



**A SPECIAL MEETING  
OF THE WESLACO CITY COMMISSION  
Thursday, September 27, 2012**

On this 27<sup>th</sup> day of September at 5:30 p.m., the City Commission of the City of Weslaco, Texas convened in Special Session at City Hall in the Legislative Chamber, located at 255 South Kansas Avenue with the following members present:

Mayor	Miguel D. Wise
Mayor Pro-Tem	J.F. "Johnny" Cuellar
Commissioner	Olga M. Noriega
Commissioner	Gerardo "Jerry" Tafolla
Commissioner	Lupe V. Rivera
Commissioner	Joe A. Martinez
City Manager	Leonardo Olivares
City Secretary	Elizabeth Walker
Special Counsel	Bobby Perez

Also present: Rey Garcia, IT Director; Gloria Givilancz, Assistant Finance Director; David Salinas, Public Utilities Director; Erasmo Lozano, Interim Parks Director; Veronica Ramirez, Interim Human Resources Director; Fire Chief Jimmy Cuellar; Interim Police Chief Michael Kelley; Arnold Becho, Library Director; Rosa Huerta, Court Administrator; and other staff members and citizens.

**I. CALL TO ORDER**

A. Certification of Public Notice.

Mayor Wise called the meeting to order and certified the public notice of the meeting as properly posted Monday, September 24, 2012.

B. Pledge of Allegiance.

Mayor Wise recited the Pledge of Allegiance.

C. Roll Call.

Elizabeth Walker, City Secretary, called the roll, noting the absence of Commissioner Garza and the attendance of Special Counsel Bobby Perez for the City Attorney.

**II. PUBLIC HEARINGS**

A. To solicit comments regarding the proposed Municipal Budget for the City of Weslaco for the fiscal year beginning October 1, 2012 and ending September 30, 2013.

Commissioner Rivera, seconded by Commissioner Martinez, moved to open the public hearing as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

Commissioner Noriega stated that she had requested this meeting be videotaped

and feels it was disrespectful of the City Manager “to say yes, then not do it.” The City Manager stated he would respond at a later time as this item is not on the agenda for discussion.

Mr. Hernan Gonzalez commented that it is physically impossible to maintain 160-acres of park space plus the City Cemetery with only three employees as assigned. The Mayor concurred that Parks had been suffering and indicated the City may amp up staff in Public Facilities; Commissioner Tafolla commended Public Facilities for “making miracles at the parks.” Commissioner Martinez requested that before each lease at any park, the City evaluate the facilities for potential liabilities.

Mayor Pro-Tem Cuellar, seconded by Commissioner Rivera, moved to close the public hearing as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

### **III. NEW BUSINESS**

- A. Discussion and consideration to approve on Second and Final Reading Ordinance 2012-23 adopting a Municipal Budget for the City of Weslaco for the fiscal year beginning October 1, 2012 and ending September 30, 2013. Possible action. (First Reading held September 13, 2012; Requested by Finance Department.) Attachment.

The City Manager stated that hearing requirements had been met for the budget and tax rate and presented a PowerPoint presentation to highlight the proposed budget, namely that Texas Municipal Retirement contributions remain unchanged at 1:1; fire pension is presumed unchanged; health insurance rates increased 9%, absorbed entirely by the City; capital outlay increased \$220,000.00 to \$500,000.00; transfers from the utility fund decreased from \$1.3 million to \$1.2 million, but does assume an increase to residential and commercial water rates.

Mr. David Salinas clarified that there are presently 8,942 residential accounts and 1,239 commercial accounts, with water consumption about 55% residential and 45% commercial, due to wholesale to other utilities. As average consumption is 9,000 gallons/account, this will result in an increase of \$8.97/customer, resulting in rates among the highest in the region.

Mayor Pro-Tem Cuellar, seconded by Commissioner Rivera, moved to approve the item as presented with non-substantive changes and with the understanding the budget as presented includes no property tax increase, a \$500.00 salary increase for each employee, and an anticipated \$2.5 million fund balance at the end of this fiscal year.

Commissioner Noriega expressed she felt uncomfortable considering the budget before the other items which appear subsequent on this agenda, including the water rates; Special Counsel Bobby Perez stated that the tax rate, which appears as item III.B., must be voted on after item III. A.

The motion carried with Commissioner Noriega opposed (4-1); Mayor Wise was

present, but not voting.

For the record, the Ordinance reads as follows:

**ORDINANCE NO. 2012-23**

**AN ORDINANCE APPROVING AND ADOPTING A BUDGET FOR THE CITY OF WESLACO, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2013.**

**BE IT ORDAINED BY CITY OF WESLACO, TEXAS:**

That, the City Manager of the City of Weslaco has heretofore duly and timely filed in accordance with the law, a budget for said City covering the fiscal year running from October 1, 2012 to September 30, 2013, that due and timely public notice that a Public Hearing on such budget would be held on September 13, 2012, was given and made in accordance with state law and within the time limits set forth by law; that such Public Hearing was held in accordance with the law on September 13, 2012, and that it is the opinion and judgment of the Weslaco City Commission that said budget, which is attached hereto, be and same is hereby in all things approved and same is proper and correct.

**WHEREFORE**, said budget is here and now hereby in all things approved and adopted and it shall be effective as of October 1, 2012.

**PASSED AND APPROVED** on first reading at a special meeting of the City Commission this 13<sup>th</sup> day of September, 2012.

**PASSED AND APPROVED** on second reading at a special meeting of the City Commission this 27<sup>th</sup> day of September, 2012.

/s/ Miguel D. Wise, MAYOR

ATTEST:

/s/ Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:

/s/ Ramon Vela, CITY ATTORNEY

- B. Discussion and consideration after public hearings September 5 and September 11, 2012 to approve on Second and Final Reading Ordinance 2012-24 adopting an ad valorem property tax rate, assessed at the same rate as last year, \$0.6967/\$100.00 valuation, pursuant to §26.05(d) of the Texas Tax Code on all taxable property within the City of Weslaco, Texas for the Tax Year 2012, fixing the tax rate for the use and support of the general government and for the interest and sinking fund for the redemption of bonds and other indebtedness of the City of Weslaco, providing for the assessment of annual occupation taxes provided by law, and fixing a lien on all taxable property. Possible action. (First Reading held September 13, 2012; Requested by Finance Department.) Attachment.

Mayor Pro-Tem Cuellar, seconded by Commissioner Martinez, moved to approve the item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

Commissioner Noriega clarified with Ms. Gloria Givilancz that the rates remain unchanged for delinquent taxpayers.

For the record, the Ordinance reads as follows:

**ORDINANCE NO. 2012-24**

**AN ORDINANCE LEVYING AN AD VALOREM TAX ON ALL TAXABLE PROPERTY WITHIN THE CITY OF WESLACO, TEXAS FOR THE TAX YEAR 2013, FIXING THE TAX RATE FOR THE USE AND SUPPORT OF THE GENERAL GOVERNMENT AND FOR THE INTEREST AND SINKING FUND FOR THE REDEMPTION OF BONDS AND OTHER INDEBTEDNESS OF THE CITY OF WESLACO, TEXAS, PROVIDING FOR THE ASSESSMENT OF ANNUAL OCCUPATION TAXES PROVIDED BY LAW, AND FIXING A LIEN ON ALL TAXABLE PROPERTY.**

**BE IT ORDAINED BY THE CITY OF WESLACO, TEXAS:**

**I.**

**THAT**, there shall be and it is hereby levied on all property whether, real, personal or mixed, within the corporate limits of the City of Weslaco, Texas, not otherwise exempt, an ad valorem tax for the year 2012 (\$0.1951) on each one hundred dollar valuation of property for the purpose of paying interest on and providing a sinking fund for the redemption of outstanding indebtedness of the City of Weslaco as follows:

2010 Certificate Obligation Refunding Bonds	0.0368
2003 Certification of Obligation Bonds	0.1162
2007 Certification of Obligation Bonds	<u>0.0421</u>

\$0.1951

**II.**

**THAT**, there shall be and is hereby levied on all property, whether, real, personal or mixed, within the City of Weslaco, Texas, not otherwise exempt, an advalorem tax for the year 2012 (\$0.6967) on each one hundred dollar valuation of such property for the purpose of paying current expenses for the maintenance of public parks and other improvements and purposes as provided by the Charter of the City of Weslaco, Texas, and the laws of the State of Texas. **THIS TAX RATE WILL DECREASE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL DECREASE FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$2.30.**

**III.**

**THAT** there is hereby fixed on each and every item of taxable property a lien for the purpose of securing the payment of the taxes assessed thereon, and said lien shall continue to exist against any item of property against which a tax is assessed here under until such tax, together with all interest shall be paid.

**IV.**

**THAT**, there be and is hereby levied and ordered collected an annual occupational tax on fifty percent (50.0%) of the State Occupation Tax on each occupation taxed by the State of Texas,

**V.**

**IF**, any person shall neglect or refuse to pay the taxes herein imposed on him or his property, on or before January 31, 2013, the tax collector shall apply the following schedule of penalty and interest rates for use in calculating the total amount due on delinquent tax bills:

February 2013	7.0%
March 2013	9.0%
April 2013	11.0%
May 2013	13.0%

June 2013 15.0%  
July 2013 18.0%

**PASSED AND APPROVED** on first reading at a special meeting of the City Commission this 13<sup>th</sup> day of September 2012.

**PASSED AND APPROVED** on second reading at a special meeting of the City Commission this 27<sup>th</sup> day of September 2012.

/s/ Miguel D. Wise, MAYOR

ATTEST:

/s/ Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:

/s/ Ramon Vela, CITY ATTORNEY

- C. Discussion and consideration to approve on Second and Final Reading Ordinance 2012-22 amending §1 of Ordinance 77-16 and §1 of Ordinance 67-10 by providing for a new schedule of rates to be charged for treated water delivered through the system of the Public Utilities Department of the City of Weslaco and providing for a new schedule of rates to be charged for the collection and treatment of wastewater of the City of Weslaco, and ordaining other matters with respect to the subject matter hereof. Possible action. (First Reading held August 21, 2012; Requested by Public Utilities Department.) Attachment.

The City Manager again stated that water rates will increase 17% for residential customers and 19% for commercial customers as proposed.

Mayor Pro-Tem Cuellar, seconded by Commissioner Martinez, moved to approve the item as presented. The motion carried with Commissioner Noriega opposed (4-1); Mayor Wise was present, but not voting.

For the record, the Ordinance read as follows:

#### **ORDINANCE NO. 2012-22**

**AN ORDINANCE AMENDING SECTION 1 OF ORDINANCE 77-16, CODIFIED IN THE WESLACO CODE OF ORDINANCES AS SECTION 138.58 “WATER RATES PRESCRIBED” AND AMENDING SECTION 1 OF ORDINANCE 67-10, CODIFIED IN THE WESLACO CODE OF ORDINANCES AS SECTION 138.59 “SEWER RATES PRESCRIBED;” BY PROVIDING FOR A NEW SCHEDULE OF RATES TO BE CHARGED FOR TREATED WATER DELIVERED THROUGH THE SYSTEM OF THE WATER DEPARTMENT OF THE CITY OF WESLACO; AND PROVIDING FOR A NEW SCHEDULE OF RATES TO BE CHARGED FOR THE USE OF WASTEWATER TREATMENT FACILITIES OF THE CITY OF WESLACO; AND PROVIDING FOR AN EFFECTIVE DATE AFTER THE SECOND PUBLICATION OF THIS ORDINANCE, AND ORDAINING OTHER MATTERS WITH RESPECT TO THE SUBJECT MATTER HEREOF.**

**SECTION 1. BE IT ORDAINED BY THE CITY OF WESLACO, TEXAS,** to amend Section I of Ordinance No. 77-16, adopted on August 16, 1977, and Codified in the Weslaco Code of Ordinances as Section 138.58 and entitled “*Water Rates Prescribed*”, to adopt a new schedule of rates to be charged for treated water delivered through the system of the water department of the City of Weslaco so that after Second and Final Reading of this Ordinance, Weslaco Code of Ordinances Section 138.58, will read as follows:

#### **ARTICLE II. SERVICE CHARGES**

**Sec. 138.58. Water rates prescribed.**

There are hereby established the following schedules of rates to be charged for treated water delivered through the system of the water department of the city:

*Schedule A. Residential Inside City Limits.*

- (1) Minimum monthly bill, residential master meter (not including water).....  
\$15.94
  
- Minimum monthly bill, residential master meter (includes 2,000 gallons of water) if applied for by resident over 65, disabled, or veteran.....\$10.62
  
- Minimum monthly bill, second meter (solely for sprinkler system not including water).....\$8.29
  
- (2) Charge per each 1,000 gallons or portion thereof.....\$2.77
  
- (3) Charge per each 1,000 gallons or portion thereof (sprinkler meters only).....\$2.77

*Schedule B. Residential Outside City Limits.*

- (1) Minimum monthly bill.....  
\$23.91
  
- (2) Charge per each 1,000 gallons or portion thereof.....\$4.15
  
- (3) Charge per each 1,000 gallons or portion thereof (sprinkler meters only).....\$4.15

*Schedule C. Commercial and Multi-Family Users.*

- (1) Minimum monthly bill:
  - 0 to 15,000 gallons.....  
\$16.26
  - 15,001 to 35,000 gallons.....  
\$33.60
  - 35,000 gallons and over.....  
\$50.39
  
- (2) Charges per each 1,000 gallons or portion thereof:
  - 0 to
  - 15,000.....\$2.81
  - 15,001 gallons and over.....  
\$3.13

*Schedule D. Tapping Fees.*

The following charges shall be made as tapping fees for making connections for the use of any water user (deposit and permit fees are not included):

Meter Size	Inside City	Outside City
5/8"	\$348.10	\$522.15
1"	\$514.22	\$771.32
1 1/2"	\$890.82	\$1,336.23
2"	\$3,286.06	\$4,929.09
3"	\$4,612.93	\$6,919.39
4"	\$6,936.71	\$10,405.06

For all other size taps, the tapping charge shall be based upon the current cost of the meter, required materials, and labor therefore.

In cases where the developer has installed their own water lines, tapping saddles, corp. stop, tubing and angle stop up to the ground surface, the fees for a 5/8" meter will be \$232.07 for a connection inside the city limits and \$348.10 for a connection outside the city limits.

#### *Schedule E. Sprinkler Fees*

There shall be no additional charge per month in addition to the other charges listed in this section, for accounts with a fire protection sprinkler system.

**SECTION II. BE IT FURTHER ORDAINED BY THE CITY OF WESLACO, TEXAS,** to amend Section I of Ordinance No. 67-10, adopted on June 27, 1967, and codified in the Weslaco Code of Ordinances as Section 138.59 and entitled "*Sewer Rates Prescribed*", so that after Second and Final Reading of this ordinance, Weslaco Code of Ordinances Section 138.59 will read as follows:

### **ARTICLE II. SERVICE CHARGES**

#### **Sec. 138.59. Wastewater rates prescribed.**

The following rates shall be charged for use of the wastewater treatment facilities of the City of Weslaco, including storm sewer lines if used for the purpose of disposing waste or cooling water. The rates hereby established shall be applicable to all classes of customers using the city sanitary sewer system, except for industrial customers who will continue to be charged under the provisions of the industrial waste ordinance of the City of Weslaco, Ordinance No. 76-16, as amended:

- (1) *Minimum Charge:* The minimum monthly charge for all classes of customers using the City of Weslaco wastewater treatment facilities shall be fifteen dollars and forty-five cents (\$15.45) per month. The monthly base rate will be ten dollars and thirty-one cents (\$10.31) if applied for by a resident over 65 years of age, disabled, or a veteran.
- (2) *Additional Charges for single-family residential users.* In addition to the minimum charge listed above, a charge of one dollar and seventy-seven cents (\$1.77) will be made for each one thousand (1,000) gallons of water used, or portion thereof.
- (3) *Multifamily residential and mobile homes.* The charge for the use of the city wastewater treatment facility for duplexes or multifamily apartments or housing where the buildings are generally used solely for permanent or continuous living quarters and mobile home and/or recreational vehicle park owners on master meters shall be 73.6 percent of each calendar month's water bill.
- (4) *Commercial customers.* For commercial customers the charge for use of the city wastewater treatment facility shall be 87.4 percent of such customer's water bill during each calendar month. Commercial customers are those customers who discharge wastewater from a private building which is not residential in nature conduct business activities for the sole purpose of making a profit, and receive an inflow of paying customers for services rendered or the purchase of goods. All sewer accounts required to file for a sales tax number with the state comptroller's office or an employer's federal I.D. number with the Internal Revenue Service shall be deemed as commercial accounts.
- (5) *Lawn irrigation.* Taxing entities or any other accounts shall be exempt from sanitary sewer charges on water metered solely for lawn irrigation.
- (6) *Industrial users.* All industrial uses, such as canning plants, packing sheds,

laundries, bottling works, milk plants and other industrial users, shall be charged a rate computed under Ordinance No. 76.16, as amended.

- (7) *Institutional, etc., users.* All customers not classified as aforementioned shall be charged for the use of the wastewater treatment facility 73.6 percent of the monthly water bill. Customers in this class shall include institutional, religious and not-for-profit entities.
- (8) *Commercial laundries.* For commercial customers whose principal business is the operation of a commercial laundry the charge for use of the city wastewater treatment facility shall be 65.3 percent of such customer's water bill during each calendar month.

**SECTION III:** All other provisions of Chapter 138, Article II, Section 138.58, and Section 138.59, and Ordinance 77-16, and Ordinance 67-10 shall remain in effect and are not being amended by this Ordinance.

**SECTION IV:** These amendments to Chapter 138, Article II, Section 138.58, and Section 138.59, shall be in effect after Second and Final Reading of this Ordinance.

**PASSED AND APPROVED** on first reading at regular meeting of the City Commission this 21<sup>st</sup> day of August, 2012.

**PASSED AND APPROVED** on second and final reading at regular meeting of the City Commission this 27<sup>th</sup> day of September, 2012.

/s/ Miguel D. Wise, MAYOR

ATTEST:

/s/ Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:

/s/ Ramon Vela, CITY ATTORNEY

- D. Discussion and consideration to approve Ordinance 2012-20 amending Ordinance 2011-28, establishing brush rates to be charged for the brush collection service to reflect accurate cost of service, establishing that all business, commercial, industrial, and mobile home/recreation industrial and mobile home/recreational vehicle parks shall be responsible for disposing of their own brush, and other matters as ordained. First reading of Ordinance 2012-20. Possible action. (There was no action on this item August 21, 2012; Requested by Public Utilities Department.) Attachment.

The City Manager stated this constitutes a pass-thru of the 4% increase as stipulated in the Republic Services contract; Commissioner Noriega stated that if the City is not happy with the contract, why authorize an increase? The City Manager explained that this is a contractual obligation in the third year of a five year contract. If this item does not pass, the City would have to dip into the enterprise fund to subsidize the difference; by this proposed action, the increase is passed to the ratepayer. The Mayor Pro-Tem commented that the vendor is now on notice of dissatisfaction by some members of the Commission.

Commissioner Rivera, seconded by Mayor Pro-Tem Cuellar, moved to approve the item as presented. The motion carried with Commissioner Noriega opposed (4-1); Mayor Wise was present, but not voting.

- E. Discussion and consideration to approve Ordinance 2012-21 amending §12 of Ordinance No. 397 to fix new residential, commercial, and industrial solid waste

rates, requiring commercial containers in some instances, fixing a rate to be charged for commercial containers, and ordaining other matters with respect to the subject matter hereof. First reading of Ordinance 2012-21. Possible action. (There was no action on this item August 21, 2012; Requested by Public Utilities Department.) Attachment.

The City Manager indicated this is similar to the preceding issue, by which the increase is passed to the ratepayer.

Mayor Pro-Tem Cuellar, seconded by Commissioner Rivera, moved to approve the item as presented. The motion carried with Commissioner Noriega opposed (4-1); Mayor Wise was present, but not voting.

- F. Discussion and consideration to approve the Exempt and Non-Exempt Classified positions for FY 2013. Possible action. (Requested by Human Resources Department.) Attachment.

Commissioner Noriega stated she is not opposed to the item, just against being given insufficient time to review it. The Mayor Pro-Tem countered it constitutes a vote of confidence on the budget and associated items.

Mayor Pro-Tem Cuellar, seconded by Commissioner Rivera, moved to approve the item as presented. The motion carried with Commissioner Noriega opposed (4-1); Mayor Wise was present, but not voting.

**IV. PUBLIC COMMENTS**

There were no public comments.

**V. ADJOURNMENT**

With no other business before the Commission, at 6:57 p.m. Mayor Pro-Tem Cuellar, seconded by Commissioner Rivera, moved to adjourn the September 27, 2012 special meeting. The motion carried unanimously; Mayor Wise was present, but not voting.

**CITY OF WESLACO**

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**MAYOR**, Miguel D. Wise

**ATTEST:**

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**CITY SECRETARY**, Elizabeth M. Walker

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**MAYOR PRO-TEM**, J.F. "Johnny" Cuellar

(absent)

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**COMMISSIONER**, Robert J. Garza

**COMMISSIONER, Olga M. Noriega**

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**COMMISSIONER, Gerardo “Jerry” Tafolla**

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**COMMISSIONER, Lupe V. Rivera**

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**COMMISSIONER, Joe A. Martinez**