



ACTION ITEM REPORT

Item Title:

City Manager Report

- A. Wastewater Collection System & Upgrade
- B. Water Treatment Plant Expansion
- C. CDBG Street Project
- D. Drainage
- E. Whipple Road
- F. COVID-19
- G. Veteran's Memorial
- H. Water Funding
- I. Wastewater Funding
- J. Senior Citizens Program
- K. Hike & Bike Trail
- L. Sign Ordinance

Recommendation:

A. Wastewater Collection System & Upgrade - We have about \$700,000 in grant funds to complete additional projects at the Wastewater Plant. We received approval from TWDB to allow us to utilize the funds for areas that need improvement at the plant. Hanson Professional Services is working with TWDB to get the approval so we can get bids. Still no additional progress.

B. Water Treatment Plant Expansion – There are only little items left to be completed. It is taking a long time due to certain products not being available. The plant is operational at this time with final items nearer to completion.

TCEQ conducted an inspection of our reservoirs. We don't have a plan of action yet as the cost is very high.

C. We have received a grant award for \$500,000 for the CDBG funding for the next cycle to repair 7th from Palma to Fresno; 9th from Mesquite to Olmo; 5th from Mesquite to Palma. Council accepted the bid and we added work on First Street from Nogal Street to the cul-de-sac. Testing is being done to assure the base meets requirements. Once the testing is passed, they will pave all of them except First Street from Nogal Street to the cul-de-sac.

Other streets in need of repair but not funded include (We have applied for a \$750,000 grant and should know it February if we received the grant): Canal from 1847 to Mesquite; Mesquite from 100 to Canal; 1st from Nogal to the cul-de-sac; 2nd from 1847 to Alamo; Ebano from 100 to 3rd; Nogal from 10th to the shooting range as well as a few others. We are working on a financing plan to address these issues

as well as targeting East 1st Street and East 5th Street since both have never been developed. We discussed this several months ago regarding borrowing the funds to complete these. However, we want to wait to determine the financial impact the water and sewer work that must be done will have on the budget and our citizens on their water, sewer and trash bill.

D. Drainage - Hanson Professional Services has made good progress on these drainage projects. The loan and grant were funded. It is \$843,704 in loan forgiveness which means a grant, free money. It also includes a zero percent interest loan for \$860,000 for the rest of the project. This will be for drainage of Resaca Escondida (south of Nature Park), drainage improvements along Whipple Road and Valle Alto Subdivision and ditches to Highway 100 and a city wide drainage study and plan. Hanson is working on the environmental clearance on the projects. This final approval of the environmental could take from 6 months to a year. The Master Drainage Plan is almost complete. The construction projects are close to being ready for bidding.

The backup of water along Highway 100 near the Motel seems to have improved due to development that we required to divert drainage to the north instead of the south to Highway 100. It seems to have helped. We will have to go through another rain event to be sure. This is actually a problem that TxDot created but they have not been willing to fix it so we did.

There is also a backup of water along Highway 100 just past the school to the west of FM 1575 around the Longhorn Lane area. This is the responsibility of TxDot. They don't see it as a major issue so are not interested in doing anything. I will be working with TxDot, the School, the County and Drainage District # 1 to try to improve the drainage there.

We sent a letter to Cameron County Drainage District # 1 on 2 areas where we feel like they as the drainage district collecting taxes in this area, should take over some drainage ditches that area currently not owned and maintained by anyone (well property is owned by the local property owner). Easements need to be acquired and then the ditches need to be cleaned and maintained. Another area of concern is south on California Road where the drainage ditches are not maintained by anyone. We are working with CCID#6, CCDD#1, the County and a developer to redirect the water. This was discussed again at length with the CCDD#1 Board. They continue to not want to take over that drainage problem. The concern is if CCDD#1 agrees to take over this area or these areas, it will open the door for many others. I have suggested the CCDD#1 staff to look at all areas that need to be taken over, calculate initial costs and then ongoing costs on an ongoing basis to determine how this can be done. As of now they say it is not in their budget to do these types of things. It appears that CCDD#1 will be working on a process to help with these areas over time. I will update as that occurs.

E. Whipple Road – Engineering is in progress. They are currently identifying all the utilities that are near the roadway and may need to be moved.

F. COVID-19 - The total amount of funds that we received is \$1,941,898.48. There are still some amounts that I am waiting to come in before I can provide you with an accurate accounting of all the projects that have been approved by the Council but we estimated that all the funds will be utilized once all the projects are done.

G. Veteran's Memorial – We will have a “Grand Opening” Event on Saturday November 8 at 10 am.

H. Water Funding - We have continued to seek funding in any means possible for upgrades that are needed as part of a system wide study we conducted about 8 years ago. We were notified last week we were approved for funding in the amount of \$13,252,290. TWDB let us know the offering of funding; Loan Forgiveness (grant) for \$9,063,103 or 68.4%, Zero Percent Loan for \$2,190,000 or 16.5%, Equivalency Loan at an interest rate of about 3% for \$1,999,187 or 15.1%. This will require an increase in water rates but we will have to run all the numbers and see how the wastewater is funded as well

before we put it all together. It was scheduled to get final approval from TWDB in March but have delayed that due to the need to update the CCN with us and Olmito Water Supply.

I. Wastewater Funding - We have funding approved for funding in the amount of \$5,867,618 through TWDB. We were awarded, Loan Forgiveness (grant) for \$4,082,618 or 69.6% and an Equivalency Loan at an interest rate of about 3% for \$1,785,000 or 30.4%. The loan and loan forgiveness is on this agenda for approval. The interest rate came in at an average of 2.75%. The paperwork on the loan and grant transaction is near complete. We will then move to the engineering stage.

J. Senior Citizen's Program - See the attached calendar of events. As you can see there is a full schedule of events. Also attached is the numbers of folks we have at each event. As previously mentioned, bingo is popular and other events have little to no interest.

K. Hike & Bike Trail – This project is moving along with TxDot and CCRMA's assistance.

L. Sign Ordinance – During public comments at the last meeting, it was brought up there were problems with the sign ordinance that it needed to be updated and that we need to follow it. Here are the facts. The ordinance was updated in 1993. It was updated in January of 2001 prior to me being employed by the City. Since I have been with the City, there have been seven updates: Two in 2005, One in 2008, One in 2009, and Three in 2024. One of the updates in 2024 was to simplify the political sign ordinance. Our ordinance was very confusing so we followed exactly what the state law says on political signs. That part of the sign ordinance is not very long and is very clear. The rest of the ordinance has to be detailed so that people can properly put up signs to advertise their business and the different things they want to do. If you take some time to read the ordinance you will see there are many different signs. They each have to be spelled out what they are, what they are for, how they can be used and how many can be used. Fortunately, we are not over run with signs like most other cities are. The reason for this is we have a good sign ordinance, we are diligent in enforcement and consistent in application of the ordinance with the business of upmost concern to assist them in what they are wanting to do to best promote their business.

Additionally, we are in the middle of an upgrade to our zoning ordinance, which includes updating our sign ordinance. I am not sure it will be any shorter but it will be more modern and hopefully easy to follow and understand.

On the particular issue with the political signs that were mentioned, the question asked of me from Mr. Mendoza was not what was followed. The question he asked me was if he could put his name on his fence, just his name and nothing else. I said probably so and so he then asked if other people could put his name on their fence. I said I was not certain but that I would say no at this time. I gave him a copy of the ordinance. Later he contacted another employee about putting yard signs with his name on it in residential areas. The signs that appeared were mostly 4'x8' signs that were his political signs with Re-Elect as well as items that are required by the state were removed. These signs were not at all what was discussed. In order to assist a resident of our community we quickly looked to see if there was a way the existing ones already put up could fit into the ordinance. We came up with maybe they are portable or temporary signs so we quickly let him know. However, we had also contacted our attorney and the TML attorney to get direction from them. Unfortunately, and my mistake, was that we did not wait until we had the response from attorneys to let him know. After consulting the attorney and reviewing the ordinance, the signs put up were clearly snipe signs that are not allowed. So we relayed that information to him. In our haste to assist a resident on signs, we told him the incorrect information.

This entire situation was an effort to circumvent the state election laws on signs. If that would have been followed as it should have been without trying to find another way, this would not have happened. In the future, I will be careful before anything is done.

Bottom line, we treat everyone the same and try to work with them as best we can to be able to allow them to advertise and promote as best they can.

This information could have been shared with Mr. Abrego if he would have just asked.