

*Approved 4/7/09
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WESLACO CITY COMMISSION

REGULAR MEETING

MARCH 17, 2009

On this 17th day of March, 2009 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 and the following members were present.

NOTE: If any accommodation for a disability is required, notify the City Secretary's Office at (956) 968-3181, Ext 3101 prior to the meeting date.

NOTE: If during the course of the meeting, any discussion of any item on the agenda should be held in executive or closed session, the City Commission will convene in such executive or closed session whether or not such item is posted as an executive session item at any time during the meeting when authorized by the provisions of the Texas Open Meetings Act.

- | | |
|----------------|-----------------------|
| Mayor | Buddy de la Rosa |
| Mayor Pro-Tem | J.F. "Johnny" Cuellar |
| Commissioner | Soyla R. Gonzalez |
| Commissioner | Rene Rodriguez, Jr. |
| Commissioner | Adrian Gonzalez |
| Commissioner | Lupe V. Rivera |
| Commissioner | Patrick B. Kennedy |
| City Manager | Anthony Covacevich |
| City Secretary | Amanda C. Elizondo |
| City Attorney | Ramon Vela |

Also present: Leroy Gonzales, Interim Finance Director; Pete Garcia, Parks & Recreation Director; Gloria Sepulveda, Purchasing Director, Bernard Rodriguez, Senior Planner; and several other staff members and citizens. Mayor de la Rosa called the meeting to order, a quorum was established and the following proceedings were held.

Reverend Cynthia Ordway from the First Presbyterian Church of Weslaco gave the invocation. Mayor de la Rosa recited the Pledge of Allegiance and Mayor Pro-Tem Cuellar proceeded with the Pledge to the Texas Flag.

I. CONSENT AGENDA

NOTICE TO THE PUBLIC

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separately unless requested by one commission member or a citizen, in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon.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 Minutes

1. Regular Meeting of March 3, 2009

B. Second and final reading of the following ordinances:

1. Ordinance No. 2009-05 amending Section 1 of Ordinance 67-10, adopted on June 27, 1967, and codified in the City of Weslaco Code of Ordinances as Section 29-43 "Sewer Rates Prescribed;" by providing for a new rate to be charged to commercial laundries and ordaining other matters with respect to the subject matter hereof. Possible action.

2. Ordinance No. 2009-06 amending Ordinance No. 422 passed and approved on January 3, 1967; prohibiting engine braking in the City of Weslaco and ordaining other matters with respect to the subject matter hereof. Possible action.

Motion was made by Mayor Pro-Tem Cuellar and seconded by Commissioner Kennedy to approve the consent agenda as presented. Motion carried unanimously.

For the record, the following ordinances read as follows:

ORDINANCE NO. 2009-05

AN ORDINANCE AMENDING SECTION 1 OF ORDINANCE 67-10, ADOPTED ON JUNE 27, 1967, AND CODIFIED IN THE CITY OF WESLACO CODE OF ORDINANCES AS SECTION 29-43 "SEWER RATES PRESCRIBED;" BY PROVIDING FOR A NEW RATE TO BE CHARGED TO COMMERCIAL LAUNDRIES AND ORDAINING OTHER MATTERS WITH RESPECT TO THE SUBJECT MATTER HEREOF.

PASSED AND APPROVED on the first reading at a regular meeting of the City Commission this 3rd day of March, 2009.

PASSED AND APPROVED on the second reading at a regular meeting of the City Commission this 17th day of March, 2009.

ORDINANCE NO. 2009-06

AN ORDINANCE AMENDING ORDINANCE 422 PASSED AND APPROVED ON JANUARY 3, 1967; PROHIBITING ENGINE BRAKING IN THE CITY OF WESLACO AND ORDAINING OTHER MATTERS WITH RESPECT TO THE SUBJECT MATTER HEREOF.

PASSED AND APPROVED on the first reading at a regular meeting of the City Commission this 3rd day of March, 2009.

PASSED AND APPROVED on the second reading at a regular meeting of the City Commission this 17th day of March, 2009.

CITY OF WESLACO
/s/ Buddy de la Rosa, R. Ph.
MAYOR

ATTEST:
/s/ Amanda C. Elizondo, CITY SECRETARY
APPROVED AS TO FORM:
Ramon Vela, CITY ATTORNEY

II. PUBLIC COMMENTS

A member of the public or the governmental body may make comments on subjects for which notice has been given and which are on the agenda Section 551.042, Texas Open Meetings Act. Public comments will be limited to three (3) minutes.

There were no comments from the audience.

II. PUBLIC HEARINGS

- A. To discuss the following unoccupied buildings or premises to determine if they have become dilapidated, substandard, unfit for human habitation and a hazard to the health, safety, and welfare of the citizens of the City of Weslaco as per Ordinance No. 86-24.

Mayor de la Rosa stated the following items were public hearings and any one wishing to speak for or against could do so after staff's presentation.

Daniel Saenz, Code Enforcement Inspector stated title searches had been conducted on the properties and notices of the public hearings were sent by certified mail. He mentioned the Code Enforcement and Fire Departments had conducted the necessary inspections and the structures were not in compliance with the city codes. Mr. Saenz stated the public hearings were published in the Monitor Newspaper on March 2nd and 9, 2009 and certified letters were mailed on February 27th to the property owners.

1. 215 W. Pike Blvd. (building on SE Corner of Pike & Cedro Street), being Lot(s) 18-19-20-21 and 22, Block 18, Esplanada Subdivision to the City of Weslaco Hidalgo County, Texas. Owners: Julian and Guadalupe G. Cantu, C/O Jose Luis Cantu. Possible action.

Mr. Saenz stated the structure was made of block and masonry and two other structures were located on the property. He added the roof was in good condition and

there were other areas that were more than 50% dilapidated. Mr. Saenz stated the property owners were deceased and Luis Cantu, son of the owners was requesting to repair it due to historical value. He pointed out there were a total of five lots and the lots could be re-zone commercial at a later time with the approval of the City Commission. Mr. Saenz recommended for the structure to be repaired according to the city codes or demolished.

Mr. Cantu requested permission to obtain a cost estimate to repair the structure and if it was demolished an asbestos inspection would be required.

Commissioner Rivera stated the structure was a landmark and recommended for the City Commission to allow Mr. Cantu to repair it.

Mayor de la Rosa stated the façade on Texas was known valley wide and recommended for the city to contact the Texas Historic Commission to see if the structure had any historic value.

Ramon Vela, City Attorney stated the City Commission had the option to accept staff's recommendation or allow Mr. Cantu some time to present a remodeling plan.

Motion was made by Commissioner A. Gonzalez and seconded by Mayor Pro-Tem Cuellar to close the public hearing. Motion carried unanimously.

Mr. Anthony Covacevich, City Manager recommended no action.

Mayor de la Rosa requested for staff to present any additional information to them regarding the historical value on the property and to keep Mr. Cantu informed.

2. 700 N. Padre Avenue, being Lot 13, Block 3, El Texano Subdivision to the City of Weslaco, Hidalgo County, Texas:
Owner(s): Catalina Vallejo and Maria I. Diaz. Possible action.

Mr. Saenz stated the structure had been unoccupied since December, 2007 and there was a concern with high weeds. He pointed out the roof had a hole, there were electrical violations, the windows were broken, carport did not have the required support and was a safety hazard, there was mole and water damaged, water heater was blown off and the structures was insecure. Mr. Saenz stated he had contacted Irene Garcia, she had mentioned that her mother was in the nursing home. He recommended that the structure be repaired according to city codes or demolished within sixty days.

Motion was made by Commissioner A. Gonzalez and seconded by Commissioner Rivera to close the public hearing. Motion carried unanimously.

Motion was made by Commissioner A. Gonzalez and seconded by Mayor Pro-Tem Cuellar to accept staff's recommendation. Motion carried unanimously.

3. 2710 N. Georgia Avenue, being Lot 5, Block 5, Tejas Dos Subdivision to the City of Weslaco, Hidalgo County, Texas. Owner(s): Juan J. and Carol E. Rosales. Possible action.

Mr. Saenz stated there was pending litigation on this structure due to fire and recommended taking no action. He added there were plans to remodel it.

Motion was made by Commissioner Kennedy and seconded by Commissioner Rivera to close the public hearing. Motion carried unanimously.

4. 2705 N. Oklahoma Avenue, being Lot 13, Block 4, Tejas Dos Subdivision to the City of Weslaco, Hidalgo County, Texas: Owner: Roberto Ramirez. Possible action.

Mr. Saenz stated there was graffiti on the structure, high weeds and water damage to the roof. He mentioned he had tried contacting the property owners, but the telephone numbers were not in service. Mr. Saenz recommended for the structure to be repaired according to city codes or demolished within 60 days.

Motion was made by Mayor Pro-Tem Cuellar and seconded by Commissioner Kennedy to close the public hearing. Motion carried unanimously.

Motion was made by Commissioner S. Gonzalez and seconded by Mayor Pro-Tem Cuellar to follow staff's recommendation. Motion carried unanimously.

Mayor de la Rosa changed the order of the agenda and proceeded with Item A., under New Business

- A. Discussion and consideration of a request from Diana Cavazos for an extension of the original time allowed to repair a dilapidated structure at 611 N. Pino Street legally described as being Lots 7 & 8, Block 9, Esplanada Park Subdivision, an addition to the City of Weslaco, Hidalgo County, Texas. Possible action.

Mr. Saenz stated Diana Cavazos was requesting an extension from the original 60 days that had been granted to her to repair or present plans to Code Enforcement Department. He indicated the 60 days that had been granted to Ms. Cavazos had expired.

Ms. Cavazos stated she had gotten sick and had not been able to transfer the property to her name.

Mr. Vela stated he had informed Ms. Cavazos that her case was a private matter and needed to consult an attorney to prepare the affidavits of ownership. He stated she did not want to spend any money to repair the structure until it was under her name.

Mr. Covacevich recommended granting Ms. Cavazos an additional 60 days.

Motion was made by Commissioner A. Gonzalez and seconded by Commissioner Rivera to grant an extension of an additional 60 days to Ms. Cavazos. Motion carried unanimously.

- AA. Report on dilapidated structures as per Ordinance No. 86-24 which have been worked on and are voluntarily being repaired by the owners at the following locations: 127 S. Garza Avenue, being Block 2, Lot 20, Paloma Subdivision and 122 E. Sgt. Rosas Street, being Block 3, Lot 4, Diana #2 Subdivision. Possible action.

Mr. Saenz stated the property owner had secured the permits to repair the structure. He added the owner had removed the interior, remodeled the roof and was continuing the repairs. Mr. Saenz indicated on 122 Sgt. Rosas, west of Texas Blvd., Diana #2 Subdivision he had made contact with the property owner. He pointed out the owner had secured permits to repair the structure and had demolished the carport and possibly the storage room. Mr. Saenz stated no action was required on this item.

Mayor de la Rosa returned to the regular order of the agenda and proceeded with the following item.

III. CITY MANAGER'S REPORT

- A. Distinguished Budget Presentation Award

Mr. Covacevich stated every year the city's budget was submitted to the Government Finance Officers Association for review and if it met the criteria the city would be recognized. He recognized Leroy Gonzalez, Interim Finance Director and the staff.

- B. Status report on the City of Weslaco's Financial Report

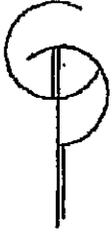
Mr. Gonzalez highlighted the revenues and expenditures for the following funds: General Fund, Hotel/Motel, Interest and Sinking, Water, Sewer, Sanitation and Airport. He mentioned these reports represented a five months activity. Mr. Gonzalez stated the General Fund revenues were at 56%; current ad valorem - 94%; Municipal Court collections - 25%; Ambulances fees - 52%; Intergovernmental Revenues - 48%; Interest earnings - 50%. He added some departments were over the budget due to some encumbrances and 42% of the budget was due to payroll costs and retired employees.

Mr. Covacevich stated on Page 24 the ending Fund Balance for all departments as of February 28, 2009 was \$4,705,381 and on Page 25, it showed that the city had budgeted 3% of sales tax revenue for the year and had exceeded the percentage. He pointed out all budget requirements had been met and \$72,642.00 had been collected in sales tax.

- C. Status report on the City of Weslaco 2007-08 Audit

Luis Castilleja, Auditor stated the audit was approximately 75 to 80 % completed and had gotten representation from the previous auditor. He stated this was critical to the beginning balances and did not have time to evaluate the information because he had received the information in the afternoon. Mr. Castilleja added they would evaluate the information to see how the numbers would tie in with the previous years to this year. He mentioned staff had been cooperative and had done a great job in providing the information that was needed.

A brief discussion was held in regards to the progress of the audit and Mayor de la Rosa stated he had asked Mr. Manuel Garcia, former auditor to provide some clarification in regards to the information that the current auditors had requested from him. Mayor de la Rosa read the following letter from Mr. Garcia.



GARCIA & PEÑA

Certified Public Accountants

P. O. Box 8032

301 West 4th

Weslaco, Texas 78599

956-969-1433 • Fax 956-968-1467 • 956-471-4601

Manuel B. Garcia, CPA
Julian X. Peña, CPA

Mayor Hector "Buddy" de la Rosa
City of Weslaco, Texas
255 South Kansas
Weslaco, Texas 78596

Ref: In accordance with your request for clarification of Agenda item

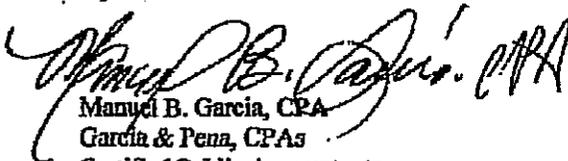
Mayor:

On Wednesday, February 11, 2009, I met with Mr. Hernandez, the City's auditor. He explained to me his problems in tie-ing in our audit report balances with the City's accounting system balances.

On Thursday, February 12, 2009, we provided the auditor, through the City, the account balance information they were requesting in reference to beginning balances. The City's summary, as prepared by Jim was off by \$7,812 in one group of funds, and \$435 in the other group of funds. These were not large amounts; the City had failed to post some adjusting entries.

The first group was composed of two entries the City had not posted to their system. The other item, Jim was going to fix it from our detail data.

We provided the information to the City because the City needed to understand where their problem was and needed to correct their system to reflect the audited balances at September 30, 2007. We use the City's accounting system exclusively to prepare the City's audit report. All adjustments to the City's records were recorded as we prepared the audit, but there are usually some entries that the City does not post, which we have to work around them in completing the report, due to time constraints.


Manuel B. Garcia, CPA
Garcia & Peña, CPAs
Certified Public Accountants

March 16, 2009

Mayor de la Rosa concluded by stating that he had requested the letter from Mr. Garcia. He added Mr. Garcia would do everything to comply and the transition was difficult because of the resignation of the Finance Director, Mr. James Hiebert.

Mr. Hernandez stated they had sent out Conflict of Interest letters and requested them before they presented the audit.

Mayor de la Rosa requested that a copy of Mr. Garcia's letter be provided to Mr. Castilleja and Mr. Hernandez.

IV. MAYOR'S REPORT

A. Report on the District 39 Mid Valley Day at the Capitol Conference held in Austin, Texas hosted by State Representative Armando "Mando" Martinez.

Mayor de la Rosa stated the City Commission had attended the meetings in Austin, Texas on March 10th and March 11, 2009. He added they had met with Senator Eddie Lucio and State Representative Armando Martinez. Mayor de la Rosa highlighted the activities that had taken place and stated he had signed the contract with the Texas Department of Public Safety Headquarters to build a regional office in Weslaco. He stated they met with the Parks and Wildlife representatives and State Representative Martinez on some special projects.

Mr. Covacevich stated there were different alternatives energy sources and were trying to find ways to meet the electrical demands. He mentioned they had spoken about solar street lights and possible electrical generation by wind for the water and sewer plant. Mr. Covacevich added staff was working on this issue.

Mayor de la Rosa stated the sewer plants generated a lot of electricity and had a sewer plant under renovation and another one under construction at the same location. He asked if the City Commission could have a status report from CDM on these projects.

Mr. Covacevich stated they were working on possibly providing electricity from wind or solar energy for the laboratory.

Mayor de la Rosa stated Commissioner Rodriguez and him had met with the Texas Department of Transportation and discussed some of the projects that they would be doing in Weslaco. He indicated that a lot of work had been done to improve Westgate Drive. Mayor de la Rosa stated Commissioner S. Gonzalez had been attending the meetings for him.

Commissioner S. Gonzalez stated she attended the MPO Technical Committee meetings and recommendations were made on different projects for funding from TX DOT and Hidalgo County. She reported the Westgate Drive Project was approved at four million dollars and hopefully would be funded this year from Westgate Drive North to Sugar Cane Road.

Mr. Covacevich stated the improvements would consist of a five lane street, with sidewalks, street lights, traffic lights on Sugar Cane Road and Westgate Drive and another on at the intersection by Home Depot. He mentioned the city would budget funds to match 5% of the cost, some utility lines would have to be relocated and these improvements would complete Westgate Drive all the way from Sugar Cane Road to Business 83.

B. Announcement of the South Texas College (STC) 15th Anniversary Celebration.

Mayor de la Rosa announced that South Texas College would be having their 15th Anniversary Celebration on March 25, 2009 located at the Old Texsun Building. He mentioned the city was excited to have a college established in Weslaco and extended an invitation to everyone.

V. BOARD APPOINTMENT

A. Library Board – One member’s term expired March 21, 2009. (This item was tabled at the last regular meeting of March 3, 2009). Possible action.

Motion was made by Mayor Pro-Tem Cuellar and seconded by Commissioner Rivera to remove the item from the table.

Motion was made by Commissioner S. Gonzalez and seconded by Mayor Pro-Tem Cuellar to appoint Marjorie Johnson to replace Rosie Castaneda. Motion carried unanimously.

VI. NEW BUSINESS

B. Discussion and consideration to approve the final plat of Ventures Unlimited, being an 8.00 acre tract of land, out of Farm Tract 1, Block 134, West and Adams Tract Subdivision, Hidalgo County, Texas located on the east side of Mile 3½ West Road, ¼ South from Mile 9 North and Mile 3½ West. Possible action.

Bernard Rodriguez, Senior Planner stated this was a one lot subdivision located in the Mid Valley Industrial Park on Vo-Tech Drive. He mentioned it was zoned industrial and the purpose of the request was to construct offices and storage area. Mr. Rodriguez stated the city would provide the water and sewer services to the development. He pointed out the Planning and Zoning Commission had approved the plat on February 18, 2009 and recommended approval.

Motion was made by Commissioner A. Gonzalez and seconded by Commissioner Kennedy to approve the final plat as presented. Motion carried unanimously.

- C. Discussion and consideration to approve a Joint Use Agreement between the City of Weslaco and the Valley Nature Center for the use of the Valley Nature Center Building located at Gibson Park and authorize the Mayor to execute the agreement. Possible action.

Mr. Covacevich stated Mr. Vela had reviewed and prepared the agreement and met the Parks & Wildlife Department's requirements.

Motion was made by Commissioner A. Gonzalez and seconded by Mayor Pro-Tem Cuellar to approve the agreement as presented.

Brian Humphrey, President of the Valley Nature Center stated they were working with Mr. Rodriguez and the architects. He added they were hoping to finalize the plans by next month.

Motion carried unanimously.

- D. Request from LGUS, Inc. for a variance of the measurement requirements for a Wine and Beer Retailer's Permit (On-Premises) at 501 N. Westgate Drive, Weslaco, Texas 78596. Possible action.

Mr. Covacevich recommended approval of the permit.

Motion was made by Commissioner A. Gonzalez and seconded by Commissioner S. Gonzalez to approve the City Manager's recommendation. Motion carried unanimously.

- E. Request from Alberto Loera for a variance of the measurement requirements for a Wine and Beer Retailer's Permit (Off-Premises) at 623 N. Airport Drive, Weslaco, Texas 78596. Possible action.

Mr. Covacevich recommended approval of the request.

Motion was made by Commissioner A. Gonzalez and seconded by Commissioner Rodriguez to approve the item as presented. Motion carried unanimously.

- F. Discussion and consideration to award the only bid received to Frontera Materials from Elsa, Texas for the purchase of 660 Tons of Hot Mix in the amount of \$32,670.00, funding from the 2003 Certificate of Obligations Bond. Possible action.

Mr. Covacevich stated this material was needed to complete the trail at the City Park.

Motion was made by Commissioner Rivera and seconded by Commissioner Rodriguez to approve the item as presented.

Mayor de la Rosa advised Mr. Covacevich that anytime the city received a single bid the City Commission would like to have an explanation as to why the city did not receive a more competitive bid.

Mr. Covacevich responded eight letters had been mailed and only one vendor had responded. He added there were two asphalt companies in the valley and Frontera was the closest one.

Motion carried unanimously.

- G. Request from the Son-Rise Workshop Center to host a community event which will consist of a Memorial Basketball Tournament at the Plazita Park on Saturday, March 28, 2009 and waive all fees associated with the event. Possible action.

Motion was made by Commissioner Kennedy and seconded by Commissioner Rodriguez to approve the item as presented. Motion carried unanimously.

- H. Request from the RGV Low-Riders to use the Weslaco City Park on Sunday, August 2, 2009 from 10:00 a.m. to 8:00 p.m. to organize their 3rd Annual RGV Low-Riders Car Show and waive all fees associated with the event. Possible action.

Motion was made by Commissioner Rodriguez and seconded by Commissioner Rivera to approve the item as presented. Motion carried unanimously.

- I. Request from the Hidalgo County Juvenile Boot Camp to use Pavilion No. 25 at the Weslaco City Park to host the 1st Annual Easter Celebration on Saturday, March 28, 2009 and waive all fees associated with the event. Possible action.

Motion was made by Mayor Pro-Tem Cuellar and seconded by Commissioner A. Gonzalez to approve the item as presented. Motion carried unanimously.

- J. Status report from Martha Noell, Executive Director regarding chamber activities. Possible action.

Martha Noell, Executive Director stated the winter visitors' registration had increased. She mentioned they were working on the Onion Festival and the Leadership Class had gone to Austin. Mrs. Noell stated they were adding a night event on Friday to the Onion Fest with the School District, "Say No to Drugs" with concerts for the kids. She mentioned there would be some publicity on the line up and the Miss Weslaco Pageant.

- K. Discussion and consideration to authorize the submission of an application for Operation Stonegarden between the U.S. Department of Homeland Security and the City of Weslaco for funding for reimbursement of

overtime salaries and equipment purchases, equipment maintenance, mileage used pertaining to homeland security programs titled Operation Stonegarden and other related crimes and authorize the appropriate city officials to execute any and all related documents. Possible action.

Motion was made by Mayor Pro-Tem Cuellar and seconded by Commissioner Rivera to approve the item as presented.

Mr. Covacevich stated this project was in regards to the policemen earned overtime in patrolling the corridors between Mexico and United States on FM 88, FM 1015 and Expressway 83 relating to terrorists and drug trafficking.

Motion carried unanimously.

- L. Discussion and consideration to approve an amendment to the Chapter 380 Economic Development Agreement (Ballard Street Extension) between the City of Weslaco and Lowe's Home Centers, Inc. and authorize the Mayor to execute the amendment. Possible action.

Mr. Covacevich stated the agreement called for an increase on the project from \$189,502.50 to \$317,882.80. He mentioned this were updated figures prepared by the City Attorney and Sigler, Winston, Greenwood and Associates for the Ballard Street Project.

Motion was made by Commissioner A. Gonzalez and seconded by Commissioner S. Gonzalez to approve the amendment as presented. Motion carried unanimously.

- M. Discussion and consideration to enter into an Annual Routine Airport Maintenance Program sponsored by TxDOT Aviation as a 50/50 grant project and authorize the Mayor to execute all documents associated with the program. Possible action.

Motion was made by Commissioner A. Gonzalez and seconded by Commissioner Rodriguez to approve the item as presented. Motion carried unanimously.

- N. Discussion and consideration to obtain consent from the Weslaco City Commission to use \$59,677.00 of confiscated funds from the Forfeiture Account as per the Texas Code of Criminal Procedure, Article 59.06 to purchase needed General Police Equipment and Response Team Equipment and authorize the Mayor to execute any and all documents associated with the request. Possible action.

Mr. Covacevich announced no action was required on this item.

- O. Discussion and consideration to obtain consent from the Weslaco City Commission to use \$825.00 of confiscated funds from the Forfeiture Account as per the Texas Code of Criminal Procedure, Article 59.06 and

transfer the \$825.00 to the Firearms Certification General Account (01-512-2760) to purchase ammunition with confiscated funds for the remainder of the fiscal year and authorize the Mayor to execute any related documents. Possible action.

Mr. Covacevich recommended approval of the item to certify the police officers on the use of weapons.

Motion was made by Commissioner A. Gonzalez and seconded by Commissioner Rivera to approve the item as presented and authorize the Mayor to execute the agreement. Motion carried unanimously.

- P. Discussion and consideration to approve scope of service and engineering fees from Raba-Kistner Consultants, Inc. for testing services for Sewer Line Improvements Project at the alley between Calle Las Palmas and Calle del Cedro from Toritos Street to Southside of Cavazos Park in the amount of \$7,529.00, funding source Urban County Program Year 21 (2008). Possible action.

Mr. Covacevich stated this was an Urban County Project and recommended approval.

Motion was made by Commissioner A. Gonzalez and seconded by Commissioner Rodriguez to approve the item as presented. Motion carried unanimously.

- Q. Discussion and consideration to approve the Contribution in Aid of Construction with AEP Texas for the placement of streetlights in the vicinity of East Washington, west of Bridge Street and at the intersection of Clifton Street and Utah Street and authorize the Mayor to execute the agreement. Possible action.

Motion was made by Commissioner A. Gonzalez and seconded by Commissioner Kennedy to approve the item as presented. Motion carried unanimously.

- R. Discussion and consideration of a Development Agreement between the Economic Development Corporation of Weslaco and the Texas Department of Public Safety for an economic development project exceeding \$100,000.00 and authorize the Mayor to execute the agreement. Possible action.

Hernan Gonzalez, Executive Director stated the agreement had already been accepted by the state and the approval of the item was needed to move forward with the project. He stated the development agreement called for 110,000 square feet for a regional office complex and the cost of the construction was approximately \$22,000,000.

Motion was made by Commissioner Kennedy and seconded by Commissioner Rodriguez to approve the item as presented. Motion carried unanimously.

- S. Discussion and consideration of amending Article 6.5 of the Bylaws of The Economic Development Corporation of Weslaco to include other bank relationships as deemed necessary by the EDC Board of Directors and subject to the Weslaco City Commission approval. Possible action.

Motion was made by Commissioner S. Gonzalez and seconded by Mayor Pro-Tem Cuellar to approve the item as presented.

Mayor de la Rosa stated the EDC was not protected as a public entity and the monies once transferred from the city to the EDC were recognized as public dollars and were not protected under the bankruptcy code. He indicated the EDC was requesting if they could submit some legislation to protect the EDC and identified the monies as public funds and allow for consideration on a secure debt. Mayor de la Rosa stated the city needed to contact the city's lobbyist to discuss this issue.

Mr. Covacevich stated there was a process whereby legislation could be added as an amendment or through a group.

Mayor de la Rosa stated he was comfortable if the City Commission had the final decision and would discuss the requirements.

Motion carried unanimously.

- T. Presentation by Hernan Gonzalez, Executive Director of The Economic Development Corporation of Weslaco of the Audit for Fiscal Year October 1, 2007 through September 30, 2008 as per Section 7.01 of the Corporation Bylaws.

Mr. Gonzalez highlighted the EDC audit and stated the EDC was financially healthy and had the ability to do some projects. He mentioned the total fund balance at the end of Year 2008 was \$4,946,586.00 compared to the previous year of \$2,985,857.00.

Motion was made by Mayor Pro-Tem Cuellar and seconded by Commissioner Rivera to approve the item as presented. Motion carried unanimously.

- U. Discussion and consideration to reject all bids received on the Frost Proof Construction Project. Possible action.

Mr. Covacevich stated there were some pending issues in regards to development behind Home Depot and was delaying the Frost Proof Project due to the economic conditions. He pointed out the city had an outstanding bid and was permission from the City Commission to allow the time to expire. Mr. Covacevich stated staff had asked the H2O, low bidder for an extension of 60 days to hold the prices until April 11, 2009 and not accept the bid. He pointed out this would allow the city some time should something came up in regards to the development. Mr. Covacevich stated the project was still viable and there would be an agreement between the developer and the EDC and at that

time they would present it to the City Commission. Mr. Covacevich stated that at this time the improvements would not be done all the way to Border Avenue only half way. He mentioned they would have to go out for bids when the project was ready.

Mr. Vela stated no action was required, but the low bid would be kept in place until April 11th. He mentioned if the City Commission rejected the bid the city would have to solicit bids again.

Mayor de la Rosa stated no action was required.

V. Discussion and consideration to approve the products, vendors, representative agents for the City's Cafeteria Plan. Possible action.

Arnold Rodriguez, Human Resources Director, stated the city received twenty-five (25) bids for the Cafeteria Plan. He recommended approval of the following products and vendors:

<u>Product</u>	<u>Vendor (Agent)</u>
Group Voluntary Cancer	Allstate - (Myriam Guerra)
Heart/Stroke	Allstate - (Myriam Guerra)
Supplemental Hospitalization (SHOP)	Allstate - (Myriam Guerra)
Disability Insurance	Myers Associates (M. Myers)
Dental	Humana - (Kevin Bloomquist)
Vision	Humana - (Kevin Bloomquist)
Accident (most popular product)	Allstate - (Myriam Guerra)
	Humana - (Kevin Bloomquist)
Term Life Insurance	Humana - (Kevin Bloomquist)
Universal Life Insurance	Humana - (Kevin Bloomquist)/

For the record, the following bids were received:

City of Weslaco
125 Cafeteria Plan
Proposal Opening: February 10, 2009 @3:00 p.m.
Proposal No. 2008-09-18

The following companies submitted RFP:

- | | |
|--|---|
| <p>1. Metlife
Quincy Davidson
100 N.E. Loop 410, Ste. 1050
San Antonio, TX 78216
Phone: 210-269-5891
Fax: 866-224-6621</p> | <p>2. Texas Life Insurance Co.
Carrol W. Fadal
P.O. Box 830
Waco, TX 76703
Phone: 254-745-6312
Fax: 254-745-6389</p> |
| <p>3. United Concordia
Kelli Javore
8000 IH 10 West Ste 600
San Antonio, TX 78230
Phone: 210-618-5090
Fax: 210-524- 7754</p> | <p>4. Leaders Life Ins. Co.
Russel E. Angell
1350 S. Boulder Ave., Ste. 900
Tulsa, OK 74119
Phone: 918-254-0200
Fax; 918-252-1441</p> |

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|--|---|
| <p>5. Humana Inc.
Pam Taylor
802 N. Carancahua
Corpus Christi, TX 78470
Phone: 361-866-2240
Fax: 361-866-2299</p> | <p>6. Workplace Benefit Advisors
Bob Trevino Insurance Agency
819 N.I Rd.
Pharr, TX 78577
Phone:
Fax:</p> |
| <p>7. AFLAC
Debra Griffin
1932 Wynnton Rd.
Columbus, GA 31999
Phone: 706-243-8441
Fax: 706-320-4659</p> | <p>8. Eyetopia Vision Care
Bob Trevino
28120 Hwy 281 N., Ste. 180
San Antonio, TX 78260
Phone:
Fax:</p> |
| <p>9. Illinois Mutal Life
Allen Bussuk
300 S. Adams
Peoria, IL 61634
Phone: 800-437-7355
2Fax: 309-674-7655</p> | <p>10. American Public Life Insurance
Dees Hinton
2305 Lakeland Drive
Flowood, MS 39232
Phone: 800-256-8606
Far 601-939-0655</p> |
| <p>11. Ayesis, Inc.
Rusty Rice
8000 IH 10 West Ste 600
San Antonio, TX 78230
Phone: 210-366-8055
Fax: 210-366-8053</p> | <p>12. Standard Insurance Company
Dayton Hoffman
13750 San Pedro Ste., 440
San Antonio, TX 78232
Phone:
Fax:</p> |
| <p>13. Myers Associates
Marylin Myers
795 Paredes Lin Rd.
Brownsville, TX 78521
Phone: 956-504-1868
Fax: 956-504-6595</p> | <p>14. Lincoln Financial Group
Daniel Jenkins
1155 Dairy Ashford Ste., 209
Houston, TX 77079
Phone:
Fax:</p> |
| <p>15. Ameritas
Don Josephson
P.O. Box 786010
San Antonio, TX 78278
Phone: 210-357-1000
Fax: 210-357-1012</p> | <p>16. Allstate
Myriam Guerra
909 W. Bus. 83
Weslaco, TX 78596
Phone: 956-969-3291
Fax: 956-969-9530</p> |
| <p>17. Colonial Life
Elaine McElyea
1200 Colonia Life Boulevard
Columbia, SC 29210
Phone: 800-845-7330
Fax: 803-213-7461</p> | <p>18. Allstate
Newkirk & Newkirk
Pierre Newkirk
3313 N. McColl
McAllen, TX 78501
Phone: 956-664-0200
Fax: 956-664-0203</p> |
| <p>19. Deanna Hogenboom
VSP
3333 Quality Dr.
Rancho Cordova, CA 95677
Phone: (916) 851-4819</p> | <p>20. Sam Mullen
Mullen Pension & Benefits Group
4115 Medical Dr., Ste. 10
San Antonio, TX 78229
Phone: 800-723-6616</p> |

Fax: (916) 463-3928

Fax: 210-949-0282

21. Michael De La Rosa
Valley Risk Consulting
1200 Fresme, Ste. C
McAllen, TX 78501
Phone: (956) 664-1430
Fax: (956) 630-1984

22. Stephanie Lucas
Block Vision of Texas
4100 Alpha Rd, Ste. 910
Dallas, TX 75244
Phone: 973-805-2350
Fax: 973-805-2368

23. UNUM
Marie Aguirre
2000 W. Sam Houston Pkwy S
Houston, TX 77042
Phone: 713-706-4763
Fax: 713-706-4750

24. American General
Rick Vegh
3600 State Route 66
Neptune, NJ 07753
Phone:
Fax:

25. Eyetopia Vision Care
Jesse Trevino
5835 Callaghan Rd.
San Antonio, TX 78228
Phone:
Fax:

Mayor Pro-Tem Cuellar recommended following staff's recommendation with the exception of one change on the voluntary cancer. He stated two agents could be added which would be keeping Myriam Guerra and Myers & Associates to help with the plan. Mayor Pro-Tem Cuellar mentioned under Universal Life Insurance to remove Humana – (Kevin Bloomquist) and replace it with Myers & Associates.

Motion was made by Mayor Pro-Tem Cuellar and seconded by Commissioner A. Gonzalez to approve the item with the changes. Motion carried unanimously.

For the record, the following vendors/products were approved by the City Commission.

Products:

Vendors:

Group Voluntary Cancer

Allstate-(Myriam Guerra)
Myers Associates (M. Myers)

Heart/Stroke

Allstate-(Myriam Guerra)

Supplemental Hospitalization (SHOP)

Allstate-(Myriam Guerra)

Disability Insurance

Myers Associates (M. Myers)

Dental

Humana-(Kevin Bloomquist)

Vision

Humana-(Kevin Bloomquist)

Accident

Allstate-(Myriam Guerra)

Term Life Insurance

Humana-(Kevin Bloomquist)

Universal Life Insurance

Humana-(Kevin Bloomquist)

Myers Associates (M. Myers)

W. Discussion and consideration to approve payment in the amount of \$120,695.76 to Operations Management International for final costs associates with repairs and chemicals. Possible action.

Mr. Covacevich stated this invoice was for the following project repairs and chemicals overages that exceeded the budget:

Repair budget of 250k was exceeded by 46k due to the following:

- 1) Emergency repairs of a collapsed manhole behind Wal-Mart.
- 2) Repairs of several service pumps at the water treatment plant.

Chemical budget of 342k was exceeded by 76k due to:

- 1) A 25% increase in cost of treatment chemicals on or about mid year of 2008 due to rise of fuel and raw materials.
- 2) The water treatment plant and staff treated 265,269,000 gallons more than the previous 2007 fiscal year.

Motion was made by Commissioner A. Gonzalez and seconded by Commissioner Rivera to approve the item as presented. Motion carried unanimously.

- X. Discussion and consideration to approve Ordinance No. 2009-07 dedicating a 0.0367 of one acre as a Lift Station easement for the City of Weslaco; and ordaining other matters with respect to the subject matter hereof. First reading of Ordinance No. 2009-07. Possible action.

Mr. Covacevich stated this item was in regards to the Lift Station easement near McManus that the city's needed.

Motion was made by Commissioner Rodriguez and seconded by Commissioner S. Gonzalez to approve Ordinance No. 2009-07 on first reading.

Mayor de la Rosa stated they needed the lift station number for the second reading.

Motion carried unanimously.

- Y. Discussion and consideration of a Professional Engineering Services Agreement with Sigler, Winston, Greenwood & Associates for the Regional Detention Facility Upgrade for J.C. Penney's, Academy and Lowe's for a lump sum fee not to exceed \$53,570.00 and authorize the Mayor to execute the agreement pursuant to The Chapter 380 Agreement with SDI Holdings, Inc. Possible action.

Mr. Covacevich stated this project was needed to complete the SDI Commercial Project which consisted of the drainage pond for Lowe's and J.C. Penney and it also a pump. He mentioned the fee should not exceed \$53,570.00 and they would be working on a schedule. Mr. Covacevich recommended approval of the agreement.

Motion was made by Commissioner A. Gonzalez and seconded by Commissioner Rivera to approve the agreement as presented. Motion carried unanimously.

- Z. Discussion and consideration to approve a Ground Lease Agreement and an Airport T-Hanger Lease Agreement for the Weslaco Mid Valley Airport. Possible action.

Mr. Covacevich stated no action was required at this time.

- BB. Discussion and consideration of Ordinance No. 2009-08 dedicating a 20 foot general utility easement on Lot 10, Mid Valley Industrial Park as public right-of-way. Possible action.

Mr. Covacevich stated on the agenda packet there was a drawing of the easement on the airport property granting a utility easement for gas and electricity service to the logistic warehouse on the laundry operation.

Motion was made by Commissioner A. Gonzalez and seconded by Commissioner Rivera to approve the item as presented. Motion carried unanimously.

Addendum Item:

I. NEW BUSINESS

- A. Discussion and consideration of the duties and responsibilities of the City Attorney as per the Weslaco City Charter.

Mayor de la Rosa stated he had discussed this item with the City Manager on how the duties and responsibilities of the City Attorney would be address regarding some of the legal aspects and needs of the city. He mentioned the City Attorney was described by the City Charter and was responsible for prosecution and judicial enforcement and ordinances adopted by the City Commission. Mayor de la Rosa stated this was by contract and the City Attorney represented the people of the City of Weslaco by and through the Weslaco City Commission's actions and when directed by the City Commission to assist the City Manager and staff on projects, policies adopted by the city and clarify positions of the city. He mentioned the City Attorney was responsible to defend the City of Weslaco in Courts of Law, before state and federal agencies and to advise and consult the Weslaco City Commission regarding legal issues impacting and affecting the City of Weslaco. Mayor de la Rosa stated this was basically to separate the duties of the City Manager, City Attorney as to the direction under the City Commission and to allow the City Manager an opportunity to look for a staff attorney or off site attorney that would assist and advise him. He mentioned they could discuss this item for possible action.

Mr. Covacevich stated they had discussed the different options and was willing to entertain them. He mentioned the City Attorney was appointed by the City Commission

and they should decide what his duties were. Mr. Covacevich stated if the City Commission would like to change the way the attorney operated, it was the Commission prerogative to do so.

Mayor de la Rosa stated they could have two items with no action and start discussing the items, but would like to see the City Attorney comply with the charter duties. He mentioned in the past the city had a staff attorney to assist the City Manager.

Commissioner S. Gonzalez recommended having a workshop.

Mayor de la Rosa announced no action was required.

VII. EXECUTIVE SESSION

At 7:30 p.m., Tuesday, March 17, 2009, Mayor de la Rosa announced the City Commission would convene in executive session to discuss the following items and recessed the regular meeting.

At 8:07 p.m., Tuesday, March 17, 2009, Mayor de la Rosa announced the City Commission had completed its executive session and declared the regular meeting opened to the public.

- A. Discussion with the City Attorney regarding CAUSE NO. C-588-09-J, DISTRICT COURT, HIDALGO COUNTY, TEXAS 430TH DISTRICT COURT OF TEXAS, RICHARD STUBBS AND JAIME HERNANDEZ VS. CITY OF WESLACO, TEXAS. Possible action of what is discussed in executive session.

Motion was made by Commissioner A. Gonzalez and seconded by Commissioner Rivera to authorize the City Attorney to file an answer on behalf of the City of Weslaco Cause No. C-588-09-J, District Court, Hidalgo County, Texas 430th District Court of Texas, Richard Stubbs and Jaime Hernandez vs. City of Weslaco, Texas. Motion carried unanimously.

- B. Discussion with the City Manager regarding the purchase of 143.895 acre feet of municipal-use water rights from Dizdar Corporation. Possible action of what is discussed in executive session.

Mayor de la Rosa announced no action was required on this item.

- C. Potential Litigation – Discussion with the City Attorney regarding a possible lawsuit from a developer. Possible action of what is discussed in executive session.

Mr. Vela announced no action was required and he would be looking into it and prepare a report to the City Commission by Tuesday, March 24, 2009.

Mayor de la Rosa stated this was a high priority item; the City Commission had agreed to take care of the matter as soon as possible.

Mayor de la Rosa adjourned the meeting.

CITY OF WESLACO

MAYOR, Buddy de la Rosa

ATTEST:

CITY SECRETARY, Amanda C. Elizondo

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

COMMISSIONER, Soyla R. Gonzalez

COMMISSIONER, Rene Rodríguez, Jr.

COMMISSIONER, Adrian Gonzalez

COMMISSIONER, Lupe V. Rivera

COMMISSIONER, Patrick B. Kennedy