

**REGULAR MEETING
TOLL BRIDGE BOARD
HELD ON JULY 14, 2015, AT 12:00 P.M.
CITY HALL, 118 S. CAGE BLVD., 2ND FLOOR, PHARR, TEXAS**

On the 14th day of July 2015, the Toll Bridge Board met in a regular Bridge Board Meeting. Following is the record of attendance.

MEMBERS PRESENT: Edgar Delgadillo, Chairman
Larry Hernandez, Vice-Chairman
Perla Tamez, Secretary
Mary Sotelo, Member
Prajeres Gutierrez, Member

MEMBER ABSENT: None

**EX-OFFICIO MEMBER
PRESENT:** None

**EX-OFFICIO MEMBER
ABSENT:** Mayor Ambrosio Hernandez
Mayor Pro-Tem Oscar Elizondo

STAFF PRESENT: Fred Brouwen, Director of Operations
Luis Bazan, Industrial Development Manager
Vanessa Guzman, Administrative Assistant
Cleo Salinas, Administrative Assistant

OTHER PRESENT: Juan G. Guerra, Interim City Manager
Bill Ueckert, City Engineer
Michael Pruneda, City Attorney
Hollis Rutledge, Governmental Affairs Consultant
Joel Robles, Asst. Police Chief
Ezequiel Ordonez, Bridge Liaison
Guillermo Aguilar, Business Development Manager
Sylvia Briones, CBP
Javier Cantu, CBP
Sergio Contreras, Interim EDC Director
Sgt. Juan Sanchez, Bridge PD
Karla Moya, Interim Finance Director
Aaron Cuadras, Grupo Jugas
Ing. Juan Gastelum Castro, Grupo Jugas

There being a quorum established Chairman Edgar Delgadillo called the meeting to order. Following is the agenda:

1. Roll Call-Excuse absent members

2. Pledge of Allegiance/Invocation
3. Public Comments
4. Consideration and action on approval of minutes-May 20, 2015
5. Discussion and action, if any, on AMHPAC's Membership renewal for \$4,000
6. Crossings and revenues comparison for May and June 2015
7. Expenditures report for April 2015 (TABLED ITEM)
8. Expenditures report for May and June 2015
9. Project engineer report
10. Director's Administrative Report
11. Discussion and action, if any, on Election of Officers
12. Discussion and action, if any, on awarding bid for the Sealed Expansion Joint Repair of the Pharr/Reynosa International Bridge
13. Discussion and action, if any, on Holt Power System Maintenance agreement
14. Discussion and action, if any, on TRMI VeriSign Renewal of ipharr.com
15. Discussion and action, if any, on Letter of Support for Inspection point of SENASICA (Servicio Nacional de Inocuidad y Calidad Agroalimentaria) on the Mexican side of the Pharr International Bridge
16. Discussion and action, if any, on Bridge Toll Fees
17. Discussion and action, if any, on License Agreement with U.S. Custom and Border Protection
18. Discussion and action, if any, on Lease Renewal Agreement with Texas Alcoholic Beverage Commission (TABC)
19. Adjournment

A. CALL TO ORDER:

ITEM "1": ROLL CALL-EXCUSE ABSENT MEMBERS

Secretary Delgadillo called the meeting to order. All members were present during roll call. Secretary Delgadillo moved to the next item.

ITEM "2": PLEDGE OF ALLEGIANCE/INVOCATIONS

Secretary Delgadillo introduced the item and led them in the Pledge of Allegiance as well as a prayer. Secretary Delgadillo moved to the next item.

B. PUBLIC COMMENTS: *(The City of Pharr has called this meeting as allowed pursuant to Texas law, city charter, and Ordinance O-2015-28. The governing body may recess from day to day when it does not complete consideration of a particularly long subject as authorized by law. All persons desiring to address the governing body must register with the presiding clerk prior to the scheduled meeting)*

ITEM "3": PUBLIC COMMENTS

Secretary Delgadillo introduced the next item. There were no public comments registered. Secretary Delgadillo stated that recommended by the City Attorney they will move to Item 11 to vote on the election of officers.

C. CONSENT AGENDA: *(All items listed under consent Agenda are considered to be routine and non-controversial by the Governing body and will be enacted by one motion. Any Board Member may remove items from the consent agenda by making such request prior to a motion and vote on the Consent Agenda)*

**ITEM "4": CONSIDERATION AND ACTION ON APPROVAL OF MINUTES-
MAY 20, 2015**

**ITEM "5": DISCUSSION AND ACTION, IF ANY, ON AMHPAC'S MEMBERSHIP
RENEWAL FOR \$ 4,000**

Chairman Delgadillo introduced the next item. Mr. Luis Bazan, Industrial Development Manager/Bridge Director in Training welcomed the new board members to the Bridge Board and stated that on the consent agenda they can take any item out to discuss in detail and if they have any questions on that he would be happy to address them at this time. Michael Pruneda, City Attorney stated that he has just one question, that with the AMHPAC Membership what do they get with the membership, because there is an invoice but it does not state what they get as members. Mr. Bazan stated that it is for \$4,000 for the entire year, and we have been members of AMHPAC for the last 3-4 years, it's pretty much the counterpart to TIPPA, which is the Texas International Produce Association, this is based out of Mexico. He added that it gets them in to trade

shows, they have been invited to be panelists and speak at some of these major conferences in Mexico, so it gets them foot in the door and it also gets them in to the networking sessions with the growers and shippers coming in from Mexico. He added that it is a great opportunity for them to collaborate efforts and have some planning partners in Mexico, being that they are close to being the number one produce bridge in the nation, this is a very good organization for them to be a part of. Secretary Tamez asked if they have an idea of the revenue that has resulted from being a member of this association. Mr. Bazan stated that he cannot say that there is a direct ROI on that investment, it is something that he knows that the new city commission is big on and that is something that they are going to start doing over at the bridge, and as a matter of fact the next few trips that they are going to be taking are going to be specifically that, and why are they targeting this audience, why are they going to this end user and what do they expect and in how long do they expect to see results and of course the revenue generated from those trips, so they will get the board an answer by the next meeting if they can. Chairman Delgadillo stated that he has been to several of the events that they have held and they are very well organized they usually have very good keynote speakers and one of the things that is very interesting about them is that most of their members are all farm via greenhouse, so most of the product is for exportation, so that is kind of what they are looking, targeting people who are going to export not just sell it on the Mexico national market. Mr. Guerra, Interim City Manager stated that if they can give some examples of the events that they hold. Mr. Bazan stated that one of them is actually the one that he is going too this afternoon to the Congreso Del Tomate. He added that he was personally invited to be a part of the panel. Mr. Guerra asked for Mr. Bazan to describe the tomato product to our Bridge board. Mr. Bazan stated that they are the number two crossing for tomato coming in from Mexico, number one in Avocado and number two in Tomato, and they intend to keep it that way. He added that if they notice in South Pharr they have several cold storages facilities and cold distribution centers specifically for tomato, Divine Ripe is one of them. He also added that they have one of the major growers in the area which is Mr. Ley coming in from the area of Sinaloa, so it is a big product for the bridge, and about 60% of what they do is produce at the bridge, and the number two crossing for them at the bridge is tomato. Mr. Guerra stated that our bridge is international so they have to take a look at the organizations on the U.S. and the Mexican side, the U.S. side it is Texas International Produce Association and on the Mexican side it's AMHPAC, so he is fully in favor of this organization. Member Sotelo made a motion to approve the consent agenda as presented. Secretary Tamez seconded the motion and was then carried on unanimously. Chairman Delgadillo moved to the next item.

D. DIRECTOR'S ADMINISTRATIVE REPORT: *(Director's Administrative Reports and discussion, if any, with Bridge Board. The Director may also assign a designated spokesperson for any particular listed topic)*

ITEM "6": CROSSING AND REVENUES COMPARISON FOR MAY AND JUNE 2015

Chairman Delgadillo introduced the next item. Mr. Luis Bazan, Industrial Development Manager/Bridge Director in Training stated that he would like to call on Mr. Brouwen, Director of Operations for the Pharr International Bridge and he going to be giving them the crossings and revenues for May and June 2015. Mr. Brouwen, Director of Operations stated that for the month of June total crossings were 109,903, which represents a (-1,342) cars or (-1.21%) compared to last year. Mr. Brouwen stated that total crossing for cars were 65,852 cars, which presents a (-2,206) cars or (-3.24%). Mr. Brouwen reported that total truck crossings for the month of June were 44,051, which represents an increase of 864 trucks or 2.00% increase in trucks. He added that the northbound crossings were 45,687 for the month of June. Mr. Brouwen added that they collected \$1,030,984 for the month of June, an increase of \$2,380 which represents an increase of 0.23% for the month of June. He added that year-to-date the amount in revenues that they collected were \$9,466,909, which represents a total of \$247,995 increase or 2.69%.

Mr. Brouwen then showed a graph of all the car crossings from all the bridges across the board. He stated that Brownsville had an increase of 5,595, which represents a 2%; Eagle Pass had a total crossing of 210,449, which represents an increase of 16,916 or 9%; Laredo had an increase of 27,119 cars, or 7%; a combination of McAllen-Hidalgo-Anzalduas they had an increase of 12,271 cars, which represents a 4% increase; Donna Bridge had a loss of -3,330 cars, which represents -7.72%; Pharr International Bridge had a total of 65,852 cars, which represents a -2,206 or -3.24% decrease on cars. Mr. Juan G. Guerra, Interim City Manager stated that it seems like Anzalduas something that Donna and us are not doing, and asked if they were aware of anything new that they are doing. Luis Bazan, Industrial Development Manager/Bridge Director in Training stated that they are crossing a lot more passenger vehicles. A discussion then took place regarding Mr. Guerra's question.

Mr. Brouwen then showed a graph of all the truck crossings from all the other bridges across the board. He stated that Brownsville had an increase of 592, which represents a 3%; Eagle Pass 909, 8%; Laredo had an increase of 13,060, 8%; the Pharr Bridge had an increase of 864 trucks, -2%; Progreso and Del Rio were not able to provide the information. Secretary Tamez asked with the construction of the loop that was mentioned we are going to obtain some of that traffic going to Laredo and bring it through Pharr. Mr. Brouwen stated that once that loop is complete we need to advertise it either by TV, newspaper, magazine in Monterrey so that people from there can know exactly what we are doing fixing that connector. Several discussions then took place regarding this issue. Chairman Delgadillo moved to the next item.

ITEM "7": EXPENDITURES REPORT FOR APRIL 2015 (TABLED ITEM)

Chairman Delgadillo introduced the next item. Vice-Chairman Hernandez made a motion to untable item the expenditures report for April 2015. Member Gutierrez seconded the motion and was carried on unanimously. Mr. Luis Bazan, Industrial Development Manager/Bridge Director in Training stated that they have Mrs. Karla Moya, Interim Finance Director there to give the report. Mrs. Karla Moya, Interim Finance Director stated that she was going to give a brief summary of the revenues and expenditures for the month of June. She reported that total revenues were at 9.9 million

dollars compared to last year's 9.7, and total expenditures 6.8 million dollars compared to last year's 7.4 million dollars as of June. She added that that gives a total revenues over expenditures of 3.1 million of this year compared to 2.4 last year. Chairman Delgadillo moved to the next item.

ITEM "8": EXPENDITURES REPORT FOR MAY AND JUNE 2015

Chairman Delgadillo introduced the next item. Mrs. Karla Moya, Interim Finance Director stated that she had gone over June in the item before and gave an updated report. Chairman Delgadillo moved to the next item.

ITEM "9": PROJECT ENGINEER REPORT

Project was presented in Item 12.

ITEM "10": DIRECTOR'S ADMINISTRATIVE REPORT

Chairman Delgadillo introduced the next item. Mr. Luis Bazan, Industrial Development Manager/Bridge Director in Training stated that for this particular agenda item they would normally go up there and give them a rundown of some of the meetings that they have had in the last month or so, in this case being the last month and a half, and it is also part of their monthly report that they are now submitting to the city and he would like to bring a complete report for them next month with more time on our hands due to the fact that they have more agenda items to go through, but normally that is what they would do right now. He added that they would talk about some of the things that they have been working on at the bridge directly. Chairman Delgadillo moved to the next item.

E. ADMINISTRATIVE:

ITEM "11": DISCUSSION AND ACTION, IF ANY, ON ELECTION OF OFFICERS

Secretary Delgadillo introduced the next item and stated if there were any recommendations. Member Gutierrez stated that he motions to nominate Edgar Delgadillo as Chairman of the Board, Larry Hernandez as Vice-Chairman, and Perla Tamez as Secretary. Member Sotelo seconded the motion and was then carried on unanimously. Chairman Delgadillo moved to the next item.

ITEM "12": DISCUSSION AND ACTION, IF ANY, ON AWARDED BID FOR THE SEALED EXPANSION JOINT REPAIR OF THE PHARR-REYNOSA INTERNATIONAL BRIDGE

Chairman Delgadillo introduced the next item. Mr. Ueckert, City Engineer stated that this is a bid that they received for sealed expansion joints on the bridge, and about two years ago they had done an in-depth study for the bridge throughout the bridge with Structure Engineering who actually built the bridge and they identified certain areas that

needed to be corrected and this is the first item here the expansion joints and that this is what they recommend to go ahead and do. He added that they put it out for bids and they received only one bid on the project itself, they were hoping to get at least another two contractors to submit the bids, they did pick up plans but they did not submit any bids. He added that only one bid came in and it came in at \$391,700, originally the engineer had estimated about \$200,000 for this project, so he called the engineer to find out what's going on and he called some of the contractors and what happened was that most of the contractors are super busy through the summer and some of them decided not to bid the project because they were busy and this one contractor decided to bid the project but his bid reflects bringing a crew that he had currently working somewhere and bring them directly down to the Pharr Bridge to do the work, so that meant that he would have to take the crews out and delay on his other project to make up the compensation. Mr. Ueckert stated that one of his recommendations would be to rebid this project again in September or October and hopefully get it within the bid amount. Several discussions then took place regarding this item. Mr. Ueckert stated that his recommendation is to rebid the project sometime in September or October that is when there is less work that the contractors are working on and hopefully they can get within the \$200,000 bid. Mr. Luis Bazan, Industrial Development Manager/Bridge Director in Training stated that it would also help due to the fact that Mexico is about to finish their project and it kind of gives it a little break, it gives our clients a break and gives us some time to plan it correctly and make sure it gets done on time and hopefully the weather won't be a factor by then as well and we can continue moving forward with this. More discussions took place regarding this item. Member Sotelo made a motion to reject the bid and re-advertise for the project. Member Gutierrez seconded the motion and was then carried on unanimously. Chairman Delgadillo moved to the next item.

ITEM "13": DISCUSSION AND ACTION, IF ANY, ON HOLT POWER SYSTEM MAINTENANCE AGREEMENT

Chairman Delgadillo introduced the next item. Mr. Luis Bazan, Industrial Development Manager/Bridge Director in Training stated that Holt Power System maintenance program basically is a yearly fee and it is basically to keep our generator in place in its optimum working order and it is just a necessity that we have at the bridge. Several discussions then took place regarding this agreement. Member Sotelo made a motion to approve the Holt Power System Maintenance Agreement. Member Gutierrez seconded the motion and was carried on unanimously. Chairman Delgadillo moved to the next item.

ITEM "14": DISCUSSION AND ACTION, IF ANY, ON TRMI VERISIGN RENEWAL OF IPHARR.COM

Chairman Delgadillo introduced the next item. Mr. Luis Bazan, Industrial Development Manager/Bridge Director in Training stated that basically what this is a way for customers to access their account and either credit more money to their account and pay for their crossings. He added that this is something that is up for renewal and we need to upgrade it and we recommend approval. Member Gutierrez

made a motion to approve the TRMI VeriSign renewal for \$995. Member Sotelo seconded the motion and was carried on unanimously. Chairman Delgadillo moved to the next item.

ITEM "15": DISCUSSION AND ACTION, IF ANY, ON LETTER OF SUPPORT FOR INSPECTION POINT OF SENASICA (SERVICIO NACIONAL DE INOCUIDAD Y CALIDAD AGROSLIMENTARIA) ON THE MEXICAN SIDE OF THE PHARR INTERNATIONAL BRIDGE

Chairman Delgadillo introduced the next item. Mr. Luis Bazan, Industrial Development Manager/Bridge Director in Training stated that they have the group from Grupo Jugas here from Reynosa and they are here to answer any questions that they might have regarding this item. He added that they are basically asking for support at the bridge to inspect fresh produce before it gets to the United States, so it would be inspected on Mexico territories. Mr. Bazan stated that they have the gentlemen in back if they would like them to address the group. Mr. Aaron Cuardas, Project Director from Grupo Jugas and Mr. Mario Zambada with Grupo Jugas introduced themselves and began to give an explanation in Spanish about the Letter of Support that they are requesting. Several discussions then took place regarding this item. Vice-Chairman Hernandez made a motion to approve the Letter of Support. Member Gutierrez seconded the motion and when put to a vote Member Sotelo opposed the vote, making it 4-1. Mr. Luis Bazan, Industrial Development Manager/Bridge Director in Training stated that he would like to request to be excused to leave because he has a trip that he needs to get to and he needs to get on the road, and he is leaving with Ezequiel and they are being driven to Monterrey and from there they are going to flight out. He added that if anyone has questions for them to refer them to Fred. Chairman Delgadillo moved to the next item.

ITEM "16": DISCUSSION AND ACTION, IF ANY, ON BRIDGE TOLL FEES

Chairman Delgadillo introduced the next item. Mr. Fred Brouwen, Director of Operations stated that for the past two-three months they have been discussing the increase of the tolls and they brought it to the board so that they all can decide if to increase the tolls or not, but only on the cars and the amount recommended is \$0.25. Mr. Guerra, Interim City Manager stated that why only on the cars. Mr. Brouwen stated that on trucks they have compared the prices to other ports of entries and on cars they are a little bit behind, low compared to other ports of entries that is the reason why they want to go up on the cars. Mr. Guerra asked if he has gotten with Laredo to see what they are going to do with their trucks. Mr. Brouwen stated that on trucks they are planning to increase the tolls in the near future but did not give a date yet. He added that he did talk to Brownsville and they want to go up in the next couple of months, Donna is charging \$3.50, Laredo is charging \$3.50, and he believes that Nogalas is charging \$3.50 as well. He added that it is about 30-50% of the ports of entries between Mexico and the U.S. that are charging \$3.50 on cars, and again it is up to the board to decide if they want to go up on the tolls. Mr. Guerra asked that what is he recommending and what is the annual amount? Mr. Brouwen stated that they are

recommending \$0.25 on the cars, and the monthly increase that they can get is \$16,000, yearly about \$200,000 in revenues by increasing \$0.25. Several discussions then took place regarding this item. Mr. Brouwen stated that if the board decides to increase the tolls they have to give notice to the customer with plenty of time. Mr. Guerra stated that for them to remember that it still has to go back to City Commission for approval. Member Sotelo stated that if they were to recommend it and it were to be approved, they would get this in place by maybe late September so that it would be in place before the holidays. Mr. Brouwen stated that whatever the board wants to do, they can do it in September they can do it in September, November or December. Several discussions then took place regarding the item. Member Sotelo made a motion to approve the Bridge Toll Fee increase from \$3.25 to \$3.50 starting on October 1, 2015. Vice-Chairman Hernandez seconded the motion and was then carried on unanimously. Chairman Delgadillo moved to the next item.

ITEM "17": DISCUSSION AND ACTION, IF ANY, ON LICENSE AGREEMENT WITH U.S. CUSTOM AND BOARDER PROTECTION

Chairman Delgadillo introduced the next item. Mr. Fred Brouwen, Director of Operations stated that this is an agreement where Border Patrol wants to install a tower on the south side of UETA at our bridge and this will help them secure the bridge and it will be manned by Border Patrol. He added that it is only an agreement to lend them the land free of charge. Member Gutierrez made a motion to approve the license agreement with U.S. Custom and Border Protection. Secretary Tamez seconded the motion and was then carried on unanimously. Chairman Delgadillo moved to the next item.

ITEM "18": DISCUSSION AND ACTION, IF ANY, ON LEASE RENEWAL AGREEMENT WITH TEXAS ALCOHOLIC BEVERAGE COMMISSION (TABC)

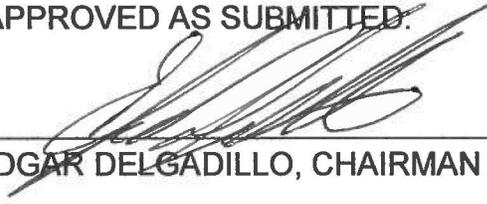
Chairman Delgadillo introduced the next item. Mr. Fred Brouwen, Director of Operations stated that about six years ago the City of Pharr International Bridge built a small building for TABC to be able to collect the taxes on the liquor, and the agreement is up for renewal and they charge them \$550 a month. Michael Pruneda, City Attorney asked Mrs. Karla Moya from Finance if TABC was up to date with their payments. Mrs. Moya replied that yes they are up to date. Member Sotelo made a motion to approve the renewal agreement. Member Gutierrez seconded the motion and was then carried on unanimously. Chairman Delgadillo moved to the next item.

F. ADJOURNMENT:

ITEM "19": ADJOURNMENT

Chairman Delgadillo introduced the next item. Member Gutierrez made a motion to adjourn the meeting. Member Sotelo seconded the motion and was then carried on unanimously.

APPROVED AS SUBMITTED.


EDGAR DELGADILLO, CHAIRMAN

ATTEST:


PERLA TAMEZ, SECRETARY

STATE OF TEXAS
COUNTY OF HIDALGO
CITY OF PHARR

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ON THE 14th DAY OF JULY 2015, the Toll Bridge Board convened in a Regular Meeting at the Pharr International Bridge, the meeting being open to the public and notice of said meeting, giving the date, place and subject thereof, having been posted to the public and notice of said meeting, given in accordance to Chapter 551, of the Texas Government Code, (Open Meetings Act) and their being present a quorum, I, **VANESSA GUZMAN, BRIDGE ADMINISTRATIVE ASSISTANT**, of the City of Pharr, Texas, certify that this is a true and correct copy of the minutes.



VANESSA GUZMAN, BRIDGE
ADMINISTRATIVE ASSISTANT

DATE APPROVED: 8-19-15

Word/C:BoardMeetings/BoardMtgMinutes7-14-15