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September 10, 2012

To: Roberto Serna, District Attorney

Dear Honorable District Attorney Serna:

This letter is to file a formal complaint against three city councilmen of the City of Crystal City for official misconduct, misappropriation of public property and official actions which are illegal and unbecoming a public official. The names of the public officials are Rogelio Mata, Roel Mata and Gilberto Urrabazo.

These complaints are based on the following actions they have made since they formed a council majority after the elections on May 2012;

First, on or about August 2012, Mr. Urrabazo used city owned equipment to root plow and clean a portion of a 40 plus acre piece of property that he owns on the north end of town for the purpose of developing said property for business use. This is clearly a violation of his "Oath of Office" for using city equipment to benefit his own interest. According to Councilman Urrabazo, he leased the Smooth Drum from the City in order to prepare a piece of land that he is in the process of leasing for business development. The action that Councilman Gilbert Urrabazo took is clearly a violation of the Texas State Government Code, Oath of Office, Conflict of Interest and more importantly, the City Charter. Mr. Urrabazo did not have a lease agreement with the City because there was no contract or lease approved by the City Council, as stated by the charter. This is a violation of the City Charter section 130 and Texas State Government Code. (See Exhibit 1, 2 & 13)

Second, on or about August 24, 2012, the City advertised for bids on a 6 acre tract of land with the minimum bid being the fair market value. The City Administration ordered a land appraisal and hired a certified appraiser, who estimated a value of said property at \$230,000. During a council meeting, the administration advised council that there was only one bidder and that the individual did not meet the minimum bid requirement. City Administration recommended for council to reject all bids and to re-advertise. Mr. Urrabazo went against the recommendation of the administration not to re-advertise and made a motion to accept the only bid submitted in the amount of One Hundred Thousand Dollars (\$100,000) which included cleaning of the property and preparing for development at a cost to the city of approximately \$20,000. This is believed to be an Illegal Sale and is not in accordance to the Texas State Government Code and City of Crystal City Charter section 72. (See Exhibit 3, 4 & 13)

Third, City Councilman Roy Mata, in at least one occasion, has pumped City owned gasoline into his own private vehicle at the city yard without city council approval. It is also known that Mr. Roy Mata and Gilbert Urrabazo have key access to the City Yard where they enter without permission and do not want to turn the keys to management. The above activity can be construed as misuse of city property and was verified by the Public Works Director, Mechanic Crew, and Parks Crew. This action is also abuse of city official powers and totally against the "Oath of Office" and City of Crystal City Charter section 14. (See Exhibit 13 & 14 & 15)

Fourth, on or about May 21, 2012, the City Council hired a city attorney, Mr. James Jonas from San Antonio, Texas who was legal counselor of Councilman Roy Mata up to the day before he was hired as City Attorney. The city administration had advertised for Request for Qualification (RFQ) for city attorney and had received about seven to ten applications. It was during that special meeting that Mr. James Jonas submitted his application. Councilman Roy Mata immediately made a motion to accept James Jonas as the next City Attorney and was second by Councilman Gilbert Urrabazo. The Mayor, through no avail, stated that he was against the motion because Mr. Jonas did not possess municipal experience nor did he submit his application within the time frame. The City had a budget line item for attorney expenses of \$19,500 for the fiscal year 2011-2012; however, from May through the month of July Mr. Jonas has been paid over \$22,000 for attending meetings only. The selection of Mr. Jonas as city attorney was a possible conflict of interest as he was Mr. Roy Mata's personal attorney preceding his appointment. (See Exhibit 12 & 15)

Fifth, during the month of June 2012, the Public Works Director received a call from a concerned citizen that Councilmen Gilbert Urrabazo and Roy Mata were placing city owned asphalt in the property belonging to Councilman Roy Mata's brother, Ruben Mata. Public Works Director and Park Supervisor went to residence of Ruben Mata and took pictures of the violation. This action is a violation of City Charter and possible theft of city government material. (See Exhibit 5, 6 & 13)

Sixth, on or about the month of June 2012, these councilmen, mentioned above, demanded the keys of city yard so they can use and operate the city machinery at the city park even though they were advised by city staff that said use and operation was against city policy. City staff witnessed that these councilman Roy Mata, Gilbert Urrabazo and their workers were operating city equipment at the city park under the influence of alcohol. The Park Crew and other City staff witnessed this issue. (See Exhibit 16)

Seventh, on or about July 2012, the city administration recommended re-awarding the city health insurance plan to Newkirk and Newkirk from McAllen, Texas. The City Administration made this recommendation not only because it was the lowest bid but because it had the best health insurance coverage for the employees. However, Roy Mata, Roel Mata and Gilberto Urrabazo, did not accept the recommendation made by City Administration, and awarded the city health insurance to Castillo's Financial Services, a local political supporter. The insurance provided by Castillo Financial Services, which was Humana, cost the City \$22,000 more than Newkirk and did not provide the best coverage for the employees. The cost was not in the best financial interest of the community. Few days later, after awarding the insurance to Humana under Castillo Financial Service, council withdrew their action and, without re-advertising, awarded the insurance again to Castillo's Financial Services but this time for Blue Cross Blue Shield coverage with an increase in cost by \$26,000 above current plan administrator. This action can be construed as a violation of procurement policy, not acting in the best interest of its employees, our community and mispending public funds. (See Exhibit 13)

Eighth, during the month of August 2012, The City Council formed a committee to review all the applications for the position of City Manager and to recommend the top five (5) applicants. After conducting interviews and recommending the top five candidates, Mr. Mata made a motion to approve one of the applicants, who subsequently turned down the job after her first day of work. Even though Ms. Julia Martinez was not among the top 5 candidates for this position, she was interviewed by these Council members at her residence in violation of Open Meetings Law either by holding an illegal quorum or "walking quorum". A special meeting was immediately called and Ms. Julia Martinez was hired without allowing the other council members to ask her questions about her qualifications. The action taken by these officials was also a violation of Equal Employment Opportunities.

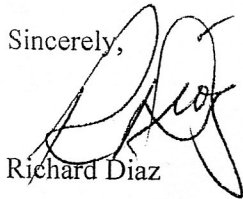
Ninth, during the month of August 2012, in the course of establishing a tax rate for the City, the Finance Director revealed to Chief Appraiser-Tax Assessor, Yolanda Cervera, that something was not right with her calculation of the tax rate because the effective tax rate that was calculated for the City was too high and it was going to double the city's ad valorem taxes. After the Financial Director was not able to reason with Ms. Cervera, she contacted Mr. Richard Diaz, Chairman of the appraisal board, who also served as the representative of the City of Crystal City on the board of this agency, and asked for his assistance on this matter. The error was found and finally corrected with the assistance of Mr. Diaz, however, the Financial Director was notified by the City Manager, Julia Martinez; to refrain from communicating with Mr. Diaz for any reason whatsoever. Ms. Julia Martinez also stated that this directive was coming from Councilman Roy Mata and not her. Even though the Financial Director was acting within her duties and responsibilities and Mr. Diaz was acting as an appraisal board representative for the City, this action is not only a violation of her Constitutional Rights of Freedom of Speech and political association, but, most important, a violation of Retaliation Rights. The directive given by Councilman Roy Mata was conduct unbecoming a public official. (Exhibit 7 thru 10)

Finally, on or about June or July, Mr. Urrabazo and Roy Mata continued to abuse their official powers by demanding from Interim City Manager John Camarillo and current City Manager, Julie Martinez, the hiring of their friend Richard Gutierrez at a salary above that of employees with over 20 years service. In fact, Mr. Urrabazo stated in an open meeting that City needed to hire Mr. Richard Gutierrez because they, the majority of the council, had promise Mr. Richard Gutierrez a job. This action is a violation of City of Crystal City Charter section 20 and 21 and the Oath of Office. (Exhibit 11 & 13)

Either all or most of the above actions these individuals have taken in only 3 months can be construed as malfeasance and conduct unbecoming public officials. I therefore pray that these issues be investigated and that these 3 individuals be brought to justice and finally removing them from public office if they are found guilty of their actions as mentioned above.

Thank you in advance for addressing this matter at you earliest convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Diaz", with a stylized, cursive flourish extending from the end.

Richard Diaz