STATE OF TEXAS
COUNTY OF HIDALGO
CITY OF MCALLEN

The McAllen Board of Commissioners convened in a Workshop on **Monday, November 27 2017** at 3:00 pm, at McAllen City Hall Third Floor (3rd) Commission Chambers, with the following present:

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

Absent: Mayor Pro Tem Aida Ramirez

Staff: City Manager Roy Rodriguez, City Attorney Kevin Pagan, Assistant City Manager Jeff Johnston, Assistant City Manager Joe Vera, City Secretary Perla Lara, Planning Director Juli Rankin, Director of Parks Mike Hernandez

CALL TO ORDER

Mayor Jim Darling called the meeting to order.

1. PRESENT QUESTIONS TO STAFF RELATING TO THE NOVEMBER 27, 2017 REGULAR MEETING AGENDA, TO BE DISCUSSED AT SUCH MEETING.

Questions were asked on items 1A9 and 3D of the Regular Meeting Agenda.

2. DISCUSSION OF GENERAL FUND RESERVES.

Staff reviewed the general fund reserves and touched on the following risk factors:

- Vulnerability to Extreme Events
- Revenue Source Stability
- Expenditure Volatility
- Leverage
- Liquidity
- Other Funds' Dependency
- Growth
- Capital Projects

Staff briefly reviewed the following rating agencies:

- Standard & Poor's Ratings Services
- Fitch Ratings
- Moody's Investors Service

It was noted a new policy can be created to include the following:

- Conservative Operating Reserves
- Reserves for potential Catastrophe
- Reserves for potential increased Debt

Considerations such as ratings agencies, public perception and economic uncertainties were also discussed. Comments and concerns were shared by the Mayor and City Commission. Staff answered questions posed by the Mayor and City Commission.

The Mayor and City Commission thanked staff for their presentation.

3. SITE PLAN UPDATE FOR MCALLEN FIRE STATION NO. 2.

Staff provided a brief update for the McAllen Fire Station No. 2. A discussion ensued. Comments and concerns were shared by the Mayor and City Commissions. Questions were raised related to: 1) Size of Driveway, 2) Proximity to the backyard, 3) ISO Rating, 4) Vine and Ware, 5) Limited Parking, 6) Crockett Elementary, and 7) Meeting the height criteria. Staff answered questions posed by the Mayor and City Commission.

After due consideration, direction was given to schedule a meeting with the school district and bring back item at a later workshop.

4. **STATUS OF THE AMIGOS ALWAYS CAMPAIGN.**

Staff gave a brief presentation on the Amigos Always Campaign noting that the Chamber spent an additional $25,000 on digital marketing in the Monterrey market in December. Focus Groups conducted in Monterrey in January 2017 and key findings were discussed as follows:

- McAllen has strong relationships in the Monterrey Market
- De-emphasis shopping and spending money
- "Trump Slump" and peso will stabilize
- McAllen is still the preferred Destination and in some ways, competes on the same lavel as San Antonio
- McAllen has top of the mind awareness in Monterrey and is equated as the United States

Staff also highlighted the Development and Start of "Amigos Always" Campaign March – April and touched on the following:

- Siempre Amigos – Mexico
- Amigos Always – U.S.
- Developing other markets South Texas Triangle and RGV

Also mentioned was the focus group in Monterrey on October 2017 and key finding discussed as follows:

- McAllen is still a Preferred Destination
- McAllen is Considered Very Safe
- More Comfortable and Less Expensive than San Antonio
- Strong Premium Image
- Strong Family Connections
- City is Well Designed
- Two Major Shopping Times: Back-to-School and Christmas Holiday

Lacking key findings discussed as follows:

- High-end Stores
- Entertainment and Destination Entertainment
- Reynosa is the Gateway

Emerging Markets key findings discussed as follows:

- Millennials
- Men Shopping (Hunting & Fishing)

A discussion ensued. Comments and concerns were shared by the Mayor and City Commission. Questions were raised related to: 1) Monterrey Market, 2) Market Share, 3) Media/Promotions, 4) Retail/Food/Entertainment, 5) request for breakdown of how money is being spent and 6) Key Elements. Staff answered questions posed by the Mayor and City Commission.

Mayor and City Commission thanked staff for their presentation.

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

Staff gave a brief report on the convention activities by McAllen Convention and Visitors Bureau. Staff also touched on the 2016-2017 Fiscal Year as follows:

- 40 meetings and events booked last fiscal year
- 15,421 room nights
- 16,924 attendees
- $7,567,915 economic impact for city business
- 40% of meetings/events sports (flag football, football, soccer, baseball, cheerleading, volleyball)

The 2017-2018 Fiscal Year Meeting/Convention/Event Sales were highlighted as follows:

- 8 Meetings/Events booked this fiscal year
- 3110 room nights

- 2340 attendees
- $1,249,500 economic impact for the City
- 38% of meetings/events sports (soccer, baseball, volleyball)
- 2 more sporting events (baseball) being developed
- "Backyard Marketing" software program (Big Data) will help identify local association members/officers

Also noted was that earned media for last year (editorial and media from journalists' stories) valued at $1,327,780 noting that this is the cost of advertising to have an equivalent impact.

6. **PROJECT STATUS REPORT THROUGH OCTOBER 31, 2017.**

Said item was not addressed.

7. **SUBDIVISION REPORT ENDING OCTOBER 31, 2017.**

Said item was not addressed.

8. **STATUS REPORT ON PARKS & RECREATION DEPARTMENT PROJECTS.**

Said item was not addressed.

ADJOURNMENT

There being no other business to come before the Commission, the meeting was adjourned at 4:00 p.m.

Jim Darling, Mayor

Attest:

Perla Lara, TRMC/CMC, CPM
City Secretary