

City of Weslaco

"The City on the Grow"



Miguel D. Wise, Mayor
John F. Cuellar, Mayor Pro-Tem, District 2
David R. Fox, Commissioner, District 1
Olga M. Noriega, Commissioner, District 3
Gerardo "Jerry" Tafolla, Commissioner, District 4
Lupe V. Rivera, Commissioner, District 5
Joe A. Martinez, Commissioner, District 6

Leonardo Olivares, City Manager

Press Release

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Former Weslaco EDC Director Says No City Politics in Project

Weslaco, TX – Weslaco's former Economic Development Corp. Executive Director testified that no one on the City Commission ordered him to stop construction of Phase II of the Visitor Event Center.

In January 2013, the EDCW invited three hand-picked construction companies to submit bids for construction of the \$1.125 million Phase II of the Visitor & Event Center. The EDCW Board later awarded a \$1.57 million construction contract to DKIII Hornback Enterprises Ltd (DKIIIHEL). However, the City maintains there were procedural problems with the awarding of the project. First, the City had not approved the award, as required by the EDCW Bylaws. Second, although the Bylaws also required that the EDCW Board adopt a resolution if the Executive Director is to sign contracts, no such resolution was ever adopted. Instead, Gonzalez signed the contract as advised by EDCW attorney, Rick Talbert. Consequently, because the EDCW bylaws were not followed, that document is not valid.

In July 2013, DKIIIHEL filed suit against the City and others alleging interference with this alleged contract, though the City had no contractual relationship with DKIIIHEL. Hernan Gonzalez testified in that lawsuit, however, under sworn oath, that neither the Mayor nor any City Commissioner asked him to terminate the alleged contract between the EDCW and DKIIIHEL.

"This should end the speculation about political motives behind this project," said Mayor Pro-Tem John F. Cuellar. "The contract was over budget before it started. The DKIIIHEL document had procedural problems, and the City never approved the project. The issue has always been whether the alleged agreement complied with EDCW bylaws."

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