



**A REGULAR MEETING
OF THE WESLACO CITY COMMISSION
DECEMBER 6, 2011**

On this 6th day of December 2011 at 5:30 p.m., the City Commission of the City of Weslaco, Texas convened in Regular 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	Robert Garza
Commissioner	Olga M. Noriega
Commissioner	Gerardo "Gerry" Tafolla
Commissioner	Lupe V. Rivera
Commissioner	Joe A. Martinez
City Manager	Leonardo Olivares
City Secretary	Elizabeth Walker
City Attorney	Ramon Vela

Also present: Rey Garcia, IT Director; Sonia Flores, Assistant Finance Director; Elvia Rios, Interim Human Resources Director; David Salinas, Public Utilities Director; Fire Chief Jimmy Cuellar; Police Captain Ted Walenski; Jorge Gonzalez, Planning & Code Enforcement Director; Arnold Becho, Library Director; George Garrett, Airport Director; Lupe Garcia, Parks & Recreation Director; and several 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 Friday, December 2, 2011.
- B. Mayoral Proclamations and Recognitions.
The Mayor presented a proclamation in recognition of Service Month to Parks Director Lupe Garcia, Fire Chief Jimmy Cuellar, and Officer J.P. Rodriguez to encourage participation in the City-wide food and toy drives.
- C. Invocation.
Dr. Akram Rana with RGV Islamic Center delivered the invocation.
- D. Pledge of Allegiance.
Mayor Wise recited the Pledge of Allegiance and the Texas Flag.
- E. Roll Call.
Elizabeth Walker, City Secretary, called the roll, noting the arrival of Commissioner Noriega at 7:38 p.m. prior to consideration of item III. A.

II. PUBLIC HEARINGS

- A. To solicit input on proposed elevated water storage tank at Harlon Block Sports Complex.

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

Mr. David Salinas, Public Utilities Director, reported that as the original water tower received a historic designation, it cannot be expanded. A new water tower is proposed with a one-million gallon capacity at a cost of \$1.5 million. The historic tower would then be decommissioned since it is fifteen feet lower than the others, to provide for more water pressure.

Mr. Glenn Housely spoke in support of the preservation of the historic water tower; Mr. Michael Clays spoke in support of the new tower after clarifying cost.

Commissioner Tafolla, seconded by Commissioner Martinez, moved to close the public hearing. The motion carried unanimously; Mayor Wise was present, but not voting.

Commissioner Garza, seconded by Commissioner Rivera, moved to consider immediately those items posted as part of the addendum to the agenda. The motion carried unanimously; Mayor Wise was present, but not voting.

**(ADD
I.)**

STATUS REPORTS AND VISITORS WITH BUSINESS

- A. Knapp Medical Center acquisition by Universal Health Services, Inc.

Mr. John Lackey, president of the board of directors of Knapp Medical Center, reported that over the past seven years, the competitive environment changed affecting Knapp Medical Center; whereas in 2004, 125 patients left Knapp for treatment at Doctors' Hospital at Renaissance, last year 3,000 did. Numerous consultants advised Knapp that it cannot continue as an independent non-profit institution: the board faced the decision of a for-profit hospital or no hospital to service the Mid-Valley community. Three systems competed for the acquisition; Universal Health System made the best offer, including alliance with an existing system in the Rio Grande Valley and a minimum capital investment of \$20 million. Mr. Lackey also reported that after all debts are paid, the proceeds of the sale will establish a \$135 million endowment to a foundation to continue the charitable legacy of Knapp, including indigent care, preventative care, and healthcare education.

Mr. Doug Matney, representing Universal Health System, reported that a provision of the sale is that the System must offer the same job at the same pay to all employees below the administrative suite; Mr. Summersett is leaving voluntarily and Universal did not object. He reiterated that the intent of Universal is to keep patients at Knapp, expanding local services. He further explained that much of the contract negotiations are privileged, as governed by the Securities and Exchange Commission, which

determines when the System can disclose information regarding the sale to the public. He added that the privatization of the hospital will contribute \$400,000.00 and \$1 million in tax revenues for the City and School District, respectively.

Dr. Leticia Volpe stated she believes a big injustice happened in this sale since Knapp Medical Center previously provided the services Universal promises to bring; she believes the hospital was set up for failure by Mr. Summersett, who previously closed or sold hospitals under his professional administration.

Dr. Sandra Esquivel expressed concerns that decisions will be made in Pennsylvania, not here and requested the City Commission to intervene with a resolution opposing the sale.

Mr. Michael Clays, Dr. Alberto Zepeda, Dr. Pedro McDougal, Dr. Roger Heredia, Dr. Robert Sepulveda, Mr. Glenn Housely, Mr. Adan Casares, Ms. Margarite Wiggins, Ms. Maricela Volpe, Ms. Irene Rodriguez, Ms. Mary-Jane Casares, and Mr. Andy Elizondo expressed similar reservations regarding the sale, such as concerns for the employees and the availability of doctors as well as feelings of a betrayal and loss of a true community hospital.

(ADD
II.)

APPOINTMENTS

- A. Discussion and consideration to approve Resolution No. 2011-65 to appoint one member to an unexpired term on the Weslaco Health Facilities Development Corporation. Possible action. (Resignation was accepted and appointment was tabled November 15, 2011.) Attachment.

Mayor Pro-Tem Cuellar, seconded by Commissioner Rivera, moved to approve Resolution No. 2011-65 to appoint Roger Heredia, MD to an unexpired term on the Weslaco Health Facilities Development Corporation. The motion carried unanimously; Mayor Wise was present, but not voting.

Commissioner Garza, seconded by Mayor Pro-Tem Cuellar, moved to move from their posted sequence items V, S, T, and U for immediate consideration. The motion carried unanimously; Mayor Wise was present, but not voting.

- S. Discussion and consideration to approve Resolution 2011-73 authorizing publication of the Notice of Intent to Issue Certificates of Obligation and authorize the Mayor to execute any related documents. Possible action. Attachment.

Ms. Anne Burger reported that since the Economic Development Corporation earlier this year issued a bond for the rehabilitation of the proposed event center, the City has \$8,750,000.00 remaining in eligible bank qualified bonding capacity. Frost Bank proposes a rate of 2.75% with amortization limited to seven years; she proposes three separate bond issues over three calendar years to address the needs identified by CDM for the water treatment plant expansion.

Commissioner Martinez, second by Commissioner Rivera, moved to approve item as

presented. The motion carried unanimously; Mayor Wise was present, but not voting.

For the record, the resolution reads as follows:

Resolution 2011-73

**RESOLUTION AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE
CERTIFICATES OF OBLIGATION**

WHEREAS, the City Commission (the "Commission") of the City of Weslaco, Texas (the "City"), finds that financing the design, planning, acquisition, construction, equipping, expansion, repair, renovation, and/or rehabilitation of the public property, as well as the payment of fees for professional services related thereto, described in Exhibit A hereto would be beneficial to the inhabitants of the City, and such property is needed to perform essential governmental functions; and the Commission has determined that certificates of obligation (the "Certificates of Obligation") should be issued pursuant to the provisions of the Certificate of Obligation Act of 1971, Section 271.041 *et seq.*, Texas Local Government Code (the "Act"), for such purposes;

WHEREAS, prior to the issuance of the Certificates of Obligation, the City is required to publish notice of its intention to issue the Certificates of Obligation in a newspaper of general circulation in the City, the notice stating (i) the time and place the Commission tentatively proposes to pass the ordinance authorizing the issuance of the Certificates of Obligation, (ii) the maximum amount of Certificates of Obligation proposed to be issued, (iii) the purposes for which the Certificates of Obligation are to be issued, and (iv) the manner in which the Commission proposes to pay the Certificates of Obligation;

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

Section 1. Attached hereto and marked Exhibit A the "Notice of Intention to Issue Certificates of Obligation" (the "Notice"), the form and substance of which are hereby adopted and approved.

Section 2. The Mayor or the City Secretary shall cause the Notice to be published in a newspaper, as defined in Section 2051.044, Texas Government Code, of general circulation in the City for two consecutive weeks, the date of first publication to be at least 30 days prior to the date tentatively set for the ordinance authorizing the issuance of the Certificates of Obligation.

Section 3. The Mayor and the City Secretary are hereby authorized and directed to execute the Certificate to which this Resolution is attached on behalf of the Commission and to do any or all things proper and necessary to carry out the intent thereof.

/s/ Miguel D. Wise, MAYOR

ATTEST:

/s/ Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:

/s/ Ramon Vela, CITY ATTORNEY

- T. Discussion and consideration to approve Ordinance 2011-40 authorizing the issuance of "City of Weslaco, Texas Tax Notes, Series 2011," a paying agent/registrar agreement, a purchase and investment letter, and other matters related thereto, and authorize the Mayor to execute any related documents. First Reading of Ordinance 2011-40. Possible action. Attachment.

Commissioner Garza, second by Commissioner Rivera, moved to approve item as presented on first as final reading. The motion carried unanimously; Mayor Wise was present, but not voting.

For the record, Ordinance 2011-40 reads as follows:

ORDINANCE AUTHORIZING THE ISSUANCE OF "CITY OF WESLACO,

**TEXAS TAX NOTES, SERIES 2011”; A PAYING AGENT/REGISTRAR
AGREEMENT; A PURCHASE AND INVESTMENT LETTER; AND OTHER MATTERS
RELATED THERETO**

WHEREAS, Chapter 1431, Texas Government Code, as amended (the “Act”) authorizes cities to issue notes the proceeds of which may be used to (1) pay a contractual obligation incurred or to be incurred for the construction of any public work; (2) pay a contractual obligation incurred or to be incurred for the purchase of materials, supplies, equipment, machinery, buildings, lands, and rights-of way for an issuer’s authorized needs and purposes; (3) pay a contractual obligation incurred or to be incurred for professional services, including services provided by tax appraisal engineers, engineers, architects, attorneys, mapmakers, auditors, financial advisors, and fiscal agents; and/or (4) pay operating expenses or current expenses.

WHEREAS, the City Commission of City of Weslaco, Texas (the “Issuer” or the “City”) desires to issue notes under the Act, the proceeds of which are to be used for the purposes described below;

NOW, THEREFORE, IT IS ORDAINED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS THAT:

Section 1. Authorization of the Notes. There is hereby authorized to be issued and delivered, a series of notes of the City to be known as “CITY OF WESLACO, TEXAS TAX NOTES, SERIES 2011” (the “Notes”) in the original aggregate principal amount of \$8,500,000, payable from and secured by a subordinated lien on the Net Revenues as specified in Section 12 and further payable from the proceeds of an ad valorem tax levied upon all taxable property within the City, within the limitation prescribed by law, for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (i) contractual obligations and professional services preliminary to and in connection with the construction of a public work, to wit: improvements, rehabilitation, and expansion of the City’s waterworks and sewer system; and (ii) the costs of issuance, in accordance with the provisions of the Act.

Section 2. Designation, Date, Denominations, Numbers, and Maturities of the Notes. The Notes shall be dated as of December 15, 2011 (the “Dated Date”), shall be in denominations of \$5,000 or any integral multiple thereof, and shall be numbered I-1 for the Note initially delivered and consecutively from R-1 upward for the definitive Notes. The Notes shall mature on August 15 in each of the years, in the principal amounts as provided below; and shall bear interest from the delivery date thereof at the interest rates as provided below, and interest on the Notes shall be payable on each February 1 and August 1 of each year, (the “Interest Payment Date”) commencing on August 15, 2012 while the Notes are Outstanding, in accordance with the following schedule:

2013	460,000
2014	305,000
2015	1,190,000
2016	1,735,000
2017	2,190,000
2018	2,620,000

Section 3. Paying Agent/Registrar. The principal of and interest on the Notes, due and payable by reason of Stated Maturity, redemption, or otherwise, shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and such payment of principal of and interest on the Notes shall be without exchange or collection charges to the Holder (as hereinafter defined) of the Notes.

The selection and appointment of [_____], Houston, Texas, to serve as the initial Paying Agent/Registrar for the Notes is hereby approved and confirmed, and the City agrees and covenants to cause to be kept and maintained at the corporate trust office of the Paying Agent/Registrar books and records (the “Register”) for the registration, payment and transfer of the Notes, all as provided herein, in accordance with the terms and provisions of a Paying Agent/Registrar Agreement, attached, in substantially final form, as Exhibit A hereto, and such reasonable rules and regulations as the Paying Agent/Registrar and City may prescribe. The Paying Agent/Registrar has agreed to keep a copy of the Register at its offices, or its agent’s offices, located in Houston, Texas. The City covenants to maintain and provide a Paying Agent/Registrar at all times while the Notes are Outstanding, and any successor Paying Agent/Registrar shall be (i) a national or state banking institution or (ii) an association or a corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers. Such Paying Agent/Registrar shall be subject to supervision or examination by federal or state authority and authorized by law to serve as a Paying Agent/Registrar. The City reserves the right to appoint a successor Paying Agent/Registrar

upon providing the previous Paying Agent/Registrar with a certified copy of a resolution or ordinance terminating such agency. Additionally, the City agrees to promptly cause a written notice of this substitution to be sent to each Holder of the Notes by United States mail, first-class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar. Both principal of and interest on the Notes, due and payable by reason of Stated Maturity, redemption, or otherwise, shall be payable only to the registered owner of the Notes appearing on the Register (the "Holder" or "Holders") maintained on behalf of the City by the Paying Agent/Registrar as hereinafter provided (i) on the Record Date (hereinafter defined) for purposes of payment of interest thereon, and (ii) on the date of surrender of the Notes for purposes of receiving payment of principal thereof upon redemption of the Notes or at the Notes' Stated Maturity. The City and the Paying Agent/Registrar, and any agent of either, shall treat the Holder as the owner of a Note for purposes of receiving payment and all other purposes whatsoever, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. Principal of the Notes shall be payable only upon presentation and surrender of the Notes to the Paying Agent/Registrar at its corporate trust office. Interest on the Notes shall be paid to the Holder whose name appears in the Register at the close of business on the fifteenth day of the month next preceding an Interest Payment Date for the Notes (the "Record Date") and shall be paid (i) by check sent by United States mail, first-class postage prepaid, by the Paying Agent/Registrar, to the address of the Holder appearing in the Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested in writing by the Holder at the Holder's risk and expense.

If the date for the payment of the principal of or interest on the Notes shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a day. The payment on such date shall have the same force and effect as if made on the original date any such payment on the Notes was due.

In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the Special Payment Date - which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Holder appearing on the Register at the close of business on the last business day next preceding the date of mailing of such notice.

Section 4. Redemption. The Notes are not subject to optional redemption.

Section 5. Initial Note; Exchange or Transfer of Notes. Initially, one Note (the "Initial Note") numbered I-1 and being in the principal amount of the Notes shall be registered in the name of the Initial Purchaser and shall be executed and submitted to the Attorney General of Texas for approval, and thereupon certified by the Comptroller of Public Accounts of the State of Texas or his duly authorized agent, by manual signature, and the Initial Note shall be effective and valid without the Authentication Note being signed by the Paying Agent/Registrar. At any time thereafter, the Holder may deliver the Initial Note to the Paying Agent/Registrar for exchange, accompanied by instructions from the Holder or designee designating the persons, maturities, and principal amounts to and in which the Initial Note is to be transferred and the addresses of such persons, and the Paying Agent/Registrar shall thereupon, within not more than three days, register and deliver such Notes upon authorization of the City as provided in such instructions.

Each Note shall be transferable only upon the presentation and surrender thereof at the designated payment office of the Paying Agent/Registrar, duly endorsed for transfer, or accompanied by an assignment duly executed by the Holder or his authorized representative in form satisfactory to the Paying Agent/Registrar. Upon presentation of any Note for transfer, the Paying Agent/Registrar shall authenticate and deliver in exchange therefore, to the extent possible and under reasonable circumstances within three business days after such presentation, a new Note or Notes, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Note or Notes so presented.

All Notes shall be exchangeable upon presentation and surrender thereof at the designated payment office of the Paying Agent/Registrar for a Note or Notes of the same maturity and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the Note or Notes presented for exchange. The Paying Agent/Registrar shall be and is hereby authorized to authenticate and deliver exchange Notes in accordance with this Ordinance and each

Note so delivered shall be entitled to the benefits and security of this Ordinance to the same extent as the Note or Notes in lieu of which such Note is delivered.

The City or the Paying Agent/Registrar may require the Holder of any Note to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Note. Any fee or charge of the Paying Agent/Registrar for such transfer or exchange shall be paid by the City.

Neither the City nor the Paying Agent/Registrar shall be required (i) to issue, transfer, or exchange any Note during any period beginning at the opening of business 15 days before the day of the first mailing of a notice of redemption of Notes and ending on the close of business on the day of such mailing or (ii) to transfer or exchange any Note so selected for redemption in whole or in part when such redemption is scheduled to occur within 15 calendar days.

Section 6. General Characteristics and Form of the Notes. The Notes shall be issued, shall be payable, may be redeemable prior to their scheduled maturities, shall have the characteristics, and shall be signed and executed (and the Notes shall be sealed) all as provided and in the manner indicated in the form set forth below. The Form of the Notes, the Form of the Registration of the Comptroller of Public Accounts of the State of Texas to be printed and manually endorsed on each of the Initial Notes, the Form of the Authentication, and the Form of Assignment, which shall be, respectively, substantially as follows, with necessary and appropriate variations, omissions, and insertions as permitted or required by this Ordinance, and the definitions contained within each such form shall apply solely to such form:

FORM OF DEFINITIVE NOTES

United States of America

State of Texas

CITY OF WESLACO, TEXAS

TAX NOTE, SERIES 2011

THE CITY OF WESLACO, TEXAS (the "City"), a body corporate and municipal corporation located in the County of Hidalgo, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner specified above, or the registered assigns thereof, on the Stated Maturity date specified above, the Principal Amount specified above (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the Delivery Date specified above, or from the most recent interest payment date to which interest has been paid or duly provided for until such principal sum has become due and payment thereof has been made or duly provided for, to the earlier of redemption or Stated Maturity, at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on August 15 and February 15 of each year commencing August 15, 2012.

PRINCIPAL OF THIS NOTE shall be payable to the Registered Owner hereof (the "Holder"), upon presentation and surrender, at the corporate trust office of [_____], Houston, Texas (the "Paying Agent/Registrar") executing the registration certificate appearing hereon or a successor thereof. Interest shall be payable to the Holder of this Note (or one or more Predecessor Notes, as defined in the Ordinance hereinafter referenced) whose name appears on the Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the fifteenth day of the month next preceding each interest payment date. All payments of principal of and interest on this Note shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Register or by such other method, acceptable to the Paying Agent/Registrar, requested by the Holder hereof at the Holder's risk and expense.

THIS NOTE is one of the series specified in its title issued in the aggregate principal amount of \$8,500,000 (the "Notes") pursuant to an Ordinance adopted by the governing body of the City (the "Ordinance"), for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (i) improvements, rehabilitation, and expansion of the City's waterworks and sewer system; and (ii) the costs of issuance, in accordance with the provisions of the Act.

[THE NOTES are not subject to optional redemption.]

THE NOTES OF THIS SERIES are payable from the proceeds of an ad valorem tax levied upon all taxable property within the City, within the limitations prescribed by law, and are further payable from

and secured by a lien on and pledge of the Pledged Revenues, being the Net Revenues derived from the operation of the City's sewer system (the "System"), after the payment of all maintenance and operation expenses payable from the Gross Revenues, such lien on and pledge of the Net Revenues being subordinate and inferior to the lien on and pledge of such Net Revenues securing payment of any Prior Lien Obligations issued by the City. The City previously authorized the issuance of the currently outstanding Prior Lien Obligations and Limited Pledge Obligations which are payable, in part, from and secured by a lien on and pledge of a limited amount of the Net Revenues of the System in the manner provided in the ordinances authorizing the issuance of the currently outstanding Prior Lien Obligations and the Limited Pledge Obligations. In the Ordinance, the City reserves and retains the right to issue Additional Prior Lien Obligations, Additional Subordinate Lien Obligations, and Additional Limited Pledge Obligations, while the Notes are Outstanding, without limitation as to principal amount but subject to any terms, conditions, or restrictions as may be applicable thereto under law or otherwise. Capitalized terms used herein have the same meanings assigned in the Ordinance.

REFERENCE IS HEREBY MADE to the Ordinance, copies of which are on file in the corporate trust office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied and the revenues pledged for the payment of the Notes; the terms and conditions under which the City may issue Prior Lien Obligations, Additional Subordinate Lien Obligations, and Additional Limited Pledge Obligations; the terms and conditions relating to the transfer or exchange of the Notes; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holder; the rights, duties, and obligations of the City and the Paying Agent/Registrar;

the terms and provisions upon which this Note may be redeemed or discharged at or prior to the Stated Maturity thereof, and deemed to be no longer Outstanding thereunder; and for the other terms and provisions specified in the Ordinance.

THIS NOTE, subject to certain limitations contained in the Ordinance, may be transferred at the corporate trust office of the Paying Agent/Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by the Holder hereof, or his duly authorized agent, and thereupon one or more new fully registered Notes of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued to the designated transferee or transferees.

THE CITY AND THE PAYING AGENT/REGISTRAR, and any agent of either, shall treat the Holder hereof whose name appears on the Register (i) on the Record Date as the owner hereof for purposes of receiving payment of interest hereon, (ii) on the date of surrender of this Note as the owner hereof for purposes of receiving payment of principal hereof at its Stated Maturity or its redemption, in whole or in part, and (iii) on any other date as the owner hereof for all other purposes, and neither the City nor the Paying Agent/Registrar, or any such agent of either, shall be affected by notice to the contrary. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City.

Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date" - which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Holder appearing on the Register at the close of business on the last business day next preceding the date of mailing of such notice.

IT IS HEREBY CERTIFIED, COVENANTED, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to the issuance of this Note in order to render the same a legal, valid, and binding obligation of the City have been performed, exist, and have been done, in regular and due time, form, and manner, as required by law, and that issuance of the Notes does not exceed any constitutional or statutory limitation. In case any provision in this Note or any application thereof shall be deemed invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Note and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, this Note has been signed with the manual or facsimile signature of the Mayor of the City and countersigned with the manual or facsimile signature of the City Secretary of

the City, and the official seal of the City has been duly impressed, or placed in facsimile, on this Note. Passed and approved on first as final reading this 6th day of December, 2011.

/s/ Miguel D. Wise, MAYOR

ATTEST:

/s/ Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:

/s/ Ramon Vela, CITY ATTORNEY

U. Discussion and consideration to approve Resolution 2011-74 proposing the plan of finance and rate structure for waterworks and sewer system improvements. Possible action. Attachment.

Commissioner Garza, second by Commissioner Tafolla, moved to approve the item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

For the record, the Resolution reads as follows:

RESOLUTION REGARDING PLAN OF FINANCE AND RATE STRUCTURE SCHEDULE FOR WATERWORKS AND SEWER SYSTEM CAPITAL IMPROVEMENTS

WHEREAS, the City of Weslaco, Texas (the "City") is a home-rule City and municipal corporation of the State of Texas; and

WHEREAS, the City operates a water and wastewater utility system (the "System") to serve its residents; and

WHEREAS, the City engaged Camp Dresser & McKee ("CDM") to conduct a preliminary engineering study to determine water demand projections, an assessment of water right needs, water treatment plant expansion requirements to meet future demand, and a rate impact evaluation to improve the System (together the "Evaluation"); and

WHEREAS, CDM provided a "Debt Capacity Study" to address the ability of the System rates to adequately fund the operations and capital requirements of the System as determined in the Evaluation; and

WHEREAS, the Texas Commission on Environmental Quality (the "TCEQ") recently conducted a comprehensive compliance investigation of the System, and as a result thereof, notified the City of the need to take immediate corrective action to remedy the violations noted therein, including needed improvements required to operate and maintain the System in accordance with the mandates promulgated by the TCEQ and state law (the "Improvements"); and

WHEREAS, in order to undertake the recommendations provided by CDM in the Evaluation and to meet the immediate Improvements mandated by the TCEQ, the City desires to enter into a long term capital improvement plan and plan of finance to rehabilitate the System; and

WHEREAS, the City recognizes the need for immediate action including the expected System rate increases needed to implement the capital improvement plan; and

WHEREAS, the City, in conjunction with its consultants, has formulated a schedule of System rates and related rate increases (the "Rate Schedule") it desires to implement over the coming years as described in Exhibit "A", in order to pay the debt obligations to be incurred pursuant to the plan of finance; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS, THAT: Moving forward with the capital improvement plan and the implementation of the Rate Schedule is in the best interest of the City.

PASSED, APPROVED, AND ADOPTED on this 6th day of December, 2011.

/s/ Miguel D. Wise, MAYOR

ATTEST:

/s/ Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:

/s/ Ramon Vela, CITY ATTORNEY

III. CONSENT AGENDA

The following items are of a routine or administrative nature. The City Commission has been furnished with background and support material on each item, and/or it had been discussed at a previous meeting. All items will be acted upon by one vote without being discussed separately unless requested by one commission member, in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon. The remaining items will be adopted by one vote. Possible action.

- A. Approval of the Minutes of the Regular Meeting of November 15, 2011. Attachment.
- B. Approval on Second and Final Reading of the following ordinances:
 - 1. Ordinance 2011-37 amending Ordinance 2008-31, as previously codified in the City of Weslaco Code of Ordinance as Section 62.51, to establish new residential, commercial, and industrial garbage rates; requiring commercial containers in some instances; establishing a rate to be charged for commercial container garbage collection; and ordaining an effective date. First Reading of Ordinance 2011-37 held November 15, 2011. Attachment.
 - 2. Ordinance 2011-36 repealing Ordinance 75-18 to dissolve the Weslaco Traffic Safety Committee and designate a Traffic Safety Officer. First Reading of Ordinance 2011-37 held November 15, 2011. Attachment.
- C. Approval of Amendment No. 3 to the contract with Texas General Land Office (formerly Texas Department of Rural Affairs Contract No. DRS010201) with change order to revise the project schedule for the generator installation at the Water Treatment Plant and South Waste Water Treatment Plant and authorize the Mayor to execute any related documents. Attachment.
- D. Approval to renew the agreement with AmeriCorps Youth Harvest to engage high school tutors and mentors at the Mayor Joe V. Sanchez Public Library at no cost through the month of July 2012 authorize the Mayor to execute any related documents. Attachment.
- E. Approval to renew the agreement as budgeted in an amount not to exceed \$720.00 with Vaisala to provide Automated Weather Information to the National Weather Service to make available local weather information to pilots throughout the United States for Flight Planning Purposes. Attachment.
- F. Approval of the request to close Texas Boulevard/FM 88 from Third to Fourth Streets from 6:00 p.m. to 10:00 p.m. on December 29, 2011 for a block party entitled *Al Fresco Weslaco – Jazz on the Street* coordinated by the Economic Development Corporation of Weslaco, authorizing the sale of wine and beer by a Texas Alcoholic Beverage licensed vendor, waiving any fees or ordinances associated, and authorize the Mayor to execute any related documents as may be required by the Texas Department of Transportation for proposed street closure affecting state right-of-way. Attachment.

- G. Approval of a request by Aurora House Foundation to utilize Harlon Block Sports Complex on January 14, 2012 from 7 a.m. – 12 noon for a charity walk-a-thon, authorize street closures as appropriate, waiving any fees or ordinances associated, and authorize the Mayor to execute any related documents as may be required by the Texas Department of Transportation for proposed street closure affecting state right-of-way. Attachment.
- H. Approval of a request by Cintia Loera to close designated streets within Windcrest Subdivision for a neighborhood block party 6:00 – 10:00 p.m. on Saturday, December 17, 2011. Attachment.
- I. Approval of the 2012 City of Weslaco Holiday Schedule. (There was no action on this item November 15, 2011.) Attachment.
- J. Approval of the recommended slate on the official ballot of the 2012 Election of Directors of the membership of the Rio Grande Valley Partnership. Attachment.

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

For the record, the Ordinances read as follows:

ORDINANCE NO. 2011-37

AN ORDINANCE AMENDING SECTION 12 OF ORDINANCE NO. 397 TO FIX NEW RESIDENTIAL, COMMERCIAL AND INDUSTRIAL GARBAGE RATES; REQUIRING COMMERCIAL CONTAINERS IN SOME INSTANCES; FIXING A RATE TO BE CHARGED FOR COMMERCIAL CONTAINER GARBAGE COLLECTION; AND ORDAINING OTHER MATTERS WITH RESPECT TO THE SUBJECT MATTER HEREOF.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF WESLACO:

Section I. Section 12 of Ordinance No. 397, passed and approved on the 7th day of September 1965, and as subsequently amended, is amended to establish new rates for garbage collection within the City of Weslaco. So that after second and final reading of Section 12 of Ordinance No. 397 shall read as follows:

ARTICLE II. CHARGES FOR COLLECTION*

Sec. 15-34. Charge for removal.

It is the express intent and purpose of this chapter to fairly, reasonably, and equitably apportion the costs of the collection and removal of garbage and trash within the city limits. In computing the charge made to any residence, duplex, triplex, apartment house, tenement house, or trailer court as unit, all apartments, tenements or trailers therein shall be deemed to be occupied unless the water meter serving the building is disconnected. In all cases, **if** a water meter is in service the house and all apartments or units served by that meter shall be deemed to be occupied.

RESIDENTIAL

The rate for residential garbage collection shall be fifteen dollars and five cents (\$15.05) per container, per month, If a residential lot has more than one (1) family dwelling unit located thereon,

other than in apartments, the above basic rate shall apply, plus a minimum of two dollars and seventy-nine cents (\$2.79) per month for each additional family dwelling unit thereon.

APARTMENT HOUSES

The rate for apartments, where all apartments are on one (1) water meter shall be the same as the applicable residence rate, plus a minimum of two dollars and seventy-nine cents (\$2.79) per month for each apartment unit in excess of one (1), whether or not all of such units are rented.

Where apartments have separate water meters the rate shall be a minimum of four dollars and seventy-five cents (\$4.75) per month for each apartment or unit in excess of one (1), plus the applicable residential rate.

TRAILERS OR MOBILE HOME UNITS

The minimum charge for trailers or mobile home units shall be one dollar and ninety-five cents (\$1.95) for each available space provided.

ROOMING HOUSES

The basic residence rate shall apply to rooming houses, If kitchen facilities are made available to the individual rooms in the rooming house, an additional two dollars and seventy-nine cents (\$2.79) per month shall be charged for each room having a kitchen facility in said room.

BUSINESS, COMMERCIAL AND INDUSTRIAL

(a) No business, commercial or industrial account shall be permitted to utilize more than six (6) containers, as defined in Section 15-6, regardless of the number of garbage pickups per week. Should six (6) standard containers be insufficient to accommodate the volume of trash generated by such account, such account shall be required to utilize a commercial container for garbage collection, such commercial container to be supplied by the city, the size of such container being dependent upon the volume of garbage generated, and the rates for commercial container pickups to be as hereinafter provided.

(b) For those commercial, industrial and business accounts whose volume of garbage can be accommodated by not more than six (6) standard containers, the rate shall be fifteen dollars and five cents (\$15.05) per container per month with 2 pickups per week, or as follows:

<i>Number of Pickups Per Week</i>	<i>Monthly Rate</i>
2	\$15.05
3	\$45.14
4	\$75.24
5	\$105.34
6	\$150.48

(c) For those business, commercial or industrial accounts required hereby to utilize a commercial container, the following rate schedule shall apply.

<i>Volume of Container (Cubic yards)</i>	<i>Number of Pickups Per Week</i>					
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
2	68.04	133.06	195.00	254.28	314.88	375.47
3	78.63	144.13	209.68	275.20	340.70	406.24
4	90.24	173.25	255.60	336.28	418.96	501.63
6	131.87	240.57	316.20	415.01	513.81	611.31

8 155.08 284.03 357.48 492.73 610.01 727.24

30 Cubic yard will be charged \$162.64 per haul plus \$32.29 per ton for disposal plus \$4.90 per day rental. The daily rental fee will be waived if hauled at least twice per month.

The monthly charge or rate for the collection and removal of garbage, trash and rubbish, and recyclables by the City of Weslaco from school districts shall be based on the business, commercial and industrial rates as prescribed.

Section II. Except as heretofore and herein amended, the remaining provisions of Section 12 of Ordinance No. 397 shall apply with full force and effect.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 15th day of November, 2011.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this 6th day of December, 2011.

ORDINANCE NO. 2011-36

AN ORDINANCE REPEALING ORDINANCE 75-18 DISSOLVING THE WESLACO TRAFFIC SAFETY COMMITTEE; DESIGNATING A TRAFFIC SAFETY OFFICER; AND ORDAINING OTHER MATTER WITH RESPECT TO THE SUBJECT MATTER HEREOF.

BE IT ORDAINED BY THE CITY OF WESLACO THAT:

SECTION 1. ORDINANCE 75-18 passed and approved on October 6, 1975 and codified in the Weslaco Code of Ordinances as Section 134-4 Traffic Safety Committee is hereby repealed to dissolve the Traffic Safety Committee and to designate a Traffic Safety Officer so that after second and final reading of Ordinance 2011-36, it shall be codified in the Weslaco Code of Ordinances as Section 134-4 and read as follows:

SECTION 134-4 TRAFFIC SAFETY OFFICER.

- (A) The Weslaco City Manager has the authority to designate a Traffic Safety Officer for the City of Weslaco.
- (B) Purpose. The Traffic Safety Officer's goal will be to decrease the frequency, rate of and severity of and potential for, crashes involving motor vehicles, pedestrians and bicycles on public roads in the City of Weslaco through the implementation of a comprehensive safety programs involving engineering, education and/or emergency services.
- (C) Powers and Duties. The Traffic Safety Officer shall have authority to request reports, complaints, and solicit public input for traffic safety problem areas and traffic safety projects. The Traffic Safety Officer shall have the authority to correct any traffic hazards including but not limited to placing traffic signs, speed limit signs, speed bumps; eliminating traffic hazards caused by trees or other obstructions; and authorizing permits for temporary road closures.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 15th day of November, 2011.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this 6th day of December, 2011.

/s/ Miguel D. Wise, MAYOR

ATTEST:

/s/ Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:

/s/ Ramon Vela, CITY ATTORNEY

IV. APPOINTMENTS

- A. Discussion and consideration to approve Resolution No. 2011-69 to appoint one member to an expired term on the Planning and Zoning Commission. Possible action. (This item was tabled November 15, 2011.) Attachment.

Commissioner Tafolla, seconded by Commissioner Rivera, moved to remove the item from the table for consideration. The motion carried unanimously; as Mayor Wise had stepped away from the dais, Mayor Pro-Tem Cuellar was presiding, but not voting.

Commissioner Tafolla, seconded by Commissioner Rivera, moved to approve Resolution No. 2011-6 to appoint Lonnie Berry to an expired term on the on the Planning and Zoning Commission. The motion carried unanimously; as Mayor Wise had stepped away from the dais, Mayor Pro-Tem Cuellar was presiding, but not voting.

For the record, the Resolution read as follows:

RESOLUTION NO. 2011-69

A RESOLUTION OF THE CITY OF WESLACO APPOINTING ONE MEMBER TO THE PLANNING AND ZONING COMMISSION BOARD.

WHEREAS, the City of Weslaco created and established the Planning and Zoning Commission Board pursuant to Subsection 2-36 of Ordinance No. 291, as codified in the City of Weslaco Code of Ordinances.

WHEREAS, the terms of the members of this board are for three years; and

WHEREAS, the Planning and Zoning Commission Board members shall serve without compensation and unlimited terms; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS THAT Mr. Lonnie Berry is appointed to serve on the Planning and Zoning Commission Board and your term will expire on 3rd day of December, 2014.

PASSED AND APPROVED on this 6th day of December, 2011.

/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 to nominate a member of the Weslaco community to the Rio Grande Valley Walk of Fame as part of BorderFest 2012 and authorize the Commission to sign the submittal form as nominators. Possible action. Attachment.

Mayor Pro-Tem Cuellar recommended Mr. Eloy Alaniz. Commissioner Tafolla, seconded by Commissioner Rivera, moved to nominate Eloy Alaniz to the Rio Grande Valley Walk of Fame. The motion carried unanimously; as Mayor Wise had stepped away from the dais, Mayor Pro-Tem Cuellar was presiding, but not voting.

V.

NEW BUSINESS

- A. Discussion and consideration to adopt Ordinance 2011-38 to amend the Master Fee Schedule to establish the fee discount for demonstrated non-profit religious and municipally-chartered organizations. First Reading of Ordinance 2011-38. Possible action. (Item as requested by the Mayor.) Attachment.

The City Manager stated this would allow administrative efficiency to discount. Commissioner Tafolla, second by Commissioner Rivera, moved to approve the item as presented. The motion carried unanimously; as Mayor Wise had stepped away from the dais, Mayor Pro-Tem Cuellar was presiding, but not voting.

- B. Discussion and consideration to authorize a contract with the Weslaco Bicultural Museum d.b.a. Weslaco Museum in an amount not to exceed \$72,000.00 to provide public purpose services to the City of Weslaco citizens effective October 1, 2011 through September 30, 2012. Possible action. Attachment.

The City Manager stated this would be funded through General and Hotel Occupancy Tax funds. Commissioner Garza, second by Commissioner Rivera, moved to approve the item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

- C. Discussion and consideration to approve the Collective Bargaining Agreement effective through September 30, 2012 as negotiated with the duly recognized police bargaining team, Weslaco Municipal Police Union, as authorized by §551.071 of the Texas Government Code. Possible action. Attachment.

The City Manager stated that negotiations started in the Summer and recommends a one-year extension with non-substantive changes. Commissioner Martinez, second by Commissioner Rivera, moved to approve the item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

- D. Discussion and consideration to approve Change Order No.1 for Project No. 07-125B Lift Station #27 Gravity Sewer Line and Force Main as presented by DK III Hornback R.F.D., Inc., representing a cost decrease of \$200.00 and a time extension of 364 calendar days with a revised completion date of 11/30/11, authorize a budget amendment as appropriate, and authorize the Mayor to execute any related documents. Possible action. Attachment.

The City Manager identified this as the lift station on FM 1015 and recommended approval since it addresses a technical change. Mayor Pro-Tem Cuellar, second by Commissioner Martinez, moved to approve the item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

- E. Discussion and consideration on behalf of A.C. Cuellar, Jr., d.b.a. JIII Investments, to approve the Final Plat of Las Villas Santas Amended Subdivision, being a 35.85 acre tract of land out of being all of Farm Tract 736, and 9.996 acres out of farm Tract

728, Block 165, West and Adams Tracts Subdivision, Hidalgo County, Texas, located on the north west corner of Mile 5 North and Border Avenue. Possible action. Attachment.

The City Manager indicated this constitutes a conversion to a mobile home park and a variance had been approved. Commissioner Tafolla, second by Commissioner Rivera, moved to approve item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

- F. Discussion and consideration on behalf of Juan De La Cerda to approve the Final Plat of Dollar General First Addition Subdivision - being a 7.73 acre tract of land out of Farm Tract 632, West and Adams Tracts Subdivision, Hidalgo County, Texas, located on the 2100 Block of West Business Highway 83. Possible action. Attachment.

The City Manager stated both the Planning and Zoning Commission and staff recommend approval. Mayor Pro-Tem Cuellar, second by Commissioner Rivera, moved to approve the item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

- G. Discussion and consideration on behalf of Bob Avery, SDI Realty, to approve the Final Plat of SDI Weslaco Holdings, Lots 6, 7 & 8-being a 3.013 acre tract being all of Lots 6, 7 and 8 of the Amended Plat of SDI Weslaco Holdings, LLC, Hidalgo County, Texas, located on the northwest corner of U.S. Expressway 83 and Bridge Avenue. Possible action. Attachment.

The City Manager stated both the Planning and Zoning Commission and staff recommend approval. Commissioner Rivera, second by Commissioner Martinez, moved to approve the item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

- H. Discussion and consideration on behalf of RDG ANDE, LTD to approve final plat for Westgate-Miller Subdivision, being 2.19 acres out of Lot 1, Westgate Drive Plaza Subdivision and out of Lot 2, Miller Commercial Subdivision, Hidalgo County, Texas. Possible action. Attachment.

Commissioner Rivera, second by Commissioner Tafolla, moved to approve the item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

- I. Discussion and consideration on behalf of Robert Perales to approve Ordinance 2011-39 authorizing a request for voluntary annexation of a one-lot subdivision off of Moreland Drive, being a 2.01 acre tract of land out of Farm Tract 1100, Block 114, West Tract Subdivision, Hidalgo County, Texas, in accordance with §43.122 and §43.129 which allows the City to annex the right of way leading to the subdivision, to provide water and wastewater service by the City of Weslaco, and to authorize the Mayor to execute any related documents. First Reading of Ordinance 2011-39. Possible action. Attachment.

The City Manager stated this annexation represents a parcel for residential development; Mr. David Salinas confirmed the property is already serviced by City water. Commissioner Tafolla, second by Commissioner Rivera, moved to approve the item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

- J. Discussion and consideration of to approve the revised Airport Land Use Lease for the leasing of land on the Weslaco Mid Valley Airport to accommodate hangar construction, airport business development, and furtherance of development and revenue enhancement for the Weslaco Mid Valley Airport. Possible action. Attachment.

The City Manager stated that staff is critically reviewing all leases and recommends this as a good template for all new and renewed leases at the airport. Commissioner Tafolla, second by Commissioner Rivera, moved to approve the item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

- K. Discussion and consideration to accept the 2011 Homeland Security Grant SAA #11-SR-77272-01 in the amount of \$43,601.25 for communications equipment under the umbrella of the Mid Valley Regional Communications Corporation, authorize a budget amendment as appropriate, and authorize the Mayor to execute any related documents. Possible action. Attachment.

The City Manager stated this serves to buy equipment for emergency communications in partnership with the cities of Donna and Mercedes. Commissioner Rivera, second by Commissioner Martinez, moved to approve item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

- L. Discussion and consideration to approve the purchase of 130 Badger Orion Integral Transmitters from sole vendor Badger Meter, Inc. for a total of \$36,777.75 as budgeted. Possible action. Attachment.

Commissioner Rivera, second by Commissioner Martinez, moved to approve item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

- M. Discussion and consideration to award contract bid No. 2011-12-02 for Waterworks Collection and Distribution Materials to the lowest responsible bidder for an amount not to exceed \$166,514.23 and authorize the Mayor to execute any related documents. Possible action. Attachment.

Commissioner Tafolla, second by Commissioner Martinez, moved to award contract bid No. 2011-12-02 for Waterworks Collection and Distribution Materials to HD Supply as the lowest responsible bidder for an amount not to exceed \$166,514.23 and authorized the Mayor to execute any related documents. The motion carried unanimously; Mayor Wise was present, but not voting.

- N. Discussion and consideration to approve the Professional Service Agreement with LaFevre Environmental Management Consulting, LLP for engineering services for the rehabilitation of lift station No. 36 as negotiated in the amount not to exceed \$84,051.00, authorize budget amendments as appropriate, and authorize the Mayor to execute any related documents. Possible action. Attachment.

The City Manager stated the City is in dire need of these services at Lift Station No. 36; the project should cost \$900,000.00 as budgeted through the capital improvement fund. Commissioner Rivera, second by Commissioner Martinez, moved to approve the item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

- O. Discussion and consideration to authorize a budget amendment in the amount of \$16,140.25 to the transfer from the Intergovernmental Revenues account into the Library's Capital Outlay account to administer late-arriving funds in accordance with the Hidalgo County Library System 2011 Interlocal Agreement. Possible action. Attachment.

The City Manager stated this would allow the draw-down of grant funds and represents merely a technical issue. Commissioner Tafolla, second by Commissioner Martinez, moved to approve item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

- P. Discussion and consideration to implement a Food for Fines program at the Mayor Joe V. Sanchez Public Library, allowing library patrons to exchange canned goods for outstanding library fees through December 2011 in support of a food drive by the Rio Grande Valley Food Bank. Possible action. Attachment.

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

- Q. Discussion and consideration to approve the Option to Purchase Supplemental Extended Reporting Coverage on Public Officials and Employment Practice Liability in an amount not to exceed \$14,417.00 for a one-year term or \$28,834.00 for a two-year term and authorize the Mayor to execute any related documents. Possible action. Attachment.

The City Manager stated this represents a change in carriers; there is no gap in coverage and recommended the two-year option. The Mayor clarified there is no discount for the two-year term. Commissioner Garza, second by Commissioner Martinez, moved to approve the Option to Purchase Supplemental Extended Reporting Coverage on Public Officials and Employment Practice Liability in an amount not to exceed \$28,834.00 for a two-year term and authorized the Mayor to execute any related documents. The motion carried unanimously; Mayor Wise was present, but not voting.

- R. Discussion and consideration to approve Resolution 2011-75 confirming the appointment by the City Manager of a staff City Attorney as a public officer. Possible action. Attachment.

The City Manager explained this constitutes employment rather than a professional contract and recommended Ramon Vela. Mayor Pro-Tem Cuellar, second by Commissioner Rivera, moved to approve Resolution 2011-75 confirming the appointment by the City Manager of Ramon Vela as staff City Attorney and as a public officer. The motion carried unanimously; Mayor Wise was present, but not voting. The Mayor conducted the oath and statement of office.

- V. Discussion and consideration to award a construction-manager-at-risk contract for the Valley Nature Center facility and associated projects contingent on a negotiated guaranteed maximum price as per Texas Local Government Code 252.022(a)(2). Possible action. Attachment.

The City Manager stated that the City is trying to “do double-time on this project” and recommended G.A.S. Enterprises through the construction-manager-at-risk process. Mayor Pro-Tem Cuellar, second by Commissioner Martinez, moved to award to G.A.S. Enterprises a construction-manager-at-risk contract for the Valley Nature Center facility and associated projects contingent on a negotiated guaranteed maximum price as per Texas Local Government Code 252.022(a)(2). The motion carried unanimously; Mayor Wise was present, but not voting.

- W. Discussion and consideration to authorize the City Manager to negotiate a construction-manager-at-risk contract for the Boys & Girls Club facility and associated projects at Weslaco City Park as per Texas Local Government Code 252.022(a)(2). Possible action. Attachment.

The City Manager stated the deadline on this project is January 2013. Commissioner Martinez, second by Commissioner Rivera, moved to approve item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

- X. Discussion and consideration to authorize the City Manager to negotiate a long-term lease with the Weslaco Independent School District in fulfillment of the Boys & Girls Club Indoor Recreation grant project 51-000065. Possible action. Attachment.

The City Manager explained that the former Junior High Gymnasium may be available for renovation since no additional grant funds are available for acquisition or construction to fulfill the square-footage pledged in the original project grant application; an asbestos survey will be conducted. Mayor Pro-Tem Cuellar, second by Commissioner Martinez, moved to approve the item as presented. The motion carried unanimously; Mayor Wise was present, but not voting.

VI. CITY MANAGER’S REPORT

- A. Report on Departmental Update, Upcoming Meetings and Appointments. Attachment.

The City Manager reported that Fire Chief Cuellar saved \$16,000.00 on the equipment budget; TCEQ served notice of a violation to the City; and the food drive is ongoing at City Hall, the Library building, and the Police Department.

B. Report on Senate Bill 100 – scheduling the uniform election.

City Secretary Elizabeth Walker provided a presentation by the Texas Municipal League which identifies four potential responses to Senate Bill 100 by which the City has options to change its election, including how long a term is, when that term is staggered, or when the election is called. Or, another option is simply no change. Alternatively, it could be a hybrid of these options, since SB 100 mandates implementation by 2013; the Commission may call a May 2012 election, as per usual, then subsequently consider resolutions to implement changes for the 2013 election.

C. Report by Airport Department.

The City Manager requested this report be deferred until the next regular meeting of the Commission.

VII. PUBLIC COMMENTS

Mr. Albert Cavazos of 1417 N. International Boulevard expressed outraged that the sewage line that services his neighborhood routinely backs up and demanded the City fix the problem as it is a health issue.

VIII. EXECUTIVE SESSION

At 8:40 p.m., the Mayor recessed the regular meeting to convene in Executive Session. At 9:30 p.m., the Mayor announced the City Commission had completed its Executive Session and reconvened the regular meeting as open to the public.

**IX. POSSIBLE ACTION ON WHAT IS DISCUSSED
IN EXECUTIVE SESSION**

- A. Pending Litigation – Discussion with City Attorney and assigned Special Counsel Garza & Pena, PLLC 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.

- B. Contract Negotiations – Discussion with the City Manager and City Attorney relating to the City’s rights, duties, privileges, and obligations in connection with the Collective Bargaining Agreement with the duly recognized fire union bargaining team, the IAFF-WFFA Local 3207, as authorized by §551.071 of the Texas Government Code.

There was no action on this item.

X. ADJOURNMENT

With no other business before the Commission, at 9:31 p.m. Mayor Pro-Tem Cuellar, seconded by Commissioner Garza, moved to adjourn the December 06, 2011 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

MAYOR PRO-TEM, J.F. “Johnny” Cuellar

COMMISSIONER, Robert J. Garza

COMMISSIONER, Olga M. Noriega

COMMISSIONER, Gerardo “Gerry” Tafolla

COMMISSIONER, Lupe V. Rivera

COMMISSIONER, Joe A. Martinez