

*Approved 8/4/09
CC mtg.*

WESLACO CITY COMMISSION

REGULAR MEETING

JULY 21, 2009

On this 21st day of July, 2009 at 6:02 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	Rene Rodríguez, Jr.
Commissioner	Robert J. Garza
Commissioner	J.F. "Johnny" Cuellar
Commissioner	Gerardo "Jerry" Tafolla
Commissioner	Lupe V. Rivera
Commissioner	Patrick B. Kennedy
City Manager	Francisco Castellanos
City Secretary	Amanda C. Elizondo
City Attorney	Ramon Vela

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

Reverend Howard Bloomquist, from the Central Christian Fellowship Church of Weslaco, gave the invocation. Mayor Pro-Tem Rodriguez recited the Pledge of Allegiance and the Pledge to the Texas Flag.

Mayor de la Rosa moved the order of the agenda and proceeded with the executive session items.

VII. EXECUTIVE SESSION

At 6:07 p.m., Tuesday, July 21, 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 7:10 p.m., Tuesday, July 21, 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 City Manager regarding an Economic Development project that may include the development of city owned real property by the Economic Development Corporation (EDC). Possible action of what is discussed in executive session.

Ramon Vela, City Attorney stated no action was required on this item. He indicated a supplemental appraisal was necessary and information would be presented to the City Commission at a later date.

- B. Pending Litigation - Discussion with Assigned Defense Counsel Teri L. Danish and the City Attorney regarding Civil Action No. 09-158 Juan Estrada, et al. vs. City of Weslaco, et al. in The Southern District of Texas McAllen Division. Possible action of what is discussed in executive session.

Mr. Vela stated no action was required at this time; the city received a status report from the Assigned Insurance Defense Counsel and the case was removed from the state court to a federal court.

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. Special Meeting of May 29, 2009
 2. Regular Meeting of July 7, 2009
- B. Request from the Weslaco H.E.B. No. 231 to use the Weslaco Service Center and the Municipal Pool to host their Summer Partner event on

Tuesday, July 28, 2009 and waive all fees associated with the event. Possible action.

- C. Request from the Weslaco Scholarship Program and Univision Radio to host the Annual Fiestas Patrias Free Concert on Sunday, September 6, 2009 from 12:00 noon until 9:30 p.m. and to allow the sale of beer during the event with the assistance from various city departments and waive all fees associated with the event. Possible action.

Mr. Castellanos stated HEB had cancelled their request and no action was required.

Motion was made by Mayor Pro-Tem Rodriguez and seconded by Commissioner Cuellar to approve all the items except Item B.

Mayor de la Rosa stated the event for Item C would be held at the Weslaco City Park located on Airport Drive.

Motion carried unanimously.

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.

Benita Valadez, Representative of American Financial Bureau, stated she had presented a performance analysis report to Omar Gonzales, Finance Director. She mentioned the whole concept of hiring a collection agency or attorney was created in support of municipalities and counties by H.B. 1863. Mrs. Valadez stated their staff had been trained to do collections and did not charge the city if no collection was done.

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

- Q. Status report from Guzman and Munoz Engineering Firm on the American Recovery and Reinvestment Act of 2009 (ARRA) Grant Application for the Clean Water State Revolving Fund (CWSRF) Projects through the Texas Water Development Board. Possible action.

Jose Munoz, Representative of Guzman and Munoz Engineering Firm, gave a status report on the preparation of the Stimulus Grant Application. He pointed out the following projects were taken into consideration: North Wastewater Treatment Plant Improvements designed by CDM, Halff and Sigler, Winston, Greenwood & Associates; O&M Building – VA Architects; Design of Headwork for additional capacity – Halff & Associates; Rehabilitation of ten Sand Drying Beds – Sigler, Winston, Greenwood & Associates; Lift Station Nos. 2 & 30 – GMES; Lift Station No. 4 – J.E. Saenz and Lift

Station No. 6 and Man-Hole Rehab. – Ueckert Engineering. Mr. Munoz stated the total proposed construction amount was \$17,621,855.00 and included engineer fees for a grand total of \$20,999,520.00. He mentioned the application would be submitted on behalf of the City of Weslaco.

Mayor de la Rosa stated he had signed nine copies of the application, they were notarized and dated and thanked all the engineering firms that contributed in putting the application together.

Motion was made by Commissioner Kennedy and seconded by Mayor Pro-Tem Rodriguez to accept the report as presented. Motion carried unanimously.

Mayor de la Rosa proceeded with Item L. under New Business.

- L. Discussion and consideration to approve Invoice No. 80319614 from Camp Dresser & McKee, Inc. for additional services provided pursuant to Exhibit C of the agreement between the City of Weslaco and Camp Dresser & McKee, Inc. for TPDES Permitting Assistance in the amount of \$28,500.00; Geotechnical Services in the amount of \$16,000.00; Surveying Services in the amount of \$32,000.00; and Resident Project Representative Services in the amount of \$72,150.00. Possible action.

Mr. Castellanos stated Invoice No. 80319614 was presented for payment and the City Commission had engaged Guzman and Munoz to do an engineering assessment to review the invoices and billing. He added Guzman and Munoz were recommending delaying this item until the next City Commission meeting to have an opportunity to review the documents.

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

Mr. Munoz stated there were some amounts that had already been paid and had not been amended in the existing contract.

Mayor de la Rosa proceeded with Item K. under New Business.

- K. Discussion and consideration to amend the Standard Form of Agreement between The City of Weslaco and Camp Dresser & McKee, Inc. dated July 22, 2008 to Amend Exhibit C “Additional Services” to reduce the amount for Geotechnical Services from \$100,000.00 to \$32,000.00; and the amount of Surveying Services from \$60,000.00 to \$40,000.00; and the amount for Resident Project Representative from \$705,000.00 to \$650,000.00; and the amount for Construction Materials Testing from \$271,000.00 to \$200,000.00 and other substantive amendments to Task 7 of Exhibit A. Possible action.

Mr. Vela stated CDM had notified the city through an e-mail that they would like to amend some amounts in the contract. He pointed out as per the contract first they had to negotiate the amounts with the city regarding any additional services to determine an

amount prior to coming to the City Commission. Mr. Vela stated Mr. Munoz had not found any documents on how they arrived at the numbers mentioned in the e-mail.

Mayor de la Rosa recommended no action on Item K and it would be present to the City Commission within two weeks.

Mayor de la Rosa proceeded with the regular order of the agenda.

III. CITY MANAGER'S REPORT

A. Presentation by the Finance Department regarding the City of Weslaco's Financial Reports.

Omar Gonzales, Finance Director highlighted the following investment reports:

City of Weslaco, Texas
Quarterly Investment Report
January 1, 2009 - March 31, 2009
Portfolio Summary Management Report

This quarterly report is in full compliance with the investment policy and strategy as established for the City of Weslaco, Texas and the Public Funds Investment Act (Chapter 2256, Government Code).

Summary - A/P Pooled Cash

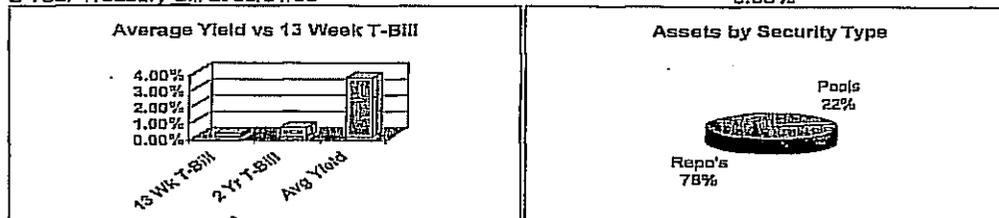
Beginning Book Value 01/1/09	\$ 23,056,812
Ending Book Value 03/31/09	\$ 25,763,415
Beginning Market Value 01/1/09	\$ 23,056,812
Ending Market Value 03/31/09	\$ 25,763,415

Interest Received 01/1/09 - 03/31/09	\$ 240,807
Accrued Interest Receivable at 03/31/09	\$ 76,091
Accrued Interest Receivable at 12/31/09	\$ (78,474)
Interest Earned 01/1/09 - 03/31/09	\$ 238,225

Unrealized Gain/(Loss) at 03/31/09	\$ -
WAM at Beginning of Period	1 days
WAM at Ending of Period	0 days

Change in Market Value \$ 2,706,603

Average Yield to Maturity at 03/31/09	3.68%
13 Week T-Bill Yield at 03/31/09	0.21%
2 Year Treasury Bill at 03/31/09	0.56%



Prepared by:

Omar Gonzales
Finance Director

Leroy Gonzales
Senior Accountant

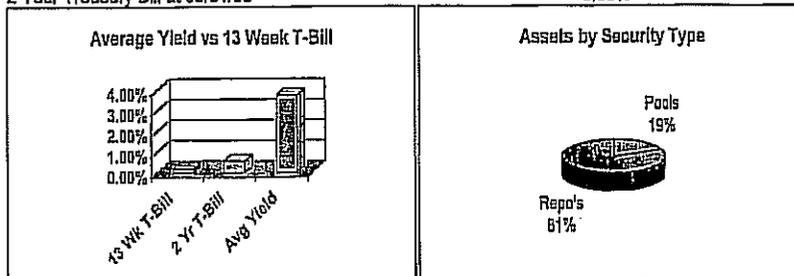
City of Weslaco, Texas
 Quarterly Investment Report
 April 1, 2009 - June 30, 2009
 Portfolio Summary Management Report

This quarterly report is in full compliance with the investment policy and strategy as established for the City of Weslaco, Texas and the Public Funds Investment Act (Chapter 2256, Government Code).

Summary - A/P Pooled Cash

Beginning Book Value 04/1/09	\$ 25,763,416
Ending Book Value 06/30/09	\$ 25,022,556
Beginning Market Value 04/1/09	\$ 25,763,416
Ending Market Value 06/30/09	\$ 25,022,556
Interest Received 04/1/09 - 06/30/09	\$ 234,609
Accrued Interest Receivable at 06/30/09	\$ 76,968
Accrued Interest Receivable at 03/31/09	\$ (76,091)
Interest Earned 04/1/09 - 06/30/09	\$. 235,685
Unrealized Gain/(Loss) at 03/31/09	\$ 7
WAM at Beginning of Period	1 days
WAM at Ending of Period	0 days
Change In Market Value	\$ (740,859)

Average Yield to Maturity at 03/31/09	3.76%
13 Week T-Bill Yield at 03/31/09	0.19%
2 Year Treasury Bill at 03/31/09	0.56%



Prepared by:

[Signature]
 Omar Gonzales
 Finance Director

[Signature]
 Leroy Gonzales
 Senior Accountant

- B. Announcement of an annual public hearing to provide citizens the opportunity to discuss various view points and provide input concerning storm water quality issues.

Mr. Castellanos stated the City of Weslaco was part of the Storm Water Management Program developed by the Texas Commission on Environmental Quality (TCEQ) and was part of the Texas Pollutant Discharge Elimination System. He mentioned Weslaco was part of the coalition comprised of numerous entities in the area. Mr. Castellanos stated the purpose of the plan was to develop a regional approach to address the compliance of various storm water issues. He indicated the next step was to conduct a series of public information sessions to inform the public about the requirements of the program. Mr. Castellanos mentioned one of the requirements was to make an announcement for public participation and staff would be conducting hearings in conjunction with other entities. He stated in the future there would be separate reports by the coalition to the City Commission and Weslaco citizens.

Mayor de la Rosa recommended placing the reports under new business for possible action.

IV. MAYOR'S REPORT

- A. Announcement of a Press Conference to be held on Friday, July 24, 2009 at 10:00 a.m. by Senator Eddie Lucio regarding telecommunications benefits to the City of Weslaco.

Mayor de la Rosa invited the public to attend the press conference on Friday, July 24th at 10:00 a.m. in the City Hall Legislative Room.

- B. Status report on the Inter-Local Agreement between the City of Weslaco and the Weslaco Independent School District for Videotaping City Commission meetings.

Mr. Vela stated he received a letter from the school district attorney stating that they were still working some technical details with Mr. Steve Valdez.

Mayor de la Rosa stated the City Commission appointed the Ad Hoc Committee to look into this project and requested that a letter be sent to the committee members thanking them for their service. He mentioned the document would be presented to the school district for their approval and would be placed on the next City Commission agenda for consideration.

V. BOARD APPOINTMENT

- A. Hospital Authority Board – One (1) member's term expired July 18, 2009. Possible action.

Motion was made by Commissioner Kennedy and seconded by Mayor Pro-Tem Rodriguez to reappoint James Wilt to the Hospital Authority Board. Motion carried unanimously.

VI. NEW BUSINESS

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

Martha Noell, Executive Director briefly highlighted some of the activities of the chamber and stated they had purchased two ads in the Texas Parks and Wildlife Magazine for the summer and fall promoting tourism in Weslaco. She mentioned they would continue to promote Weslaco in Mexico as a shopping destination and regularly in a travel host magazine. Mrs. Noell mentioned the new flea market would be located at the Old Lacks Building. She pointed out they were buying some bio-gradable bags for their literature and would provide a report on the purchase of the billboard with Mercedes.

- B. Discussion and consideration of a request from Maria I. Gutierrez, resident of 617 E. Loop 19th Street to close the street on Saturday, August 8, 2009 from 3:00 p.m. to 6:00 p.m. for a Child's Birthday Party. Possible action.

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

- C. Discussion and consideration to close the Weslaco Public Library on Thursday, July 23, 2009 through Sunday, August 2, 2009 to conduct a collection and book inventory. Possible action.

Motion was made by Commissioner Kennedy and seconded by Commissioner Garza to approve the item as presented.

Commissioner Tafolla stated some citizens wished for the city to maintain the library opened and recommended that the inventory be done during the night.

Mayor de la Rosa agreed with Commissioner Tafolla and recommended denying the request.

Michael Fisher, Library Director stated the inventory was long over due and the whole staff was required to do the inventory. He mentioned they did not have funds to pay the overtime and the public needed to know what books the library had.

Mayor de la Rosa stated the library had a base line on the computer and felt that closing the library for seven days would not be beneficial for the community. He stated the inventory could be done concurrently with daily operations.

Mr. Fisher responded the other alternative was to close certain sections of the library.

Commissioner Kennedy amended the motion to allow the staff to do the inventory by sections with no time limit and maintain the library open.

Commissioner Tafolla seconded the motion and it carried unanimously.

- D. Discussion and consideration to approve scope of services and engineering fees from TEDSI Infrastructure Group for professional services for the Flood Drainage Improvement Project in the amount of \$25,367.00 utilizing Urban County Program Funds for Las Brisas del Oro Subdivision. Possible action.

Craig Strong, representative of TEDSI Infrastructure, stated this item was in regards to drainage improvements at Las Brisas del Oro Subdivision to provide additional retention due to the flooding issue. He mentioned they had been working with Urban County to proceed with the proposal for this project. Mr. Strong stated the process would begin as soon as they had approval by the City Commission. He mentioned they proceed with the survey which would take one month and the design would take about 2 to 3 months. Mr. Strong stated they would be working with city staff to proceed with this project as soon as possible.

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

- E. Discussion and consideration to approve a two (2) year Interlocal Cooperation Contract beginning September 1, 2009 and ending August 31, 2011 between the City of Weslaco and the Texas Department of Public Safety for the purchase of supplies for the City of Weslaco Police Department to use for Breath Testing and Laboratory Alcohol and Drug Testing and authorize the Mayor to execute the contract. Possible action.

Motion was made by Commissioner Cuellar and seconded by Commissioner Kennedy to approve the agreement as presented and authorize the Mayor to execute the agreement. Motion carried unanimously.

- F. Discussion and consideration of the existing Financial Advisor Agreement with First Southwest Company. Possible action.

Mr. Castellanos stated the current contract with the Financial Advisory would end this fiscal year and recommended to solicit proposals for this service.

Motion was made by Mayor Pro-Tem Rodriguez and seconded by Commissioner Tafolla to accept the City Manager's recommendation. Motion carried unanimously.

- G. Discussion and consideration of the existing Legislative Assistance Agreement between the City of Weslaco and Caballero Governmental Affairs. Possible action.

Mayor de la Rosa stated Caballero Governmental Affairs was the city's lobbyist firm and due to financial constraint the city was recommending an amended contract. He mentioned part of the accomplishments during the 80th and 81st legislative sessions the lobbyist organization had assisted in bringing a \$400,000.00 grant to improve the Weslaco Nature Center; a \$750,000.00 grant for the Boys and Girls Club; \$22 million in

construction generated activity from the Department of Public Safety, projected \$40 million as total cost of the projects; and \$20 million in stimulus dollars pending grant award from the Texas Water Development Board. Mayor de la Rosa stated they have been very busy and productive to the City of Weslaco. He asked Mr. Castellanos for his recommendation.

Mr. Castellanos recommended amending the contract to include language to have the firm assist the city not only with work regarding legislation, but also with grants and applications. He stated he would like to seek an amendment because the language was not very specific on the activities. Mr. Castellanos recommended putting more emphasis during the legislation for a monthly fee of \$5,000.00 and reduce the fee to \$2,500.00 monthly during the off year of the legislation.

Commissioner Cuellar stated Ms. Caballero worked 12 months of the year and the stimulus package was on going right now. He recommended that the payment remain the same and add the additional activities.

Mayor de la Rosa stated the only constraint was the ability for the city to meet the \$5,000.00 and it was fair to continue the contract through January and at that time revisit this item.

Motion was made by Commissioner Cuellar and seconded by Commissioner Kennedy to add the duties to the existing contract through January, 2010 and revisit this item at that time. Motion carried unanimously.

H. Discussion and consideration of the Professional Services Agreement with American Financial Bureau for the collection of outstanding traffic fines and warrants for the Weslaco Municipal Court. Possible action.

Mr. Castellanos pointed out the State offered a billing process service to cities for two months to collect outstanding traffic fines and warrants. He mentioned the State was proposing to achieve a 40/50% return on outstanding bills prior to 60 days. Mr. Castellanos added any outstanding bills after 60 days; the city could continue to utilize a private firm. He recommended for the city to work with the State for the first two months and solicit bids for professional services to handle the outstanding bills past the 60 days. Mr. Castellanos stated the city was paying \$5,000.00 per year for the maintenance cost on software used by American Financial Bureau (AFB). He added the total cost to date was approximately \$67,000.00 consisting of the initial cost of \$47,000.00 plus \$5,300.00 per year for the software maintenance fee.

Mayor de la Rosa stated the fees had not been contractually verified and requested that an audit be conducted to determine the purpose of the payment fees to AFB. He mentioned AFB had stated this was a free service and there was no cost to the city, but in effect the city had paid over \$65,000.00.

Commissioner Cuellar stated AFB had collected over one million dollars and these monies were staying in Weslaco. He added AFB employed people from Weslaco and if their contract was terminated the city would be closing a local business.

Aaron Castillo, representative of the Office of Certified State Agencies, highlighted their services and stated they would assist the cities to set up an account receivable mechanism within the court system. He pointed out any court that did not have this program usually collected between 12 to 20 percent of the monies up front. Mr. Castillo stated they were trying to assist the city to collect most of the money. He mentioned their program was a statewide program and had been proven to increase in revenues between 40 to 60% within the first sixty days. Mr. Castillo stated the City of Edinburg collected about one million dollars before and after the implementation of the program collected over \$3 million about 80% and Hidalgo County Clerk's Office used to collect about \$800,000.00 and were now collecting about \$2.5 million. Mr. Castillo added the initial investment was minimal, they provided training and there were grants that the city could apply for to assist them in the initial set-up. He stated the city had a collection person or a warrant officer which was more productive. Mr. Castillo pointed out 25% of the collection was allocated to the State and 75% to the city. He pointed out there was a 30% charge added to the balance when the billing was done by a collection agency. Mr. Castillo stated the city could work the accounts as long as they wanted to and then send them to a private vendor. He added the key to a success program was the municipal judge's participation. Mr. Castillo concluded by stating this service was sponsored by the State through the Office of the Board Administration Collection Improvement Program.

Mrs. Valadez stated they had not requested any software from the city. She pointed out the software had been proposed solely at the discretion of the Finance Director that oversaw the program. Mrs. Valadez mentioned they had to wait four months after the contract was signed because the software did not have the capability to do it automatically. She added the previous City Manager and Finance Director had recommended working with the city's Incode Program because it was the system used by the city. Mrs. Valadez stated they had to review the information for three months at no charge and did not use the city's software. She mentioned they used their collection software and the city had authorized her firm the right to view the system with no printing capability. Mrs. Valadez stated they worked in conjunction with the court and their success rate was at 28 percent.

Commissioner Cuellar recommended for the city to work with Mr. Castillo on the traffic fines and warrant prior to the 60 days and continue working with Mrs. Valadez. He suggested that the city continue working on the same terms for the next six months or a year and then go out for bids.

Mayor de la Rosa recommended going with the state program for the first sixty days and proceed with soliciting proposals.

Mr. Castellanos also recommended a private and public approach to utilize the services of the state for the first couple of months to assist the city in collecting as much as they could and then work with a private sector.

Motion was made by Commissioner Tafolla to solicit proposals.

Mr. Vela recommended that the City Commission could not act on the solicitation of proposals because it was not on the agenda. He added they could terminate the contract.

Mayor de la Rosa stated they did not have to terminate the contract. He added they could authorize staff to solicit proposals and at later time they could place the required item on the agenda.

Motion was made by Commissioner Tafolla and seconded by Mayor Pro-Tem Rodriguez to continue the services with American Financial Bureau, but to authorize the staff to solicit proposals.

Commissioner Cuellar stated he was voting against the motion for support of the local vendor to retain their contract. He mentioned he respected the City Commission for their decision on going out for proposals.

Motion carried as follows: FOR: Mayor de la Rosa, Mayor Pro-Tem Rodriguez and Commissioners: Tafolla and Kennedy. AGAINST: Commissioners: Cuellar, Garza and Rivera. (4 to 3 Votes)

I. Discussion and consideration of the Professional Services Agreement with Albert Aldana for Traffic Engineering Services to the City of Weslaco. Possible action.

Mr. Castellanos stated the city had a current contract with Albert Aldana for Traffic Engineering Services. He mentioned these services were provided by the city engineer and this was a cost saving issue for the city. Mr. Castellanos stated this was a valuable service and asked if the city could afford to have the additional cost or allow the current City Engineer to provide these services under his contract. He recommended terminating the contract.

Motion was made by Mayor Pro-Tem Rodriguez and seconded by Commissioner Tafolla to terminate the Professional Services Agreement with Albert Aldana for Traffic Engineering Services.

Commissioner Cuellar stated the city did not have an engineer to attend the MPO meetings. He mentioned they did not know whether there would be a budget shortfall because the collection on the sales taxes was great. Commissioner Cuellar stated this was politics and they should be following a sequence.

Mayor de la Rosa stated the attendance of Mr. Aldana at the MPO meetings was costing the city \$3,000 a month. He mentioned if they needed a consulting engineer to attend the MPO than the city would provide one. Mayor de la Rosa stated due to the financial restraints they needed to review the contracts.

Albert Aldana, representative of Aldana Engineering Traffic Design, stated he represented the city at the MPO meetings and assisted in the planning process to identify projects that got funded. He mentioned the Sugarcane Road and Westgate Drive Project

in conjunction with other cities were funded. Mr. Aldana stated former Commissioner Soyla Gonzalez served on the Policy Committee and he served on the Technical Committee level. He mentioned he represented the city with the Texas Department of Transportation on related issues.

Mayor de la Rosa stated the city was looking into reducing the budget and it was the City Commission's wishes to continue with this contract or terminated it. He mentioned Mr. Aldana had done a wonderful job for the city.

Commissioner Cuellar stated if the city wanted a different engineer he recommended going out for proposals.

For the record, Mr. Castellanos stated he was making certain recommendations and his recommendations were to terminate certain services and not hire someone. He mentioned his recommendations were due to financial reasons; however, the City Commission could do whatever they wished. Mr. Castellanos added that in previous discussions comments were made that the decisions that were being made was due to political reasons. Mr. Castellanos stated if the City Commission decided to fill the positions later than it would support the perception that these decisions were political. He mentioned there were several recommendations that staff were making for financial considerations to save money and overcome the deficits. Mr. Castellanos stated the city had given up some valuable services and the city was finding other means that could be less costly.

Commissioner Garza stated not all the contracts were on the list. He added the reason Commissioner Cuellar was bringing up the political side such as on the warrant collections was because it was not a big budget item. He mentioned if the city was looking at the contracts they should look at all of them.

Mayor de la Rosa stated the city had a deficit budget. He added staff was trying to end the fiscal year with less debt as possible. Mayor de la Rosa mentioned the previous City Manager of five years over spent the general budget for a grand total of \$18 million in four years. He recommended terminating the contract and let Sigler, Winston, Greenwood and Associates perform the duties. Mayor de la Rosa mentioned there was a possibility that Mr. Aldana could perform his services through Mr. Winston and the city could eliminate the retainer.

For the record, Commissioner Cuellar stated he disagreed with Mayor de la Rosa's comment because he did not think the city was in the red and had over spent \$18 million.

Mayor de la Rosa recommended terminating the contract with Albert Aldana_for Traffic Engineering Services and whatever services were required on the traffic engineering that the staff would call Mr. Aldana on a per call basis.

Motion carried as follows: FOR: Mayor de la Rosa, Mayor Pro-Tem Rodriguez and Commissioner Tafolla. AGAINST: Commissioners: Cuellar, Garza, Rivera and Kennedy. (4 to 3 Votes)

J. Discussion and consideration of CDM Constructors, Inc. request for additional costs totaling \$144,210.00 to assist L&G Construction in the planning and for oversight for quality and scope on the L&G Construction subcontract. Possible action.

Mr. Castellanos stated the city received a request from CDM for additional cost of \$144,210.00 relating to the services provided by L&G Construction. He mentioned CDM Constructors, Inc. was requesting this cost for additional people to oversee the work that L&G Construction would be doing at the wastewater treatment plant. Mr. Castellanos stated this request was being made pursuant to a specific section of the Local Government Code, Section 271.118(J). He mentioned the City of Weslaco had requested that CDM Constructors, Inc. issue the subcontract to L&G Construction who was the low bidder for the earthwork and concrete related work to the aeration basin and clarifier. Mr. Castellanos stated CDM Constructors, Inc. had recommended a bid higher than L&G Construction and was recommending that the city not approve the request at this time. He read the section that was quoted on the CDM letter and the section of the Local Government Code which stated "that the governmental entity (which was the City of Weslaco) shall compensate the construction manager at risk (CDM) by a change in price time or guarantee maximum cost for any additional cost." Mr. Castellanos stated the recommendation was made and approved by the City Commission for a contract that was less than the original contract that was approved by CDM. He mentioned this request was for any additional costs and risk that the construction manager at risk may incurred because of a governmental entity requirement to accept another bid or proposal. Mr. Castellanos recommended delaying this item to see if the actual risk would be incurred. He mentioned at this time there was no additional cost because the bid was lower and there could possibly be a potential risk, but as of now it was not known.

Commissioner Garza stated he had been told that the additional cost was to supervise L&G Construction because this was the first time they would be doing this kind of work. He added this was a fair price for the project.

Mayor de la Rosa stated in the bid sheets there were no notations that L&G Construction was not qualified. He added all the vendors that applied were all qualified and L&G Construction was chosen as the lowest bidder. Mayor de la Rosa pointed out that the CDM Master Contract stated that they would over see all the bond projects at the cost of \$1.2 million.

Motion was made by Commissioner Garza and seconded by Commissioner Cuellar to approve the request as presented.

Mr. Castellanos stated the funding was in the CDM/CCI Contracts to provide construction management labor and expenses.

Ms. Chitra Parameswar, Project Field Manager for CCI, stated they assumed to set the GMAX price not the additional risk.

Mr. Castellanos asked if she was indicating there would be additional risks.

Ms. Parameswar responded that was correct.

Mr. Castellanos stated the contracts already allowed the additional funds to oversee the projects.

Ms. Parameswar responded no, that does not cover it. She stated the clause was in the law that stated if additional risk had to be assumed they had the right to be compensated. Ms. Parameswar mentioned that initially they saw a potential risk and this was the reason they had selected the best qualified contractor.

A brief discussion was held regarding the payments made for the work done and Ms. Parameswar stated the work had been going on and they had been providing additional over sight at their cost hoping they would get compensated because they were not going to let the city down. She mentioned they were asking for compensation for the additional risk.

Mr. Vela stated this item was pertaining to the Construction Risk Manager Contract.

Mayor de la Rosa stated Ms. Parameswar was stating it was GMAX and it had been exceeded.

Ms. Parameswar responded no.

Mr. Vela stated the GMAX was in the contract.

Ms. Parameswar stated the \$144,210.00 was not an additional cost it was within the same line item and did not exceed the GMAX amount. She mentioned they were asking approval to spend money under the existing contract within the line item which represented a saving of about \$400,000.00 to the city.

Mr. Vela stated the letter did not state that and was not clear that it would come out of the maximum amount.

For the record, Mayor de la Rosa read the final cost detail as follows:

<u>Duration:</u>	<u>Unit Cost</u>	<u>Qty</u>	<u>Unit</u>	<u>Total</u>
I. Labor				
Assistant PM	\$ 75.00	880	hrs	\$ 66,000.00
Carpenter Foreman	\$ 45.00	880	hrs	\$ 39,600.00
II. ODCs				
Per Diem Asst. PM	\$ 600.00	22	wks	\$ 13,200.00
Per Diem Foreman	\$ 500.00	22	wks	\$ 11,000.00
Airfare [1/wks)	\$ 350.00	22	ea	\$ 7,700.00
Vehicles (1 shared)	\$ 225.00	22	wks	\$ 4,950.00
Fuel	\$ 80.00	22	wks	\$ 1,760.00
Materials/equip	\$ -	0	0	-

Lump Sum Not to Exceed Total: \$ 144,210.00

Ms. Parameswar stated they had been assisting L&G Construction for weeks and were initialing the work. She mentioned this was a trail basis and they had given L&G Construction a schedule of 6 months. Ms. Parameswar added once L&G Construction got going they could negotiate the contract.

Mr. Castellanos stated he did not have a problem paying for the cost, but had a problem paying it on an assumption that the work that the city would be getting was not up to par. He recommended delaying the item and once the risk was incurred than the city could pay this amount.

Motion carried unanimously.

M. Discussion and consideration of the Professional Services Agreement for City Prosecutor Services between the City of Weslaco and Garza & Pena, P.L.L.C. Possible action.

Motion was made by Commissioner Tafolla and seconded by Mayor Pro-Tem Rodriguez to solicit bids for prosecutor services.

Commissioner Garza asked why the city was recommending soliciting bids.

Mayor de la Rosa recommended terminating the contract.

Commissioner Cuellar stated a certain amount of money was paid to Mr. Vela to provide these services. He pointed out that when he started working at city hall the city hired a prosecutor and one was needed at the Municipal Court. Commissioner Cuellar added the idea of having a prosecutor on a retainage was for the city to pay less money.

Mr. Vela stated the hiring of the prosecutor had developed when the employment of the additional judges occurred.

Motion was rescinded by Mayor Pro-Tem Rodriguez.

Motion was made by Mayor Pro-Tem Rodriguez and seconded by Commissioner Tafolla to terminate the City's Prosecutor Contract with Garza & Pena, PLLC and that a written notice to terminate the contract be sent immediately due to budgetary reductions and changes in funding priorities of the city.

Motion carried as follows: FOR: Mayor de la Rosa, Mayor Pro-Tem Rodriguez and Commissioner Tafolla. AGAINST: Commissioners: Cuellar, Garza, Rivera and Kennedy. (Votes 3 - FOR and 4 - AGAINST)

N. Discussion and consideration of the Professional Consulting Services Agreement between the City of Weslaco and Hollis Rutledge and Associates, Inc. Possible action.

Mr. Castellanos recommended amending Mrs. Caballero's contract to include some of the services that were being done by Hollis Rutledge and Associates, Inc.

Motion was made by Commissioner Tafolla and seconded by Mayor Pro-Tem Rodriguez to terminate the Professional Consulting Services Agreement with Hollis Rutledge and Associates effective immediately and send a written notice as required by the agreement.

Motion carried as follows: FOR: Mayor de la Rosa, Mayor Pro-Tem Rodriguez, Commissioners: Kennedy, Tafolla, Garza and Rivera. AGAINST: Commissioner Cuellar. (Vote 6 – FOR and 1 – AGAINST)

- O. Discussion and consideration to authorize the Mayor to execute the plans for a Proposed State Highway Improvement at Pleasantview Road in Weslaco Project No. RVS MP=17.201, DOT 432 606L. Possible action.

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

- P. Presentation by Aldana Engineering regarding the Environmental Historic Resource Reconnaissance Survey on the Historic Resource Reconnaissance survey of 0.8 Miles of Road Improvements to Westgate Drive (from US WBFR to Sugar Cane Road) and approval of final payment in the amount of \$8,600.00 to SWCA Environmental Consultants. Possible action.

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

ADDENDUM ITEM

I. NEW BUSINESS

- A. Discussion and consideration to increase the membership of the Economic Development Corporation of Weslaco from five (5) members to Seven (7) members, (one member from each district and one member at large). (This item was requested by Mayor Pro-Tem Rene Rodriguez, Jr. and Commissioner Gerardo "Jerry" Tafolla). Possible action.

Motion was made by Commissioner Tafolla and seconded by Mayor Pro-Tem Rodriguez to recommend to the Economic Development Corporation of Weslaco to amend the Bylaws and Articles of Incorporation to increase the membership from 5 to 7 with one director to be appointed at large and the remaining directors from each single member district.

Commissioner Cuellar stated he could not support the motion due to the ETJ requirement in the by-laws such as Zeke Reyna could not serve because he resided outside the city limits. He added he could not appoint who he wanted and recommended

that they should allow for eleven members in order to leave the remaining four committee members to serve out their terms.

A brief discussion was held and the motion carried as follows: FOR: Mayor de la Rosa, Mayor Pro-Tem Rodriguez and Commissioners: Tafolla and Kennedy. AGAINST: Commissioners: Cuellar, Garza and Rivera. (Vote – FOR - 4 and 3 - AGAINST)

CITY OF WESLACO

MAYOR, Buddy de la Rosa

ATTEST:

CITY SECRETARY, Amanda C. Elizondo

MAYOR PRO-TEM, Rene Rodríguez, Jr.

COMMISSIONER, Robert J. Garza

COMMISSIONER, J. F. “Johnny” Cuellar

COMMISSIONER, Gerardo “Jerry” Tafolla

COMMISSIONER, Lupe V. Rivera

COMMISSIONER, Patrick B. Kennedy