEY), SECTION 551.072 (DELIBERATION REGARDING REAL PROPERTY) AND SECTION 551.087 (ECONOMIC DEVELOPMENT).

A) CONSULTATION WITH CITY ATTORNEY REGARDING POTENTIAL REAL ESTATE LITIGATION RELATED TO THE 29TH STREET RIGHT-OF-WAY, TO-WIT: CONSIDER AND TAKE APPROPRIATE ACTION ON A RESOLUTION TO USE EMINENT DOMAIN TO CONDEMN PROPERTY MORE SPECIFICALLY DESCRIBED AS SEVERAL PARCELS OF PROPERTY; BEING A 3,916.70-SQUARE-FOOT TRACT OF LAND SITUATED IN THE E.M. CARD SURVEY, ABSTRACT NO. 780, HIDALGO COUNTY, TEXAS AND BEING OUT OF LOT 5, E.M. CARD SURVEY NO.1 SUBDIVISION AS RECORDED IN VOLUME 8, PAGE 1, HIDALGO COUNTY MAP RECORDS (H.C.M.R.) PARCEL 2; AND BEING A 470.3-SQUARE-FOOT TRACT OF LAND SITUATED IN THE E.M. CARD SURVEY ABSTRACT NO. 780, HIDALGO COUNTY, TEXAS AND BEING OUT OF LOT 2, E.M. CARD SURVEY NO. 1 SUBDIVISION AS RECORDED IN VOLUME 8, PAGE 1, HIDALGO COUNTY MAP RECORDS (H.C.M.R.) PARCEL 15; AND BEING A 13,427.0-SQUARE-FOOT TRACT OF LAND SITUATED IN THE E.M. CARD SURVEY, ABSTRACT NO. 780, HIDALGO COUNTY, TEXAS AND BEING OUT OF LOT 3, E.M. CARD SURVEY NO.1 SUBDIVISION AS RECORDED IN VOLUME 8, PAGE 1, HIDALGO COUNTY MAP RECORDS (H.C.M.R.) PARCEL 7; AND BEING A 845.3-SQUARE-FOOT TRACT OF LAND SITUATED IN THE E.M. CARD SURVEY, ABSTRACT NO. 780, HIDALGO COUNTY, TEXAS AND BEING OUT OF LOT 3, LLOYD'S SUBDIVISION AS RECORDED IN VOLUME 50, PAGE 106, HIDALGO COUNTY MAP RECORDS (H.C.M.R.) PARCEL 11; AND BEING A 5,379.8-SQUARE-FOOT TRACT OF LAND SITUATED IN THE E.M. CARD SURVEY, ABSTRACT NO. 780, HIDALGO COUNTY, TEXAS AND BEING OUT OF LOT 2, E.M. CARD SURVEY NO. 1 SUBDIVISION AS RECORDED IN VOLUME 8, PAGE 1, HIDALGO COUNTY MAP RECORDS (H.C.M.R.) PARCEL 14; AND BEING A 6,484.0-SQUARE-FOOT TRACT OF LAND SITUATED IN THE E.M. CARD SURVEY, ABSTRACT NO. 780, HIDALGO COUNTY, TEXAS AND BEING OUT OF LOT 2, E.M. CARD SURVEY NO. 1 SUBDIVISION AS RECORDED IN VOLUME 8, PAGE 1, HIDALGO COUNTY MAP RECORDS (H.C.M.R.) PARCEL 16. (SECTION 551.071, T.G.C.)

B) CONSULTATION WITH CITY ATTORNEY REGARDING POTENTIAL CONSTRUCTION LITIGATION INVOLVING THE MCALLEN PERFORMING ARTS CENTER. (SECTION 551.071, T.G.C.)

C) CONSIDERATION OF ECONOMIC DEVELOPMENT MATTERS. (SECTION 551.087, T.G.C.)

D) DISCUSSION AND POSSIBLE LEASE, SALE OR PURCHASE OF REAL PROPERTY; TRACT 1, TRACT 2, TRACT 3 AND TRACT 4. (SECTION 551.072, T.G.C.)

ADJOURNMENT

There being no other business to come before the Commission, the meeting was adjourned at 5:00 p.m.

Jim Darling, Mayor

Attest:

Perla Lara, TRMC/CMC, CPM
City Secretary