



# The State of Texas

**SECRETARY OF STATE**

**CERTIFICATE OF INCORPORATION  
OF**

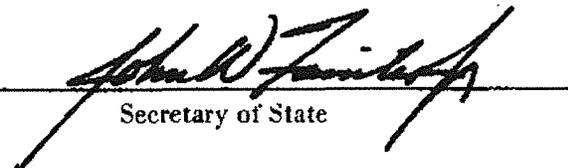
WESLACO HEALTH FACILITIES DEVELOPMENT CORPORATION

Ch. No. 708855-1

The undersigned, as Secretary of State of the State of Texas, hereby certifies that Articles of Incorporation for the above corporation duly signed and verified pursuant to the provisions of the Health Facilities Development Act of 1981, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as such Secretary of State, and by virtue of the authority vested in him by law, hereby issues this Certificate of Incorporation and attaches hereto a copy of the Articles of Incorporation.

Dated June 14, \_\_\_\_\_ 1984

  
Secretary of State

FILED  
In the Office of the  
Secretary of State of Texas

JUN 1 1984

Clerk III Y  
Corporations Section

ARTICLES OF INCORPORATION

OF

WESLACO HEALTH FACILITIES DEVELOPMENT CORPORATION

THE STATE OF TEXAS §  
§  
COUNTY OF HIDALGO §  
§  
CITY OF WESLACO §

We, the undersigned natural persons, each of whom is of the age of 18 years or more and is a resident of the City of Weslaco, Texas (the "City"), acting as incorporators of a health facilities development corporation (the "Corporation") under the Health Facilities Development Act, Article 1528j, Vernon's Texas Civil Statutes (the "Act"), with the approval of the City Commission (the "Governing Body") of the City, as evidenced by its resolution approving these Articles of Incorporation, do hereby adopt the following Articles of Incorporation for the Corporation:

ARTICLE ONE

The name of the Corporation is "Weslaco Health Facilities Development Corporation".

ARTICLE TWO

The Corporation is a nonprofit public corporation and is a health facilities development corporation under the Act.

ARTICLE THREE

The period of duration of the Corporation is perpetual.

ARTICLE FOUR

The purpose of the Corporation is to acquire, construct, provide, improve, finance and refinance any real, personal or mixed property, or any interest therein, the financing, refinancing, acquiring, providing, constructing, enlarging, remodeling, renovating, improving, furnishing or equipping of which is found by the board of directors of the

corporation to be required, necessary or convenient for health care, research and education, any one or more, within the State of Texas, all to assist the maintenance of the public health and the public welfare. The Corporation is a constituted authority and a public instrumentality within the meaning of the regulations of the United States Treasury Department and the rulings of the Internal Revenue Service prescribed and promulgated pursuant to Section 103 of the Internal Revenue Code of 1954, as amended, and the Corporation is authorized to act on behalf of the City, as provided in these Articles of Incorporation. However, the Corporation is not a political subdivision or political corporation of the State of Texas within the meaning of its Constitution and laws, including, without limitation, Article III, Section 52, of said Constitution, and bonds of the Corporation shall not constitute obligations of the State of Texas, the County of Hidalgo, the City or any other political subdivision or agency of the State of Texas, or a pledge of the faith and credit or taxing power of any of them. No part of the net earnings of the Corporation shall inure to the benefit of any private shareholder or individual; no substantial part of its activities shall be carrying on propaganda, or otherwise attempting to influence legislation; and it shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

#### ARTICLE FIVE

The Corporation has no members and is a nonstock corporation.

#### ARTICLE SIX

These Articles of Incorporation may at any time and from time to time be amended as provided in the Act, so long as such Articles contain only such provisions as are lawful under the Act, when and if the Governing Body by appropriate resolution finds and determines that such amendment is advisable or authorizes and directs that such amendment be made. The Governing Body may, in its sole discretion and at any time, alter the structure, organization, programs or activities of the Corporation, subject only to any limitation provided by the Constitution and laws of the State of Texas and of the United States relating to the impairment of contracts entered into by the Corporation.

ARTICLE SEVEN

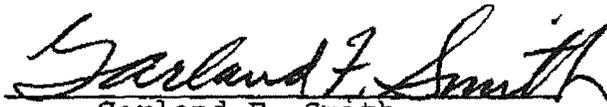
The affairs of the Corporation shall be managed by a board of directors composed of such number of natural persons (not less than three) as may be fixed by the bylaws. Directors shall be appointed by the Governing Body for a term of no more than six years. The number of directors constituting the original board of directors shall be seven. The names and addresses of the persons who shall serve as initial directors of the Corporation, each of whom shall hold office for a term expiring on the third Thursday of February in 1990, are as follows:

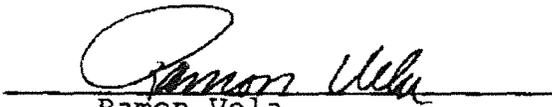
| <u>NAME</u>       | <u>ADDRESS</u>                               |
|-------------------|--|
| Rene Correa       | 1013 Valley View Dr.<br>Weslaco, Texas 78596 |
| David Allen       | P. O. Box 8450<br>Weslaco, Texas 78596       |
| Ed Capen          | 1300 S. Border<br>Weslaco, Texas 78596       |
| Will Schmidt      | 205 Ballard<br>Weslaco, Texas 78596          |
| Homa Moreland     | 629 W. 4th St.<br>Weslaco, Texas 78596       |
| Andy Noriega, Jr. | 509 Clifford Dr.<br>Weslaco, Texas 78596     |
| Jaime Pena        | 204 Live Oak<br>Weslaco, Texas 78596         |

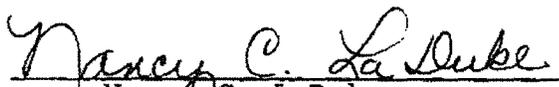
Each director shall hold office for the term for which he is appointed and until his successor shall have been appointed and qualified unless sooner removed. Each director shall be eligible for reappointment. Directors are removable by the Governing Body for cause or at will. Directors shall serve as such without compensation except that they may be reimbursed for their actual expenses incurred in the performance of their duties under the Act. Any vacancy occurring on the board of directors through death, resignation, or otherwise, shall be filled by appointment by the Governing Body to hold office until the expiration of the term for which the vacating director had been appointed.

Weslaco, Texas 78596. The Governing Body has by resolution specifically authorized the Corporation to act on its behalf to further the public purpose set forth in these Articles of Incorporation and has approved these Articles of Incorporation.

IN WITNESS WHEREOF, we have hereunto set our hands this 7th day of May, 1984.

  
Garland F. Smith

  
Ramon Vela

  
Nancy C. LaDuke

ARTICLE EIGHT

The street address of the initial registered office of the Corporation is 611 International Avenue, Weslaco, Texas 78596-3398, and the name of its initial registered agent at such address is Forrest L. Jones.

ARTICLE NINE

The initial bylaws of the Corporation shall be adopted by its board of directors, and the power to alter, amend or repeal the bylaws or adopt new bylaws shall be vested in the board of directors provided that the initial bylaws and all amendments thereto, substitutes therefor, and repeals thereof, shall be subject to the approval of the Governing Body.

ARTICLE TEN

Whenever all bonds and obligations of the Corporation have been paid and discharged or adequate provision has been made therefor and the Governing Body shall have by written resolution authorized and directed the dissolution of the Corporation, the Corporation shall be dissolved as provided in the Act. Whenever dissolution occurs, the title to all funds and properties then owned by the Corporation shall not be transferred to private ownership, but shall automatically vest in the City of Weslaco, Texas, without any further conveyance, transfer or act of any kind whatsoever.

ARTICLE ELEVEN

The name and street address of each incorporator is as follows:

| <u>NAME</u>      | <u>ADDRESS</u>  |
|------------------|---|
| Garland F. Smith | 611 International Avenue<br>Weslaco, Texas 78596-3398 |
| Ramon Vela       | 611 International Avenue<br>Weslaco, Texas 78596-3398 |
| Nancy C. LaDuke  | 611 International Avenue<br>Weslaco, Texas 78596-3398 |

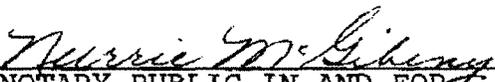
ARTICLE TWELVE

The name and address of the sponsoring entity is the City Commission of the City of Weslaco, Texas, 500 S. Kansas,

THE STATE OF TEXAS §  
                                  §  
COUNTY OF HIDALGO §  
                                  §  
CITY OF WESLACO §

I, the undersigned, a Notary Public of the State of Texas, do hereby certify that on this 7<sup>th</sup> day of May, 1984, Garland F. Smith, Ramon Vela and Nancy C. LaDuke, who each being by me first duly sworn, severally declared that they are the persons who signed the foregoing document as incorporators and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the date and year above written.

  
NOTARY PUBLIC IN AND FOR  
THE STATE OF TEXAS  
Nurrie McGibeny  
Notary Public In And For  
The State Of Texas

(SEAL)

My Commission Expires:

12-5-84

BR:21:A

CERTIFICATE FOR  
RESOLUTION AUTHORIZING AND APPROVING THE CREATION  
OF A HEALTH FACILITIES DEVELOPMENT CORPORATION  
TO ACT ON BEHALF OF THE CITY OF WESLACO, TEXAS

The undersigned Mayor and City Secretary of the City of Weslaco, Texas, hereby certify as follows:

1. In accordance with law the City Commission of the City of Weslaco, Texas (the "Commission") convened in regular session and held a meeting on February 16, 1984, (the "Meeting") of the duly constituted members of the Commission, to wit:

|                 |              |
|-----------------|--------------|
| Hector Farias   | Mayor        |
| Rene Correa     | Commissioner |
| Hernan Gonzales | Commissioner |
| Gilbert Pena    | Commissioner |
| Oscar Rios      | Commissioner |

and all of such persons participated in the Meeting, except the following: Gilbert Pena, thus constituting a quorum. Whereupon, among other business transacted at the Meeting, a written

RESOLUTION AUTHORIZING AND APPROVING THE CREATION  
OF A HEALTH FACILITIES DEVELOPMENT CORPORATION  
TO ACT ON BEHALF OF THE CITY OF WESLACO, TEXAS

(the "Resolution") was duly introduced for the consideration of the Commission and read in full. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion prevailed and carried.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Commission's minutes of the Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Commission's minutes of the Meeting pertaining to the adoption of the Resolution; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting members of the Commission as indicated therein; each of the members of the Commission was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting and that the Resolution would be introduced and considered for adoption at the Meeting; by signing this Certificate, the Resolution shall be deemed to have been signed; and the Meeting was open to

the public, and public notice of the time, place, and purpose of the Meeting was given, all as required by Article 6252-17, Vernon's Texas Civil Statutes, amended.

SIGNED AND SEALED this the 8<sup>th</sup> day of May, 1984.

(Acting) Amenda C. Elizondo  
City Secretary, City of  
Weslaco, Texas

Victor Jarias  
Mayor, City of Weslaco,  
Texas

(SEAL)

BR:21:C

|                   |   |                            |
|-------------------|---|----------------------------|
| STATE OF TEXAS    | § | RESOLUTION AUTHORIZING     |
|                   | § | AND APPROVING THE CREATION |
| COUNTY OF HIDALGO | § | OF A HEALTH FACILITIES     |
|                   | § | DEVELOPMENT CORPORATION    |
| CITY OF WESLACO   | § | TO ACT ON BEHALF OF THE    |
|                   | § | CITY OF WESLACO, TEXAS     |

WHEREAS, the Health Facilities Development Act, Article 1528j, Vernon's Texas Civil Statutes (the "Act"), authorizes cities, counties or hospital districts to create nonmember, nonstock, public corporations for the sole purpose of acquiring, constructing, providing, improving, financing and refinancing health facilities, as defined in the Act, in order to assist the maintenance of the public health, with powers, among others, to issue bonds and to loan the proceeds of the sale of such bonds to finance the acquisition, construction, and improvement of facilities found by the boards of directors of such corporations to be required, necessary or convenient for health care, research and education, any one or more;

WHEREAS, the Act empowers the City Commission (the "Governing Body") of the City of Weslaco, Texas (the "City"), to approve articles of incorporation and bylaws for such a corporation, to appoint the directors of such a corporation, and, in the sole discretion of the Governing Body, to alter the structure, organization, programs or activities of such a corporation at any time, subject only to any limitation provided by the Constitution and laws of the State of Texas and of the United States relating to the impairment of contracts entered into by such corporation;

WHEREAS, the Governing Body has determined that it is in the public interest and to the benefit of the residents of the City and the citizens of this State that a health facilities development corporation be created under the Act to promote new, expanded or improved health facilities in order to assist the maintenance of the public health and the public welfare, and has reviewed the proposed Articles of Incorporation and Bylaws of such health facilities development corporation;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS, THAT:

SECTION 1. The Governing Body has found and determined and hereby finds and determines that a health

facilities development corporation be authorized and created, with such health facilities development corporation to be known as the "Weslaco Health Facilities Development Corporation" (the "Corporation").

SECTION 2. The Governing Body hereby approves the Articles of Incorporation and the Bylaws proposed to be used in organizing the Corporation (substantially in the form attached to this Resolution and made a part hereof for all purposes); hereby grants authority for the incorporation of the Corporation; and hereby appoints Rene Correa, David Allen, Ed Capen, Will Schmidt, Homa Moreland, Andy Noriega and Jaime Pena the initial directors of the Corporation.

SECTION 3. The public purposes of the City, which the Corporation may further on behalf of the City, are the promotion and development of new, expanded or improved health facilities to assist the maintenance of the public health and the public welfare.

SECTION 4. The Corporation is hereby designated as the duly constituted authority and instrumentality of the City (within the meaning of those terms in the regulations of the Treasury and the rulings of the Internal Revenue Service prescribed and promulgated pursuant to Section 103 of the Internal Revenue Code of 1954, as amended) and shall be authorized to act on behalf of the City for the specific public purpose of the promotion and development of new, expanded or improved health facilities to assist the maintenance of the public health and the public welfare; but the Corporation is not intended to be and shall not be a political subdivision or a political corporation within the meaning of the Constitution and the laws of the State of Texas, including without limitation Article III, Section 52, of the State Constitution, and the City does not delegate to the Corporation any of its attributes of sovereignty, including, without limitation, the power to tax, the power of eminent domain and the police power.

SECTION 5. The Corporation may, under the conditions set forth in this Resolution, issue obligations on behalf of the City, acquire, lease, sell or convey certain properties and make loans for the promotion and development of new, expanded or improved health facilities to assist the maintenance of the public health and the public welfare. The City shall not lend its credit or grant any public money or thing of value in aid of the Corporation. Furthermore, obligations issued by the Corporation with the approval of the City shall not constitute obligations of the State of Texas, the County of Hidalgo, the City or any other political subdivision or agency of the State of Texas or a pledge of the faith and credit of any of them; and the Corporation is not authorized to incur financial obligations unless

payable solely from the proceeds of bonds, revenues derived from the lease or sale of a health facility or realized from a loan made by the Corporation to finance or refinance in whole or in part a health facility, revenues derived from operating a health facility, or any other revenues as may be provided by a user of a health facility, any one or more; and any such health facility shall have been found by the board of directors of the Corporation to be required, necessary or convenient for health care, research and education, any one or more.

SECTION 6. At least 14 days prior to the issuance of bonds by the Corporation, the Corporation will file with the Governing Body a full and complete description of any health facility the cost of which is to be paid in whole or in any part from the proceeds of such bonds of the Corporation proposed to be issued, including an explanation of the projected costs of and the necessity for such proposed health facility and the name of the proposed user of such health facility.

SECTION 7. Upon dissolution of the Corporation the City shall accept title to or other interest in any real or personal property owned by the Corporation at such time.

SECTION 8. This Resolution is adopted for the purpose of satisfying the conditions and requirements of the Act and of Section 103 of the Internal Revenue Code of 1954, as amended, and the regulations promulgated thereunder from time to time and for the benefit of the Corporation, the City, the owners or holders from time to time of the obligations of the Corporation and all other interested persons.

SECTION 9. The Governing Body has considered evidence of the posting of notice of this meeting and officially finds, determines, recites and declares that a sufficient written notice of the date, hour and place of this meeting and of the subject of this Resolution was posted on a bulletin board located at a place convenient to the public in the City Hall of this City for at least 72 hours preceding the scheduled time of such meeting; and that such place of posting was readily accessible to the general public at all times from such time of posting until the scheduled time of such meeting; and that such meeting was open to the public as required by law at all times during which the Resolution and the subject matter thereof were discussed, considered and formally acted upon, all as required by the Open Meetings Law, Article 6252-17, Vernon's Texas Civil Statutes, as amended. This Governing Body further ratifies, approves and confirms such written notice and the contents and posting thereof.

PASSED AND APPROVED by the City Commission of the  
City of Weslaco this the 16th day of February, 1984.

CITY OF WESLACO

By: /s/ Hector Farias  
HECTOR FARIAS, Mayor

ATTEST:

/s/ Hilda Adame  
HILDA ADAME, City Secretary