

# WESLACO CITY COMMISSION

## SPECIAL MEETING

SEPTEMBER 24, 2009

On this 24<sup>th</sup> day of September, 2009 at 6:00 p.m., the City Commission of the City of Weslaco, Texas convened in Special Session at City Hall in the Legislative Chamber, located at 255 South Kansas Avenue.

**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
Asst. City Secretary	Janie V. Balli
City Attorney	Ramon Vela

Also present: Gloria Sepulveda, Purchasing Director; Omar Gonzales, Finance Director; Pete Garcia, Parks & Recreation Director; Jose Perez, Jr., Police Chief and several other staff members and citizens. Mayor de la Rosa called the meeting to order.

### **I. CONSENT AGENDA**

- A. Discussion and consideration to permit the Storybook Garden Bookstore to sell copies of AMIGOLAND by native valley author, Oscar Casares at his book presentation Saturday, September 26, 2009 at the Eugene A. Braught Memorial Theater. Possible action.
- B. Request from the Hidalgo County Elections Department to use the Historic City Hall located at 500 South Kansas as a polling place to hold Early Voting from October 19<sup>th</sup> through October 30, 2009 from 8:00 A.M. to 5:00 P.M. and on Election Day, November 3, 2009 from 7:00 A. M. to 7:00 P.M. for the 2009 Constitutional Amendment Election. Possible action.

- C. Discussion and consideration to approve the Work Study Agreement between the City of Weslaco and the University of Texas-Pan American to provide for student help at 40% discount and provide for college financial aid to local and area students and authorize the Mayor to execute the agreement. Possible action.
- D. Discussion and consideration to renew the Cooperative Agreement between the City of Weslaco Police Department and Drug Enforcement Administration for the enforcement of drug trafficking in narcotics and dangerous drugs and authorize the Mayor and appropriate city staff to execute the agreement. Possible action.
- E. Discussion and consideration to renew the Affiliation Agreement for Clinical Education to the Emergency Medical Science Students of the University of Texas at Brownsville provided by the City of Weslaco's Emergency Medical Services Division and authorize the Mayor to execute the agreement. Possible action.

Motion was made by Commissioner Cuellar and seconded by Commissioner Rivera to approve the consent agenda as presented. 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.

Gloria Givilancz, Museum President, requested financial assistance from the city. She added they were concerned that they would not be considered for funding as in the previous years because the museum had several events coming up this year. Mrs. Givilancz referred to the tax code where it mentioned the use of the Hotel/Motel Tax and stated that historical preservation and restoration qualified for these funds. She requested the city's support and stated they would be applying for grants, but they needed to be in the program for two years to qualify for grant monies.

Dr. Craig Wiegand, resident of 1005 Hackberry Drive and Treasurer of the Weslaco Museum, stated the City of Weslaco has been the biggest financial supporter. He mentioned this fiscal year they were in a city owned building adjacent to the library and supervised by the librarian. Dr. Wiegand mentioned the city paid salaries, utilities, repairs and other items and the amount allocated was low. He stated beginning this fiscal year they moved to a larger building purchase from Edelstein's. Dr. Wiegand mentioned they took responsibilities of paying all the bills and the city allocated the museum \$195,000. He stated they are asking for the city to be considerate this coming year.

Dr. Roger Albach, resident of 1105 Valley View Drive gave a brief report on the acquisition of the Edelstein Building and the work that had been done.

Comments were heard from Ivanne Perez, resident of 911 Kerria Street; Leticia Guerra-1807 W. Anacua; Emma Villarreal-808 S. Oregon and Rosie Dominguez-506 S. Airport Drive,

representing the VIDA Program, thanked the City Commission for their past support and requested that they favorably consider their request.

Sarah Cuadra, Weslaco Merchant requested the city's support to continue the book signing event and sales.

Irene Szedlmayer, resident of 1009 W. 7<sup>th</sup> Street, representing Frontera Audubon Society thanked the City Commission for allocating \$10,000 from the Hotel/Motel Funds. She added Frontera Audubon Society was a popular site to visit and attracted visitors from the area.

### **III. OLD BUSINESS**

#### **A. Second and final reading of the following ordinances:**

1. Ordinance No. 2009-24 approving and adopting a budget for the City of Weslaco, Texas for the fiscal year beginning October 1, 2009 and ending September 30, 2009. Possible action.

Omar Gonzales, Finance Director, highlighted the Budget Summary for Fiscal Year 2009-2010 and mentioned the Hotel/Motel Reserve Fund had a deficit of (\$34,044.00).

Mayor de la Rosa stated Mr. Gonzales had presented an official statement of the budget of having a deficit of \$213,000.00 for fiscal year 2007-2008 and the projected deficit of \$1.2 million that was on the books for fiscal year 2008-2009 was cleared. He mentioned the city had a deficit in the Hotel/Motel Reserve Fund and would continue to grow as monies were coming in on a monthly basis.

Mr. Gonzales stated the \$65,000.00 had been allocated to the Weslaco Museum from the General Fund for fiscal year 2009-2010.

A brief discussion was held regarding the funding to the Weslaco Museum and the Valley Nature Center and Mr. Gonzales stated staff was able to maintain the expenses under \$21 million. He added the city was experiencing positive growth in retail and housing development and expected for the city to have a positive fund balance for the next fiscal year. Mr. Gonzales stated he expected the fund balance to be approximately \$800 to \$1 million for next year.

Mr. Castellanos stated the City Commission supported staff by appointing a technical support financial committee that had been helpful in providing input. He pointed out staff would hold meetings on a regular basis to keep them abreast of the city's financial conditions and thanked the committee publicly.

Commissioner Cuellar stated a lot of work had been done by the administration. He pointed out staff had cut down on certain things with the support of the citizens. Commissioner Cuellar stated the citizens could also assist the city by paying their taxes and keeping tax dollars in Weslaco.

Motion was made by Commissioner Cuellar and seconded by Commissioner Garza to approve Ordinance No. 2009-24 on second reading adopting a balance budget for fiscal year 2009-2010. Motion carried unanimously.

For the record, Ordinance No. 2009-24 reads as follows:

ORDINANCE NO. 2009-24

AN ORDINANCE APPROVING AND ADOPTING A BUDGET FOR THE CITY OF WESLACO, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2009 AND ENDING SEPTEMBER 30, 2010.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 10<sup>th</sup> day of September, 2009

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this 24<sup>th</sup> day of September, 2009.

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

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

For the record, Exhibit “A” is part of the City of Weslaco’s Budget Ordinance for Fiscal Year 2009-2010 and reads as follows:

EXHIBIT A

The general operating budget estimates for the City of Weslaco for the coming year covering the period 10/01/09-09/30/10 allocations will be as follows:

<u>GENERAL FUND</u>	
BEGINNING UNAPPROPRIATED FUND BALANCE 10/01/09	\$ (213,081)
REVENUES	
Taxes	15,366,804
Licenses and Permits	408,860
Charges for Services	1,417,500
Fines and Forfeits	653,700
Misc. Revenue	321,800
Intergovernmental	693,553
General Gov’t Allocation	1,521,790
Transfers In	525,775
TOTAL REVENUES	20,909,782
TOTAL RESOURCES	\$20,696,701
GENERAL FUND EXPENDITURES	
General Government	\$ 3,578,355
Public Safety	12,313,753
Public Works	1,530,383

Health & Welfare	134,872
Culture & Recreation	2,447,584
Other Uses	610,985
Transfer out	293,850
<b>TOTAL APPROPRIATIONS</b>	<b>20,909,782</b>
<b>FUND BALANCE ESTIMATE 09/30/10</b>	<b>\$ (213,081)</b>
<b><u>SANITATION FUND</u></b>	
BEGINNING WORKING CAPITAL 10/01/09	\$ 473,467
Revenues and Transfers	3,966,692
<b>TOTAL RESOURCES</b>	<b>4,440,159</b>
Expenditures	3,966,692
<b>ENDING WORKING CAPITAL ESTIMATED 09/30/10</b>	<b>\$ 473,467</b>
<b><u>WATER FUND</u></b>	
BEGINNING WORKING CAPITAL 10/01/09	\$ 778,081
Revenues	4,372,765
<b>TOTAL RESOURCES</b>	<b>\$ 5,150,846</b>
<b>WATER FUND EXPENSES</b>	
Water System/Administration	\$ 3,081,724
Debt Service	462,755
Transfer Out	197,701
General Gov't Allocation	630,585
<b>TOTAL APPROPRIATIONS</b>	<b>4,372,765</b>
<b>ENDING WORKING CAPITAL ESTIMATE 09/30/10</b>	<b>\$ 778,081</b>
<b><u>SEWER FUND</u></b>	
BEGINNING WORKING CAPITAL 10/01/09	\$ 65,458
Revenues & Transfers	4,192,563
<b>TOTAL RESOURCES</b>	<b>4,258,021</b>
Expenses & Transfers Out	4,192,563
<b>TOTAL EXPENSES</b>	<b>4,192,563</b>
<b>ENDING WORKING CAPITAL ESTIMATE 09/30/ 10</b>	<b>\$ 65,458</b>
<b><u>HOTEL/MOTEL TAX FUND</u></b>	
BEGINNING WORKING CAPITAL 10/01/09	\$ 560,389
Revenues	434,220
<b>TOTAL RESOURCES</b>	<b>994,609</b>
Expenditures	468,264
<b>ENDING WORKING CAPITAL ESTIMATE 09/30/10</b>	<b>\$ 526,345</b>
<b><u>AIRPORT FUND</u></b>	
BEGINNING WORKING CAPITAL 10/01/09	\$ 32,684
Revenues & Transfers	688,746
<b>TOTAL RESOURCES</b>	<b>721,430</b>
Expenses	688,746
Working Capital Estimate 09/30/10	\$ 32,684
<b><u>DEBT SERVICE FUND</u></b>	
FUND BALANCE 10/01/09	\$ 269,034
Revenues	2,290,717
<b>TOTAL RESOURCES</b>	<b>2,559,751</b>
Expenditures (Debt Service)	2,290,717

- 2. Ordinance No. 2009-25 levying an ad valorem tax on all taxable property within the City of Weslaco, Texas for the tax year 2009, fixing the tax rate for the use and support of the general government and for the interest and sinking fund for the redemption of bonds and other indebtedness of the City of Weslaco, Texas providing for the assessment of annual occupation taxes provided by law and fixing a lien on all taxable property. Possible action.

Mr. Gonzales stated it was the same tax rate of .6967.

Motion was made by Commissioner Cuellar and seconded by Commissioner Rivera to approve Ordinance No. 2009-25 on second reading. Motion carried unanimously.

For the record, the Ordinance No. 2009-25 reads as follows:

ORDINANCE NO. 2009-25

AN ORDINANCE LEVYING AN AD VALOREM TAX ON ALL TAXABLE PROPERTY WITHIN THE CITY OF WESLACO, TEXAS FOR THE TAX YEAR 2009, FIXING THE TAX RATE FOR THE USE AND SUPPORT OF THE GENERAL GOVERNMENT AND FOR THE INTEREST AND SINKING FUND FOR THE REDEMPTION OF BONDS AND OTHER INDEBTEDNESS OF THE CITY OF WESLACO, TEXAS, PROVIDING FOR THE ASSESSMENT OF ANNUAL OCCUPATION TAXES PROVIDED BY LAW, AND FIXING A LIEN ON ALL TAXABLE PROPERTY.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 10<sup>th</sup> day of September, 2009

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this 24<sup>th</sup> day of September, 2009.

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

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

**IV. NEW BUSINESS**

- A. Discussion and consideration regarding the Lease Agreement between the City of Weslaco and Amigos Del Valle, Inc. for the use of the Weslaco Service Center located at 1200 East Sixth Street to provide nutrition services to the elderly. Possible action.

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

Mayor de la Rosa moved the order of the agenda and proceeded with the following item.

C. Discussion and consideration of the following bids in connection with the Wastewater Treatment Plant Project #69049.

1. Bid Package No. 012 – Sandblasting and Painting – Recommended Bidder, Fastco. Possible action.

Mr. Castellanos recommended approval of the bid package to finish the improvements to an existing structure.

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

2. Bid Package No. 010 Equipment Installation – Recommended Bidder, Pepper Lawson. Possible action.
3. Bid Package No. 005 - Pipe Installation – Recommended Bidder, Pepper Lawson. Possible action.

Motion was made by Commissioner Tafolla and seconded by Commissioner Kennedy to approve Items 2 and 3 as presented. Motion carried unanimously.

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

- B. Discussion and consideration to approve Change Order No. 1 amending the CMAR Contract with CDM Constructors, Inc. dated December 18, 2008 to reduce the Guaranteed Maximum Price for the identified scope of work from \$16,062,281.00 to \$14,233,542.00 as proposed by CDM. Possible action.

Mr. Castellanos stated CDM was requesting approval of Change Order No. 1. He added at the last meeting CDM had agreed to assist the city by refunding \$1.8 million. Mr. Castellanos stated that at the next City Commission meeting another amendment would be presented to them to indicate a more certain figure to do the necessary work at the Water Treatment Plant.

Motion was made by Commissioner Garza and seconded by Commissioner Rivera to approve the change order as presented. Motion carried unanimously.

For the record, Mayor de la Rosa acknowledged the presence of Commissioner Kennedy.

- D. Discussion and consideration regarding the Brush Waste Collection Contract with BFI Waste Systems of Texas, LP for the collection of brush. Possible action.

Mr. Gonzales stated the city was currently charging the citizens \$8.92 for the brush pick-up and BFI charged the city \$9.55 a difference of \$0.63. He pointed out the city had increased the rates to \$9.55, but the city failed to charge the correct rate. Mr. Gonzales stated the city had entered into a contract with BFI since 2004 and the termination date was 2011. He pointed out the city had lost \$43,000.00 from October to July and was projected to lose approximately

\$52,000.00 by the end of the year. Mr. Gonzales stated a one time pick-up was \$6.95 per month and the city had opted to go with two pick-ups per month for \$8.57.

Discussion was held regarding the terms of the contract and Mayor de la Rosa stated this was a user fee and should be an automatic increase or staff could renegotiate the contract with B.F.I. He mentioned since the city had given BFI consideration when the fuel went up, they should give the city the same.

Rey Alegria, representative from Allied Waste Services, stated this year there was no CPI increase so the \$9.55 would be for a year and the labor had not gone down. He mentioned they had been paying a high fuel cost for 12 months, but would work with the city.

Mr. Castellanos stated staff wanted to inform the City Commission of this issue.

No action was taken on this item.

- E. Discussion and consideration to select Jeffrey W. Everitt as the agent for the City of Weslaco's Group Health Insurance. (Requested by Mayor Buddy de la Rosa) Possible action.

Motion was made by Commissioner Cuellar and seconded by Mayor Pro-Tem Rodriguez to select Jeffrey W. Everitt as the agent for the City of Weslaco's Group Health Insurance. Motion carried unanimously.

- F. Discussion and consideration of the AEP Texas Central Company's Application to amend Lighting Tariffs, Electric Tariff Filing No. 37388. Possible action.

Mr. Vela stated this was a tariff from AEP of Texas regarding the watts usage. He mentioned there was no increase or reduction in residential rates and would be effective September 28, 2009.

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

- G. Discussion and consideration of Articles of Amendment to the Economic Development Corporation of Weslaco to prohibit appointment of directors who have lawsuits against the City of Weslaco and if the person's term on the Weslaco City Commission ended less than five (5) from the date of nomination to the Economic Development Corporation of Weslaco. Possible action.

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

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

Motion was made by Mayor Pro-Tem Rodriguez and seconded by Commissioner Kennedy to adjourn the meeting.

**CITY OF WESLACO**

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**MAYOR**, Buddy de la Rosa

**ATTEST:**

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**ASST. CITY SECRETARY**, Janie V. Balli

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**MAYOR PRO-TEM**, Rene Rodríguez, Jr.

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**COMMISSIONER**, Robert J. Garza

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**COMMISSIONER**, J. F. “Johnny” Cuellar

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**COMMISSIONER**, Gerardo “Jerry” Tafolla

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**COMMISSIONER**, Lupe V. Rivera

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**COMMISSIONER**, Patrick B. Kennedy