

WESLACO CITY COMMISSION

SPECIAL MEETING

DECEMBER 16, 2010

On this 16th day of December 2010 at 5:00 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 and the following members were present.

Mayor	Miguel D. Wise
Commissioner	Robert J. Garza
Commissioner	Gerry Tafolla
Commissioner	Lupe V. Rivera
Commissioner	Joe A. Martinez
City Manager	Leonardo Olivares
City Secretary	Elizabeth Walker
City Attorney	Ramon Vela

Also present: Francisco Castellanos, Human Resources Director; Bret L. Mann, Finance Director, Robert de la Cerda, Interim Police Chief, and several other staff members and citizens.

I. CALL MEETING TO ORDER

Mayor Wise called the meeting to order.

II. ROLL CALL/ESTABLISH A QUORUM

Elizabeth Walker, City Secretary, called the roll; the Mayor stated the Mayor Pro-Tem Cuellar is out of town and unable to attend. A quorum was established.

III. PLEDGE OF ALLEGIANCE

Mayor Wise recited the Pledge of Allegiance and the Texas Flag.

IV. NEW BUSINESS

- A. Discussion and consideration of Ordinance 2010-25 authorizing the execution of a loan agreement for expenses related to the City of Weslaco Voluntary Separation Plan and other matters as authorized and directed by the City Commission. Possible action. Attachment.

The City Manager stated this loan agreement would authorize the City to borrow up to \$1.5 million to cover the costs associated with the severance packages under the Voluntary

Separation Plan, which the Commission previously authorized in order to avoid any Reduction in Force. Mr. Mann, Finance Director, stated that the loan terms as presented are a February 28, 2011 start date with a 3.99% interest rate. Commissioner Garza, seconded by Commissioner Rivera, moved to approve Ordinance 2010-25 on first as final reading, authorizing the execution of a loan agreement as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

For the record, the Ordinance reads as follows:

ORDINANCE NO. 2010-25

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT FOR EXPENSES RELATED TO THE VOLUNTARY SEPARATION PROGRAM AND OTHER MATTERS AS AUTHORIZED AND DIRECTED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS.

WHEREAS, THE CITY OF WESLACO (the "City") proposes to enter into the LOAN AGREEMENT, (the "Loan Agreement"), with COMPASS BANK N.A., as lender (the "Bank") for the payment of expenses related to the voluntary separation program and other matters related thereto (the "City Funding Requirements");

WHEREAS, the proposed form of the Loan Agreement and Note (as defined in the Loan Agreement) have been presented at this meeting;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF WESLACO AS FOLLOWS:

Section 1. The City Commission finds that it is appropriate for the City to enter into the Loan Agreement and Note to finance the City Funding Requirements, as defined in the Loan Agreement in support of the City's fiscal needs.

Section 2. Any one or more of the Authorized Officers of the City listed in Section 3 below is hereby authorized to execute, acknowledge, and deliver in the name and on behalf of City to the Bank the Loan Agreement and the Note, including all attachments and exhibits thereto; and the Loan Agreement and the Note are hereby approved in substantially the form presented at this meeting with such changes as the signing officer shall determine to be advisable. Further, said Authorized Officers are authorized to execute, acknowledge, and deliver in the name and on behalf of the City any other agreement, instrument, certificate, representation, and document, and to take any other action as may be advisable, convenient, or necessary to enter into such Loan Agreement and Note, and the execution thereof by any such Authorized Officer shall be conclusive as to such determination.

Section 3. For the purpose of this resolution, the following persons, or the persons holding the following positions, are "Authorized Officers" duly authorized to enter into the transaction and execute documents contemplated by this resolution in the name and on behalf of City:

NAME TITLE

Miguel D. Wise, Mayor

Leonardo Olivares, City Manager

Elizabeth Walker, City Secretary

Section 4. That this Ordinance shall take effect immediately.

PASSED AND ADOPTED this December 16, 2010.

/s/ Miguel D. Wise

Mayor, City of Weslaco, Texas

ATTEST:

/s/ Elizabeth Walker

City Secretary, City of Weslaco, Texas

- B. Discussion and consideration to approve Ordinance No. 2010-26 amending Section 1 of Ordinance 77-16, adopted on August 16, 1977, and codified in the Weslaco Code of Ordinances Section 29-40 "Water Rates prescribed" and amending Section 1 of Ordinance 67-10, adopted on June 27, 1967, and codified in the Weslaco Code of Ordinances as Section 29-43 "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 facility 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. First reading of Ordinance No. 2010-26. Possible action. Attachment.

The City Manager reported that the Consumer Price Index for utilities increased by 6.9% last year and 7% this year; staff proposes a 5% increase to keep up with inflation. Commissioner Tafolla, seconded by Commissioner Martinez, moved to approve Ordinance 2010-26 on first reading, 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 facility of the City of Weslaco; and providing for an effective date after the second publication of this ordinance. The motion carried unanimously; Mayor Wise was present, but not voting.

V. PUBLIC COMMENTS

Mr. Carlos Guerra of 1205 West Fourth Street inquired as to the nature of the urgency to call an emergency meeting as well as inquired as to the status of the \$21 million bond previously approved. Also, he commended Commissioner Rivera for speaking up and encouraged all Commissioners “to keep asking questions.”

For the record, the City Attorney advised the Mayor that this is not an emergency meeting, which may be called on just two hours’ notice; this is a Special Meeting and 72-hours notice was given as prescribed by Texas Government Code.

VI. EXECUTIVE SESSION

At 5:18 p.m., Mayor Wise recessed the special meeting to convene in Executive Session.

At 6:23 p.m., Mayor Wise announced the City Commission had completed its Executive Session and reconvened the special meeting as open to the public.

VII. POSSIBLE ACTION ON WHAT IS DISCUSSED IN EXECUTIVE SESSION

- A. Pending Litigation – Discussion with City Attorney regarding Cause No. C-215-10-E, *Anne-Marie Mata, David Salinas, and Oscar Garcia v. City of Weslaco* pursuant to §551.071 of the Texas Government Code.

There was no action on this item.

- B. Pending Litigation – Discussion with City Attorney regarding *Cause No. CCD-0033-F In The Matter of Proceedings By The City of Weslaco, Texas for The Condemnation of Certain Property of Ricardo Oliva* pursuant to §551.071 of the Texas Government Code.

There was no action on this item.

- C. Personnel – Discussion with the City Manager regarding the appointment of the Chief of Police for the City of Weslaco as authorized by §551.074 of the Texas Government Code.

There was no action on this item.

- D. Land Acquisition – Discussion with the City Manager regarding the purchase and acquisition of real property located in the City of Weslaco as authorized by §551.072 of The Texas Government Code.

There was no action on this item.

VIII. ADJOURNMENT

With no other business before the Commission, at 6:24 p.m. Commissioner Tafolla, seconded by Commissioner Rivera, moved to adjourn the December 16, 2010 special meeting. The motion carried unanimously; Mayor Wise was present, but not voting.

CITY OF WESLACO

MAYOR, Miguel D. Wise

ATTEST:

CITY SECRETARY, Elizabeth M. Walker

COMMISSIONER, Robert J. Garza

COMMISSIONER, Gerardo Tafolla

COMMISSIONER, Lupe V. Rivera

COMMISSIONER, Joe A. Martinez