



**A REGULAR MEETING
OF THE WESLACO CITY COMMISSION
TUESDAY, JULY 2, 2019**

NOTICE IS HEREBY GIVEN THAT the City Commission of the City of Weslaco, Texas will hold a Regular Meeting in the Legislative Chamber of City Hall, located at 255 South Kansas Avenue, on Tuesday, July 2, 2019 at 5:30 PM for the purpose of discussing the following items:

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 Weslaco 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.

I. CALL TO ORDER

- A. Certification of Public Notice.
- B. Invocation.
- C. Pledge of Allegiance.
- D. Mayoral Recognition.
- E. Roll Call.

II. PUBLIC COMMENTS

The Public Comments portion of the meeting promotes a fair and open process for the governance of the City. This portion of the meeting is not intended to be an extended discussion or a debate and is limited to three minutes for each presenter. Due to the Texas Open Meetings Act, the Mayor and City Commissioners do not reply; they listen. Matters under litigation are not to be addressed and comments regarding specific City employees and elected officials may be prohibited.

If you are discussing something not included on the agenda, the Commission cannot take any formal action until it is placed on an agenda and notice of the meeting is properly posted. Registration for Public Comments must be submitted to the City Secretary before the City Commission meeting is called to order. As the Mayor calls upon those who submitted a registration form with the City Secretary, please step to the podium and state your name and address before beginning your presentation.

III. CONSENT AGENDA

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discussed separately unless requested by one commission member, in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon.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

- A. Approval of the Minutes of the Regular Meeting on June 18, 2019
(Staffed by City Secretary Department.) Attachment.

B. Approval on second and final reading of the following:

- 1) Ordinance 2019-20 to rezone 408 S. Nebraska also being Lot 5, Blk 36, Weslaco Original Townsite, Weslaco, Hidalgo County, Texas from R-1 One-family dwelling district to B-2 Secondary highway business district and authorize the Mayor to execute any related documents. (First reading held June 18, 2019; staffed by Planning and Code Enforcement Department.) Attachment
- 2) Ordinance 2019-21 to rezone 2411 N Texas Blvd. also being Lots 1&2, Raq=Lin Subdivision Phase I, Weslaco, Hidalgo County, Texas from R-1 One-family dwelling district to B-2 Secondary highway business district and authorize the Mayor to execute any related documents. (First reading held June 18, 2019; staffed by Planning and Code Enforcement Department.) Attachment
- 3) Ordinance 2019-22 amending ordinance number 2018-02, the City of Weslaco Zoning Ordinance; codified as Chapter 150 of the Weslaco Code of Ordinances, adopting new regulations related to time limitation (6 months) to reapply for rezone; and ordaining other matters with respect to the subject matter hereof and authorize the Mayor to execute any related documents. (First reading held June 18, 2019; staffed by Planning and Code Enforcement Department.) Attachment
- 4) Ordinance 2019-23 establishing Article XI. Drainage; creating Section 2-280 through Section 2-284; creating a Citizens Drainage Advisory Board and authorize the Mayor to execute any related documents. (First reading held June 18, 2019; staffed by City Manager's Office.) Attachment

C. Approval on Incentive Agreement between Economic Development Corporation of Weslaco and City for financial assistance for drainage improvements in the commercial and industrial area of the City and authorize the Mayor to execute any related documents. (Staffed by City Manager's Office.) Attachment

D. Approval on Resolution 2019-57 opposing Senate Bill 1152 and authorize the Mayor to execute any related documents. (Staffed by City Manager's Office.) Attachment

E. Approval of a Memorandum of Understanding with Region One for provision of free GED, ESL, and other adult education classes within the library and authorize the Mayor to execute any related documents. (Staffed by Library Department.) Attachment

F. Authorization to renew the America Reads and Community Service agreements with UTRGV to allow for employment of work-study students and authorize the Mayor to execute any related documents. (Staffed by Library Department.) Attachment

- G. Approval on request from St. Pius X Catholic Church to place banners publicizing St. Pius X Catholic Church Fall Festival at North Westgate (between US 83 and W. Pike Blvd.) and North Texas Blvd during the last two weeks of September and first two weeks of October 2019 and authorize the Mayor to execute any related documents that may be required from the Texas Department of Transportation. (Staffed by Public Works Department.) Attachment

IV. APPOINTMENTS

- A. Discussion and consideration on Resolution 2019-58 appointing members to the Citizens Drainage Advisory Board and authorize the Mayor to execute any related documents. Possible action. (Staffed by Engineering Department.) Attachment

V. NEW BUSINESS

- A. Discussion to accept and file the Economic Development Corporation of Weslaco Audit Fiscal Year 2018 and authorize the Mayor to execute any related documents. Possible action. (Staffed by Economic Development Corporation of Weslaco.) Attachment
- B. Discussion and consideration to approve an amendment to the Performance Contracting Agreement between City of Weslaco, TX and Siemens Industry, Inc. dated November 21, 2017 and authorize the Mayor to execute any related documents. Possible action. (Staffed by Engineering Department.) Attachment
- C. Discussion and consideration on Ordinance 2019-24 establishing a depreciation fund to be known as the Building Depreciation Fund and authorize the Mayor to execute any related documents. First reading of Ordinance 2019-24. Possible action. (Staffed by Finance Department.) Attachment
- D. Discussion and consideration to approve Ordinance 2019-25 adopting a budget amendment for funding appropriations for the Building Depreciation Fund and authorize the Mayor to execute any related documents. First reading of Ordinance 2019-25. Possible action. (Staffed by Finance Department.) Attachment

VI. REPORTS

- A. Report by Weslaco Area Chamber of Commerce.
- B. Report by Economic Development Corporation of Weslaco.
- C. Report by Inframark.
- D. Report by Public Works Department.
- E. Report by Library Department.
- F. Report regarding flood event of June 24, 2019.

VII. EXECUTIVE SESSION

Texas Government Code, Section 551 Open Meetings:

§551.145. Closed Meeting Without Certified Agenda or Tape Recording; Offense; Penalty

(a) A member of a government body commits an offense if the member participates in a closed meeting of the governmental body knowing that a certified agenda of the closed meeting is not being kept or that a tape recording of the closed meeting is not being made.

(b) An offense under Subsection (a) is a Class C misdemeanor.

§551.146. Disclosure of Certified Agenda or Tape Recording of Closed Meeting; Offense; Penalty; Civil Liability

(a) An individual, corporation, or partnership that without lawful authority knowingly discloses to a member of the public the certified agenda or tape recording of a meeting that was lawfully closed to the public under this chapter:

(1) commits an offense; and

(2) is liable to a person injured or damaged by the disclosure for:

(A) actual damages, including damages for personal injury or damage, lost wages, defamation, or mental or other emotional distress;

(B) reasonable attorney fees and court costs; and

(C) at the discretion of the trier of fact, exemplary damages.

(b) An offense under Subsection (a)(1) is a Class B misdemeanor.

(c) It is a defense to prosecution under Subsection (a)(1) and an affirmative defense to a civil action under Subsection (a)(2) that:

(1) the defendant had good reason to believe the disclosure was lawful; or

(2) the disclosure was the result of a mistake of fact concerning the nature or content of the certified agenda or tape recording. (Added by Acts 1993, 73rd Leg., ch 268, § 1, eff. Sept. 1, 1993.)

NOTE: Any documentation related to the following items will be maintained as part of the certified agenda.

- A. Personnel - Discussion regarding the goals, objectives, and evaluation of the City Manager for the City of Weslaco as authorized by §551.074 of the Texas Government Code.
- B. Legal Consultation - Seek City Attorney opinion relating to the lawsuit with CDM as authorized by §551.071 of the Texas Government Code.
- C. Contract Negotiations – Discussion with the City Manager and City Attorney relating to the City's rights, duties, privileges, and obligations in connection to the Collective Bargaining Agreement with the Police Union (Weslaco Municipal Police Association) as authorized by §551.071 of the Texas Government Code.

VIII. POSSIBLE ACTION ON WHAT IS DISCUSSED IN EXECUTIVE SESSION

IX. ADJOURNMENT

I hereby certify this **Notice of a Regular Meeting of the Weslaco City Commission** was posted in accordance with the Open Meetings Act on the outside bulletin board at City Hall of the City of Weslaco, located at the 255 South Kansas Avenue entrance, visible and accessible to the general public during and after regular working hours. This notice was posted on this 28th day of June 2019 at 4:00 p.m. and will remain so posted continuously for at least 72-hours preceding the scheduled time of this meeting in accordance with Chapter 551 of the Texas Government Code.

/s/ Myra Ayala, City Secretary

NOTE: If any accommodation for a disability is required, please notify the City Secretary's Office at (956) 968-3181, Ext. 3100 prior to the meeting date.

Regular Meetings of the Weslaco City Commission stream live online at <http://www.weslacotx.gov/open-government/open-meetings>. Archived video of some meetings are also available.

Removed from Bulletin Board

Date:

Initials:



Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2019-2538	
From:			
Subject: Certification of Public Notice.			
Background: Call to Order, includes the following: A. Certification of Public Notice. B. Invocation. C. Pledge of Allegiance. D. Mayoral Recognition. E. Roll Call.			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted:			
If item previously considered, provide date and action by Commission:			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:			
Advisory Review, if any (name of board/committee, date of action, recommendation):			
Aida Vega		Created/Initiated	
Mike Perez		Final Approval	
City Manager Comments:			
Staff Recommendation: A. Mayor will Call to Order and certify Public Notice. B. Pastor Joey Aguilar, First Baptist Church will lead the invocation. C. Mayor will lead Pledge of Allegiance; Mayor Pro-Tem may lead Texas Flag. D. Mayoral Recognition. E. City Secretary will call roll. Four or more Commissioners present constitute a Quorum; otherwise, no action may be taken.			
Attachments, if any: Pledge & Mission 2019			
Responsibilities upon Approval:			

City of Weslaco

"The City on the Grow"



David Suarez, Mayor
Greg Kerr, Mayor Pro-Tem, District 2
Leo Muñoz, Commissioner, District 1
Jose "J.P." Rodriguez, Commissioner, District 3
, Commissioner, District 4
Letty Lopez, Commissioner, District 5
Josh Pedraza, Commissioner, District 6

Mike R. Perez, City Manager

The Pledge of Allegiance to the Flag

"I PLEDGE ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA AND TO THE REPUBLIC FOR WHICH IT STANDS, ONE NATION UNDER GOD, INDIVISIBLE, WITH LIBERTY AND JUSTICE FOR ALL."

The Pledge of Allegiance to the State Flag

"Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible."

**The pledge was amended by House Bill 1034 during the 80th Legislature with the addition of "one state under God." The revised wording became effective on June 15, 2007.*

Preamble to the Constitution of the United States of America

We the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

STATEMENT OF VISION: AN INTERNATIONAL CENTER OF GROWTH

Friendly people with vision, courage and integrity

STATEMENT OF MISSION: COMMITMENT TO EXCELLENCE IN PUBLIC SERVICE

- *Positive Attitude of Courtesy & Concern
- *Doing it Right the First Time
- *Sensitive to the citizens' needs
- *Friendly Respect for All
- *Service without Hassle



Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2019-2543	
From:			
Subject: Approval of the Minutes of the Regular Meeting on June 18, 2019 (Staffed by City Secretary Department.) Attachment.			
Background: Record of commission action for the regular meeting on June 18, 2019.			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted: Mayor's Signature			
If item previously considered, provide date and action by Commission:			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:			
Advisory Review, if any (name of board/committee, date of action, recommendation):			
Aida Vega Aida Vega Mike Perez		Created	
City Manager Comments: Approve.			
Staff Recommendation: Approve.			
Attachments, if any: 190618 minutes			
Responsibilities upon Approval: Execute and retain.			



**MINUTES OF REGULAR MEETING
OF THE WESLACO CITY COMMISSION
TUESDAY, JUNE 18, 2019**

On Tuesday, June 18, 2019, at 5:30 p.m. the City Commission of the City of Weslaco, Texas convened in a Regular Meeting at City Hall in the Legislative Chamber, located at 255 South Kansas Avenue with the following member's present:

PRESENT:	Mayor	David Suarez
	Mayor Pro-Tem	Greg Kerr
	Commissioner	Letty Lopez
	Commissioner	Josh Pedraza
	Commissioner	J.P. Rodriguez
	Commissioner	Leo Muñoz

ABSENT: None.

STAFF:	City Manager	Mike R. Perez
	City Secretary	Myra L. Ayala Garza
	City Attorney	Juan E. Gonzalez

Also present: Aida Vega, Deputy City Secretary; Andrew Munoz, Assistant City Manager/Airport Director/Asst. City Manager, Vidal Roman, Finance Director, Omar Rodriguez, Parks and Recreation Director, Leo Gonzalez, Information Technology Director; Ben Worsham, City Engineer/Planning Director; Joe Rivera, Police Chief, Antonio Lopez, Fire Chief, Veronica Ramirez, HR Director; Pete Garcia, Public Works Director; Arnold Becho. Library Director; and other staff members and citizens.

I. CALL TO ORDER

A. Certification of Public Notice.

Mayor David Suarez called the meeting to order and certified the public notice of the meeting as properly posted Friday, June 14, 2019.

B. Invocation.

Pastor David McCann, First Presbyterian Church, led the invocation.

C. Pledge of Allegiance.

Mayor Suarez led the Pledge of Allegiance and Texas Flag.

D. Mayoral Recognition.

None.

E. Roll Call.

Myra L. Ayala Garza, City Secretary, called the roll, noting perfect attendance.

II. PUBLIC COMMENTS

George Gonzales voiced comments and suggestions for drainage improvements that could better serve the community such as self-made gardens, ponds and the citizens taking an active role in keeping gutters free of debris.

III. PUBLIC HEARING

Mayor Pro Tem Kerr, seconded by Commissioner Muñoz moved to open the public hearing at 5:41 p.m. The motion carried unanimously; Mayor Suarez was present and voting

A. To solicit input on behalf of Smartcom Telephone, LLC. requesting to rezone 408 S. Nebraska also being Lot 5, Blk 36, Weslaco Original Townsite, Weslaco, Hidalgo County, Texas from R-1 One-family dwelling district to B-2 Secondary highway business district.

None.

B. To solicit input on behalf of AEC Engineering, LLC.. requesting to rezone 2411 N Texas Blvd. also being Lots 1&2, Raq-Lin Subdivision Phase I, Weslaco, Hidalgo County, Texas from R-1 One-family dwelling district to B-2 Secondary highway business district.

None.

C. To solicit input on behalf of Jack Hanks requesting a Conditional Use Permit to obtain a Mixed Beverage Permit, Mixed Beverage Late Hours Permit and Beverage Cartage Permit at 303 S. Texas, also being N ½ of Lot 23 and all of Lot 24, Blk 26, Weslaco Original Townsite, Weslaco, Hidalgo County, Texas.

None.

Mayor Pro Tem Kerr, seconded by Commissioner Lopez moved to close the public hearing at 5:42 p.m. The motion carried unanimously; Mayor Suarez was present and voting.

IV. CONSENT AGENDA

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

A. Approval of the Minutes of the Regular Meeting on June 4, 2019. (Staffed by City Secretary Department.)

B. Approval on second and final reading of the following:

1) Approval on Ordinance 2019-19 adopting a mid-year budget amendment and authorize the Mayor to execute any related documents. (First reading held June 4, 2019; staffed by Finance Department.)

C. Approval and acceptance of \$1,582.68 from the Texas State Library and Archives Commission to pay for the non-discounted portion of the Library's Internet Access Service Fees during the 2019 E-Rate funding Year and authorize the Mayor to execute any related documents. (Staffed by Library Department).

D. Authorization for the submission of an application to the Office of the Governor Criminal Justice Division: Internet Crimes Against Children Grant (#3923901) Program with NO LOCAL MATCH REQUIRED and authorize the Mayor to execute any related documents (Staffed by Police Department).

E. Authorization to terminate a Mid Valley Airport Ground Lease Agreement with Tenant Scott Fuller for Hangar W15 and to approve a Mid Valley Airport Ground Lease Agreement with Tenant Hector Zamarripa for Hangar W15 and authorize the Mayor to execute any related documents. (Staffed by Airport.)

F. Approval of the annual renewal for FY 19-21 LRGVDC PSAP Interlocal Agreement for the 911 Public Safety Answering Point Services and authorize the Mayor to execute any related documents. (Staffed by Weslaco Police Department.)

G. Approval on Incentive Agreement with Economic Development Corporation of Weslaco and City for financial assistance for the Mid Valley Airport LED lighting project and authorize the Mayor to execute any related documents. (Staffed by Economic Development Corporation of Weslaco.)

Mayor Pro Tem Kerr, seconded by Commissioner Lopez moved to approve consent agenda items A through G as presented. The motion carried unanimously; Mayor Suarez was present and voting.

For the record, following is the ordinance.

ORDINANCE 2019-19

AN ORDINANCE AMENDING ORDINANCE NUMBER 2018-27, APPROVING AND ADOPTING A BUDGET FOR THE CITY OF WESLACO, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2018 AND ENDING SEPTEMBER 30, 2019, FINDING NEED TO AMEND THE 2018-2019 MUNICIPAL BUDGET; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE, AND ORDAINING OTHER MATTERS WITH RESPECT TO THE SUBJECT MATTER HEREOF.

WHEREAS, the City Commission of the City of Weslaco utilized diligent thought and attention to the preparation of the 2018-2019 budget; and

WHEREAS, unusual and unforeseen conditions have arisen during the fiscal year which have, or will require, the expenditure of additional funds constituting an emergency expenditure; and

WHEREAS, Section 102.009 of the Texas Local Government Code authorizes the City to amend its budget in such a manner as to provide for emergency expenditures as an amendment to the original budget in a case of grave public necessity to meet an unusual and unforeseen condition; and

WHEREAS, the City Commission finds the amendments in the line items identified in the attached Exhibit are reasonable, necessary, and for municipal purposes.

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

SECTION 1. FINDINGS. The City Commission finds the statements made in the preamble above are true.

SECTION 2. BUDGET LINE ITEMS. The City Commission approves the budget amendments in the attached Exhibit as such change is necessary to meet an unusual and unforeseen condition as the result of an emergency.

SECTION 3. BUDGET TOTAL. The City Commission further finds the amended budget line items identified in such Exhibit will not cause the total expenditures in the budget to exceed the total amount of estimated revenue.

SECTION 4. APPROVAL. The 2018-2019 Official Budget, adopted by Ordinance 2018-27, is hereby reallocated, revised, amended and approved as set forth in the attached Exhibit.

SECTION 5. AUTHORIZATION. The City Manager is authorized to undertake action to execute such transfers in accordance with state law, and file, or cause to be filed, a true and correct copy of this Ordinance, with the attached budget amendment, with the City Secretary.

SECTION 6. SEVERABILITY CLAUSE. It is the intent of the City Commission that each sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be deemed severable and, should any such sentence, paragraph, subdivision, clause, phrase or section be declared invalid or unconstitutional for any reason, such declaration of invalidity or unconstitutionality shall not be construed to affect the validity of those provisions of the Ordinance left standing.

SECTION 7. EFFECTIVE DATE. This Ordinance shall take effect upon final reading.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 4th day of June 2019.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this 18th day of June 2019.

CITY OF WESLACO
/s/David Suarez, MAYOR

ATTEST:
/s/Myra L. Ayala Garza, CITY SECRETARY

APPROVED AS TO FORM:
/s/Juan E. Gonzalez, CITY ATTORNEY

V. OLD BUSINESS

A. Discussion of the drainage short term projects. Possible action. (There was no action on June 4, 2019; staffed by Engineering Department.)

Benjamin Worsham, City Engineer/Director of Planning, went over project schedule and scope of drainage improvements to be done from the bond proceeds that included Austin & Merida-replace

culverts; Flap Gates-installation of 167 back flow preventers; Project 7 Magic Valley Park-channel widening, Project 8 S. Texas Blvd.-development of a Retention Detention Facility; Project 2 Weslaco ISD-development of a Retention Detention Facility (at Clecker-Heald) and Project 6 Pleasantview-new storm system.

In response to the commission, staff would solicit bids for flap gates; Project 7 and Project 6 engineering design would be done in house except for Project 6; Pleasantview project storm system staff will request proposals.

This was a presentation and no action required.

VI. NEW BUSINESS

A. Discussion to accept and file the City of Weslaco's Comprehensive Annual Financial Report for fiscal year ending September 30, 2018 as presented by Carr, Riggs & Ingram, LLC and authorize the Mayor to execute any related documents. Possible action. (Staffed by Finance Department.)

Vidal Roman Finance Director stated the Annual Financial Report ending September 30, 2018 was completed by Carr, Riggs & Ingram.

Quintin Anderson, Partner with Carr, Riggs & Ingram, reviewed their profiling report on the financial position of the City; explained new accounting standards dealing with post-employment benefits (health care and life insurance) implemented was calculated by actuaries and increased long-term liability significantly this was the only major change from last year; stated he reviewed all governmental funds, business activities and financial statements disclosures as related to capital assets and long term debt; met with management on recommendations for overcompliance and internal controls. There were no disagreements with management and no significant findings of errors.

Mike Perez, City Manager, clarified for the record the significant change in liability as related to post-employment benefits prompted from negotiations with the Fire Department for the City to pay half the cost of health insurance upon retirement for an employee. At that time when considered management believed the liability would be minimal but the consequence of that was the unfunded liability was not only for the employee retiring but for all fire fighters that could and eventually retire. The Mayor and he will be meeting with the Fire Department to further address.

Mayor Pro Tem Kerr, seconded by Commissioner moved to accept and file the City of Weslaco's Comprehensive Annual Financial Report for fiscal year ending September 30, 2018 as presented. The motion carried unanimously; Mayor Suarez was present and voting.

B. Discussion and consideration after public hearing on behalf of Smartcom Telephone, LLC. to approve Ordinance 2019-20 to rezone 408 S. Nebraska also being Lot 5, Blk 36, Weslaco Original Townsite, Weslaco, Hidalgo County, Texas from R-1 One-family dwelling district to B-2 Secondary highway business district and authorize the Mayor to execute any related documents. First reading of Ordinance 2019-20. Possible action. (Staffed by Planning and Code Enforcement Department.)

Rebekah de la Fuente, Senior Planner, stated twenty property owners notified and no objection received. The Planning and Zoning Commission and staff recommended approval based on the 2040 Land Use Map.

Mayor Pro Tem Kerr, seconded by Commissioner Muñoz moved to approve Ordinance 2019-20 to rezone 408 S. Nebraska on first reading as presented. The motion carried unanimously; Mayor Suarez was present and voting.

C. Discussion and consideration after public hearing on behalf of AEC Engineering, LLC. to approve Ordinance 2019-21 to rezone 2411 N Texas Blvd. also being Lots 1&2, Raq=Lin Subdivision Phase I, Weslaco, Hidalgo County, Texas from R-1 One-family dwelling district to B-2 Secondary highway business district and authorize the Mayor to execute any related documents. First reading of Ordinance 2019-21. Possible action. (Staffed by Planning and Code Enforcement Department.)

Rebekah de la Fuente, Senior Planner, stated twenty property owners notified; no objection received; The Planning and Zoning Commission and staff recommended approval based on the 2040 Land Use Map.

Commissioner Muñoz seconded by Commissioner Pedraza, moved to approve Ordinance 2019-21 to rezone 2411 N Texas Blvd. on first reading as presented. The motion carried unanimously; Mayor Suarez was present and voting.

D. Discussion and consideration after public hearing on behalf of Jack Hanks to approve a Conditional Use Permit to obtain a Mixed Beverage Permit, Mixed Beverage Late Hours Permit and Beverage Cartage Permit at 303 S. Texas also being N ½ of Lot 23 and all of Lot 24, Blk 26, Weslaco Original Townsite, Weslaco, Hidalgo County, Texas and authorize the Mayor to execute any related documents. Possible action. (Staffed by Planning and Code Enforcement Department.)

Rebekah de la Fuente stated twenty-two property owners were notified and no objection received. This is an existing business that is a change of licensed location. The Planning and Zoning Commission approved contingent to a security guard present during the late hour's operation and staff recommended approval.

In response to Commissioner Pedraza and Muñoz; late hour of operation is considered from 11:00pm to 2:00am and monitored for compliance by the Health Official.

Commissioner Pedraza, seconded by Commissioner Lopez moved to approve a Conditional Use Permit to obtain a Mixed Beverage Permit, Mixed Beverage Late Hours Permit and Beverage Cartage Permit at 303 S. Texas subject to a security guard present during late hour's operation as presented. The motion carried unanimously; Mayor Suarez was present and voting.

E. Discussion and consideration on Ordinance 2019-22 amending ordinance number 2018-02, the City of Weslaco Zoning Ordinance; codified as chapter 150 of the Weslaco Code of Ordinances, adopting new regulations related to time limitation (6 months) to reapply for rezone; and ordaining other matters with respect to the subject matter hereof and authorize the Mayor to

execute any related documents. First reading of Ordinance 2019-22. Possible action. (Staffed by Planning & Code Enforcement Department.)

Rebekah de la Fuente stated the proposed ordinance outlines a time limit for denied requests whether it is a rezone or conditional use permit. A request for reconsideration would be permitted to the applicant six (6) months after a request is denied unless there are extenuating circumstances that requires emergency action. The City Attorney has authored an opinion stating an ordinance amending the Zoning Ordinance would permit the time limitations and other cities have time limits with six or twelve months. Staff recommended approval with a six months' time limit.

Commissioner Muñoz, seconded by Commissioner Pedraza moved to approve on Ordinance 2019-22 amending ordinance number 2018-02, the City of Weslaco Zoning Ordinance on first reading as presented. The motion carried unanimously; Mayor Suarez was present and voting.

F. Discussion and consideration on agreement with Hidalgo County Elections Department to conduct the City of Weslaco Special Election on July 16, 2019 to fill a vacancy for Commissioner District 4 and authorize the Mayor to execute any related documents. Possible action. (Staffed by City Secretary Department.)

Myra Ayala Garza, City Secretary, stated this was a standard agreement that authorizes the Hidalgo County Elections Department to conduct election services for the Special Election ordered for July 16, 2019. Staff recommended approval.

Mayor Pro Tem Kerr, seconded by Commissioner Pedraza moved to approve agreement with Hidalgo County Elections Department to conduct the City of Weslaco Special Election on July 16, 2019 as presented. The motion carried unanimously; Mayor Suarez was present and voting.

G. Discussion and consideration to award RFB No. 2018-19-14 for fuel to the most advantageous bidder, Meritum Energy Holdings LP, DBA Pico Propane & Fuels, price agreement effective for one year starting on date of award with an option for an additional year renewal and authorize the Mayor to execute any related documents. Possible action. (Staffed by Public Works Department.)

Pete Garcia, Public Works Director, stated bids were solicited receiving five respondents to the notice for bids. Staff evaluated and tabulated with recommendation to award vendor Meritum Energy Holdings LP, DBA Pico Propane and Fuels as the lowest bidder with option for an additional year renewal.

Commissioner Lopez, seconded by Commissioner Pedraza moved to approve and award for fuel services to Meritum Energy Holdings LP, DBA Pico Propane & Fuels, price agreement effective for one year starting on date of award with an option for an additional year renewal as presented. The motion carried unanimously; Mayor Suarez was present and voting.

H. Discussion and consideration to award RFB No. 2018-19-15 for Street Materials to the most advantageous bidders: Terra Firma Materials, CAPA Materials, Green Dream International, Frontera Materials, and Asphalt Oil Express based on Street Material-Bid Tabulation, price agreement effective for one year starting on date of award with an option for an

additional year renewal and authorize the Mayor to execute any related documents. Possible action. (Staffed by Public Works Department.)

Pete Garcia stated bids were solicited for street materials. Staff evaluated the respondents based on price at location and/or delivered that would be the most advantageous or best value to the City. Staff recommended approval to award Terra Firma ; hot mix delivered; Frontera Materials Inc; hot/cold mix and caliche at location; CAPA; cold mix delivered; Green Dream International; caliche delivered; and Asphalt Oil Express MC30 Oil; delivered and at location.

Commissioner Lopez, seconded by Commissioner Muñoz moved to approve and award Terra Firma Materials, CAPA Materials, Green Dream International, Frontera Materials, and Asphalt Oil Express, price agreement effective for one year starting on date of award with an option for an additional year renewal as presented. The motion carried unanimously; Mayor Suarez was present and voting.

I. Discussion and consideration on Ordinance 2019-23 establishing Article XI. Drainage; creating Section 2-280 through Section 2-284; creating a Citizens Drainage Advisory Board and authorize the Mayor to execute any related documents. First reading of Ordinance 2019-23. Possible action. (Staffed by the City Manager's Office.)

Mike Perez, City Manager, stated the ordinance was drafted by staff with comments received from the Drainage Committee to transition into an advisory board.

Mr. Randy Hall, Chairman of the Drainage Task Force Committee, thanked the commission to allow them to serve; the ordinance was reviewed by the members of the existing committee and agreed as outlined; members would be nine (9) with all members expressing continued interest applying with the exception of the member appointed from District 4 is not interested and indicated Noe Rodriguez has applied.

In response to Commissioner Pedraza, Mike Perez stated the commission will have the discretion of appointing at large from those applying or they may collectively agree that each commissioner appoint a member from their district.

Commissioner Pedraza seconded by Commissioner Lopez moved to approve Ordinance 2019-23 establishing Article XI. Drainage; creating Section 2-280 through Section 2-284; creating a Citizens Drainage Advisory Board on first reading as presented. The motion carried unanimously; Mayor Suarez was present and voting.

J. Discussion and consideration to award a purchase contract through TRANE's Buy Board Contract 552-17 to replace and install 1 - 30 ton air-cooled condensing unit at city hall and authorize the Mayor to execute any related documents. Possible action. (Staffed by Parks and Recreation Department.)

Omar Rodriguez, Parks and Recreation Director, recommended approval. The purchase will replace one of two units at city hall as evaluated by TRANE; cost is \$35, 633.34. He stated during the inspection of the units it seems Siemens contractor applied an armor coating on the coils and

the fins have become brittle and corrosion has occurred with the compressors. Siemens has been contacted.

In response to Commissioner Muñoz, the units were installed in 2005 and staff has been experiencing maintenance issues; is turn key; re-claim any usable parts from replacement and budgeting for replacement for the other unit.

Mayor Pro Tem Kerr, seconded by Commissioner Lopez moved to approve purchase contract through TRANE's Buy Board Contract 552-17 to replace and install 1 - 30 ton air-cooled condensing unit at city hall as presented. The motion carried unanimously; Mayor Suarez was present and voting.

K. Discussion and consideration to approve a general service contract with Tyler Technologies for Permitting Software and Implementation Services for the EnerGov Suite Software and authorize the Mayor to execute any related documents. Possible action. (Staffed by Planning and Code Enforcement Department.)

Juan E. Gonzalez, City Attorney, requested to discuss upon completion of executive session as the item is related to a consultation with the City Attorney.

Mayor Pro Tem Kerr, seconded by Commissioner Lopez moved to approve general service contract with Tyler Technologies for Permitting Software and Implementation Services for the EnerGov Suite Software as presented. The motion carried unanimously; Mayor Suarez was present and voting.

VII. EXECUTIVE SESSION

At 6:38 p.m. Commissioner Muñoz seconded by Commissioner Pedraza, moved to convene the regular meeting in Executive Session. The motion carried unanimously; Mayor Suarez was present and voting.

At 7:26 p.m. Mayor Suarez stated the City Commission had completed its Executive Session and reconvened the regular meeting as open to the public.

VIII. POSSIBLE ACTION ON WHAT IS DISCUSSED IN EXECUTIVE SESSION

A. Personnel - Discussion regarding the goals, objectives, and evaluation of the City Manager for the City of Weslaco as authorized by §551.074 of the Texas Government Code.

No action.

B. Legal Consultation - Seek City Attorney opinion relating to the lawsuit with CDM as authorized by §551.071 of the Texas Government Code.

No action.

C. Legal Consultation - Seek City Attorney opinion relating to breach of contract by Accela and consider authorizing City Attorney to proceed with legal action as authorized by §551.071 of the Texas Government Code.

Commissioner Pedraza, seconded by Commissioner Lopez, moved to authorize the City Attorney and City Manager to proceed as discussed in executive session. The motion carried unanimously; Mayor Suarez was present and voting.

D. Pending Litigation - Report by City Attorney regarding all pending litigation as provided to City Auditor as authorized by §551.071 of the Texas Government Code

No action.

E. Pending Litigation - Consultation with City Attorney related to the city's right-of-way for cell towers in City of McAllen et al v. State of Texas et al as authorized by §551.071 of the Texas Government Code.

Commissioner Pedraza seconded by Commissioner Muñoz moved to authorize the City Attorney contact the law firm representing the City in lawsuit filed as City of McAllen et al v. State of Texas et al to amend and include new bill related to SB 1004 (franchise fees) be included conditional to no expense to City. The motion carried unanimously; Mayor Suarez was present and voting.

F. Real Property– Consultation with City Attorney on the purchase of real property legally described as West Tract W-3.67ac -S-10ac- N-20ac FT685 at Dawson and Oregon Streets as authorized by §551.072 of the Texas Local Government Code.

Commissioner Pedraza seconded by Commissioner Muñoz moved to authorize the Drainage Committee evaluate the purchase of real property legally described as West Tract W-3.67ac -S-10ac- N-20ac FT685 at Dawson and Oregon Streets and make a recommendation to the commission. The motion carried unanimously; Mayor Suarez was present and voting.

G. Contract Negotiations – Discussion with the City Manager and City Attorney relating to the City's rights, duties, privileges, and obligations in connection to the Collective Bargaining Agreement with the Police Union (Weslaco Municipal Police Association) as authorized by §551.071 of the Texas Government Code.

Commissioner Rodriguez abstained from discussion and vote and filed a conflict disclosure statement.

There was no action.

Mayor Suarez introduced Item K New Business for consideration.

K. Discussion and consideration to approve a general service contract with Tyler Technologies for Permitting Software and Implementation Services for the EnerGov Suite Software and authorize the Mayor to execute any related documents. Possible action. (Staffed by Planning and Code Enforcement Department.)

Rebekah de la Fuente stated staff has been experiencing issues with the Accela system to be inefficient and delays; staff viewed demonstrations of the EnerGov system and visited with the City of Seguin for hands on observation easy to use and faster; City already using an InCode suite and will be able to interface with other departments. Staff recommends approval.

In response to Mayor Suarez, staff will be able to continue with services using In code 10 and One Drive for routing of electronic documents on shared point. Ben Worsham stated no disruption should occur with the transition with the use of these programs until EnerGov is in place in September for the planning department.

In response to Commissioner Pedraza; Leo Gonzales, IT Director, stated storage of information on the cloud will be monitored for security such as passwords being changed every 90 days; The City Manager stated a major problem with Accela was the delay of logging in as this is heavily being used with other users accessing the system; EnerGov would be an in-house system. In response to Commissioner Muñoz; cost for implementation is \$150,000 with annual fees of \$15,000 versus \$39,000 annually with Accela; data from Accela is being recovered twice a month any additional downloads there would be charge; Accela would be in place until September and not renew and customers report will be addressed and customer support readily available. EnerGov will be a complete system of configuration and migration with staff support setting up the workflows.

Mayor Pro Tem Kerr, seconded by Commissioner Lopez moved to approve general service contract with Tyler Technologies for Permitting Software and Implementation Services for the EnerGov Suite Software as presented. The motion carried unanimously; Mayor Suarez was present and voting.

IX. ADJOURNMENT

Commissioner Muñoz seconded by Commissioner Pedraza moved to adjourn the meeting at 7:38 p.m. The motion carried unanimously; Mayor Suarez was present and voting.

CITY OF WESLACO

MAYOR, David Suarez

ATTEST:

Myra L. Ayala Garza, CITY SECRETARY

MAYOR PRO-TEM, Greg Kerr

COMMISSIONER, Leo Muñoz

COMMISSIONER, Jose "J.P." Rodriguez

VACANT
COMMISSIONER,

COMMISSIONER, Letty Lopez

COMMISSIONER, Josh Pedraza



Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2019-2534	
From: Benjamin Worsham			
Subject: Ordinance 2019-20 to rezone 408 S. Nebraska also being Lot 5, Blk 36, Weslaco Original Townsite, Weslaco, Hidalgo County, Texas from R-1 One-family dwelling district to B-2 Secondary highway business district and authorize the Mayor to execute any related documents. (First reading held June 18, 2019; staffed by Planning and Code Enforcement Department.)			
Background: The applicant is requesting to rezone property from R-1 One-family dwelling district to B-2 Secondary highway business district. Twenty (20) property owners within 200 feet of the applicant's property were notified by letter on May 24, 2019.			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted: Mayor's Signature Ordinance - First Reading Ordinance - Final Reading			
If item previously considered, provide date and action by Commission:			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners: Notice of the application and the Public Hearing for the City Commission appeared in The Monitor on May 20, 2019.			
Advisory Review, if any (name of board/committee, date of action, recommendation): The Planning & Zoning Commission recommended approval of the rezone request on June 5, 2019.			
Aida Vega Benjamin Worsham Mike Perez		Created/Initiated New	
City Manager Comments: Approve.			
Staff Recommendation: Staff recommends approval based on 2040 Land Use Map			
Attachments, if any: 408 S NEBRASKA- Attachments, 408 S Nebraska- Aerial, O2019-20 rezone 408 S Nebraska			
Responsibilities upon Approval:			

Staff will notify applicant.



APPLICATION FOR REZONING

The Planning & Zoning Commission meets every 1st Wednesday of each month at 5:30 pm.

The City Commission meets every 1st and 3rd Tuesday of each month at 5:30 pm

FILE NO. Re 219.00015

PROPOSED PROJECT

Legal Description of Property to be rezoned:

Lot 5 Block 36

Subdivision Name O.T. Weslaco

Street Address 408 South Nebraska

Existing Zoning R1 Existing Land Use Residential

Proposed Zoning B-2 Proposed Land Use Commercial

- ☒ \$300.00 non-refundable filing fee.
- ☒ Detailed dimensioned site plan/map must be submitted with this request.
- ☒ Survey and metes and bounds if the legal description is a portion of a lot.
- ☒ City and school tax receipts attached.
- ☒ I have received a copy of "The Intent of Zoning Application Instructions".

APPLICANT

Name Smartcom Telephone, LLC Phone 956-687-7070

Address Po Box 3097 Fax: 956-213-1147

City McAllen State TX Zip Code 78502 E-Mail: ayoder@sctel.co

OWNER

Name Smartcom Telephone, LLC Phone 956-687-7070

Address PO Box 3097 Fax: 956-213-1147

City McAllen State TX Zip Code 78502 E-Mail: ayoder@sctel.co

I certify that I am the actual owner of the property described above and this application is being submitted with my consent (include corporate name if applicable); or I am authorized by the actual owner to submit this application and have attached written evidence of such authorization.

Signature [Signature] Date 4-24-19
Owner

Signature [Signature] Date 4-24-19
Applicant

Signature _____ Date _____
Authorized Agent



ART SALINAS

ENGINEERING & SURVEYING

1524 DOVE AVENUE,

McALLEN, TEXAS 78504

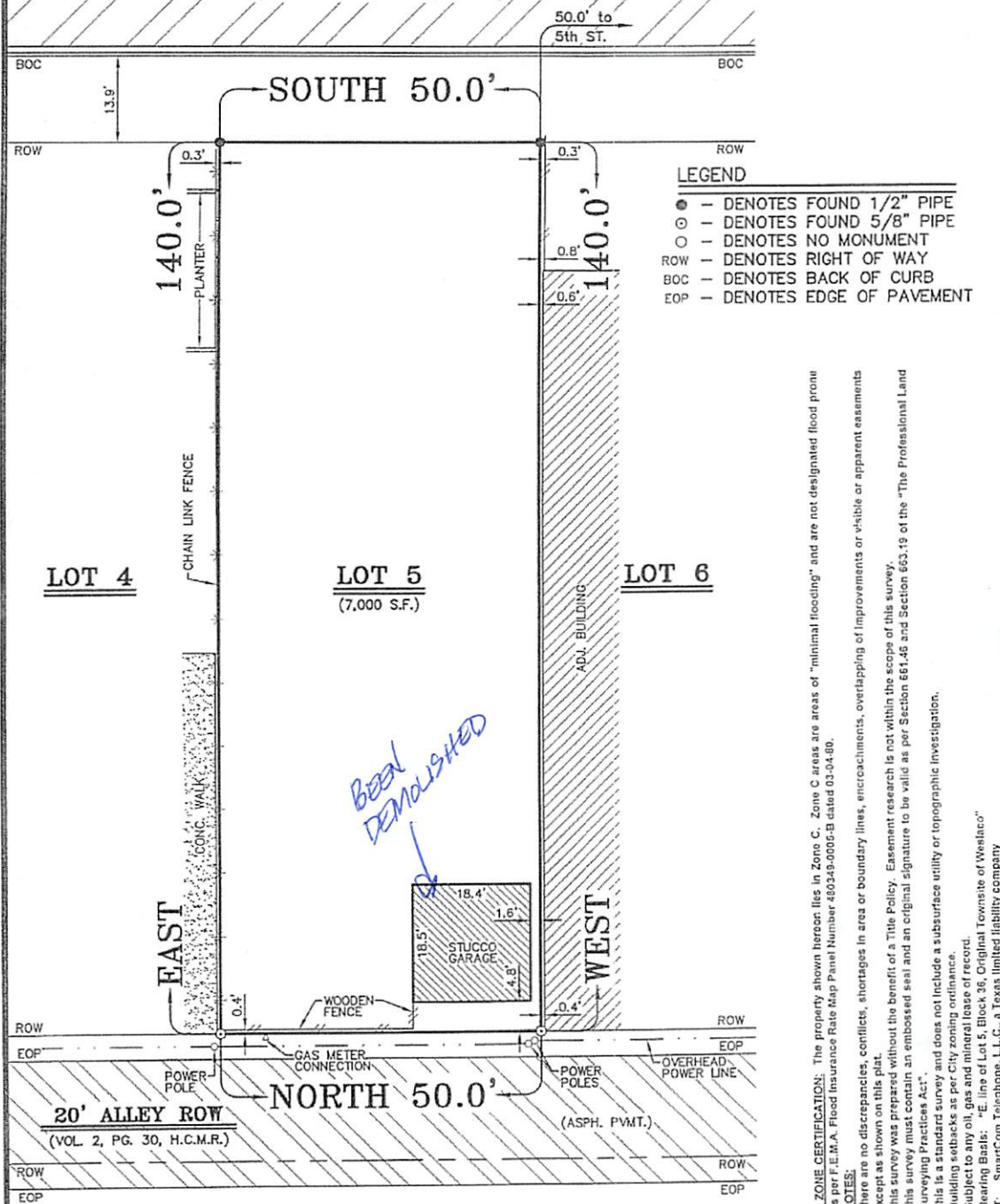
PH: (956) 818-5565

FAX: (956) 818-5540

S. NEBRASKA AVE.

(60' ROW-VOL 2, PG. 30, H.C.M.R.)

SCALE: 1"=20'



THIS IS TO CERTIFY THAT I HAVE, THIS DATE, PREPARED A SURVEY ON THE PROPERTY WHICH IS LOCATED AT 408 S. NEBRASKA AVE., in WESLACO, TEXAS, DESCRIBED AS FOLLOWS:
ALL OF LOT NO. FIVE (5), BLOCK NO. THIRTY-SIX (36), OF THE ORIGINAL TOWNSITE OF WESLACO, HIDALGO COUNTY, TEXAS, ACCORDING TO A MAP OR PLAT THEREOF RECORDED IN VOLUME 2, PAGE 30, MAP RECORDS IN THE OFFICE OF THE COUNTY CLERK OF HIDALGO COUNTY, TEXAS, REFERENCE TO WHICH IS HERE MADE FOR ALL PURPOSES.

19-54946
Job No.01-08-19
Date

© COPYRIGHT 2019 ART SALINAS ENGINEERING INC. THIS SURVEY WAS PROVIDED IN MULTIPLE ORIGINALS SOLELY FOR THE USE OF THE BORROWER NAMED HEREON. NO LICENSE HAS BEEN CREATED, EXPRESSED OR IMPLIED TO COPY THIS SURVEY.



City of Weslaco

"The City on the Grow"



David Suarez, Mayor
Greg Kerr, Mayor Pro-Tem, District 2
Leo Muñoz, Commissioner, District 1
Jose "J.P." Rodriguez, Commissioner, District 3
, Commissioner, District 4
Letty Lopez, Commissioner, District 5
Josh Pedraza, Commissioner, District 6

Mike R. Perez, City Manager

PLANNING DEPARTMENT

May 24, 2019

Legal Notice

Dear Occupant:

The Weslaco Planning and Zoning Commission will hold a public hearing on Wednesday, June 5, 2019 at 5:30 p.m. and the City Commission will also hold a public hearing on Tuesday, June 18, 2019 at 5:30 p.m. at the City Hall Legislative Chambers located at 255 South Kansas Avenue to consider the following request:

REZONE REQUEST:

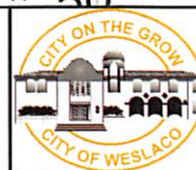
Smartcon Telephone, LLC is requesting to rezone 408 S. Nebraska. Also being Lot 5, Blk 36, Weslaco Original Townsite, Weslaco, Hidalgo County, and Texas from R-1 One-family dwelling district to B-2 Secondary highway business district

The public is hereby invited to attend and express their support or opposition to the request. You may also file a written notice supporting or protesting this action. For more information please call the Planning Department at (956) 447-3403.

Si desea información en español, por favor llame al departamento de Planeación de la ciudad de Weslaco, (956) 447-3403.

Sincerely,

Rebekah de la Fuente
Senior Planner



Purpose for the rezone request
Existing zoning: R-1
Existing land use: Residential
Prop zone: B-2

MAY 10, 2019

GAR-SAL PROPERTIES & LAND 2243 PECAN BLVD MCALLEN TX 78501-6734	W2300-00-035-0013-00 WESLACO ORIGINAL TOWNSITE BLK 35 LT 13 220 W 5TH ST	L: 37500 B: 37068
GUTIERREZ MARIANO & DELIA PO BOX 559 WESLACO TX 78599-0559	W2300-00-035-0014-00 WESLACO ORIGINAL TOWNSITE BLK 35 LOTS 14- 15 S1/2-16 409 S NEBRASKA	L: 75782 B: 85828
GUTIERREZ MARIANO & DELIA PO BOX 559 WESLACO TX 78599	W2300-00-035-0015-00 WESLACO ORIGINAL TOWNSITE BLK 35 LTS 15-S 1/2-16 405 S NEBRASKA	L: 45469 B: 57116
SOSA REYNALDO G SR 403 S NEBRASKA WESLACO TX 78596-6023	W2300-00-035-0016-00 WESLACO ORIGINAL TOWNSITE BLK 35 N5'-LT 16 & ALL LT 17 403 S NEBRASKA	L: 41250 B: 41212
GUTIERREZ MARIANO & DELIA PO BOX 1406 WESLACO TX 78599-1406	W2300-00-035-0016-01 WESLACO ORIGINAL TOWNSITE S 20'- N 1/2 LT 16 BLK 35 0 S NEBRASKA	L: 15000 B: 0
VILLA BENITO JR & MARIA A 401 S NEBRASKA AVE WESLACO TX 78596-6023	W2300-00-035-0018-00 WESLACO ORIGINAL TOWNSITE BLK 35 LT W88'-18 401 S NEBRASKA	L: 26400 B: 39430
CARDONA ANABELL PO BOX 8097 WESLACO TX 78599-8097	W2300-00-035-0018-01 WESLACO ORIGINAL TOWNSITE BLK 35 LT E37'-18 207 W 4TH ST	L: 11100 B: 33332
GARCIA MANUEL B 301 W 4TH ST WESLACO TX 78596-6047	W2300-00-036-0001-00 WESLACO ORIGINAL TOWNSITE BLK 36 LT 1 301 E 4TH ST	L: 42000 B: 40126
RAINWATER JACKSON III 406 S NEBRASKA AVE WESLACO TX 78596-6024	W2300-00-036-0002-00 WESLACO ORIGINAL TOWNSITE BLK 36 LTS 2,3,4 406 S NEBRASKA	L: 101850 B: 157426
WRIGHT OLIVIA MARTINEZ 2323 S BORDER AVE WESLACO TX 78596-9841	W2300-00-036-0005-00 WESLACO ORIGINAL TOWNSITE LOT 5 BLK 36 408 S NEBRASKA	L: 23450 B: 1760
GARCIA ROBERTO & VIOLA PO BOX 1825 SAN BENITO TX 78586-0040	W2300-00-036-0006-00 WESLACO ORIGINAL TOWNSITE BLK 36 LT 6 300 W 5TH ST	L: 42000 B: 83527
WESLACO ISD PO BOX 266 WESLACO TX 78599-0266	W2300-00-036-0006-01 WESLACO ORIGINAL TOWNSITE LTS 7- 12 BLK 36, LTS 1-9 BLK 37 LTS 1- 0 S OKLAHOMA	L: 851073 B: 1299538

MAY 10, 2019

WESLACO ISD 312 W 5TH ST WESLACO TX 78596-6044	W2300-00-037-0001-00 WESLACO ORIGINAL TOWNSITE LOT 1 BLK 37 312 W 5TH ST	L: 548100 B: 827375
GARCIA ROBERTO & VIOLA PO BOX 1825 SAN BENITO TX 78586-0040	W2300-00-039-0001-00 WESLACO ORIGINAL TOWNSITE BLK 39 LT 1 0	L: 33600 B: 7987
GARCIA ROBERTO & VIOLA PO BOX 1825 SAN BENITO TX 78586-0040	W2300-00-039-0002-00 WESLACO ORIGINAL TOWNSITE BLK 39 LOT 2 0 W 6TH ST	L: 23450 B: 5019
PADILLA GEORGE & GUIYERMA A 504 S NEBRASKA AVE WESLACO TX 78596-6026	W2300-00-039-0003-00 WESLACO ORIGINAL TOWNSITE BLK 39 LOT 3 504	L: 23450 B: 8218
BENITEZ JUAN EDUARDO 400 S BICENTENNIAL BLVD MCALLEN TX 78501-5199	W2300-00-039-0014-00 WESLACO ORIGINAL TOWNSITE BLK 39 LTS 14-W90'-15-16 313 W 5TH ST	L: 53600 B: 28855
BENITEZ JUAN EDUARDO 400 S BICENTENNIAL BLVD MCALLEN TX 78501-5199	W2300-00-039-0015-00 WESLACO ORIGINAL TOWNSITE BLK 39 LTS E50'-15-16 309 W 5TH ST	L: 16750 B: 25932
TEXAS STATE BANK 15 20TH ST S STE 501 BIRMINGHAM AL 35233-2000	W2300-00-040-0001-00 WESLACO ORIGINAL TOWNSITE ALL LO TS 1 THRU 33 BLK 40 & 20 X 300 A 500 S MISSOURI AVE	L: 539465 B: 2013563
TEXAS STATE BANK C/O DIANA SEALE 15 S 20TH ST STE 501 BIRMINGHAM AL 35233	W2300-00-040-0015-00 WESLACO ORIGINAL TOWNSITE BLK 40 LTS 15-16-17 0	L: 33750 B: 0

408 S Nebraska

From R-1 to B-2

E. 4TH ST.

Legend

 Shepherd of the Valley

 Weslaco Independent School District

S Nebraska Ave



E. 5TH ST.

Google Earth

© 2018 Google
© 2018 INEGI



200 ft

ORDINANCE NO. 2019-20

AN ORDINANCE AMENDING ZONING ORDINANCE NO. 320 AND AMENDING THE ZONING MAP OF THE CITY OF WESLACO TO CHANGE THE ZONING OF 408 S. NEBRASKA AVE ALSO BEING LOT 5, BLK 36, WESLACO ORIGINAL TOWNSITE, WESLACO, HIDALGO COUNTY, TEXAS, FROM R-1 ONE-FAMILY DWELLING DISTRICT TO B-2 SECONDARY HIGHWAY BUSINESS DISTRICT BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS:

SECTION I: R-1 One-Family Dwelling District to B-2 Secondary highway business district being 408 S. Nebraska also being Lot 5, Blk 36, Weslaco Original Townsite, Weslaco, Hidalgo County, Texas.

SECTION II: That this ordinance shall become effective upon its passage.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 18th day of June 2019.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this 2nd day of July 2019.

CITY OF WESLACO

David Suarez, **MAYOR**

ATTEST:

Myra Ayala, **CITY SECRETARY**

APPROVED AS TO FORM:

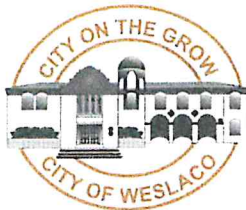
Juan E. Gonzalez, **CITY ATTORNEY**



Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2019-2535	
From: Benjamin Worsham			
Subject: Ordinance 2019-21 to rezone 2411 N Texas Blvd. also being Lots 1&2, Raq=Lin Subdivision Phase I, Weslaco, Hidalgo County, Texas from R-1 One-family dwelling district to B-2 Secondary highway business district and authorize the Mayor to execute any related documents. (First reading held June 18, 2019; staffed by Planning and Code Enforcement Department.)			
Background: The applicant is requesting to rezone property from R-1 One-family dwelling district to B-2 Secondary highway business district. Twenty-six (26) property owners within 200 feet of the applicant's property were notified by letter on May 24, 2019.			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted: Mayor's Signature Ordinance - First Reading Ordinance - Final Reading			
If item previously considered, provide date and action by Commission:			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners: Notice of the application and the Public Hearing for the City Commission appeared in The Monitor on May 20, 2019.			
Advisory Review, if any (name of board/committee, date of action, recommendation): The Planning & Zoning Commission recommended approval of the rezone request on June 5, 2019.			
Aida Vega Benjamin Worsham Mike Perez		Created/Initiated New	
City Manager Comments: Approve.			
Staff Recommendation: Staff recommends approval based on 2040 Land Use Map			
Attachments, if any: 2411 S Texas- Attachments, 2411 Texas Blvd- Aerial, O2019-21 rezone 2411 S Tx Blvd			
Responsibilities upon Approval:			

Staff will notify applicant.



RECEIVED

MAY 15 2019

APPLICATION FOR REZONING

Planning &
Code Enforcement Dept.

The Planning & Zoning Commission meets every 1st Wednesday of each month at 5:30 pm.

The City Commission meets every 1st and 3rd Tuesday of each month at 5:30 pm

FILE NO. REZ19-00016

PROPOSED PROJECT

Legal Description of Property to be rezoned:

Lot All of Lots 1 & 2 Block N / A

Subdivision Name Raq=Lin Subdivision Phase I, Volume 29, Page 140B, Hidalgo County Map Records

Street Address 2411 Texas Boulevard North

Existing Zoning Per City of Weslaco map discrepancy, Existing Zoning is "UNDETERMINED" Existing Land Use Currently, unoccupied

Proposed Zoning B-2 Secondary & Highway Business District Proposed Land Use Bingo Hall

- ☒ \$300.00 non-refundable filing fee.
☒ Detailed dimensioned site plan/map must be submitted with this request.
☒ Survey and metes and bounds if the legal description is a portion of a lot.
☒ City and school tax receipts attached.
☒ I have received a copy of "The Intent of Zoning Application Instructions".

APPLICANT

Name AEC Engineering, LLC Phone 956-380-6558

Address 204 E. Stubbs, Suite B Fax: 956-380-6110

City Edinburg State TX Zip Code 78539 E-Mail: roel@aecengineering.net

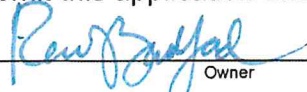
OWNER

Name Reuben Bar-Yadin Phone 210-424-8081

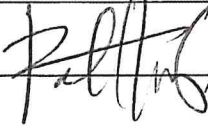
Address 4629 Macro Drive Fax: 210-424-8081

City San Antonio State TX Zip Code 78218 E-Mail: gvaldes@CBGcre.com

I certify that I am the actual owner of the property described above and this application is being submitted with my consent (include corporate name if applicable); or I am authorized by the actual owner to submit this application and have attached written evidence of such authorization.

Signature  Date 5/15/19
Owner

Signature Roel Hernandez Date 5/15/19
Applicant

Signature  Date 5/15/19
Authorized Agent

LOT 1 AND 2, RAO=LIN SUBDIVISION PHASE 1, AN ADDITION TO THE CITY OF WESTLACO,
HIDALGO COUNTY, TEXAS, AS PER MAP OR PLAT THEREOF RECORDED IN VOLUME, 29, PAGE 1405,
MAP RECORDS, HIDALGO COUNTY, TEXAS

THIS SUBDIVISION LIES IN ZONE B - AREAS BETWEEN LIMITS OF THE 100-YEAR FLOOD AND 500-YEAR FLOOD; OR CERTAIN AREAS SUBJECT TO 100-YEAR FLOODING WITH AVERAGE DEPTHS LESS THAN ONE (1) FOOT OR WHERE THE CONTRIBUTING DRAINAGE AREA IS LESS THAN ONE SQUARE MILE; OR AREAS PROTECTED BY LEAVES FROM THE BASE FLOOD (MEDIUM SHADING).

2.955 ACRES (128.7119 AC) OF LAND, BEING ALL OF LOT 1, (P&U-LIN SUBDIVISION PHASE 1), IN ADDITION TO THE CITY OF MESQUITO, HIDALGO COUNTY, TEXAS, AS PER MAP OR PLAT PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A FOUND NAIL ROD AT THE SOUTH EAST CORNER OF LOT 1, (P&U-LIN SUBDIVISION PHASE 1), VOL. 29, PG. 1049, H.C.M.P., FOR THE SOUTH EAST CORNER OF THIS TRACT OF LAND;

THENCE S. 68° 47' 45" W. ALONG THE SOUTH LINE OF LOT 1, PASS THE WEST LINE OF SAID LOT 1 (EAST LINE OF LOT 2) AT 350.00 FEET, CONTINUING FOR A TOTAL DISTANCE OF 580.00 FEET TO AN EXTERIOR AND THE SOUTH WEST CORNER OF THIS TRACT OF LOT 2;

THENCE S. 01° 12' 15" W. ALONG THE WEST LINE OF LOT 2 (P&U-LIN SUBDIVISION PHASE 1, SUBDIVISION, VOL. 29, PG. 1048, H.C.M.P.), A DISTANCE OF 222.00 FEET TO AN EXTERIOR AND THE NORTH WEST CORNER OF THIS TRACT OF LAND;

THENCE N. 88° 47' 45" E. ALONG THE NORTH LINE OF LOT 2, ALSO BEING THE SOUTH RIGHT-OF-WAY LINE OF WEST JEFFERSON ST, PASS THE EAST LINE OF SAID LOT 2, (EAST LINE OF LOT 1) AT 230.00 FEET, CONTINUING FOR A TOTAL DISTANCE OF 580.00 FEET TO AN EXTERIOR AND NORTH EAST CORNER THIS TRACT OF LAND;

THENCE S. 01° 12' 15" E. ALONG THE EAST LINE OF LOT 1 (P&U-LIN SUBDIVISION PHASE 1, SUBDIVISION, VOL. 29, PG. 1048, H.C.M.P.), ALSO BEING THE WEST RIGHT-OF-WAY LINE OF WEST JEFFERSON ST, (EAST LINE OF LOT 2) AT 230.00 FEET, CONTINUING FOR A TOTAL DISTANCE OF 580.00 FEET TO AN EXTERIOR AND SOUTH EAST CORNER OF THIS TRACT OF LOT 1 CONTAINING 2.955 ACRES (128.7119 AC) SQUARE BEING THE POINT OF BEGINNING OF THIS TRACT OF LAND CONTAINING 2.955 ACRES (128.7119 AC) SQUARE BEING THE LAND MORE OR LESS.

TO: WELLS FARGO, LLC, AND CHICAGO TITLE INSURANCE COMPANY;
THIS IS TO CERTIFY THAT THE SALES OF PLAT AND THE SURVEY ON WHICH IT IS BASED WERE MADE IN ACCORDANCE WITH THE 2016 MINNESOTA STANDARD DETAIL REQUIREMENTS FOR ALTA/SURVEY PLAT TITLE SURVEYS, JOINTLY ESTABLISHED AND ADOPTED BY ALTA AND NSPS, AND INCLUDED ITEMS 1, 2, 3, 4, 5, 7 (a), 7 (b), 8, 9, 11, 13, 14, 16, 17, and 18 OF TABLE A HEREOF. THE FIELDWORK WAS COMPLETED ON DECEMBER 13, 2016.
DATE OF PLAT OR SALE: JANUARY 9, 2019

CLIENT REQUESTED SURVEYOR'S CERTIFICATE FOR IMPROVED PROPERTY

2. THAT THE CITY OF RECORDER, IN THE CARRY OUT OF ITS DUTY, HAS SPENT OF THE SURVEY AND IS TRUE, CORRECT AND ACCURATE AS TO THE DIMENSIONS AND AREA OF THE SUBJECT PROPERTY, AND AS TO THE LOCATION AND TYPE OF BUILDINGS, STRUCTURES AND IMPROVEMENTS THEREON AND AS TO ALL OTHER MATTERS IN THIS SECTION;
3. THAT THERE ARE NO DEPENDENCIES, CONFLICTS, SHORTFALLS IN AREA, ENCROACHMENTS, PROMISSES OR OBLIGATIONS OF IMPROVEMENTS, ENCUMBRANCES OR WATERWAYS;
4. THAT ALL OF THE BUILDINGS, STRUCTURES AND IMPROVEMENTS ARE IN COMPLIANCE WITH ALL APPLICABLE LAWS ON FILE OF OR RECORDED IN THE PUBLIC RECORDS OF HARRIS COUNTY, TEXAS;

[illegible]

9. THE SUBJECT PROPERTY DOES NOT SERVE AND IS NOT SERVED BY ANY ADJOINING PROPERTY FOR ACCESS, PARKING OR OTHER PURPOSES EXCEPT FOR THE FOLLOWING MATTERS SHOWN ON THE SURVEY.
10. THE SURVEY CONFORMS WITH THE JURISDICTION'S CODES AND PROFESSIONAL STANDARDS AND SPECIFICATIONS FOR A CATEGORY 10, COMMON 2 SURVEY, AND THE SURVEY IS ACCURATE, TRUE, AND CORRESPOND TO THE BEST OF MY KNOWLEDGE AND BELIEF.

A TITLE REPORT ON WHICH THE UNDERGROUND RULES WAS OBTAINED BY CIRCULAR TITLE INSURANCE COMPANY, EFFECTIVE EXCEDED 19, 2018 AND ISSUED OCTOBER 26, 2018, OF THE SE-46-10011902277-000.

[illegible]

RIO DELTA SURVEYING
 FIRM #10013800
 24593 FM BR, MONTE ALTO, TX 78558
 (TEL) 956-380-5154 (FAX) 956-380-5151
 EMAIL: MARCO@RIODELTA.SURVEYING.COM

●	FOLD ROUN ROD	— W — W — W —	EXISTING WATER LINE
○	POWER POLE	GAS — GAS	EXISTING GAS LINE
⊙	CUT WIRE		EXISTING DITCH LINE
⊕	PARKING LOT LIGHT POLE		EXISTING UNDERGROUND ELEC.
✱	SANITARY SEWER CLEAN-OUT	// — //	EXISTING TOWN FENCE
✱	METALLURGICAL STORAGE	X — X — X	EXISTING CHAINLINK FENCE
✱	PAV'T PILE	— — — ONC	EXISTING OVERHEAD ELEC.
		SS — SS	EXISTING SEWER LINE

1. ADDRESS FOR HIS SITE: 4411 TEXAS BOULEVARD NORTH
MESA, TEXAS 79066
2. THE LEGAL DESCRIPTION ON THE SURVEY WAS THE SAME AS THE LEGAL DESCRIPTION
OF THE COMPLETION, WITH REFERENCE CALL OF 10. 611-49-4320180277-08.
3. THE TRACT OF LAND IS CLASSIFIED AS:
R-1 ONE FAMILY DWELLING DISTRICT
4. ALL LOCATIONS OF UNDERGROUND UTILITIES SHOWN HEREIN WERE PROVIDED AS
OBTAINED BY THE LOCATIONING SERVICE CONTRACTOR AND/OR THE CITY OF MESA. NO
PHOTOGRAPHIC EVIDENCE
5. NO EVIDENCE OF SITE USE AS A SOLID WASTE SUMP, SUMP OR SANITARY LANDFILL
6. EVIDENCE OF CURRENT EARTH MOVING OR REMOVAL CONSTRUCTION OF BUILDING/SITE
ADDITIONS WERE NOT OBSERVED ON OR AROUND THIS PROPERTY
7. THERE ARE NO GAPS OR GORES BETWEEN THE RIGHT-OF-WAY LINES AND THE BOUNDARY OF
EXACT PROPERTY

ADDITIONAL REQUIREMENTS FOR SETBACKS ARE SUBJECT TO FINAL CITY C

WESTACO VERIFICATION DURING SITE PLAN PROCESS, AS NEEDED.

500-YEAR FLOOD; OR CERTAIN AREAS SUBJECT TO 100-YEAR FLOODING WITH AVERAGE FLOOD DRAINAGE (A) FROM AN ADJUTANT CONTAMINATED AREA IN FLOOD

THAN ONE SQUARE MILE; OR AREAS PROTECTED BY LEVELS FROM THE BASE FLOOD (MEDIUM SURROUND)

BEER AVAILABLE THROUGHOUT APPROPRIATE DISTRICT RECREATION CENTER RECREATION IS

AS FOLLOWS:

LOT 1 & 2 : OSCAR & REQUENEL V PALACIOS

ADDRESS: ANTONIO ESPARZA
1899 N. CAGE BLVD STE 1

PHARM, IX /65/1

City of Weslaco

"The City on the Grow"



David Suarez, Mayor
Greg Kerr, Mayor Pro-Tem, District 2
Leo Muñoz, Commissioner, District 1
Jose "J.P." Rodriguez, Commissioner, District 3
, Commissioner, District 4
Letty Lopez, Commissioner, District 5
Josh Pedraza, Commissioner, District 6

Mike R. Perez, City Manager

PLANNING DEPARTMENT

May 24, 2019

Legal Notice

Dear Occupant:

The Weslaco Planning and Zoning Commission will hold a public hearing on Wednesday, June 5, 2019 at 5:30 p.m. and the City Commission will also hold a public hearing on Tuesday, June 18, 2019 at 5:30 p.m. at the City Hall Legislative Chambers located at 255 South Kansas Avenue to consider the following request:

REZONE REQUEST:

AEC Engineering, LLC is requesting to rezone 2411 Texas Blvd. Also being Lots 1&2, Raq=Lin Subdivision Phase I, Weslaco Original Townsite, Weslaco, Hidalgo County, and Texas from R-1 One-family dwelling district to B-2 Secondary highway business district.. Possible action.

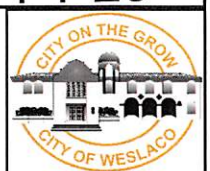
The public is hereby invited to attend and express their support or opposition to the request. You may also file a written notice supporting or protesting this action. For more information please call the Planning Department at (956) 447-3403.

Si desea información en español, por favor llame al departamento de Planeación de la ciudad de Weslaco, (956) 447-3403.

Sincerely,

Rebekah de la Fuente
Senior Planner

Engineering



Purpose for the rezone request
Existing zoning: R-1
Existing land use: R-1
Prop zone: B-2

MAY 22, 2019

BOUTIN SANDRA A ETAL 2174 REDWOODS CRST SAN ANTONIO TX 78232-3905	D6115-00-000-001A-00 DON-ROSE LOT 1A 301 W SUGAR CANE DR	L: 36750 B: 33772
RODRIGUEZ ESMERALDA & 223 W SUGAR CANE DR WESLACO TX 78599-4428	D6115-00-000-001B-00 DON-ROSE LOT 1B 223 W SUGAR CANE DR	L: 42000 B: 89896
PALACIOS OSCAR & RAQUENEL V 1899 N CAGE BLVD STE A PHARR TX 78577-2563	R1225-01-000-0001-00 RAQ=LIN PH 1 LOT 1 2411 N TEXAS BLVD	L: 388500 B: 336497
PALACIOS OSCAR & RAQUENEL V 1899 N CAGE BLVD STE A PHARR TX 78577-2563	R1225-01-000-0002-00 RAQ=LIN PH 1 LOT 2 215 W JEFFERSON ST	L: 114885 B: 0
PEREZ MARIA DEL CARMEN 5 W HAWTHORN AVE BROWNSVILLE TX 78520-7845	S0650-00-000-0001-00 SAN FRANCISCO ALL LOTS 1 & 2 2219 N TEXAS BLVD	L: 106250 B: 205299
FAD PROPERTIES LLC 120 W CORAL SOUTH PADRE ISLAND TX 78597	S0650-00-000-0001-01 SAN FRANCISCO E75'-LOT 1 0 FM 88	L: 31875 B: 98077
FAD PROPERTIES LLC 120 W CORAL SOUTH PADRE ISLAND TX 78597	S0650-00-000-0002-00 SAN FRANCISCO N26'-W46' OF LOT 2	L: 5980 B: 0
OLIVAREZ JOE D PO BOX 1667 WESLACO TX 78599-1667	S0650-00-000-0003-00 SAN FRANCISCO LT 3 2209 N TEXAS BLVD	L: 53125 B: 13853
LEOS NORA 1914 MARIA ISABEL DR WESLACO TX 78599-4410	S0650-00-000-0015-00 SAN FRANCISCO LT 15 1914 MARIA ISABEL DR	L: 14553 B: 102036
RODRIGUEZ NATILISA I 1916 MARIA ISABEL DR WESLACO TX 78599-4410	S0650-00-000-0016-00 SAN FRANCISCO LT 16 1916 MARIA ISABEL DR	L: 14553 B: 12237
LOPEZ DIANA 1915 MARIA ISABEL DR WESLACO TX 78599-4410	S0650-00-000-0017-00 SAN FRANCISCO LT 17 1915 MARIA ISABEL DR	L: 14553 B: 39830
RODRIGUEZ APOLINAR & ELISVIA 801 E 27TH ST WESLACO TX 78596-8130	S0650-00-000-0018-00 SAN FRANCISCO LT 18 1913 MARIA ISABELA DR	L: 14553 B: 0

MAY 22, 2019

CAVAZOS DOMINGO JR & SANDRA 1911 MARIA ISABEL DR WESLACO TX 78599-4410	S0650-00-000-0019-00 SAN FRANCISCO LT 19 1911 MARIA ISABEL DR	L: 13230 B: 71326
MDQ INVESTMENTS LLC 54 3RD ST PRESQUE ISLE ME 04769-2649	S0650-00-000-0020-00 SAN FRANCISCO LOTS 20-23 0	L: 85142 B: 606980
GILL EDWARD T & EDITH A 3207 MABURY RD SAN JOSE CA 95127	S0650-00-000-0021-00 SAN FRANCISCO LT 21 0	L: 21483 B: 135324
GILL EDWARD T & EDITH A 3207 MABURY RD SAN JOSE CA 95127	S0650-00-000-0022-00 SAN FRANCISCO LT 22 1907 MARIA ISABEL DR	L: 21483 B: 126246
GILL, EDWARD T & EDITH A 3207 MABURY RD SAN JOSE CA 95127	S0650-00-000-0023-00 SAN FRANCISCO LT 23 1905 MARIA ISABEL DR	L: 20693 B: 266507
ESTRADA EDUARDO R & EMMA L 1910 MARIA ISABEL DR WESLACO TX 78599-4410	S0650-00-000-0029-00 SAN FRANCISCO LT 29 1912 MARIA ISABEL DR	L: 14553 B: 0
RODRIGUEZ EDUARDO E & EMMA L 1910 MARIA ISABEL DR WESLACO TX 78599-4410	S0650-00-000-0030-00 SAN FRANCISCO LT 30 1910 MARIA ISABEL DR	L: 13306 B: 30636
SALAS MARIA DEL CARMEN & JESUS 1908 MARIA ISABEL DR WESLACO TX 78599-4410	S0650-00-000-0031-00 SAN FRANCISCO LT 31 1908 MARIA ISABEL DR	L: 13929 B: 47615
CITY OF WESLACO 255 S KANSAS AVE WESLACO TX 78596-6158	W3800-00-028-0000-01 WEST TRACT FT 28 23.36AC EXC NW. 92AC & NE 1.02AC 21.42AC GR 20.3	L: 1472327 B: 372121
GARCO LTD 3910 W FREDDY GONZALEZ DR EDINBURG TX 78539-9308	W3800-00-117-0000-00 WEST TRACT N394'- E184' FT 117 101 W SUGARCANE DR	L: 233045 B: 7106
GARCIA FERNANDO 310 N TEXAS BLVD WESLACO TX 78596	W3800-00-117-0000-03 WEST TRACT W132'-E528'-N396' FT 117 1.20 AC NET 0 W SUGAR DR	L: 54864 B: 0
REYES RAMIRO ADRIAN 219 W SUGAR CANE DR WESLACO TX 78599	W3800-00-117-0000-08 WEST TRACT W132'-E792'-N396' FT 117 1.20AC GR 1.08AC NET 219 W SUGAR CANE DR	L: 49378 B: 47182

MAY 22, 2019

WILSON FAMILY TRUST	W3800-00-117-0000-10	L: 0
121 W SUGAR CANE DR	WEST TRACT E10.18AC-W22.82AC FT	B: 0
WESLACO TX 78599-4426	117 10.18AC	
	0 FM 88	
WILSON FRANCES H	W3800-00-117-0000-12	L: 38950
121 W SUGAR CANE DR	WEST TRACT W212'-E396'-N396' FT	B: 31414
WESLACO TX 78599-4426	117 1.90AC	
	121 W SUGAR CANE DR	

2411 Texas Blvd

From R-1 to B-2

Legend

 Hidalgo County



SUGAR CANE DR.

N. TEXAS BLVD.

Google Earth

© 2018 Google
© 2018 INEGI



1000 ft

ORDINANCE NO. 2019-21

AN ORDINANCE AMENDING ZONING ORDINANCE NO. 320 AND AMENDING THE ZONING MAP OF THE CITY OF WESLACO TO CHANGE THE ZONING OF 2411 N Texas Blvd AVE ALSO BEING LOTS 1 & 2, RAQ=LIN SUBDIVISION PHASE I, WESLACO, HIDALGO COUNTY, TEXAS, FROM R-1 ONE-FAMILY DWELLING DISTRICT TO B-2 SECONDARY HIGHWAY BUSINESS DISTRICT BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS:

SECTION I: R-1 One-Family Dwelling District to B-2 Secondary highway business district being 2411 N Texas Blvd also being Lots 1 & 2, Raq=Lin Subdivision Phase I, Weslaco, Hidalgo County, Texas.

SECTION II: That this ordinance shall become effective upon its passage.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 18th day of June 2019.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this 2nd day of July 2019.

CITY OF WESLACO

David Suarez, **MAYOR**

ATTEST:

Myra Ayala, **CITY SECRETARY**

APPROVED AS TO FORM:

Juan E. Gonzalez, **CITY ATTORNEY**



Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2019-2537	
From: Benjamin Worsham			
Subject: Ordinance 2019-22 amending ordinance number 2018-02, the City of Weslaco Zoning Ordinance; codified as Chapter 150 of the Weslaco Code of Ordinances, adopting new regulations related to time limitation (6 months) to reapply for rezone; and ordaining other matters with respect to the subject matter hereof and authorize the Mayor to execute any related documents. (First reading held June 18, 2019; staffed by Planning and Code Enforcement Department.)			
Background: The proposed ordinance will create a refiling time frame for denied Public Hearings including rezones and conditional use permits. An applicant will not be eligible to refile an application until after a six month period.			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted: Mayor's Signature Ordinance - First Reading Ordinance - Final Reading			
If item previously considered, provide date and action by Commission:			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:			
Advisory Review, if any (name of board/committee, date of action, recommendation): The Planning & Zoning Commission recommended approval of the zoning ordinance amendment for a six (6) month period on June 5, 2019.			
Aida Vega Benjamin Worsham Mike Perez		Created/Initiated New	
City Manager Comments: Approve.			
Staff Recommendation: Staff recommends approval.			
Attachments, if any: Zoning Reapplication Time Limits, O2019-22 amend Zoning Ord Chapter 150			
Responsibilities upon Approval: Staff will enforce newly adopted regulation to the ordinance			



LAW OFFICE OF
JUAN E. GONZALEZ

3110 E. Bus. Hwy 83, Weslaco, Texas 78596
TEL: (956) 447-5585
Fax: (956) 447-8637
email: juanegonzalez@jeglaw.net

April 25, 2019

City of Weslaco
Attn: City Manager
255 S. Kansas
Weslaco, Texas 78596

Re: Zoning Ordinance-Applications

This opinion is being prepared pursuant to a request by the City Manager and staff on time limitations for refiling a request for rezoning after it has been initially denied.

The two issues here are whether or not a proponent can reapply for a zone change after it is denied by the City Council or the Planning and Zoning Commission and whether there are any time limits to reapplication. State law does not specifically address this issue nor does our municipal charter or zoning ordinance. After researching this issue I discovered that most cities put a time limit on their ordinances forbidding a similar request for six (6) or twelve (12) months after a request is denied. *Texas Municipal Law Manual, Third Edition (1998)*. The obvious rationale for these time limitations are to prevent a City getting flooded with reapplications with only minor changes.

The next issue is whether or not the City has the power to amend its zoning ordinance and add language setting time limits for reapplications. The answer is yes. Municipalities have the power to enact zoning regulation (or zoning ordinances) for the purpose of promoting the public health, safety, morals, or general welfare and protecting and preserving places and areas of historical, cultural, or architectural importance and significance. *Texas Local Government Code § 211.001*. The power to zone is quite broad, and zoning regulations are given great deference by the courts. These powers are not unlimited. However, most limits are based on constitutional issues which do not apply to time limits for reapplying for a rezone. Keystone Bituminous Coal Assn. v. DeBenedictus, 480 U.S. 470; 94 L.Ed. 2d 472 (1987).

If the City Commission so desires we can amend the City Zoning Ordinance 2018-02 in Section 150-20 to add a subsection (h) with the following language:

“Once an application has been denied by the City Commission a similar request for the same application may not be filed for (insert six(6) or twelve (12) months) unless there are extenuating circumstances that require emergency action.”

If you have any additional questions or you need additional information feel free to contact me at the phone number or email listed above.

Sincerely,

/s/ Juan E. Gonzalez

Juan E. Gonzalez

ORDINANCE 2019-22

AN ORDINANCE AMENDING ORDINANCE NUMBER 2018-02, THE CITY OF WESLACO ZONING ORDINANCE; CODIFIED AS CHAPTER 150 OF THE WESLACO CODE OF ORDINANCES, ADOPTING NEW REGULATIONS; AND ORDAINING OTHER MATTERS WITH RESPECT TO THE SUBJECT MATTER HEREOF.

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

SECTION I.

Ordinance 2018-02 passed and approved on February 6, 2018 as “Zoning Ordinance” and Codified as Chapter 150 of the Weslaco Code of Ordinances is hereby amended.

SECTION II.

After second and final reading of this Ordinance the new zoning ordinance will be adopted and codified as Chapter 150 of the Weslaco Code of Ordinances and said Chapter shall read as follows:

CHAPTER 150 ZONING ORDINANCE

Sec. 150-20

(h) Once an application has been denied by the City Commission a similar request for the same application may not be filed for six (6) months unless there are extenuating circumstances that require emergency action.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 18th day of June 2019.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this 2nd day of July 2019.

CITY OF WESLACO

David Suarez, MAYOR

ATTEST:

Myra Ayala, CITY SECRETARY

APPROVED AS TO FORM:

Juan E. Gonzalez, CITY ATTORNEY



Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2019-2486	
From:			
Subject: Ordinance 2019-23 establishing Article XI. Drainage; creating Section 2-280 through Section 2-284; creating a Citizens Drainage Advisory Board and authorize the Mayor to execute any related documents. (First reading held June 18, 2019; staffed by City Manager's Office.)			
Background:			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted: Mayor's Signature Ordinance - First Reading Ordinance - Final Reading			
If item previously considered, provide date and action by Commission:			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:			
Advisory Review, if any (name of board/committee, date of action, recommendation):			
Aida Vega Mike Perez		Created/Initiated Final Approval	
City Manager Comments: Approve.			
Staff Recommendation: Approve.			
Attachments, if any: O2019-23 creation of Citizens Drainage Advisory Board			
Responsibilities upon Approval:			

ORDINANCE 2019-23

AN ORDINANCE AMENDING PART II-CODE OF ORDINANCES, CHAPTER 2 ADMINISTRATION, OF THE CODE OF ORDINANCES OF THE CITY OF WESLACO, TEXAS BY PROVIDING A NEW ARTICLE; ESTABLISHING ARTICLE XI. DRAINAGE; CREATING SECTION 2-280 THROUGH SECTION 2-284; CREATING A CITIZENS DRAINAGE ADVISORY BOARD; PROVIDING FOR THE COMPOSITION, GENERALLY AND APPOINTMENT OF THE MEMBERS; PROVIDING FOR THE TERMS OF MEMBERS, FILLING OF VACANCIES; PROVIDING FOR AN EX-OFFICIO MEMBER(S); PROVIDING FOR GENERAL DUTIES; AND ORDAINING OTHER MATTERS WITH RESPECT TO THE SUBJECT MATTER HEREOF.

BE IT ORDAINED BY THE CITY OF WESLACO, TEXAS THAT:

ARTICLE XI. – DRAINAGE

Section 2-280: Create the Citizens Drainage Advisory Board.

There is hereby created a drainage advisory board to be known as the "Citizens Drainage Advisory Board."

Section 2-281: Composition, Generally; Appointment of Members.

The Drainage Advisory Board shall be composed of nine (9) members appointed by the City Commission, with the advice of the City Manager.

Section 2-282: Terms of Members; Filling of Vacancies.

- a) Qualifications. The Drainage Board members shall be resident citizens, taxpayers, and qualified voters of the city.
- b) Appointment, Terms of office. Members shall serve for no more than two (2) three (3) year staggered terms for a total of no more than six (6) years. The City Commission will have the ability to waive the term limit.
- c) Vacancies. Vacancies shall be filled for the full or unexpired term in the same manner as provided for in the original appointments and all expired terms.
- d) Compensation. Members of the board shall serve without compensation;
- e) Quorum. Five (5) board members shall constitute a quorum.
- f) Officers. The board shall elect its own officers.

- g) Minutes. The board shall keep minutes of its meetings. The minutes may be taken and transcribed by city staff.

Section 2-283: Ex-Officio Member(s).

The City Engineer or their designee and the Public Works Director or their designee shall be Ex-Officio members of the advisory board without voting rights.

Section 2-284: General Duties.

- a) The Board will develop a proposed scheduling of drainage Capital Improvements Projects and make recommendations on the planning implementation and funding of the drainage projects as recommended in the 2019 City of Weslaco Stormwater Improvement Plan.
- b) The Board will present a report every six months to the City Commission on the status on the drainage projects.
- c) The Board shall be an advisory board and make any/all drainage issues recommendations to the City Commission. Any/all recommendations will be staffed by the Citizens Drainage Advisory Board, City Manager, and Mayor.
- d) The City Commission shall have final approval of all goals and objectives that will be implemented within the city for drainage improvements taking into consideration total community needs.
- e) The City Commission shall determine and establish the general policies and programs for the operation, conduct and management of the Board.
- f) The City Engineer and Public Works Director shall be responsible to the City Manager for the efficient and proper operation of the city's Drainage Advisory Board.
- g) Monthly reports regarding maintenance, equipment, and departmental personnel will be provided to the Board by the Public Works Department.
- h) Monthly reports regarding drainage improvement projects and the project budgets will be provided to the Board by the Engineering Department.
- i) Absenteeism: In accordance to Resolution 2014-62, three (3) absences, not limited to consecutive, from any board or committee as appointed is established as just cause for removal and replacement by the Commission.

SEVERABILITY CLAUSE. It is the intent of the City Commission that each sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be deemed severable and, should any such sentence, paragraph, subdivision, clause, phrase or section be declared invalid or unconstitutional for any reason, such declaration of invalidity or unconstitutionality shall not be construed to affect the validity of those provisions of the Ordinance left standing.

EFFECTIVE DATE. This Ordinance shall take effect upon final reading.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 18th day of June 2019.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this 2nd day of July 2019.

CITY OF WESLACO

BY: _____

David Suarez, **MAYOR**

ATTEST:

BY: _____

Myra L. Ayala Garza, **CITY SECRETARY**

APPROVED AS TO FORM:

BY: _____

Juan E. Gonzalez, **CITY ATTORNEY**

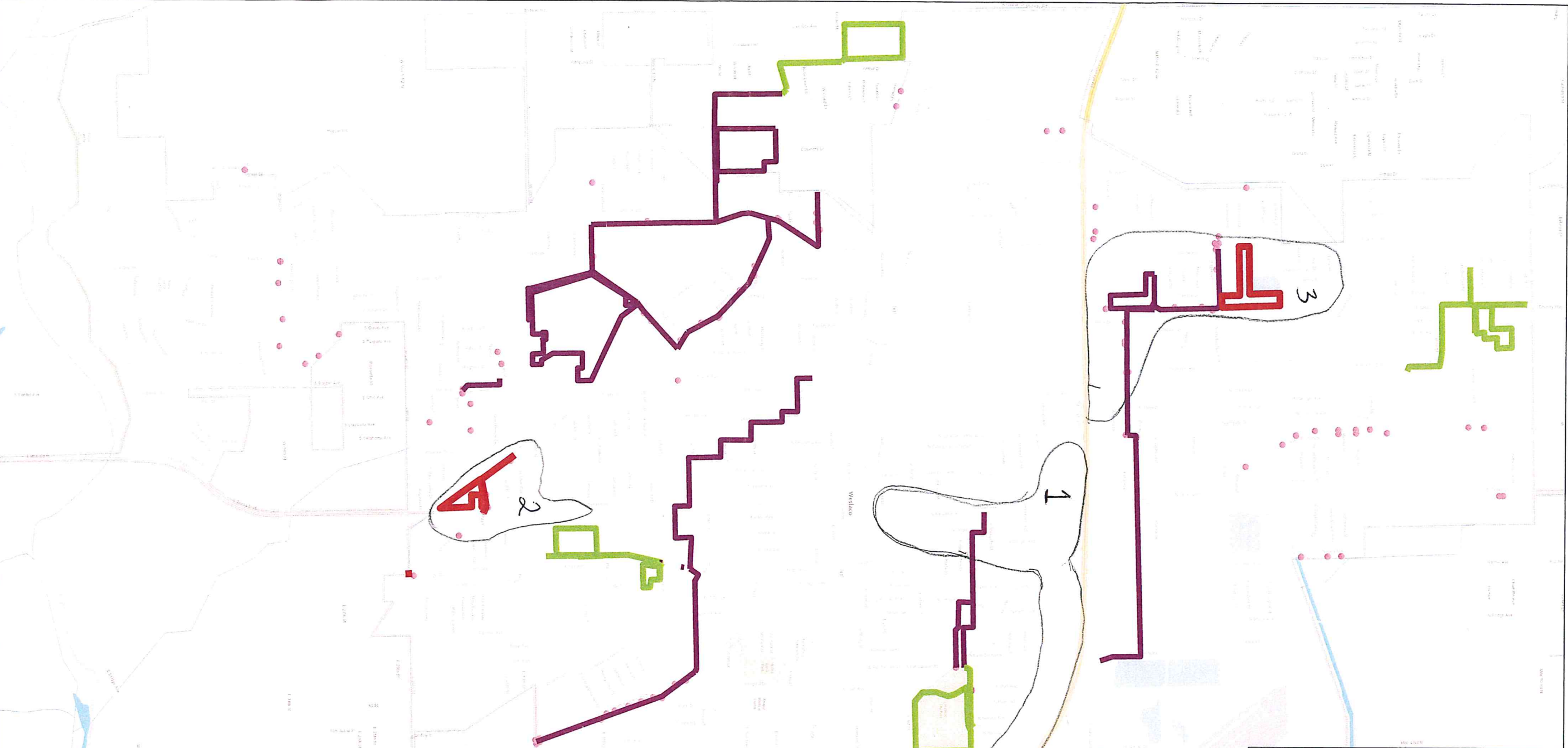


Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2019-2556	
From:			
Subject: Approval on Incentive Agreement between Economic Development Corporation of Weslaco and City for financial assistance for drainage improvements in the commercial and industrial area of the City and authorize the Mayor to execute any related documents. (Staffed by City Manager's Office.)			
Background:			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted:			
If item previously considered, provide date and action by Commission:			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:			
Advisory Review, if any (name of board/committee, date of action, recommendation):			
Aida Vega Mike Perez		Created/Initiated Final Approval	
City Manager Comments: Approve.			
Staff Recommendation:			
Attachments, if any: Exhibit-map commercial and industrial areas, Incentive Agreement			
Responsibilities upon Approval:			

Priority Grouping	Project Number and Phase	Project Cost
Short Term	Project 7	\$ 82,000
	Flapjacks	\$ 500,000
	Project 8	\$ 1,386,000
	Project 2 Phase 1B	\$ 2,422,000
	Project 6	\$ 4,775,000
	Flapjacks	\$ 500,000
Intermediate Term	Sub - Total Cost	\$ 9,665,000
	Project 4 Phase 1	\$ 4,866,000
	Project 1	\$ 3,882,000
	Project 5 Phase 1	\$ 4,784,000
	Project 3 Phase 1	\$ 9,167,000
	Sub - Total Cost	\$ 22,699,000
Long Term	Project 3 Phase 2	\$ 11,910,000
	Project 2 Phase 1A	\$ 1,655,000
	Project 2 Phase 2	\$ 489,000
	Project 2 Phase 3	\$ 5,136,000
	Project 4 Phase 2	\$ 6,754,000
	Project 4 Phase 3	\$ 16,388,000
Long Term	Project 4 Phase 4	\$ 4,602,000
	Project 5 Phase 2	\$ 4,180,000
	Project 5 Phase 3B	\$ 6,267,000
	*Project 5 Phase 3	\$ 23,217,000
Grand Total Cost		\$ 89,745,000
Sub - Total Cost		\$ 57,381,000

*If funding permits select Project 5 Phase 3 instead of Project 5 Phase 3B.



Project Area	Phase	Project Description	Individual Project Cost	Cumulative Cost
Project 1	Phase 1A	Channel and culvert improvements/additions to the existing drainage system. New storm detention ponds to relieve area flooding.	\$ 3,882,000	\$ 3,882,000
Project 2	Phase 1B	New storm detention pond to relieve area flooding. Channel widening to provide more volume for storm water storage.	\$ 1,655,000	\$ 5,537,000
Project 3	Phase 1	Addition of storm drain system to convey more storm water to downstream major drainage ditch.	\$ 489,000	\$ 6,026,000
Project 4	Phase 1	New storm detention pond to relieve area flooding. Channel widening to the existing drainage system.	\$ 5,136,000	\$ 11,162,000
Project 5	Phase 1	New storm detention pond to relieve area flooding. Channel widening to the existing drainage system.	\$ 9,167,000	\$ 20,329,000
Project 6	Phase 2	New storm detention pond to relieve area flooding. Channel widening to the existing drainage system.	\$ 11,910,000	\$ 32,239,000
Project 7	Phase 3	New storm detention pond to relieve area flooding. Channel widening to the existing drainage system.	\$ 4,866,000	\$ 37,105,000
Project 8	Phase 4	New storm detention pond to relieve area flooding. Channel widening to the existing drainage system.	\$ 6,754,000	\$ 43,859,000
Project 9	Phase 5	New storm detention pond to relieve area flooding. Channel widening to the existing drainage system.	\$ 16,388,000	\$ 60,247,000
Project 10	Phase 6	New storm detention pond to relieve area flooding. Channel widening to the existing drainage system.	\$ 4,602,000	\$ 64,849,000
Project 11	Phase 7	New storm detention pond to relieve area flooding. Channel widening to the existing drainage system.	\$ 4,784,000	\$ 69,633,000
Project 12	Phase 8	New storm detention pond to relieve area flooding. Channel widening to the existing drainage system.	\$ 4,180,000	\$ 73,813,000
Project 13	Phase 9	New storm detention pond to relieve area flooding. Channel widening to the existing drainage system.	\$ 6,267,000	\$ 80,080,000
Project 14	Phase 10	New storm detention pond to relieve area flooding. Channel widening to the existing drainage system.	\$ 23,217,000	\$ 103,297,000
Project 15	Phase 11	New storm detention pond to relieve area flooding. Channel widening to the existing drainage system.	\$ 1,386,000	\$ 104,683,000

KEY TO FEATURES

Potential Flapgate Location

City Limits

Committee Proposed Rank

Short Term

Intermediate Term

Long Term

0 500 1,000 2,000 Feet

1 inch = 1,000 feet

HALFF

Exhibit 13

Overall Project Schedule

City of Weslaco Storm Water Improvement Plan

STATE OF TEXAS §
 § INCENTIVE AGREEMENT
 COUNTY OF HIDALGO §

This INCENTIVE AGREEMENT (hereinafter the "Agreement") is made as of the last date of execution set forth below, by and between ECONOMIC DEVELOPMENT CORPORATION OF WESLACO (the "EDC"), a Texas non-profit corporation and the CITY OF WESLACO, TEXAS (the "City") done for the purposes of assisting the City to undertake drainage improvements intending to address flooding in the City's commercial and industrial areas.

Background

The City recently experienced significant flooding to various areas, including the commercial and industrial areas of the City. The City has developed a general drainage plan to address the flooding and the resulting loss of property. The City's proposed drainage project is estimated at a cost exceeding \$5,000,000, which will include the engineering design and construction cost.

The City has identified on the map attached as Exhibit A the commercial and industrial areas which will directly or indirectly benefit from the drainage improvements. The City has represented to the EDC that the estimated portion of the project cost which is allocable to the commercial and business areas marked off in Exhibit A exceeds the sum of Four Hundred Fifteen Thousand Five Hundred Sixty Eight Dollars (\$415,468).

The “EDC” wishes to provide financial assistance to the City specifically to address drainage improvements in the commercial and industrial areas of the City.

As consideration for the EDC's expenditure of the sum of \$415,468, the City agrees to use the funds for capital expenditures to direct drainage improvements to the commercial and industrial areas of the City. The City shall certify completion of the improvements as intended. The funds shall be disbursed on the following dates and amounts:

September 2019/\$103,867

September 2020/\$207,734

September 2021/\$103,867

EXECUTED this 17th day of June, 2019.

THE ECONOMIC DEVELOPMENT
CORPORATION OF WESLACO

By: Marie McDermott

MARIE MCDERMOTT,
Executive Director
275 S. Kansas, Suite A
Weslaco, Texas 78596
Telephone: (956) 969-0838
Facsimile: (956) 969-8611

ATTEST:

Cynthia Cabaza
CYNTHIA CABAZA, Secretary

APPROVAL BY CITY OF WESLACO

The economic development incentives as set forth in this Incentive Agreement were approved on motion duly made, seconded and passed by the City Commission of the City of Weslaco, Texas, at a duly posted meeting with a quorum present in accordance with the laws of the State of Texas on the _____ day of June, 2019.

EXECUTED this _____ day of June, 2019.

CITY OF WESLACO, TEXAS

By: _____
DAVID SUAREZ, Mayor

ATTEST:

MYRA AYALA, City Secretary

APPROVED:

City Attorney



Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2019-2571	
From:			
Subject: Approval on Resolution 2019-57 opposing Senate Bill 1152 and authorize the Mayor to execute any related documents. (Staffed by City Manager's Office.)			
Background:			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted: Mayor's Signature Resolution			
If item previously considered, provide date and action by Commission:			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:			
Advisory Review, if any (name of board/committee, date of action, recommendation):			
Aida Vega Mike Perez		Created/Initiated New	
City Manager Comments: Approve.			
Staff Recommendation: Approve.			
Attachments, if any: R2019-57 SB 1152 franchise fees			
Responsibilities upon Approval: Execute and retain.			

RESOLUTION NO. 2019-57

**RESOLUTION OF THE CITY OF WESLACO IN
OPPOSITION TO SENATE BILL 1152; FINDING THAT
THE MEETING AT WHICH THIS RESOLUTION IS
PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY
LAW.**

WHEREAS, the 86th Texas Legislature was replete with attacks on city revenue streams, local economic prosperity, and the ability of Texas cities to provide integral infrastructure,

WHEREAS, Senate Bill 1152 allows cable and phone companies to stop paying the lesser of their state cable franchise or telephone access line fees,

WHEREAS, numerous Texas cities, including Weslaco, rely on cable and telephone franchise fees to provide critical services to residents and visitors,

WHEREAS, Article III, Section 52 of the Texas Constitution prohibits the legislature from authorizing cities to grant anything of value to a corporation,

WHEREAS, Senate Bill 1152 will result in significant financial harm to Texas cities and their residents with no guaranteed cost-savings to cable and telephone consumers,

WHEREAS, the City of Weslaco is a plaintiff along with a group of Texas cities challenging S.B. No. 1004 from the 85th Texas Legislature as requiring an unconstitutional gift or grant of city property; and

WHEREAS, S.B. No. 1152 from the 86th legislature, which effectively waives either cable franchise fees or telecom line access charges that otherwise would be paid for the use of municipal right-of-way, raises the same constitutional issue;

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

The City of Weslaco will vigorously oppose any attempts to implement Senate Bill 1152 of the 86th Texas Legislature and will take necessary steps, including but not limited to filing suit, as the steward of the public's interest in city rights-of-way.

The City of Weslaco authorizes its attorneys in the case of *City of McAllen, et al. v. State of Texas* to expand the scope of that suit to include a challenge to S.B. No. 1152.

CONSIDERED, PASSED and APPROVED this 2nd day of July 2019, at a regular meeting of the City Commission of the City of Weslaco, Texas at which a quorum was present and which was held in accordance with Chapter 552 of the Texas Government Code.

SIGNED on this the 2nd day of July 2019.

CITY OF WESLACO, TEXAS

David Suarez, Mayor

ATTEST:

Myra Ayala Garza, City Secretary

APPROVED AS TO FORM:

Juan E. Gonzalez, City Attorney



Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2017-1030	
From: Arnold Becho			
Subject: Approval of a Memorandum of Understanding with Region One for provision of free GED, ESL, and other adult education classes within the library and authorize the Mayor to execute any related documents. (Staffed by Library Department.)			
Background: For greater than 6 years now the library has partnered with Region One to provide free GED and ESL classes to the public. The classes provided by Region One have a proven track record of success and the partnership has been mutually beneficial. There are no financial obligations, and the staff commitment is minimal. The program is administered on a first come first serve basis and has helped many local residents attain their GED and learn English.			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted: Mayor's Signature			
If item previously considered, provide date and action by Commission: NA			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners: NA			
Advisory Review, if any (name of board/committee, date of action, recommendation): None at this time.			
Arnold Becho		Created/Initiated	
Arnold Becho		Approved	
Mike Perez		Final Approval	
City Manager Comments: Approve.			
Staff Recommendation: Staff recommends approval.			
Attachments, if any: Memo - Request to apporve Region 1 MOU for GED ESL, weslaco library region 1 GED MOU 2019			
Responsibilities upon Approval: The library will provide the space for the classes and assist with the needs of instructors.			

City of Weslaco

"The City on the Grow"



David Suarez, Mayor
Greg Kerr, Mayor Pro-Tem, District 2
Leo Muñoz, Commissioner, District 1
Jose "J.P." Rodriguez, Commissioner, District 3
Letty Lopez, Commissioner, District 5
Josh Pedraza, Commissioner, District 6

Mike R. Perez, City Manager

June 20, 2019

To: David Suarez, Mayor; Greg Kerr, Mayor Pro-Tem; Letty Lopez, Commissioner; Leo Muñoz, Commissioner; Jose "J.P." Rodriguez, Commissioner; Josh Pedraza, Commissioner; Mike Perez, City Manager
CC: Martin J. Mata
Fr: Arnoldo Becho, Library Director
Re: Request to approve a Memorandum of Understanding with Region One for provision of free GED classes and other adult education opportunities within the library

For greater than 6 years now the library has partnered with Region One to provide free GED and ESL classes to the public. The classes provided by Region One have a proven track record of success and the partnership has been mutually beneficial. The Memorandum of Understanding (MOU) in question outlines the responsibilities of both parties for execution of the partnership.

This year's MOU is virtually unchanged from the previous six iterations which served us well. There are no financial obligations, and the staff commitment is minimal, especially considering the benefit to the public. The program is administered on a first come first serve basis and has helped many local residents attain their GED. The library strongly supports approval.

This program is an excellent public service that we are happy to have the opportunity to provide to our customers. Please feel free to contact me with any questions, I will be happy to provide additional information. Thank you for the time.

Arnoldo Becho
Library Director, City of Weslaco
Phone: 956.973.3144
Email: abecho@weslacopl.us

Memorandum of Understanding

Between

**Region One Education Service Center
Office of Adult Education**

And

**Mayor Joe V. Sanchez Public Library
(Weslaco Public Library)**

This Agreement is entered into between the Region One Education Service Center's Adult Education Program, hereinafter referred to as "Region One ESC " and the Mayor Joe V. Sanchez Public Library (Weslaco Public Library), a local institution hereinafter referred to as "Weslaco Public Library" for the purpose of establishing an adult education and literacy program for eligible participants under provisions of the Adult Education and Family Literacy Act, Title II of the Workforce Innovation and Opportunity Act for a period beginning July 2019 and ending June 2020.

I. SCOPE OF SERVICES

Region One ESC agrees to provide:

- qualified instructional and administrative personnel to provide a well-designed adult education and literacy instructional program
- professional development for adult education personnel
- instructional materials for adult education courses
- instructional supplies as appropriate
- assessment instruments to establish academic functional levels and/or progress of participants
- appropriate fiscal accountability
- end of year programmatic performance reports

Weslaco Public Library agrees to provide:

- appropriate, safe and secure facilities for the implementation of instructional services to adult learners
- assistance to Region One staff with the recruitment of students
- access to Internet services

II. CIVIL RIGHTS STATEMENT

The parties to this Agreement shall:

Comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352), Section 504 of the Rehabilitation Act of 1973 (P.L. 93-112), The American Disabilities Act of 1990 (P.L. 101-336), and all amendments to each, and all requirements imposed by the regulations issued pursuant to these acts. In addition, the parties agree to comply with Title 40, Chapter 73, of the Texas Administrative Code. These provide in part that no persons shall, on the grounds of race, color, national origin, sex, age, disability, political, or religious beliefs be excluded from participation in, or denied, any aid, care, service or other benefits provided by federal and/or state funding, or otherwise be subjected to discrimination and the Texas Revised Civil Statutes Article 4419b-4, Sections 5.03 and 5.04 (relating to workplace and confidentiality guidelines regarding AIDS and HIV).

III. TERMINATION OF MEMORANDUM OF UNDERSTANDING

During the term of this Agreement, if either party becomes unable or fails to satisfactorily provide the services under this Agreement or decides to terminate for no cause, the Agreement may be terminated by either party with a thirty (30) day written notice.

The validity of this Agreement and of any of its terms and provisions, as well as the rights and duties of the parties hereunder, shall be governed by the laws of the State of Texas.

Executed this ____ day of _____, 20____.

Grantor : Weslaco Public Library

Address: 525 S. Kansas Avenue

City/St/Zip: Weslaco, TX 78596

Contractor: Region One Education Service Center

Address: 1900 W. Schunior

City/St/Zip: Edinburg, TX 78541

Superintendent or Designee



Dr. Cornelio Gonzalez, Executive Director



Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2018-1815	
From: Arnold Becho			
Subject: Authorization to renew the America Reads and Community Service agreements with UTRGV to allow for employment of work-study students and authorize the Mayor to execute any related documents. (Staffed by Library Department.)			
Background: Each of these agreements allows the library to participate in the Federal Work Study program in partnership with UTRGV. The agreements proposed allow the library to obtain student help at a discount or even no cost. The America Reads agreement allows for employment of students at no cost, the Community Service agreements allow for employment at an estimated discount of 75%. It is recommended that all three options be approved. The City has renewed these agreements and budgeted funds for this annually since the 1990's.			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted: Mayor's Signature			
If item previously considered, provide date and action by Commission: NA			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners: NA			
Advisory Review, if any (name of board/committee, date of action, recommendation): The Library Board has not had the opportunity to evaluate this request.			
Arnold Becho		Created/Initiated	
Arnold Becho		Approved	
Vidal Roman		Approved	
Mike Perez		Final Approval	
City Manager Comments: Approve.			
Staff Recommendation: Staff recommends approval.			
Attachments, if any: Memo - Request to approve UTRGV Workstudy FY 2019-2020, UTRGV 2019 ST CS Agreement-Weslaco Library, UTRGV 2019 FED CS-Weslaco Library, UTRGV 2019 AR_Weslaco Library			

Responsibilities upon Approval:

The library respectfully request that the City Secretary's Office have 2 copies of each agreement signed. The City Secretary should keep one original of each agreement for their records and provide the other originals to Yolanda Alaniz within the Library Department. Yolanda will hand deliver these originals to UTRGV. Yolanda will then work alongside UTRGV to implement the agreement and hire work-study employees.

City of Weslaco

"The City on the Grow"



David Suarez, Mayor
Greg Kerr, Mayor Pro-Tem, District 2
Leo Muñoz, Commissioner, District 1
Jose "J.P." Rodriguez, Commissioner, District 3
Letty Lopez, Commissioner, District 5
Josh Pedraza, Commissioner, District 6

Mike R. Perez, City Manager

June 20, 2019

To: David Suarez, Mayor; Greg Kerr, Mayor Pro-Tem; Letty Lopez, Commissioner; Leo Muñoz, Commissioner; Jose "J.P." Rodriguez, Commissioner; Josh Pedraza, Commissioner; Mike Perez, City Manager
CC: Martin J. Mata, Vidal Roman
Fr: Arnoldo Becho, Library Director
Re: Request to authorize the America Reads agreement and both Federal Work-Study Community Service agreements

Each of these agreements allows the library to participate in the Federal Work Study program in partnership with UTRGV. Through the Federal Work Study program community agencies can hire university students to assist within their institutions. The agreements proposed allow the library to obtain student help at a discount or even no cost, while providing financial aid opportunities to local and area students.

The America Reads agreement allows for employment of students at no cost, the Community Service agreements allow for employment at an estimated discount of 75%. It is recommended that all three options be approved because often there are not sufficient individuals within the free program to meet need. The City has renewed these agreements and budgeted funds for this annually since the 1990's. The program has proven incredibly useful to the library and helps provide local university students with employment options at the same time.

The proposed budget for next year has allotted \$5,000 for this program. That will be sufficient for program implementation. The library strongly supports approval.

This program is an excellent public service we are happy to have the opportunity to provide to our local students. Please feel free to contact me with any questions, I will be happy to provide additional information. Thank you for the time.

Arnoldo Becho
Library Director, City of Weslaco
Phone: 956.973.3144
Email: abecho@weslacopl.us

This Agreement is entered into between The University of Texas Rio Grande Valley, hereinafter known as the "Institution", with Mayor Joe V. Sanchez Weslaco Public Library, hereinafter known as the "Agency" (a Federal, State, or local public agency or non-profit organization within the meaning of that term as defined in chapter 21, subchapter M of the Texas Administrative Code, § 21.405. a5. regulations governing the Texas College Work Study Program. This Agreement shall become effective on the date this Agreement is signed by both parties and shall continue until its termination at the request of either party upon 30 days' written notice to the other party.

Schedules to be attached to this Agreement from time to time, bearing the signature of an authorized official of the Institution and of the Agency, will set forth brief descriptions of the work performed by students under this Agreement: 1 the total number of students to be employed, the hourly rate of pay, and the average number of hours per week each student will be utilized. 2 These schedules will also state the total length of the time the project is expected to run and total percent, if any, of the non-federal/non-state share of student compensation that the Agency will pay to the Institution. The Institution will inform the Agency of the maximum number of hours per week a student may work.

Students will be employed by the Institution and made available to the Agency by the Institution for performance of specified work assigned. Students may be removed from work on a particular assignment or from the Agency by the Institution, either on its own initiative or at the request of the Agency. The Agency agrees that no student will be denied work or subjected to different treatment under this Agreement on the grounds of race, color, sex or national origin, and that it will comply with the provisions of the Civil Rights Act of 1964 (P.L. 88-352; 78 Stat. 252) and Title IX of the Education Amendments of 1972 (P.L. 92-318), and the Regulations of the Department of Education, which implements those Acts. The Agency further agrees that a permanent employee of the Agency who will give proper guidance and counseling to insure proper performance of services and will ensure accurate and timely reporting of time worked will supervise the students. The Agency will keep appropriate time records of all students employed. These time records will be attested to by authorized officials of the Agency as listed in a schedule attached to this Agreement. Time summary cards will be submitted by email from one of the Agency's listed officials to the Work-Study Coordinator's Office at the Institution on a semi-monthly basis. The Agency will be responsible for the accuracy and timeliness of reported time worked, and accepts this responsibility as a requirement to participate in the program. The Agency shall also control strictly the work schedules of students employed so that no students become entitled to overtime compensation. Failure to adhere to these requirements can lead to termination of this Agreement.

The Agency agrees that students placed with them to meet the Community Service expenditure requirement will directly perform duties in Agency programs designed to improve the quality of life of all members of the community, primarily low-income individuals and/or will provide support services to individuals with disabilities.

Transportation for students to and from their work assignment will not be provided by either the Institution or Agency.

The parties agree that students performing work on the project under this Agreement will receive compensation of at least the required minimum set by the Federal Fair Labor Standards Act (currently \$7.25 per hour), to be paid by the Institution; however, the Institution mandates and the Agency agrees that Students will be paid at \$8.00 per hour. The Institution will make all payments due as employer's contribution under Federal Social Security laws. The Agency will pay to the Institution an amount calculated to be 25% of the student's gross monthly earnings, but the Agency will be responsible for 100% of gross monthly earnings for time cards not submitted timely and 100% of any overtime compensation payments made. The Agency further agrees to promptly remit payment to the Institution's Comptroller's Office upon receiving an invoice from the Institution for Agency's portion of the earnings due. The Institution is considered the employer for purposes of this Agreement. The Agency has the right to control and direct the services of the students, not only as to the result to be accomplished, but also as to the means by which the result is to be accomplished. The institution is limited to determining whether the students meet the eligibility requirements for employment under the Federal Work Study Program, to assigning students to work for the organization, and to determining that the students do perform their work. Institution will ensure that each student participating under this Agreement will have a criminal background check completed before employment. If the Agency requires a supplemental background check, one may be conducted at the expense of the Agency. The Agency will be responsible for the direct supervision of work performed and will maintain and provide to the Institution the names and qualifications of Agency supervisors. The Institution will only accept time records from the Agency director/department head, and/or individuals specifically designated on any schedule attached to this Agreement.

Institution Representative:

Agency Representative:

Name: _____

Name: _____

Title: Executive V.P for Finance and Administration

Title: _____

Date: _____

Date: _____

¹Under sections 675.20 and 675.22 of the FWS Regulations, work to be performed under this Agreement must either be related to the student's educational objective or be work in the public interest, which would not otherwise be provided, will not result in the displacement of employed workers or impair existing contracts for services, will be governed by such conditions of employment, including compensation, as will be appropriate and reasonable in light of such factors as the type of work performed, geographical region, and proficiency of the employee; and must not involve political activity or work for any political party. Further, no project may involve the construction, operation, or maintenance of so much of any facility used, or to be used, for sectarian instruction or as a place for religious worship.

²No student may perform work on any project under the Federal Work-Study Program exceeding 20 hours per week while school is in session, and 40 hours per week while school is not in session.

Financial Aid Office
September 1, 2019 to August 31, 2020

This Agreement is entered into between The University of Texas Rio Grande Valley, hereinafter known as the "Institution", with Mayor Joe V. Sanchez Weslaco Public Library, hereinafter known as the "Agency" (a Federal, State, or local public agency or non-profit organization within the meaning of that term as define in section 675 of the regulations governing the Federal Work- Study Program), for the purpose of providing work to students eligible to participate in the Federal Work-Study Program. This Agreement shall become effective on the date this Agreement is signed by both parties and shall continue until its termination at the request of either party upon 30 days' written notice to the other party.

Schedules to be attached to this Agreement from time to time, bearing the signature of an authorized official of the Institution and of the Agency, will set forth brief descriptions of the work performed by students under this Agreement: 1 the total number of students to be employed, the hourly rate of pay, and the average number of hours per week each student will be utilized.² These schedules will also state the total length of the time the project is expected to run and total percent, if any, of the non-federal/non-state share of student compensation that the Agency will pay to the Institution. The Institution will inform the Agency of the maximum number of hours per week a student may work.

Students will be employed by the Institution and made available to the Agency by the Institution for performance of specified work assigned. Students may be removed from work on a particular assignment or from the Agency by the Institution, either on its own initiative or at the request of the Agency. The Agency agrees that no student will be denied work or subjected to different treatment under this Agreement on the grounds of race, color, sex or national origin, and that it will comply with the provisions of the Civil Rights Act of 1964 (P.L. 88-352; 78 Stat. 252) and Title IX of the Education Amendments of 1972 (P.L. 92-318), and the Regulations of the Department of Education, which implements those Acts. The Agency further agrees that a permanent employee of the Agency who will give proper guidance and counseling to insure proper performance of services and will ensure accurate and timely reporting of time worked will supervise the students. The Agency will keep appropriate time records of all students employed. These time records will be attested to by authorized officials of the Agency as listed in a schedule attached to this Agreement. Time summary cards will be submitted by email f r o m one of the Agency's listed officials to the Work-Study Coordinator's Office at the Institution on a semi-monthly basis. The Agency will be responsible for the accuracy and timeliness of reported time worked, and accepts this responsibility as a requirement to participate in the program. The Agency shall also control strictly the work schedules of students employed so that no students become entitled to overtime compensation. Failure to adhere to these requirements can lead to termination of this Agreement.

The Agency agrees that students placed with them to meet the Community Service expenditure requirement will directly perform duties in Agency programs designed to improve the quality of life of all members of the community, primarily low-income individuals and/or will provide support services to individuals with disabilities.

Transportation for students to and from their work assignment will not be provided by either the Institution or Agency.

The parties agree that students performing work on the project under this Agreement will receive compensation of at least the required minimum set by the Federal Fair Labor Standards Act (currently \$7.25 per hour), to be paid by the Institution; however, the Institution mandates and the Agency agrees that Students will be paid at \$8.00 per hour. The Institution will make all payments due as employer's contribution under Federal Social Security laws. The Agency will pay to the Institution an amount calculated to be 25% of the student's gross monthly earnings, but the Agency will be responsible for 100% of gross monthly earnings for time cards not submitted timely and 100% of any overtime compensation payments made. The Agency further agrees to promptly remit payment to the Institution's Comptroller's Office upon receiving an invoice from the Institution for Agency's portion of the earnings due. The Institution is considered the employer for purposes of this Agreement. The Agency has the right to control and direct the services of the students, not only as to the result to be accomplished, but also as to the means by which the result is to be accomplished. The institution is limited to determining whether the students meet the eligibility requirements for employment under the Federal Work Study Program, to assigning students to work for the organization, and to determining that the students do perform their work. Institution will ensure that each student participating under this Agreement will have a criminal background check completed before employment. If the Agency requires a supplemental background check, one may be conducted at the expense of the Agency. The Agency will be responsible for the direct supervision of work performed and will maintain and provide to the Institution the names and qualifications of Agency supervisors. The Institution will only accept time records from the Agency director/department head, and/or individuals specifically designated on any schedule attached to this Agreement.

Institution Representative:

Agency Representative:

Name: _____

Name: _____

Title: Executive V.P for Finance and Administration

Title: _____

Date: _____

Date: _____

¹Under sections 675.20 and 675.22 of the FWS Regulations, work to be performed under this Agreement must either be related to the student's educational objective or be work in the public interest, which would not otherwise be provided, will not result in the displacement of employed workers or impair existing contracts for services, will be governed by such conditions of employment, including compensation, as will be appropriate and reasonable in light of such factors as the type of work performed, geographical region, and proficiency of the employee; and must not involve political activity or work for any political party. Further, no project may involve the construction, operation, or maintenance of so much of any facility used, or to be used, for sectarian instruction or as a place for religious worship.

²No student may perform work on any project under the Federal Work-Study Program exceeding 20 hours per week while school is in session, and 40 hours per week while school is not in session.

Financial Aid Office
September 1, 2019 to August 31, 2020

This Agreement is entered into between The University of Texas Rio Grande Valley, hereinafter known as the "Institution", and the America Reads Program with Mayor Joe V. Sanchez Weslaco Public Library, hereinafter known as the "Agency", a Federal, State, or local public agency or private non-profit organization within the meaning of that term as defined in section 675 of the regulations governing the Federal Work-Study Program, for the purpose of providing work to students eligible to participate in the Federal Work-Study Program. This agreement shall become effective at the date the Institution approves this agreement and shall continue until its termination at the request of either party upon 30 days written notice to the other party.

Schedules to be attached to this agreement from time to time, bearing the signature of an authorized official of the Institution and of the Agency, will set forth brief descriptions of the work performed by students under this agreement,¹ the total number of students to be employed, the hourly rate of pay, and the average number of hours per week each student will be utilized.² These schedules will also state the total length of the time the project is expected to run and total percent, if any, of the non-federal/non-state share of student compensation that the Agency will pay to the Institution. The institution will inform the Agency of the maximum number of hours per week a student may work.

Students will be employed by the Institution and made available to the Agency by the Institution for performance of specified work assigned. Students may be removed from work on a particular assignment or from the Agency by the Institution, either on its own initiative or at the request of the Agency. The Agency agrees that no student will be denied work or subjected to different treatment under this agreement on the grounds of race, color, sex or national origin, and that it will comply with the provisions of the Civil Rights Act of 1964 (P.L. 88-352; 78 Stat. 252) and Title IX of the Education Amendment of 1972 (P.L. 92-318), and the Regulations of the Department of Education, which implements those Acts. The Agency further agrees that the students will be supervised by a permanent employee of the Agency who will give proper guidance and counseling to insure proper performance of services and will ensure accurate and timely reporting of time worked.

The Agency will keep appropriate time records of all students employed. These time records will be attested to by authorized officials of the Agency as listed in a schedule attached to this agreement. Time summary cards will be submitted by email of one on the listed individuals to the Work-Study Coordinator's Office at the Institution on a semi-monthly basis. The Agency will be responsible for the accuracy and timeliness of reported time worked, and accepts this responsibility as a requirement to participate in the program. Agency is to keep all original timecards until institution personnel picks them up at the end of every semester. Failure to adhere to these requirements can lead to termination of this agreement.

The Agency agrees that students placed with them to meet the Community Service expenditure requirement will directly perform duties in agency programs designed to improve the quality of life of all members of the community, primarily low-income individuals and/or provide support services to individuals with disabilities. Transportation for students to and from their work assignment will not be provided by either the Institution or Agency.

Federal minimum wage is established at 7.25 per hour. However, students performing work on the project under this agreement will be paid at a rate of \$9.00 per hour as mandated by the Institution. All payments due as employer's contribution under Federal Social Security laws will be made by the Institution. The Institution shall pay the student one hundred percent (100%) of the gross earnings from Federal Work Study Funds.

The Institution shall be deemed the employer of students participating with the Agency and may provide Workman's Compensation in case of injuries the student receives on the job under this agreement. The Agency will be responsible for the direct supervision of work performed and will maintain and provide to the Institution the names and qualifications of Agency supervisors. The Institution will only accept time records from the Agency director/department head, and/or individuals they specifically designate.

Institution Representative:

Agency Representative:

Name: _____

Name: _____

Title: Executive V.P for Finance and Administration

Title: _____

Date: _____

Date: _____

¹Under sections 675.20 and 675.22 of the FWS Regulations, work to be performed under this agreement must either be related to the student's educational objective or be work in the public interest, which would not otherwise be provided, will not result in the displacement of employed workers or impair existing contracts for services, will be governed by such conditions of employment, including compensation, as will be appropriate and reasonable in light of such factors as the type of work performed, geographical region, and proficiency of the employee; and must not involve political activity or work for any political party. Further, no project may involve the construction, operation, or maintenance of so much of any facility used, or to be used, for sectarian instruction or as a place for religious worship.

²No student may perform work on any project under the Federal Work-Study Program exceeding 20 hours per week while school is in session, and 40 hours per week while school is not in session.



Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2019-2557	
From:			
Subject: Approval on request from St. Pius X Catholic Church to place banners publicizing St. Pius X Catholic Church Fall Festival at North Westgate (between US 83 and W. Pike Blvd.) and North Texas Blvd during the last two weeks of September and first two weeks of October 2019 and authorize the Mayor to execute any related documents that may be required from the Texas Department of Transportation. (Staffed by Public Works Department.)			
Background:			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted:			
If item previously considered, provide date and action by Commission:			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:			
Advisory Review, if any (name of board/committee, date of action, recommendation):			
Olga Garza Pete Garcia Mike Perez		Created/Initiated New	
City Manager Comments: Approve.			
Staff Recommendation:			
Attachments, if any: Agenda Item Request			
Responsibilities upon Approval:			



June 17, 2019

Myra Ayala, City Secretary
City of Weslaco
255 South Kansas
Weslaco, Texas 78596

RE: Request for Agenda Item – Fall Festival “Across-the-Street Banner”

Dear Ms. Ayala:

Our parish, St. Pius X Catholic Church, holds an annual Fall Festival every October. This year our Fall Festival will be held October 12, 2019 – October 13, 2019. We are requesting to be placed on the City of Weslaco’s Agenda for authorization to place an “across the street” banner at the following locations:

1. North Westgate (between U.S. 83 and W. Pike Boulevard); and
2. North Texas Boulevard.

The banners would be displayed during the last two weeks of September and the first two weeks of October, to advertise our upcoming Fall Festival on October 12-13, 2019.

Our understanding is that if the City Commission approves our request, the Public Works Director will then proceed to submit the necessary paperwork to TXDOT for their approval, as well.

Please do not hesitate to contact me with any questions or comments regarding the above; thank you.

Sincerely in Christ,

Rev. Luis F. Sánchez, J.C.L., Pastor

LFS:cm



Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2019-2555	
From:			
Subject: Discussion and consideration on Resolution 2019-58 appointing members to the Citizens Drainage Advisory Board and authorize the Mayor to execute any related documents. Possible action. (Staffed by Engineering Department.)			
Background:			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted: Resolution			
If item previously considered, provide date and action by Commission:			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:			
Advisory Review, if any (name of board/committee, date of action, recommendation):			
Aida Vega Mike Perez		Created	
City Manager Comments: Approve.			
Staff Recommendation: Approve.			
Attachments, if any: Weslaco Citizens Drainage Advisory Board, R2019-58 Citizens Drainage Advisory Board			
Responsibilities upon Approval: Execute, retain and notify appointees.			

Weslaco Citizens Drainage Advisory Board - applicants

First Name	Last Name	Date Applied
Annette	Valadez	6/11/2019
Fred	Perez	6/11/2019
David	Morales	6/11/2019
Randy L.	Hall	6/11/2019
Sandra	Reyna	6/12/2019
Mark	Garza	6/12/2019
David	Menchaca	6/12/2019
Alejandro	Livas	6/12/2019
Noe	Rodriguez, III	6/13/2019
Edward	Meijia	6/18/2019

as of 6/19/19

Weslaco Citizens Drainage Task Force – current members

Date Appointed	Term	District	Nominator	First Name	Last Name
8/07/2018	1 year	5	Lopez	Sandra	Reyna
8/07/2018	1 year	1	Munoz	Randy L.	Hall
8/21/2018	1 year	6	Pedraza	David	Morales
8/21/2018	1 year	2	Kerr	Marco A.	Garza
8/21/2018	1 year	5	Rodriguez	Annette M.	Valadez
8/21/2018	1 year	4*	Tafolla	Pablo	Herrera
10/2/2018	1 year		Suarez	David	Menchaca
9/18/2018	1 year			Alex	Livas
9/18/2018	1 year			Juan P.	Flores

RESOLUTION NO. 2019-58

**A RESOLUTION OF THE CITY OF WESLACO, TEXAS APPOINTING
MEMBERS TO THE CITIZENS DRAINAGE ADVISORY BOARD**

WHEREAS, the City Commission passed and approved Ordinance 2019-23 an ordinance amending Part II-Code of Ordinances, Chapter 2 Administration by providing a new article; establishing Article XI. Drainage; creating Section 2-280 through Section 2-284; creating a Citizens Drainage Advisory Board;

WHEREAS, Section 2-281 outlines the composition of the Citizens Drainage Advisory Board which shall be composed of nine (9) members appointed by the City Commission, with the advice of the City Manager; and,

WHEREAS, Section 2-282 states the terms of members shall be for no more than two (2) three (3) year staggered terms for a total of no more than six (6) years. The staggered terms shall be determined at the first regularly scheduled meeting of Citizens Drainage Advisory Board. The City Commission will have the ability to waive the term limit; and,

WHEREAS, Members of the board shall serve without compensation.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WESLACO, TEXAS the following individuals are appointed to serve on the Citizens Drainage Advisory Board.

NAME

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.

PASSED AND APPROVED on this 2nd day of July 2019.

CITY OF WESLACO

David Suarez, **MAYOR**

ATTEST:

Myra L. Ayala, **CITY SECRETARY**

APPROVED AS TO FORM:

Juan E. Gonzalez, **CITY ATTORNEY**



Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2019-2559	
From:			
Subject: Discussion to accept and file the Economic Development Corporation of Weslaco Audit Fiscal Year 2018 and authorize the Mayor to execute any related documents. Possible action. (Staffed by Economic Development Corporation of Weslaco.)			
Background:			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted:			
If item previously considered, provide date and action by Commission:			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:			
Advisory Review, if any (name of board/committee, date of action, recommendation):			
Aida Vega Mike Perez		Created	
City Manager Comments: Accept and file.			
Staff Recommendation:			
Attachments, if any: 2018 EDC Audit Report 6 18 2019			
Responsibilities upon Approval:			

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

TABLE OF CONTENTS

	<u>Page</u>
FINANCIAL SECTION	
Independent Auditor's Report	a
Management's Discussion and Analysis	c
GOVERNMENT-WIDE FINANCIAL STATEMENTS:	
Statement of Net Position	1
Statement of Activities	2
Comparative Balance Sheet	3
Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Position	4
Statement of Revenues, Expenditures and Changes in Fund Balance	5
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to Statement of Activities	6
Statement of Revenues, Expenditures, and Changes In Fund Balance-Budget and Actual	7
NOTES TO FINANCIAL STATEMENTS	8
INDIVIDUAL FUNDS STATEMENTS	
Comparative Balance Sheet	19
Statement of Revenues, Expenditures, and Changes In Fund Balance-Budget and Actual	20
Schedule of Expenditures	21

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

TABLE OF CONTENTS

	<u>Page</u>
SUPPLEMENTAL SCHEDULES	
Schedule of Changes in Note Receivables	23
Schedule of General Fixed Assets By Source	24
Schedule of Changes in General Fixed Assets- By Function and Activity	25
Schedule of General Long-Term Debt	26
Schedule of Changes in General Long-Term Debt	27
<u>Bonded Debt Service Requirements</u>	
Schedule of Changes in Bonded Debt	28
Summary of Bonded Debt Service Requirements to Maturity	30
Economic Development Sales Tax Revenue Bonds, Series 2011B	31
Economic Development Sales Tax Revenue Bonds, Series 2012	32
Economic Development Sales Tax Revenue Refunding Bonds, Series 2012	33
COMPLIANCE SECTION	
Schedule of Expenditures of Federal Awards	34
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance With Government Auditing Standards	35
Independent Auditor's Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance Required by Uniform Guidance	37
Schedule of Findings and Questioned Costs	39

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

BOARD OF DIRECTORS

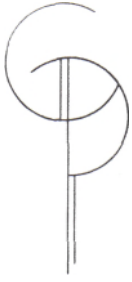
Joe Daniel Olivarez	President
Diana Fuentes Aguilar	Vice-President
G. Stephen Charlton, CPA	Treasurer
Cynthia Cabaza	Secretary
Richard Talbert	Member
Martin Masso	Member

EXECUTIVE DIRECTOR

Marie McDermott

PART I

FINANCIAL SECTION



GARCIA & PENA
Certified Public Accountants
R O. Box 8032
301 West 4th
Weslaco, Texas 78599
956-969-1433 • Fax 956-968-1467 • 956-421-4601

Manuel B. Garcia, CPA
Jaime X. Pena, CPA

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
The Economic Development Corporation
of Weslaco, Texas
Weslaco, Texas 78596

Report on the Financial Statements

We have audited the accompanying financial statements of The Economic Development Corporation of Weslaco, Texas, (a nonprofit organization), a component unit of the City of Weslaco, Texas, which comprise the statement of financial position as of September 30, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Economic Development Corporation of Weslaco, Texas, as of September 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages c and 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

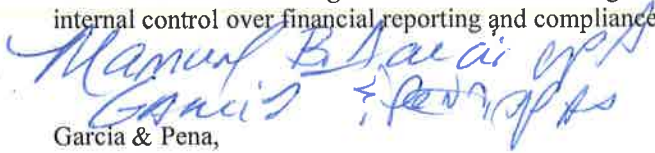
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise The Economic Development Corporation of Weslaco, Texas' basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and is also not a required part of the basic financial statements.

The individual fund statements, supplemental schedules, supplemental information (pages 19-34) and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund statements, supplemental schedules, supplemental information (pages 19-34) and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 10, 2019 on our consideration of The Economic Development Corporation of Weslaco, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Economic Development Corporation of Weslaco, Texas' internal control over financial reporting and compliance.


Garcia & Pena,
Certified Public Accountants
Weslaco, Texas 78596

May 10, 2019

Management's Discussion and Analysis

This discussion and analysis is intended to provide an overview of The Economic Development Corporation's financial performance for the fiscal year ended September 30, 2018 and the related effect on The Economic Development Corporation's financial condition. Please read it in conjunction with the financial statements which begin on page 1.

FINANCIAL HIGHLIGHTS

- The Economic Development Corporation Changes in Net Position –Governmental-Type Activities
Total government-wide net position increased \$2,899,589 as a result of this year's operations, for a total Net Position of \$9,904,344, at year end.
- Governmental Activities –Revenues and Expenses Compared to Last Year –Total revenues in the aggregate increased \$1,477,684 from last year. Sales tax revenues increased by \$142,309, along with increases of miscellaneous income of \$44,840, \$1,099,823 in grant revenues, \$59,920 for sales of property, and \$176,815 in program income; with a decrease of \$46,023 in interest, as compared to last year. Expenses were \$15,978 or .84% less than last year. The decrease is the result of a \$72,434 increase in development services, \$18,777 increase in property management, with a corresponding decrease of \$25,279 in debt service and \$37,963 in promotion and development, and \$43,947 in administrative costs.
- As of the close of the current fiscal year, the Economic Development Corporation's governmental fund reported an ending fund balance of \$5,396,029 of which \$4,064,437 is available for spending at the corporation's discretion (undesignated fund balance).
- At the end of the current fiscal year, the fund balance for the general fund was \$5,396,029 or 95.01% (percent) of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Economic Development Corporation's basic financial statements. The Economic Development Corporation's basic financial statements comprise three components: 1.) Government-wide financial statements, 2.) Fund financial statements, and 3.) Notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements - The government-wide financial statements are designed to provide readers with a broad overview of the Economic Development Corporation's finances in a manner similar to a private-sector business.

The statements of net position present information on all of the Economic Development Corporation's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Economic Development Corporation is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash out flows in the future fiscal periods (e.g., accrued interest).

The government-wide financial statements distinguish functions of the Economic Development Corporation that are principally supported by taxes and program activities. The program activities of the Economic Development Corporation include administration and development services.

The Board of Directors sets expenditure caps over which the Economic Development Corporation's Board approval is required.

Management's Discussion and Analysis

The government-wide financial statements can be found on pages 1-2 of this report.

Fund financial statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Economic Development Corporation, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. Governmental fund are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Economic Development Corporation maintains one individual governmental fund. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund.

The Economic Development Corporation adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 3-7 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 8-18 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Economic Development Corporation the assets exceeded liabilities by \$9,904,344 at the close of the most recent fiscal year.

By far the largest portion of the Economic Development Corporation's net position (42 percent) reflects unrestricted net assets of \$4,136,994, (13 percent) in restricted net assets of \$1,328,592, and (45 percent) in its investment in land and buildings of \$4,438,758. The Economic Development Corporation uses these capital assets to provide development services to the City of Weslaco, Texas.

At the end of the fiscal year, the Economic Development Corporation is able to report positive balances in all two categories of net position, both for the government as a whole, as well as for its separate governmental activities. The same situation held true for the prior fiscal year.

Governmental activities. Sales tax rebates amounted to \$3,118,824 for the year with an increase of \$142,309 or 4.78% more than the last fiscal year.

Management's Discussion and Analysis

Operating loans were \$-0- during the current year.

It is the practice of the Economic Development Corporation to utilize loan proceeds whenever possible to invest in properties to improve city services and quality of life in the community.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Economic Development Corporation uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Economic Development Corporation's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Economic Development Corporation's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Economic Development Corporation's governmental fund reported an ending fund balance of \$5,396,029 of which \$4,064,437 is undesignated and is available for spending at the government's discretion.

The general fund is the chief operating fund of the Economic Development Corporation. At the end of the current fiscal year, undesignated fund balance of the general fund was \$4,064,437, while total fund balance reached \$5,396,029. As a measure of the general fund's liquidity, it may be useful to compare both undesignated fund balance and total fund balance to total fund expenditures. Undesignated fund balance represents 71.57% of total general fund expenditures, while total fund balance represents 95.01% of that same amount.

The fund balance of the Economic Development Corporation's general fund decreased by \$1,029,698 during the current fiscal year. Additionally, \$306,950 in loan/rent and monetary incentives were provided to area business ventures in the industrial park, and \$343,445 were spent in funding economic development projects. Also, there were capital additions of \$3,147,689 in UTRGV Center for Innovation and Commercialization Incubator project.

CAPITAL ASSETS

Capital Assets. The Economic Development Corporation's investment in capital assets for its governmental activities as of September 30, 2018, amounts to \$5,081,181 (net of accumulated depreciation). This investment in capital assets includes land, building, improvements, furniture, equipment, and infrastructure. The net increase in the Economic Development Corporation's investment in capital assets for the current fiscal year was \$3,082,601.

Additional information on the Economic Development Corporation's capital assets can be found in Note D on page 15 of this report.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Economic Development Corporation's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Economic Development Corporation of Weslaco, Texas, 275 S. Kansas Avenue, Weslaco, Texas 78596.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
GOVERNMENT-WIDE STATEMENTS OF NET POSITION
SEPTEMBER 30, 2018**

	<u>2018</u>
Assets	
Cash	\$ 3,708,963
Cash investments (Note B)	695,256
Accounts Receivables (Net)	11,128
Due From City of Weslaco, Tx.	251,891
Grant Receivable	360,903
Assets Held For Resale	-
Restricted - Cash and Cash Investments	576,336
Long-Term Note Receivables (Note C)	2,472,247
Capital Assets: (Note D)	
Land	19,709
Buildings	2,181,286
Equipment	174,745
Construction-In-Progress	3,244,175
Accumulated Depreciation	(538,734)
Total Assets	<u>13,157,905</u>
Deferred outflow of resources	<u>-</u>
Total Assets and Deferred Outflow of Resources	<u><u>\$ 13,157,905</u></u>
Liabilities	
Accounts Payable	\$ 19,587
Contract Payable	181,783
Payroll Taxes Payable	7,078
Accrued Interest payable	12,690
Noncurrent Liabilities: (Note E)	
Due Within One year	717,423
Due In More than one year	2,315,000
Total Liabilities	<u>3,253,561</u>
Deferred inflow of resources	<u>-</u>
Net Position	
Invested in Long-Term Note Receivable and Capital Assets, Net of Related Debt	4,438,758
Restricted for:	
Bond Reserve (Note L)	695,256
Project Development	60,000
Capital Projects (Note L)	576,336
Unrestricted	4,133,994
Total Net Position	<u>9,904,344</u>
Total Liabilities, Deferred Inflow of Resources, and Net Position	<u><u>\$ 13,157,905</u></u>

The notes to the financial statements are an integral part of this statement.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
SEPTEMBER 30, 2018**

Program Activities	Expenses	Program Revenues		Total
		Leases and Management Fees	Operating Grants and Contributions	
Governmental Activities				
General Government and Administration	\$ 171,184	\$ -	\$ -	\$ (171,184)
Property Management	496,753	219,355	1,151,202	873,804
Promotion and Development	263,949	-	33,468	(230,481)
Development Services	825,898	-	-	(825,898)
Interest on Long-Term Debt	121,355	-	-	(121,355)
Total Governmental Activities	<u>\$ 1,879,139</u>	<u>\$ 219,355</u>	<u>\$ 1,184,670</u>	<u>(475,114)</u>
General Revenues:				
Taxes:				
Sales				3,118,824
Investment Earnings				128,871
Gain (loss) on Sale/Retirement of Capital Assets				78,183
Miscellaneous				<u>48,825</u>
Total General Revenues				<u>3,374,703</u>
Change in Net Position				2,899,589
Net Position at Beginning of Year				<u>7,004,755</u>
Net Position at End of Year				<u>\$ 9,904,344</u>

The notes to the financial statements are an integral part of this statement.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
COMPARATIVE BALANCE SHEET
SEPTEMBER 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<u>Assets</u>		
Cash-Operations (Note B)	\$ 3,708,963	\$ 4,275,962
Investments	695,256	695,256
Accounts Receivable (Net)	11,128	-
Due from City of Weslaco, Tx.	251,891	223,098
Grant Receivable	360,903	44,457
Assets Held for Resale	-	402,734
Restricted Cash and Cash Investments	576,336	889,969
Long-Term Note Receivables (Note C)	<u>2,472,247</u>	<u>2,518,550</u>
Total Assets	<u><u>\$ 8,076,724</u></u>	<u><u>\$ 9,050,026</u></u>
 <u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>		
Accounts Payable	\$ 19,587	\$ 15,678
Contracts Payable	181,783	81,517
Payroll Taxes Payable	<u>7,078</u>	<u>8,554</u>
Total Liabilities	<u>208,448</u>	<u>105,749</u>
Deferred inflows of resources		
Deferred revenue	<u>2,472,247</u>	<u>2,518,550</u>
Fund Balance		
Designated		
Designated for Bond Reserve	695,256	695,256
Designated for Project Development	60,000	60,000
Designated for Capital Projects	576,336	889,969
Undesignated	<u>4,064,437</u>	<u>4,780,502</u>
Total Fund Balance	<u>5,396,029</u>	<u>6,425,727</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u><u>\$ 8,076,724</u></u>	<u><u>\$ 9,050,026</u></u>

The notes to the financial statements are an integral part of this statement.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO STATEMENT OF NET POSITION
SEPTEMBER 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Total fund balance - total governmental funds	\$ 5,396,029	\$ 6,425,727
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.	5,081,181	1,998,580
Long-term note receivables are not available to pay for current period expenditures therefore are not reported as available resources but are off-set as deferred revenues	2,472,247	2,518,550
Interest payable on long-term debt does not require current financial resources. Therefore interest payable is not reported as a liability in governmental funds balance sheet.	(12,690)	(15,611)
Long-term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet.		
Due in one year	\$ 717,423	
Due in more than one year	2,315,000	
	<u>(3,032,423)</u>	<u>(3,922,491)</u>
Net position of governmental activities	<u>\$ 9,904,344</u>	<u>\$ 7,004,755</u>

The notes to the financial statements are an integral part of this statement.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
GOVERNMENT-WIDE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
SEPTEMBER 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Revenues		
Taxes:		
Sales	\$ 3,118,824	\$ 2,976,515
Investment Income	128,871	174,894
Program Income	201,808	338,059
Miscellaneous	48,825	3,985
Total Revenues	<u>3,498,328</u>	<u>3,493,453</u>
Expenditures		
Current:		
Development Services	1,517,195	1,534,430
Capital Outlay	3,147,689	82,827
Debt service:		
Principal Retirement	890,068	678,565
Interest and Fiscal Charges	124,276	149,691
Total Expenditures	<u>5,679,228</u>	<u>2,445,513</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,180,900)	1,047,940
Other Financing Sources (Uses)		
Note/Bond Proceeds	-	-
Capital Grants	1,151,202	44,457
Total Other Financing Sources (Uses)	<u>1,151,202</u>	<u>44,457</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(1,029,698)	1,092,397
Fund Balances at Beginning of Year,	<u>6,425,727</u>	<u>5,333,330</u>
Fund Balances at End of Year	<u><u>\$ 5,396,029</u></u>	<u><u>\$ 6,425,727</u></u>

The notes to the financial statements are an integral part of this statement.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO
STATEMENT OF ACTIVITIES
SEPTEMBER 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Net change in fund balances-total governmental funds	\$ (1,029,698)	\$ 1,092,397
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures along with long-term note advances. However, in the government-wide statement of activities and changes in net position, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.	3,147,689	82,827
Long-term note advances. (Repayments)	(46,303)	(381,627)
Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditure in governmental funds.	(65,088)	(69,292)
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items. Long term principal payments (\$890,068) exceeded note proceeds (\$-0-).	890,068	678,565
Accrued interest expense on long-term debt is reported in the government-wide statement of activities and changes in net position, but does not require the use of current financial resources; therefore, accrued interest expense is not reported as expenditures in governmental funds.	2,921	3,057
Changes in net position of governmental activities	<u>\$ 2,899,589</u>	<u>\$ 1,405,927</u>

The notes to the financial statements are an integral part of this statement.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SEPTEMBER 30, 2018 AND 2017**

	2018				2017
	Budget			Variance Favorable (Unfavorable)	
	Original	Final	Actual		Actual
Revenues					
City Sales Tax	\$ 3,000,246	\$ 3,000,246	\$ 3,118,824	\$ 118,578	\$ 2,976,515
Interest	75,545	75,545	128,871	53,326	174,894
Program Income	607,958	607,958	201,808	(406,150)	338,059
Other Income	22,978	22,978	48,825	25,847	3,985
Total Revenues	3,706,727	3,706,727	3,498,328	(208,399)	3,493,453
Expenditures					
Economic Development Expenditures	5,840,319	5,840,319	5,679,228	161,091	2,445,513
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	(2,133,592)	(2,133,592)	(2,180,900)	(47,308)	1,047,940
Other Financing Sources (Uses)					
Note/Bond Proceeds	-	-	-	-	-
Capital Grants	1,400,000	1,400,000	1,151,202	(248,798)	44,457
Total Other Financing Sources (uses)	1,400,000	1,400,000	1,151,202	(248,798)	44,457
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	\$ (733,592)	\$ (733,592)	(1,029,698)	\$ (296,106)	1,092,397
Fund Balance, October 1,			6,425,727		5,333,330
Fund Balance, September 30			\$ 5,396,029		\$ 6,425,727

The notes to the financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Economic Development Corporation of Weslaco was merged and incorporated July 2, 2002, under the provisions of the Development Corporation Act of 1979, as amended. The Economic Development Corporation of Weslaco is authorized by its charter to provide, assist, and enhance orderly and proper economic and industrial activities for the City of Weslaco. Its main focus is in the areas of business retention and expansion, formation of new businesses, business attraction, facilitation or constructing facilities and the enhancement of community assets.

The Economic Development Corporation of Weslaco is governed by the general laws of Texas for non-profit corporations incorporated under the Texas Non-Profit Corporation Act.

The Economic Development Corporation of Weslaco is a component unit of the City of Weslaco. This is due to its financial interdependence with the City. As a component unit of the City, it is included as a Special Revenue Fund in the City's general purpose financial statements.

(a). Basis of Presentation

The accounting policies of The Economic Development Corporation of Weslaco conform to generally accept accounting principles as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The corporation-wide financial statements (the statement of net position and the statement of changes in net position) report information on all of the activities of the Corporation. Corporation activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and (2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

i. Fund Accounting/Special Revenue Fund

The accounts for the Corporation are organized on the basis of a special revenue fund. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to finance specific activities.

ii. Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured: basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The corporation-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

The revenues susceptible to accrual are rents, leases, charges for service, interest income and intergovernmental revenues. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received.

Cash and Cash Equivalents

The Economic Development Corporation of Weslaco considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Investments

In accordance with provisions of GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and External Investment Pools," investments are reported at fair value, which is determined by market value. Certificates of deposits are reported at carrying amount which reasonably estimates fair value.

Credit Risks

Custodial Credit Risk

Deposits and Certificates of Deposits

Custodial credit risk refers to the risk that in the event of a bank failure, the agency's deposits may not be returned to it.

In accordance with The Economic Development Corporation of Weslaco's fiscal policy as approved by the Board, the agency maintains demand and time deposits through a local depository bank that are members of the Federal Reserve System.

At no time during the fiscal year did the agency deposits go over the Federal Deposit Insurance Corporation (FDIC) insurance of \$250,000 and pledged securities.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interest Rate Risk

The Economic Development Corporation of Weslaco (EDC) has not developed a formal investment policy limiting investment maturities as a means of limiting its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk

Financial instruments that potentially subject the Corporation to credit risk consist principally of leases receivable. The Corporation is engaged in long-term operating leases with companies located in Weslaco, Texas. However, concentration of credit risk associated with related leases receivable is limited due to the Corporations' small number of customers and wide range of industries and locations served.

Prepaid Expenses

Expenditures made to third party vendors for goods and services that will benefit period beyond the end of the fiscal year are recorded as prepaid items.

Revenues and Revenue Recognition

Substantially all of the Corporation's revenues are derived from sales taxes, and the leases on buildings. The Economic Development Corporation of Weslaco operates in both environments, using private and governmental resources.

Income Taxes

The Economic Development Corporation of Weslaco is exempt from income taxes under Section 501 (c) (6) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in these financial statements. Annually, the Corporation files Form 990, Income Tax Return of Tax Exempt Organizations.

Uses of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Comparative Data

Comparative data from the prior year has been presented in the financial statements and note disclosures in order to provide an understanding of changes in the Corporation's financial position and operations.

Reclassification

Certain items in the prior year report have been reclassified to conform to current year classifications. Such reclassifications had no effect on previously reported net income.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

NOTE B. DEPOSITS AND INVESTMENTS

Deposits- It is the Corporation's policy, as well as a requirement in its Depository Agreement, for deposits plus accrued interest thereon to be 102% secured by collateral valued at fair value, less the amount of the Federal Deposit Insurance Corporation insurance. The Corporation's deposits, including certificates of deposit, were fully insured or collateralized as required by the state statutes at September 30, 2018. At year-end, the carrying amounts of the Corporation's deposits were \$4,980,555 and the respective bank balances totaled \$5,423,023 included in the bank balances are certificates of deposits totaling \$695,256. Of the total bank balance, \$250,000 was covered by Federal Depository Insurance Corporation (FDIC), and by collateral with a value of \$5,750,000.

The collateral is held by Federal Home Land Bank of Atlanta, Georgia in the Corporation's name under a joint safekeeping agreement with BBVA Compass Bank of Weslaco, Texas.

Investments - State statutes, city bond ordinances, city resolutions, and an investment policy adopted by The Economic Development Corporation of Weslaco Board authorize EDC's investments. The Board is authorized to invest in obligations of the United States of America, its agencies and instrumentalities, direct obligations of the State of Texas and agencies thereof,

obligations of the states (agencies thereof, counties, cities, and other political subdivisions of any state having been rated as investment quality by a nationally recognized investment rating equivalent), certificates of deposit of state and nationally banks domiciled in Texas, fully collateralized direct repurchase agreements with a defined termination date secured by obligations of the United States or its agencies and instrumentalities pledged with a third party, joint pools of political subdivisions in the State of Texas which invest in instruments and follow practices allowed by law, and commercial paper with a 270 day limit and an AIP1 rating by two rating agencies.

All securities held at September 30, 2018, were insured or registered, or were held by the Corporation or its agent in the Corporation's name (Category 1).

The Corporation's investments carried at fair value at September 30, 2018 and 2017 which is also the cost basis are:

	<u>2018</u>	<u>2017</u>
Investments:		
Certificate of Deposits	\$ 695,256	\$ 695,256
Assets Held for Resale	<u>-</u>	<u>402,734</u>
Total Investments	<u>\$ 695,256</u>	<u>\$ 1,097,990</u>

The fair value measurements are based on quoted prices in active markets for identical assets.

The Corporation's portfolios are actively monitored and managed, and while the Corporation's liquidity is managed such that these securities can be held to maturity, changes in market conditions may make it advantageous to sell them in advance of maturities.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

NOTE C. NOTE RECEIVABLES

As an inducement to expand their business operations to the City's Industrial Park, The Economic Development Corporation of Weslaco (EDC), accepted notes from various businesses. These notes are for cash loans, and sale of industrial park lots. The loans carry various credits incentives up to the amounts of the loans and sometimes beyond the initial loans. The credits vary by individual entities. The credits involve construction of buildings, leasing of existing properties at the industrial park, employing local residents and the purchase of goods and services from merchants in the local area. All notes receivable carry incentives to the extent of the note receivable balance.

The following is a summary of notes receivable payable to the Corporation at September 30, 2018:

Name	Note Receivables	Governmental Deferred Inflows of Resources	
LF Trinity Development	\$ 120,224	\$ 120,224	*
CIL Properties	115,924	115,924	*
CIL Cold Shipping	244,450	244,450	*
SESA	-	-	*
LRGVDC (Building Sale)	1,328,919	1,328,919	*
SDI Weslaco Holdings, LLC	662,730	662,730	*
Total Notes Receivable	<u>\$ 2,472,247</u>	<u>\$ 2,472,247</u>	

Total note receivable from SDI Weslaco Holdings, LLC (SDI) was \$2,213,255 at 8% interest rate. This note is secured by a Chapter 380 Economic Development Agreement between the City of Weslaco, Texas and SDI. SDI has assigned the annual payments due from the City to the Economic Development Corporation, (EDC) of Weslaco, Texas until the note is paid in full. The note is payable in annual payments, until March 1, 2030. The 380 Agreement was to facilitate the construction of infrastructure improvements for a commercial development. The EDC spurred the development by advancing \$2,213,255 of the \$3,300,000 project. In the current year, the City of Weslaco paid \$235,476 under the 380 Agreement.

Notes with Economic Incentives *

The economic incentive portion of the note receivable balances have been recognized as expenditures in current year operations, as well as the long-term note receivable advance. As the entities earn their incentives, the note balances will be reduced accordingly, with an equal offset to deferred revenues.

This is to control compliance with the agreements. The long-term note receivable principal payments will be recognized as revenues, with an equal off-set to deferred revenues.

The rest of the note balances are to be collected in cash.

* Note balances with deferred component \$ 2,472,247

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

NOTE D. FIXED ASSETS

A summary of changes in general fixed assets follows: (See Note A-D for accounting and reporting policies).

	Balance October 1, 2017	Additions	Retirements	Balance September 30, 2018
Land	\$ 19,709	\$ -	\$ -	\$ 19,709
Furniture & Equipment	148,592	-	-	148,592
Automobiles	26,153	-	-	26,153
Building-Valley Striping	79,013	-	-	79,013
Building-Airport Hanger	399,498	-	-	399,498
Building-BVEC	1,702,775	-	-	1,702,775
Construction In Progress	96,486	3,147,689	-	3,244,175
	2,472,226	3,147,689	-	5,619,915
Accumulated Depreciation	(473,646)	\$ (65,088)	\$ -	(538,734)
Fixed Assets, Net of Depreciation	<u>\$ 1,998,580</u>			<u>\$ 5,081,181</u>

NOTE E. CHANGES IN LONG-TERM DEBT ACCOUNT GROUP

Sales Tax Revenue Bonds

Sales Tax Revenue Refunding Bond, Series 2011A

Sales Tax Revenue Bond, Series 2011B

On June 2, 2011, the City of Weslaco Economic Development Corporation issued Sales Tax Revenue Refunding Bond Series 2011A for \$1,090,000 and Sales Tax Revenue Bond, Series 2011B for \$1,290,000. The 2011A \$1,090,000 bond issue was used to refund the 2010 \$1,050,000 bond series. The 2011B \$1,290,000 bond issue was for the renovation of the new Business Visitor and Event Center.

Sales Tax Revenue Bond, Series 2012

On August 21, 2012, the City of Weslaco Economic Development Corporation issued Sales Tax Revenue Bonds, Series 2012 for \$1,155,000. The 2012 \$1,155,000 bond issue was used to finance the cost of construction, renovation, and remodeling tourism and entertainment facilities, including a multi-purpose use exhibition hall/event center, the Business Visitors and Event Center Building.

Sales Tax Revenue Refunding Bond, Series 2012

On December 20, 2012, the City of Weslaco Economic Development Corporation issued Sales Tax Revenue Refunding Bond Series 2012 for \$2,870,000. The 2012 \$2,870,000 bond issue was used to pay off the balance of \$2,765,000 due on the Sales Tax Revenue Bond Series 2003A.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

NOTE E. CHANGES IN LONG-TERM DEBT ACCOUNT GROUP (CONTINUED)

The following is a detail of the bonds payable of \$3,005,000 and notes payable of \$27,423 at September 30, 2018:

	<u>2018</u>	<u>2017</u>
<u>Revenue Bonds Payable</u>		
\$1,155,000 Economic Development Sales Tax Revenue Bond Series 2012, due in annual installments not exceeding \$130,000 beginning February 15, 2013 through February 15, 2023, interest rate of 2.60%.	\$ 615,000	\$ 730,000
\$1,090,000 Economic Development Sales Tax Revenue Refunding Bond Series 2011A due in annual installments not exceeding \$280,000 beginning February 15, 2012 through February 15, 2017, interest varies between 3.84% and 4.47%.	-	-
\$1,290,000 Economic Development Sales Tax Revenue Bond, Tax-Exempt Series 2011B, due in annual installments not exceeding \$335,000 beginning February 15, 2017 through February 15, 2021, rate of 3.84%.	970,000	1,275,000
\$2,870,000 Economic Development Sales Tax Revenue Refunding Bond Series 2012, due in annual installments not exceeding \$305,000 beginning February 15, 2013 through February 15, 2023, with interest of 3.40%.	<u>1,420,000</u>	<u>1,675,000</u>
Total Revenue Bonds Payable	<u>3,005,000</u>	<u>3,680,000</u>
<u>Notes Payable</u>		
A note dated December 22, 2015, payable to Texas National Bank for \$283,000. The terms of the note include 83 principal and interest payments of \$3,012 beginning January 22, 2016 and continuing monthly thereafter until November 22, 2022 when the entire balance, including principal and interest will be due and payable. The interest rate is a fixed 5.00% for 10 years. The note is secured by 17.12 acres in the Industrial Park.	<u>27,423</u>	<u>242,491</u>
Total Notes Payable	<u>27,423</u>	<u>242,491</u>
Total Revenue Bonds and Notes Payable	<u><u>\$ 3,032,423</u></u>	<u><u>\$ 3,922,491</u></u>

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

NOTE E. CHANGES IN LONG-TERM DEBT ACCOUNT GROUP (CONTINUED)

The following is a summary of bonded and other debt transactions of the Corporation for the year beginning October 1, 2017 and ending September 30, 2018:

	Balance, October 1, 2017	Issues or Additions	Payments or Expenditures	Balance, September 30, 2018	Due Within One Year
Revenue Bonds	\$ 3,680,000	\$ -	\$ 675,000	\$ 3,005,000	\$ 690,000
Note Payable	242,491	-	215,068	27,423	27,423
Total Revenue Bonds and Notes Payable	<u>\$ 3,922,491</u>	<u>\$ -</u>	<u>\$ 890,068</u>	<u>\$ 3,032,423</u>	<u>\$ 717,423</u>

The annual requirements to amortize all debts outstanding as of September 30, 2018, including interest are as follows:

Year Ended September 30,	Revenue Bonds		Notes Payable		Total
	Principal	Interest	Principal	Interest	
2019	\$ 690,000	\$ 89,566	\$ 27,423	\$ 42	\$ 807,031
2020	720,000	65,139	-	-	785,139
2021	740,000	39,847	-	-	779,847
2022	420,000	20,390	-	-	440,390
2023	435,000	6,875	-	-	441,875
Total	<u>\$ 3,005,000</u>	<u>\$ 221,817</u>	<u>\$ 27,423</u>	<u>\$ 42</u>	<u>\$ 3,254,282</u>

There are a number of limitations and restrictions contained in the various bond indentures. The Corporation is substantially in compliance with all significant limitations and restrictions. The bond resolution requires \$695,256 designated as bond reserve. The Corporation is currently carrying \$695,256 in the Bond Reserve Account.

NOTE F. COMPENSATED ABSENCES

It is the policy of the Economic Development Corporation of Weslaco that employees with one or more years of service are provided with twenty-four days of paid-time off per fiscal year. The paid-time off can be taken for any reason, subject to the approval of the Executive Director. Paid-time off is a benefit that does not accrue from year to year.

NOTE G. RISK MANAGEMENT

The Corporation is exposed to various risks of loss to torts, theft of, damage to and destruction of assets; errors or omissions; injuries to employees; and natural disasters. During fiscal year 2018 and 2017, the Corporation purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage from the previous year. Furthermore, the Corporation is not aware of any pending claims for which liability would exceed the limits of commercial insurance coverage.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

NOTE H. COMMITMENTS

The Economic Development Corporation of Weslaco extended economic incentives to the following entities as follows:

	<u>Commitment</u>	<u>Paid in Prior Years</u>	<u>Paid in Current Year</u>	<u>Balance Due</u>
<u>Monetary Incentives</u>				
Mayan-(Kahn's Grill)	\$ 150,000	\$ 125,000	\$ 25,000	\$ -
Wal-Mart Neighborhood	900,000	400,000	-	500,000
Payne Auto Group (Ford)	275,000	190,000	55,000	30,000
BPMP (Chick-Fil-A/Blue Wave)	500,000	200,000	100,000	200,000
R 5 Eateries (Bar B Cutie)	160,000	-	120,000	40,000
Tower Theater	60,000	-	6,950	53,050
Claudia Hernandez-Project Smile	75,000	-	-	75,000
City of Weslaco (Sports Complex)	500,000	-	-	500,000
Rio Prevision Machine (Project Knob)	68,778	-	-	68,778
Total Monetary Incentives	<u>\$ 2,688,778</u>	<u>\$ 915,000</u>	<u>\$ 306,950</u>	<u>\$ 1,466,828</u>

Subsequent year balances of \$1,466,828 are contingent on the business entities maintaining agreed upon employment levels and other conditions of the loan/grant incentives. This amount is not recognized as a liability in the financial statements

The Economic Development Corporation of Weslaco has extended economic incentives subsequent to September 30, 2019. The following is a list of economic incentives that the Corporation will incur in the fiscal year ending September 30, 2019:

<u>Monetary Incentives</u>	<u>Commitment</u>
Domain Development Corporation	\$ 350,000
Kapal Cabinet House	255,192
Coastal Deli, Inc.	134,300
Airport Hangar/Kapal Project	129,000
RGV Solar Power Systems	50,000
City of Weslaco	25,000
City of Weslaco	<u>140,000</u>
Total Monetary Incentives	<u>\$ 1,083,492</u>

EDA Grant

On July 27, 2016 the Economic Development Corporation of Weslaco was awarded a \$1,400,000 financial assistance grant, from the US Department of Commerce Economic Development Administration, with an EDC commitment of \$986,326, for a total estimated cost of \$2,386,326. This Grant is to be used to fund the UTRGV Center for Innovation and Commercialization Incubator Project. The Economic Development Corporation of Weslaco has already restricted \$576,336 as of September 30, 2018. During the current fiscal year, the Corporation expended \$3,147,689 of which \$1,151,202 is reimbursable from the grant, and \$1,996,487 is expended from the EDC commitment.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

NOTE I. LEASE COMMITMENTS

The Weslaco Economic Development Corporation also has commitments for leases from the following entities:

1. Business Visitors and Event Center (BVEC) – offices to be used by the Weslaco Chamber of Commerce, with annual contributions for the five years beginning May 1, 2012. A new 5-year contract was renewed in January 2017.
2. UTRGV Center for Innovation and Commercialization (CIC) -offices to be used by new business developers by providing the necessary resources and support systems to the Community. The UTRGV center also provides offices for the PHD business program. The UTRGV-CIC contract began in August 2018.

	<u>BVEC</u>	<u>UTRGV-CIC</u>	<u>TOTAL</u>
2019	\$ 20,124	\$ 213,367	\$ 233,491
2020	20,124	213,367	233,491
2021	20,124	213,367	233,491
2022	5,031	213,367	218,398
2023	-	213,367	213,367
2024-2028	-	1,066,833	1,066,833

NOTE J. CONTINGENCIES

The Corporation is periodically involved in legal actions arising in the normal course of business. In the opinion of management, such matters will not have a material adverse effect upon the financial position of the Corporation.

NOTE K. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period (s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Corporation does not identify any deferred outflows of resources.

At the governmental fund level, revenues that have been billed but not yet collected or collected within the availability period are reported as unavailable revenues.

These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The Corporation has 1 (one) category that qualified as deferred inflows of resources.

The following table describes the items and amounts:

<u>Deferred Inflows</u>	<u>Economic Development</u>	<u>Total</u>
Note Receivable	\$ 2,472,247	\$ 2,472,247
Totals	<u>\$ 2,472,247</u>	<u>\$ 2,472,247</u>

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

NOTE L. BOND RESERVE AND BOND PROCEEDS

The Economic Development Sales Tax Revenue bonds indenture requires that during the period of time the bonds are outstanding the Corporation must maintain a reserve account to comply with debt services requirements. Bonds proceeds for construction are also temporarily restricted until the money is used. Assets in these funds are restricted and can be used only in accordance with the bond indenture.

Restricted assets at September 30, 2018 were as follows:

	2018	2017
Certificate of Deposit Bond Reserve	\$ 695,256	\$ 695,256
Money Market Fund Unspent Bond Proceeds	576,336	889,969
Cash in Escrow-Earnest Money	-	-
Total Restricted Assets	<u>\$ 1,271,592</u>	<u>\$ 1,585,225</u>

NOTE M. RELATED PARTY TRANSACTIONS

City of Weslaco, Texas

During the fiscal year ended September 30, 2018, the City of Weslaco, Texas reimbursed The Economic Development Corporation of Weslaco a total of \$38,115. The reimbursements were for cost sharing expenditures: \$14,614 for roof repairs, \$10,875 for garage door replacement, \$8,000 for conference room repairs, and \$4,626 for other costs.

RGV WORD Properties, LLC

On December 27, 2017, The Economic Development Corporation of Weslaco, purchased a tract of land from the mayor of Weslaco, Texas, Mr. David Suarez, d/b/a/ RGV WORD Properties, LLC for \$225,000. This property was subsequently transferred to the City of Weslaco, Texas on February 2, 2018.

NOTE N. SUBSEQUENT EVENTS

Subsequent to September 30, 2018, The Economic Development Corporation of Weslaco committed to \$1,083,492 of economic incentive agreements. The schedule can be found in Note H Commitments.

On March 19, 2019, the Corporation received a note receivable payoff for \$226,918 held by CIL Cold Shipping. The loan was paid in full. This note receivable was included in the note receivable balance of \$2,472,247 at September 30, 2018.

Subsequent events were evaluated through May 10, 2019, which is the date the financial statements were available to be issued.

INDIVIDUAL FUND STATEMENTS

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
COMPARATIVE BALANCE SHEET
SEPTEMBER 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<u>Assets</u>		
Cash-Operations	\$ 3,708,963	\$ 4,275,962
Cash Investment	695,256	695,256
Accounts Receivable (Net)	11,128	-
Due from Other Funds	251,891	223,098
Grant Receivable	360,903	44,457
Assets Held for Resale	-	402,734
Restricted Cash and Cash Investments	576,336	889,969
Long-Term Note Receivable (Note C)	<u>2,472,247</u>	<u>2,518,550</u>
Total Assets	<u>\$ 8,076,724</u>	<u>\$ 9,050,026</u>
 <u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>		
Accounts Payable	\$ 19,587	\$ 15,678
Contracts Payable	181,783	81,517
Payroll Taxes Payable	<u>7,078</u>	<u>8,554</u>
Total Liabilities	<u>208,448</u>	<u>105,749</u>
Deferred inflows of resources		
Deferred revenue	<u>2,472,247</u>	<u>2,518,550</u>
Fund Balance		
Designated		
Designated for Bond Reserve	695,256	695,256
Designated for Project Development	60,000	60,000
Designated for Capital Projects	576,336	889,969
Undesignated	<u>4,064,437</u>	<u>4,780,502</u>
Total Fund Balance	<u>5,396,029</u>	<u>6,425,727</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 8,076,724</u>	<u>\$ 9,050,026</u>

The notes to the financial statements are an integral part of this statement.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SEPTEMBER 30, 2018**

	2018			2017
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
City Sales Tax	\$ 3,000,246	\$ 3,118,824	\$ 118,578	\$ 2,976,515
Interest	75,545	128,871	53,326	174,894
Program Income (Net)	607,958	201,808	(406,150)	338,059
Other Income	22,978	48,825	25,847	3,985
Total Revenues	3,706,727	3,498,328	(208,399)	3,493,453
Expenditures				
Economic Development Expenditures	5,840,319	5,679,228	161,091	2,445,513
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	(2,133,592)	(2,180,900)	(47,308)	1,047,940
Other Financing Sources (Uses)				
Note/Bond Proceeds	-	-	-	-
Capital Grant	1,400,000	1,151,202	(248,798)	44,457
Total Other Financing Sources (uses)	1,400,000	1,151,202	(248,798)	44,457
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	<u>\$ (733,592)</u>	(1,029,698)	<u>\$ (296,106)</u>	1,092,397
Fund Balance, October 1		6,425,727		5,333,330
Fund Balance, September 30		<u>\$ 5,396,029</u>		<u>\$ 6,425,727</u>

The notes to the financial statements are an integral part of this statement.

SCHEDULE OF EXPENDITURES

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
SCHEDULE OF EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Administration		
Personal services	\$ 81,138	\$ 80,847
Other services & charges	90,046	134,284
Total Administration	<u>171,184</u>	<u>215,131</u>
Property Management		
Personal services	181,867	174,865
Other services & charges	249,798	218,759
Bad Debt Expense	-	15,060
Total Property Management	<u>431,665</u>	<u>408,684</u>
Promotion & Development		
Personal services	100,729	94,018
Other services & charges	163,220	207,894
Total Promotion & Development	<u>263,949</u>	<u>301,912</u>
Contract Services-Funding of Economic Development Projects:		
City of Weslaco	227,495	-
Frontera Audubon	-	19,262
LRGVDC	39,000	39,000
Vida Grant	70,000	65,436
Tower Theater	6,950	-
Jason Montes	-	2,051
Margo Sunderland	-	10,829
Dance Time	-	1,625
Tamez Financial Group	-	13,000
Total Contract Services	<u>343,445</u>	<u>151,203</u>

The notes to the financial statements are an integral part of this statement.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
SCHEDULE OF EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Economic Incentives To Area Businesses: (Note F)		
Mission Foods	\$ -	\$ 12,500
Motion Industries	-	2,500
Mayan (Khan's Grill)	25,000	25,000
Margo Sunderland	6,952	-
Payne Auto Group	55,000	162,500
Walmart Neighborhood	-	125,000
BPMP Real Estate	100,000	100,000
R 5 Eateries (Bar-B-Cutie)	120,000	-
Texas A&M-Kingsville	-	30,000
Total Economic Incentives	<u>306,952</u>	<u>457,500</u>
Capital Outlay		
UTRGV Center for Innovation and Commercialization Incubator Project	3,147,689	75,737
Computers	-	5,455
Furniture (Riser)	-	1,635
Total Capital Outlay	<u>3,147,689</u>	<u>82,827</u>
Debt Service		
Principal on Bonds and Notes (Note E)	890,068	678,565
Interest on Bonds and Notes	124,276	149,691
Total Debt Services	<u>1,014,344</u>	<u>828,256</u>
 Total Expenditures	 <u><u>\$ 5,679,228</u></u>	 <u><u>\$ 2,445,513</u></u>

The notes to the financial statements are an integral part of this statement.

SUPPLEMENTAL SCHEDULES

SCHEDULE OF CHANGES IN NOTE RECEIVABLES

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
SCHEDULE OF CHANGES IN NOTE RECEIVABLES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Note Receivables	Note Receivables 10/1/2017	Additions	Deletions Retirements	Note Receivables 9/30/2018
LF Trinity Development	\$ -	\$ 120,224	\$ -	\$ 120,224 *
Downtown Properties	78,137	-	78,137	- *
CIL Properties	130,877	-	14,953	115,924 *
CIL Cold Shipping	-	244,450	-	244,450 *
SESA	20,000	-	20,000	- *
SDI Weslaco Holdings, LLC	898,206	-	235,476	662,730 *
LRGVDC (Building Sale)	1,391,330	-	62,411	1,328,919 *
Total Note Receivable	<u>\$ 2,518,550</u>	<u>\$ 364,674</u>	<u>\$ 410,977</u>	<u>\$ 2,472,247</u>

* Note balances with deferred component

\$ 2,472,247

The notes to the financial statements are an integral part of this statement.

SCHEDULE OF GENERAL FIXED ASSETS

This schedule is established to account for the fixed assets owned by The Economic Development Corporation of Weslaco.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
SCHEDULE OF GENERAL FIXED ASSETS
BY SOURCE
SEPTEMBER 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
General Fixed Assets		
Land	\$ 19,709	\$ 19,709
Buildings	2,181,286	2,181,286
Machinery & Equipment	174,745	174,745
Construction In Progress	<u>3,244,175</u>	<u>96,486</u>
Total General Fixed Assets (Note D)	<u><u>\$ 5,619,915</u></u>	<u><u>\$ 2,472,226</u></u>

The notes to the financial statements are an integral part of this statement.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	General Fixed Assets 10/1/2017	Additions	Retirements	General Fixed Assets 9/30/2018
Economic Development				
Land	\$ 19,709	\$ -	\$ -	\$ 19,709
Buildings	2,181,286	-	-	2,181,286
Machinery & Equipment	174,745	-	-	174,745
Construction In Progress	96,486	3,147,689	-	3,244,175
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total General Fixed Assets	<u>\$ 2,472,226</u>	<u>\$ 3,147,689</u>	<u>\$ -</u>	<u>\$ 5,619,915</u>

The notes to the financial statements are an integral part of this statement.

SCHEDULE OF GENERAL LONG-TERM DEBT

This schedule records the principal outstanding on all general long-term debt obligations and the amount provided in future years.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
SCHEDULE OF GENERAL LONG-TERM DEBT
SEPTEMBER 30, 2018**

	<u>2018</u>	<u>2017</u>
Amount Available and to be Provided for the Payment of General Long-Term Debt		
Serial bonds, Notes Payable and Assumed Debt	\$ 695,256	\$ 695,256
Amount Available in Debt Service Fund	-	-
Amount to be provided	<u>2,337,167</u>	<u>3,227,235</u>
Total Available and to be Provided (Note E)	<u><u>\$ 3,032,423</u></u>	<u><u>\$ 3,922,491</u></u>
 General Long-Term Debt Payable Bonded Debt		
Sales Tax Revenue Bonds	<u>3,005,000</u>	<u>3,680,000</u>
Total Bonded Debt	<u><u>3,005,000</u></u>	<u><u>3,680,000</u></u>
 Long-Term Notes Payable		
Note Payable-Compass Bank	-	-
Note Payable-Texas National Bank	<u>27,423</u>	<u>242,491</u>
Total Long-Term Notes Payable	<u><u>27,423</u></u>	<u><u>242,491</u></u>
 Total General Long-Term Debt Payable	<u><u>\$ 3,032,423</u></u>	<u><u>\$ 3,922,491</u></u>

The notes to the financial statements are an integral part of this statement.

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
SCHEDULE OF CHANGES IN GENERAL LONG-TERM DEBT
SEPTEMBER 30, 2018**

	Balance October 1, 2017	Obligations Issued	Retired	Debt Service Fund Operations	Balance September 30, 2018
Amount Available and To Be Provided For Payment of Long-Term Debt					
Amount Available in Debt Service Fund	\$ 695,256	\$ -	\$ -	\$ -	\$ 695,256
Amount to be Provided for Retirement of Long- Term Debt	<u>3,227,235</u>	<u>-</u>	<u>890,068</u>	<u>-</u>	<u>2,337,167</u>
Total Available and to be Provided	<u><u>\$ 3,922,491</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 890,068</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,032,423</u></u>
General Obligation Debt Payable					
Sales Tax Revenue Bond	\$ 3,680,000	\$ -	\$ 675,000	\$ -	\$ 3,005,000
Notes Payable	<u>242,491</u>	<u>-</u>	<u>215,068</u>	<u>-</u>	<u>27,423</u>
Total General Obligation Debt Payable	<u><u>\$ 3,922,491</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 890,068</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,032,423</u></u>

The notes to the financial statements are an integral part of this statement.

BONDED DEBT REQUIREMENTS

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
SCHEDULE OF CHANGES IN BONDED DEBT
OCTOBER 1, 2017 TO SEPTEMBER 30, 2018**

Description	Date Issued	Original Amount Issued	Bonds Outstanding 10/1/2017
<u>Economic Development Sales Tax Revenue Bonds</u>			
Series 2011B	6/2/2011	\$ 1,290,000	\$ 1,275,000
Series 2012	8/21/2012	1,155,000	730,000
Series 2012 (Refunding)	12/20/2012	2,870,000	<u>1,675,000</u>
Total Economic Development Sales Tax			<u><u>\$ 3,680,000</u></u>

(1) Compass Bank, McAllen, Texas

(2) U.S. Bank, Houston, Texas

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
SCHEDULE OF CHANGES IN BONDED DEBT
OCTOBER 1, 2017 TO SEPTEMBER 30, 2018**

<u>Issued/ Adjusted</u>	<u>Retired</u>	<u>Bonds Outstanding 9/30/2018</u>	<u>Interest Rate</u>	<u>Optional Date</u>	<u>Principal Date</u>	<u>Agent</u>
\$ -	\$ 305,000	\$ 970,000	4.47%	None	15-Feb	(1)
-	115,000	615,000	4.47%	None	15-Feb	(1)
-	255,000	1,420,000	3.40%	None	15-Feb	(2)
<u>\$ -</u>	<u>\$ 675,000</u>	<u>\$ 3,005,000</u>				

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
SUMMARY OF BONDED DEBT SERVICE REQUIRMENTS TO MATURITY
AT SEPTEMBER 30, 2018**

Fiscal Year Ending 30-Sep	Sales Tax Revenue Bonds		Total Debt Services
	Principal	Interest	
2019	\$ 690,000	\$ 89,566	\$ 779,566
2020	720,000	65,139	785,139
2021	740,000	39,847	779,847
2022	420,000	20,390	440,390
2023	435,000	6,875	441,875
Total	<u>\$ 3,005,000</u>	<u>\$ 221,817</u>	<u>\$ 3,226,817</u>

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
ECONOMIC DEVELOPMENT SALES TAX REVENUE BONDS,
SERIES 2011B
AS OF SEPTEMBER 30, 2018**

Fiscal Year	Interest Rate	Interest Payment		Principal Due	Principal Outstanding
		15-Feb	15-Aug	15-Feb	30-Sept
2018	3.840%	\$ -	\$ -	\$ -	\$ 970,000
2019	3.840%	18,624	12,672	310,000	660,000
2020	3.840%	12,672	6,432	325,000	335,000
2021	3.840%	<u>6,432</u>	<u> </u>	<u>335,000</u>	-
Total		<u><u>\$ 37,728</u></u>	<u><u>\$ 19,104</u></u>	<u><u>\$ 970,000</u></u>	

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
ECONOMIC DEVELOPMENT SALES TAX REVENUE BONDS,
SERIES 2012
AS OF SEPTEMBER 30, 2018**

Fiscal Year	Interest Rate	Interest Payment		Principal Due	Principal Outstanding
		15-Feb	15-Aug	15-Feb	30-Sept
2018	2.60%	\$ -	\$ -	\$ -	\$ 615,000
2019	2.60%	7,995	6,500	115,000	500,000
2020	2.60%	6,500	4,940	120,000	380,000
2021	2.60%	4,940	3,315	125,000	255,000
2022	2.60%	3,315	1,690	125,000	130,000
2023	2.60%	<u>1,690</u>	<u></u>	<u>130,000</u>	-
Total		<u>\$ 24,440</u>	<u>\$ 16,445</u>	<u>\$ 615,000</u>	

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
ECONOMIC DEVELOPMENT SALES TAX REVENUE REFUNDING BONDS
SERIES 2012
AS OF SEPTEMBER 30, 2018**

Fiscal Year	Interest Rate	Interest Payment		Principal Due	Principal Outstanding
		15-Feb	15-Aug	15-Feb	30-Sept
2018	3.40%	\$ -	\$ -	\$ -	\$ 1,420,000
2019	3.40%	24,140	19,635	265,000	1,155,000
2020	3.40%	19,635	14,960	275,000	880,000
2021	3.40%	14,960	10,200	280,000	600,000
2022	3.40%	10,200	5,185	295,000	305,000
2023	3.40%	<u>5,185</u>	<u></u>	<u>305,000</u>	-
Total		<u><u>\$ 74,120</u></u>	<u><u>\$ 49,980</u></u>	<u><u>\$ 1,420,000</u></u>	

COMPLIANCE SECTION

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
SEPTEMBER 30, 2018**

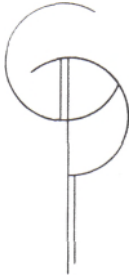
Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Program Award Amount	Federal Expenditure
<u>FEDERAL ASSISTANCE</u>				
<u>U.S. Department of Commerce</u>				
Passed through the Economic Development Administration (EDA)				
Public Works and Economic Adjustment Assistance Program	11.307	08-01-05123	<u>\$ 1,400,000</u>	<u>\$ 1,151,202</u>
			<u>1,400,000</u>	<u>1,151,202</u>
<u>STATE ASSISTANCE</u>			<u>-</u>	<u>-</u>
Total Federal and State Awards Expended			<u><u>\$ 1,400,000</u></u>	<u><u>\$ 1,151,202</u></u>

Detail Summary:

	Budget		Prior Year Expenditures		Current Year Expenditures		Budget Balance	
	EDA	EDC	EDA	EDC	EDA	EDC	EDA	EDC
Administration	\$ 20,534	\$ 14,466	\$ 3,082	\$ 2,168	\$ 14,638	\$ 10,312	\$ 2,814	\$ 1,986
Professional Fees	206,556	145,523	41,375	29,112	83,209	58,664	81,972	57,747
Construction	1,048,454	738,656	-	-	1,053,356	1,922,361	(4,902)	(1,183,705)
Equipment	124,456	87,681	-	-	-	-	124,456	87,681
Miscellaneous	-	-	-	-	-	5,149	-	(5,149)
Totals	<u><u>\$ 1,400,000</u></u>	<u><u>\$ 986,326</u></u>	<u><u>\$ 44,457</u></u>	<u><u>\$ 31,280</u></u>	<u><u>\$ 1,151,202</u></u>	<u><u>\$ 1,996,487</u></u>	<u><u>\$ 204,341</u></u>	<u><u>\$ (1,041,441)</u></u>

The notes to the financial statements are an integral part of this statement.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**



GARCIA & PENA

Certified Public Accountants

R O. Box 8032

301 West 4th

Weslaco, Texas 78599

956-969-1433 • Fax 956-968-1467 • 956-421-4601

Manuel B. Garcia, CPA

Jaime X. Pena, CPA

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Directors
The Economic Development Corporation
of Weslaco, Texas
Weslaco, Texas 78596

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Economic Development Corporation of Weslaco, Texas (a nonprofit organization), which comprise the statement of financial position as of September 30, 2018, and the related statements of activities for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 10, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered The Economic Development Corporation of Weslaco, Texas' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Economic Development Corporation of Weslaco, Texas' internal control. Accordingly, we do not express an opinion of the effectiveness of The Economic Development Corporation of Weslaco, Texas' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

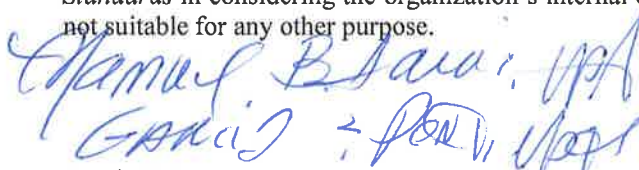
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Economic Development Corporation of Weslaco, Texas' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreement noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

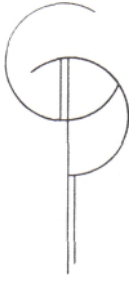
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of the testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Garcia & Pena,
Certified Public Accountants
Weslaco, Texas

May 10, 2019

**INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE**



GARCIA & PENA

Certified Public Accountants

R O. Box 8032

301 West 4th

Weslaco, Texas 78599

956-969-1433 • Fax 956-968-1467 • 956-421-4601

Manuel B. Garcia, CPA

Jaime X. Pena, CPA

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

To the Board of Directors
The Economic Development Corporation
of Weslaco
Weslaco, Texas 78596

Report on Compliance for Each Major Federal Program

We have audited The Economic Development Corporation of Weslaco, Texas' (a nonprofit organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of The Economic Development Corporation of Weslaco, Texas' major federal programs for the year ended September 30, 2018. The Economic Development Corporation of Weslaco, Texas' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of The Economic Development Corporation of Weslaco, Texas' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about The Economic Development Corporation of Weslaco, Texas' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion for each major federal program. However, our audit does not provide a legal determination of The Economic Development Corporation of Weslaco, Texas' compliance.

Opinion of Each Major Federal Program

In our opinion, The Economic Development Corporation of Weslaco, Texas complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2018.

Report on Internal Control Over Compliance

Management of The Economic Development Corporation of Weslaco, Texas is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered The Economic Development Corporation of Weslaco, Texas internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of The Economic Development Corporation of Weslaco, Texas' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Garcia & Pena
Certified Public Accountants
Weslaco, Texas

May 10, 2019

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SEPTEMBER 30, 2018**

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

* Significant deficiency (ies) identified	_____	Yes	_____ X _____	No
---	-------	-----	----------------------	----

* Significant deficiency (ies) identified that are considered to be material weaknesses?	_____	Yes	_____ X _____	No
--	-------	-----	----------------------	----

Noncompliance material to financial statements noted?	_____	Yes	_____ X _____	No
---	-------	-----	----------------------	----

Federal Awards

Internal control over major programs:

Material weakness(es) identified:	_____	Yes	_____ X _____	No
-----------------------------------	-------	-----	----------------------	----

* Reportable condition (s) identified that are considered to be material weakness (es).	_____	Yes	_____ X _____	No
---	-------	-----	----------------------	----

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with 2 CRF Section 200.516(a)	_____	Yes	_____ X _____	No
---	-------	-----	----------------------	----

Identification of major programs:

_____ CFDA Number (s) _____	_____ Name of Federal Program or Cluster _____
11.307	U.S. Department of Commerce

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 750,000
--	------------

Auditee qualified as low-risk auditee?	_____ X _____	Yes	_____	No
--	----------------------	-----	-------	----

**THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO (EDC)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SEPTEMBER 30, 2018**

Section II - Financial Statement Findings

None Reported

Section III - Federal and State Award Findings

None Reported



Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2019-2473	
From:			
Subject: Discussion and consideration to approve an amendment to the Performance Contracting Agreement between City of Weslaco, TX and Siemens Industry, Inc. dated November 21, 2017 and authorize the Mayor to execute any related documents. Possible action. (Staffed by Engineering Department.)			
Background: The purpose of this Amendment is to correct the formulas and methodology for calculating savings associated with the HVAC Armor FIM. There is NO CHANGE TO THE AMOUNT OF THE ORIGINAL GUARANTEED SAVINGS OR PROJECT PRICE.			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted: Mayor's Signature			
If item previously considered, provide date and action by Commission: Related item presented before commission on 5/7/2019 as: Discussion and consideration to approve the final payment to Siemens Industry on the Performance Contracting Agreement in the amount of \$372,343.85 and authorize the Mayor to execute any related documents. Possible action. (This item was tabled on April 2, 2019; staffed by Engineering Department.)			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:			
Advisory Review, if any (name of board/committee, date of action, recommendation):			
Benjamin Worsham		Created/Initiated	
Benjamin Worsham		Approved	
Mike Perez		New	
City Manager Comments: Approve.			
Staff Recommendation: Approval.			
Attachments, if any: AEMA-KGSIIE_Weslaco_Amendment1_rev._20190329_cn, A Unit AC 1 (1) (Copy), A Unit AC 1 (Copy), A Unit AC 2 (Copy), A Unit AC 3 (Copy), A Unit AC 4 (Copy), A Unit AC 5 (Copy), A Unit AC 6 (Copy), A Unit AC 7 (Copy), A Unit AC 8 (Copy), A Unit AC 9 (Copy), A Unit AC 10 (Copy), A Unit AC 11 (Copy), B Unit AC 1 (Copy), B Unit AC 2 (Copy), B Unit AC 3 (Copy), B Unit AC 4 (Copy), B Unit AC 5 (Copy), B Unit AC 6 (Copy), B Unit AC 7 (Copy), B Unit AC 8 (Copy), B Unit AC 9 (Copy)			

Responsibilities upon Approval:
--

Amendment No. 1 to City of Weslaco PC Project

THIS AMENDMENT No. 1 ("Amendment") is made this ____th day of xx, xxx, by and between Siemens Industry, Inc., through its Building Technologies Division (f/k/a Siemens Building Technologies, Inc.) ("SIEMENS"), and the party identified below as CLIENT, and effective upon execution, amends and modifies the Performance Contracting Agreement between City of Weslaco, TX ("Client") and Siemens Industry, Inc. dated November 21, 2017 [SIEMENS Job No. 440P-xxxxxx between SIEMENS and CLIENT, and all prior amendments thereto, if any (collectively the "Agreement").

PROJECT:

Amendment to modify the language in Exhibit A and Exhibit C associated with the Performance Contract for City of Weslaco, TX as it relates to the Water Meters and HVAC Armor scope of work and the savings calculations.

CLIENT: City of Weslaco
255 South Kansas Avenue
Weslaco, TX 78596

DESIGNATED REPRESENTATIVE:

Phone: 956-968-3181, Fax:

SIEMENS: Siemens Industry, Inc.
1000 Deerfield Parkway
Buffalo Grove IL 60089

Local office at:
8850 Fallbrook Road
Houston, TX 77064

DESIGNATED REPRESENTATIVE:
Robert McMillin, PhD, General Manager
Phone: 281-949-3000, Fax: 281-949-3100

1. The purpose of this Amendment is to correct the formulas and methodology for calculating savings associated with the HVAC Armor FIM. There is NO CHANGE TO THE AMOUNT OF THE ORIGINAL GUARANTEED SAVINGS OR PROJECT PRICE.
2. The Agreement and any amendments thereto are incorporated by reference herein and made a part hereof. Defined terms set forth in the Agreement shall have the same meaning in this Amendment No. 1.
2. The Parties agree to modify the Agreement as follows:

Exhibit C, Article 4, Section 4.2.2 HVAC Armor: Revised measurement & verification (M&V) plan for HVAC Armor to accurately represent how savings are measured and verified

Replace Section 4.2.4 in its entirety with the language below:

4.2.4 HVAC Armor

Location(s): City Hall, Customs Building, Fire Administration Building, Fire Station #2, Library, Library Annex, Mayor Eugene Braught Theatre, Office, PFA Building, Police Substation, Service Center, Terminal, Tower Theatre, Water Treatment Plant #5 (WTP #5)

Overview:

HVAC Armor restores deteriorated aluminum by cleaning the condenser coils and applying a corrosion-inhibiting coil coating. The application of HVAC Armor increases the efficiency of the condensing units due to an increased heat transfer. The product is applied to the entire coil and is UV resistant to further prevent corrosion. The coating is also hydrophobic to prevent the build-up of dust and mold, and allows for easy cleaning. An improvement in the condensing units' efficiency (COP) will result in reduced energy consumption.

Energy savings are determined by verifying the improvement in COP efficiency (%Change). Measuring pre- and post-retrofit condenser unit temperature (°F) and compressor pressure (psi) are inputted into a software program to calculate enthalpy (h) for each Stage of the refrigeration cycle for a sample of units. The calculated pre- and post-retrofit enthalpy (h) is used to determine %Change, which is then multiplied by the baseline electricity consumption to quantify annual electricity savings (kWh). Pre- and post- pressure and temperature of the condenser units will

be measured on a sample of units at the time of installation to confirm the engineering savings calculations. These units are heat pumps and run all months of the year. The estimated annual run times are listed in Table 4.2.4.1.

Changes in facility use due to new construction, extended or contracted operating schedules, occupancy, or changes in functionality will change energy consumption and require adjustments to the usage predicted by the Baseline models. The Annual Performance Assurance Report will document changes in conditions that may affect Savings persistence.

CLIENT shall ensure units are properly maintained according to the manufacturer's recommendation. CLIENT will be responsible for all labor and material after the warranty period expires.

Pre-Retrofit Measurement Calculations:

$$\begin{aligned} \text{kWh}_{\text{pre}} &= \text{Pre-retrofit annual electricity consumption (kWh/yr)}, \text{ as per Table 4.2.4.1} \\ &= \text{AOH}_{\text{pre}} * \text{Tons}_{\text{pre}} * 12,000 \text{ Btu/Ton} / (\text{COP}_{\text{pre}} * 3.412 \text{ Btu/W} * 1,000 \text{ W/kW}) \\ &= 1,028,934 \text{ kWh/yr} \end{aligned}$$

$$\begin{aligned} \text{COP}_{\text{pre}} &= \text{Pre-retrofit condensing unit efficiency (COP)}, \text{ measure on a sample of units using the following equation or modelled during the audit} \\ &= h_{1,\text{pre}} - h_{4,\text{pre}} / h_{2,\text{pre}} - h_{1,\text{pre}} \end{aligned}$$

Pre-retrofit condenser temperature (F) and compressor pressure (psi) will be measured at unit full capacity and load for Stages 1, 2 and 4 in 60-minute periods of 5-minute intervals on a sample of condensing units. These measurements will be used to calculate enthalpy at Stages 1, 2 and 4 using the Engineering Equation Solver software program from University of Wisconsin.

Where;

$$\begin{aligned} \text{AOH}_{\text{pre}} &= \text{Pre-retrofit annual operating hours (hrs/yr)}, \text{ as per Table 4.2.4.1} \\ \text{Tons}_{\text{pre}} &= \text{Pre-retrofit cooling capacity (tons)}, \text{ as per Table 4.2.4.1} \\ h_{1,\text{pre}} &= \text{Pre-retrofit enthalpy at Stage 1} \\ h_{2,\text{pre}} &= \text{Pre-retrofit enthalpy at Stage 2} \\ h_{4,\text{pre}} &= \text{Pre-retrofit enthalpy at Stage 4} \end{aligned}$$

Table 4.2.4.1 – Pre-retrofit Operating Parameters

Building	Brand	Model	Serial Number	Annual Operating Hours (AOH _{pre})	Net Cooling Capacity (Tons _{pre})
City Hall	Daikin	DTH036XXX1DXXXAA	1507346290	3,762	3.04
City Hall	Trane	RAUCC30EBY03ABD000020	C05E03760	3,762	2.53
City Hall	Trane	RAUCC30EBY03ABD000020	C05E03761	3,762	2.53
Customs Building	Trane	4TCC3036A1000AB	10123LLE9H	3,762	3.03
Customs Building	Trane	4TCC3036A1000AB	9372KP79H	3,762	3.03
Customs Building	Trane	4TCC3036A1000AB	9464HXE9H	3,762	3.03
Fire Administration Building	Trane	TSC092F3E0A09000	160411943L	3,762	7.66
Fire Station #2	Rheem	RAKB-036JAZ	6952 M5204 03394	3,762	3.00
Fire Station #2	Trane	M4AC3048A1000AA	(missing)	3,762	4.05
Fire Station #2	Trane	M4AC3060A1000AA	(missing)	3,762	5.06
Library	Carrier	50PG-C06-AB50-AA	3406G20013	3,762	6.08
Library	Carrier	50PG-C06-AB50-AA	3406G20014	3,762	6.08
Library	Carrier	50PG-C08-AB50-AA	3406G50002	3,762	8.10
Library	Carrier	50PG-C08-AB50-AA	3406G50003	3,762	8.10
Library	Trane	4TTA3060D3000CA	12363ME84F	3,762	5.07
Library	Trane	4TTA3060D3000CA	12363MEC4F	3,762	5.07

Library	Trane	4TTA3060D3000CA	12365T224F	3,762	5.07
Library	Trane	4TTA3060D3000CA	12365T4N4F	3,762	5.07
Library	Trane	M4AC3024A1000AA	(missing)	3,762	2.03
Library Annex	Daikin	DX13SA0603AC	1610072965	3,762	5.06
Library Annex	Trane	4TTA3048D3000CA	133028WX3F	3,762	4.06
Mayor Eugene Braught Theater	Rheem	RAWD-090CAZ	7002F150605199	3,762	7.53
Mayor Eugene Braught Theater	Rheem	RAWE-092CAZ	F421402012	3,762	7.63
Mayor Eugene Braught Theater	Rheem	RLKA-A085CM	6225F020615525	3,762	7.03
Office	Rheem	RAKA-042CAZ	5462FF049907081	3,762	3.45
PFA Bldg	Trane	2TTB3048A1000AA	7503RSX4F	3,762	4.02
PFA Bldg	Trane	2TTB3060A1000AA	80134662F	3,762	5.04
PFA Bldg	Trane	TTA150H400AA	16202LR4YA	3,762	12.77
PFA Bldg	Trane	TTA240B400FB	8024Y0AAD	3,762	20.15
Police Substation	American Standard	TSC048E3E0A	111010737L	3,762	4.05
Police Substation	Trane	TSC060E3E0A	121011746L	3,762	5.06
Service Center		TCJD60S43S4EA	W1H5908370	3,762	5.06
Service Center	Rheem	RAND-024JAZ	7293F080603118	3,762	2.01
Service Center	Rheem	RANL-060CAZ	7394W311001035	3,762	5.05
Terminal	Rheem	RAWL-090CAZ	7753W041308615	3,762	7.62
Tower Theater	Rheem	13AJN60A01	W401434791	3,762	5.09
WTP#5	Trane	4TWB4036G1000AB	13045KW22F	3,762	3.05
WTP#5	Trane	TTA090D400AA	14284SCAYA	3,762	7.63
WTP#5	Trane	TTA090D400AA	14284SCWYA	3,762	7.63
WTP#5	Trane	TTA120E400AA	1430481AYA	3,762	10.17
WTP#5	Trane	TTA120E400AA	1430481DYA	3,762	10.17

Post-Retrofit Measurement Calculations:

COP_{post} = Post-retrofit condensing unit efficiency (COP), measured on a sample of units using the following equation

$$= \frac{h_{1,post} - h_{4,post}}{h_{2,post} - h_{1,post}}$$

Post-retrofit condenser temperature (F) and compressor pressure (psi) will be measured at unit full capacity and load for Stages 1, 2 and 4 in 60-minute periods of 5-minute intervals on a sample of condensing units. These measurements will be used to calculate enthalpy at Stages 1, 2 and 4 using the Engineering Equation Solver software program from University of Wisconsin.

Where;

$h_{1,post}$ = Post-retrofit enthalpy at Stage 1

$h_{2,post}$ = Post-retrofit enthalpy at Stage 2

$h_{4,post}$ = Post-retrofit enthalpy at Stage 4

Savings Calculations:

Electricity Savings (kWh/yr):

$$\%Change = 1 - (COP_{pre} / COP_{post})$$

$$kWh_s = \%Change * kWh_{pre}$$

Where;

$\%Change$ = Improvement in condensing unit efficiency based on measured COP due to application of HVAC Armor

kWh_S = Annual electricity savings (kWh/yr)

Cost Savings (\$/yr):

$$\$_S = \text{kWh}_S * \$/\text{kWh}_x$$

Where;

$\$_S$ = Total annual cost savings (\$/yr)

$\$/\text{kWh}_x$ = Blended unit price for electricity at each location x, as per Article 6 of this Exhibit C

WHEREFORE, this Amendment amends and modifies the Agreement. In all other respects, the terms and conditions of the Agreement remain in full force and effect. The Parties have caused this Amendment to be signed by their duly authorized representatives on the date first above written, and this Amendment may be executed in counterparts, each of which shall be deemed an original and together shall constitute one and the same instrument.

CLIENT: City of Weslaco, TX

Signature: _____

Printed
Name: _____

Title: _____

SIEMENS: Siemens Industry, Inc.

Signature: _____

Printed
Name: _____

Title: _____

SIEMENS: Siemens Industry, Inc.

Signature: _____

Printed
Name: _____

Title: _____

Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



Jun 24, 2019 at 11:2

200 E Bus

Weslaco T



Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



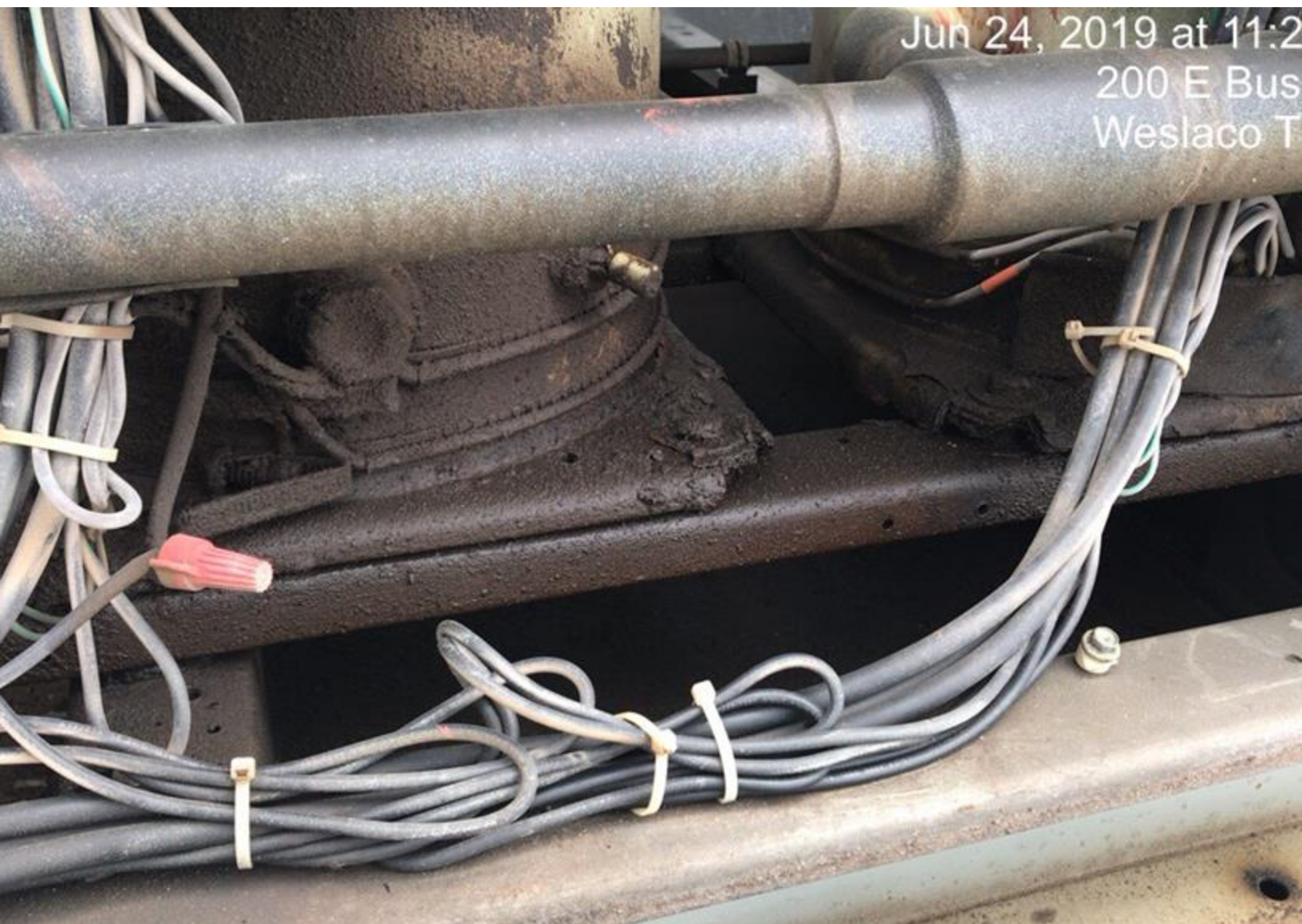
Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



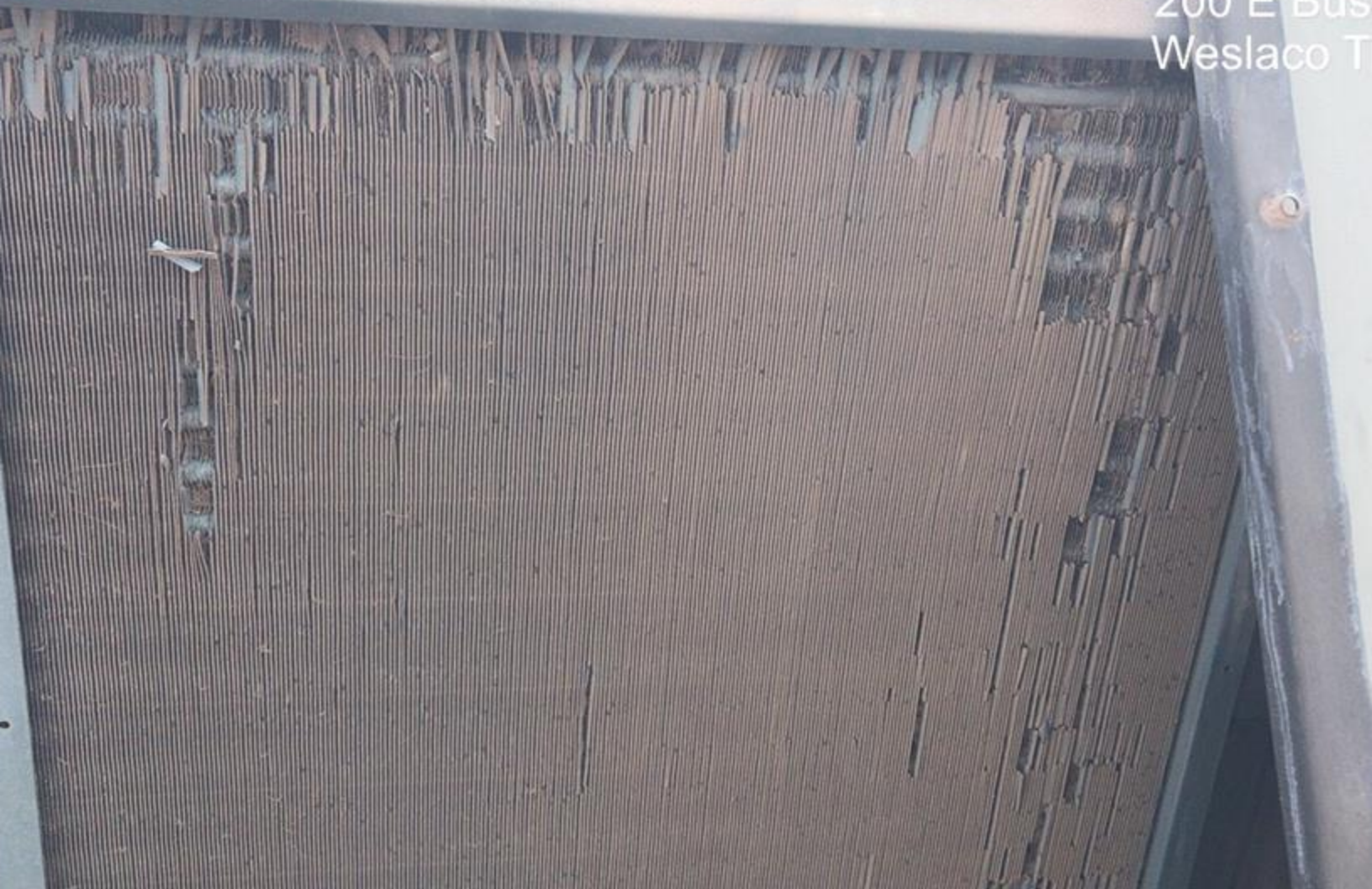
Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



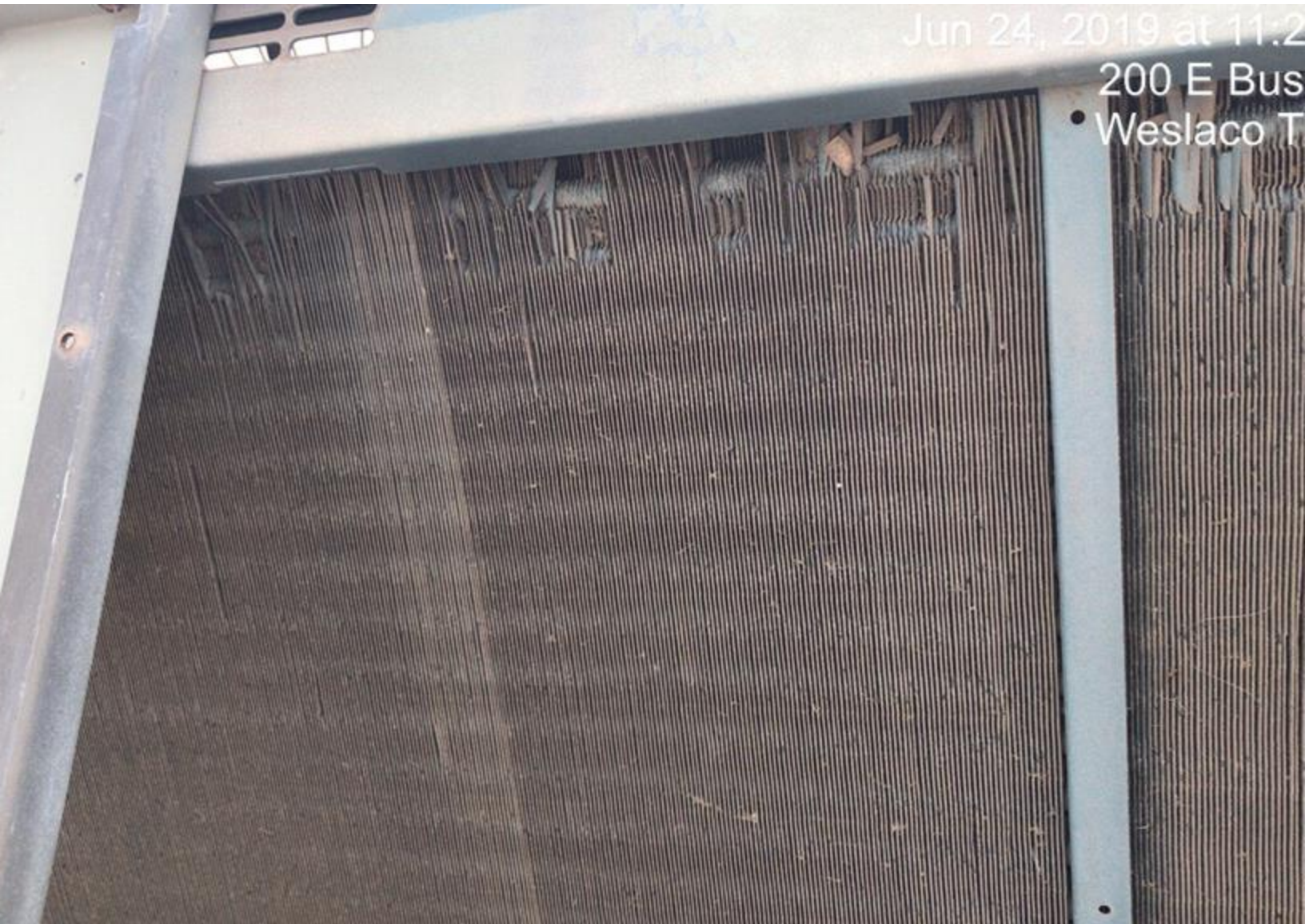
Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



Jun 24, 2019 at 11:2

200 E Bus

• Weslaco T



Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



Jun 24, 2019 at 11:2
200 E Bus
Weslaco T



Jun 24, 2019 at 11:2
200 E Bus
Weslaco T





Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2019-2558	
From:			
Subject: Discussion and consideration on Ordinance 2019-24 establishing a depreciation fund to be known as the Building Depreciation Fund and authorize the Mayor to execute any related documents. First reading of Ordinance 2019-24. Possible action. (Staffed by Finance Department.)			
Background:			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted: Mayor's Signature Ordinance - First Reading			
If item previously considered, provide date and action by Commission:			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:			
Advisory Review, if any (name of board/committee, date of action, recommendation):			
Vidal Roman		Created/Initiated	
Vidal Roman		Approved	
Mike Perez		Final Approval	
City Manager Comments: Approve.			
Staff Recommendation: Approve.			
Attachments, if any: O2019-24 Building Depreciation Fund Ordinance			
Responsibilities upon Approval:			

ORDINANCE

NO. 2019- 24

AN ORDINANCE ESTABLISHING A BUILDING DEPRECIATION FUND; PROMULGATING RULES AND REGULATIONS CONCERNING THE BUILDING AND MAINTAINING OF SUCH FUND, AND THE PERMITTED WITHDRAWALS AND PROHIBITIONS; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT; PROVIDING A SAVINGS CLAUSE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Weslaco maintains various municipal buildings providing services to the citizens of Weslaco utilizing its capital assets; and

WHEREAS, the performance and continued use of these capital assets is essential to the health, safety, economic development and quality of life of those receiving services; and

WHEREAS, budgetary pressures often impede capital program expenditures or investments for maintenance and replacement, making it increasingly difficult to sustain the asset in a condition necessary to provide expected service levels; and

WHEREAS, as the physical condition of the asset declines, deferring maintenance and/or replacement could increase long-term costs and liabilities; and

WHEREAS, the City Commission desires to address the continuing investment necessary to properly maintain and replace its capital assets, while maintaining a fiscally conservative “pay-as-you-go” policy.

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

SECTION ONE. A Building Depreciation Fund is to be added to the Code of Ordinances Chapter 2 Administration Section 2-280 of the Code of Ordinances of the City of Weslaco, to be known as Article XI – Building Depreciation Fund to read in its entirety as follows:

§XXX ESTABLISHMENT AND FUNDING OF THE BUILDING DEPRECIATION FUND.

- (A)** A fund is hereby established, to be maintained by the Finance Department and separately maintained from the other funds of the City, to be designated the Building Depreciation Fund (the BD Fund).
- (B)** The BD Fund shall be accounted for as a separate Internal Service Fund of the City.
- (C)** Contributions will be derived from rental income on the rental facilities from the

University of Texas Rio Grande Valley from year to year,

(D) At the option of the City Commission, other sources may be used to contribute to the Fund, such as proceeds from rental of other property.

(E) Contributions shall be added to such Fund per the above criteria. Notwithstanding, nothing in this section shall be construed to mean that any contribution to the Fund is mandatory, but such will be solely at the discretion of the City Commission.

SECTION TWO. A new section under Chapter 2 Administration Section 2-281 of the Code of Ordinances of the City of Weslaco, to be known as Article XI to read in its entirety as follows:

**§XXX EXPENDITURES FROM THE BUILDING DEPRECIATION FUND;
PROHIBITED EXPENDITURES.**

(A) The City shall develop a policy to require a complete inventory and periodic measurement of the physical condition of all existing capital assets of the City, and then appropriately plan and budget for any capital replacement needs.

(B) Withdrawals from the Fund require the authorization of the City Commission.

(C) Withdrawals from the Fund should be restricted to:

(1) pay for capital equipment replacements as presented and approved within the Building Depreciation budget approved by the City Commission for each fiscal year,

(2) make up for a severe shortfall in funds where projected revenues are not met, typically because of unexpected negative influence on revenue stream,

(3) pay for catastrophic repair events of such magnitude that the cost of such would initiate an unplanned tax or rate increase or a greater than planned tax or rate increase (i.e. increases that would not have been needed if such event had not occurred). At the time of any such withdrawal for (2) or (3), a plan to raise taxes and/or rates over a reasonable time period to a level sufficient to cover the ongoing cost of maintenance and operations should be presented to the Commission and adopted.

(D) Withdrawal from the Fund should not be allowed for the following reasons:

(1) to make any expenditure not clearly and directly for an approved capital asset defined in the asset inventory.

(2) to pay for expense made necessary because of growth, expansion, or enhancement of existing services or inflation.

(3) for the operations of the facilities.

SECTION THREE. This Ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Weslaco, Texas, and this Ordinance shall not operate to repeal or affect any other ordinance except insofar as the provisions thereof might be inconsistent or in

conflict with the provisions of this Ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

SECTION FOUR. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held unconstitutional, such holding shall not affect the validity of the remaining portions of this Ordinance.

SECTION FIVE. This Ordinance shall become effective from and after its passage as provided by law.

PASSED AND APPROVED this the 2nd day of July 2019 at a Regular Meeting of the City Commission of the City of Weslaco, Texas.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this ____ day of _____ 2019 .

CITY OF WESLACO

David Suarez, **MAYOR**

ATTEST:

Myra L. Ayala Garza, City Secretary

APPROVED AS TO FORM:

Juan E. Gonzalez, **CITY ATTORNEY**



Standardized Agenda Request Form

Date of Meeting: July 2, 2019		Agenda Item No. (to be assigned by CSO): 2019-2562	
From:			
Subject: Discussion and consideration to approve Ordinance 2019-25 adopting a budget amendment for funding appropriations for the Building Depreciation Fund and authorize the Mayor to execute any related documents. First reading of Ordinance 2019-25. Possible action. (Staffed by Finance Department.)			
Background:			
Funding Source (budget code, if applicable):			
Amount:	Term of Impact:	Identified in Current Budget:	
Additional Action Prompted: Mayor's Signature Ordinance - First Reading			
If item previously considered, provide date and action by Commission:			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners:			
Advisory Review, if any (name of board/committee, date of action, recommendation):			
Aida Vega		Created/Initiated	
Vidal Roman		Approved	
Mike Perez		Final Approval	
City Manager Comments: Approve.			
Staff Recommendation:			
Attachments, if any: Budget amendment Form, O2019-25 budget amendment Bldg Depreciation Fund			
Responsibilities upon Approval:			

Account Number	Dept / Function	Description	Expenditure	Revenue
602-4000-471100	Revenue	Property Rental not budgeted	\$ -	\$ 86,510
602-5110-522626	Planning	Maintenance - Public Safety Facilities	18,700	
602-5110-522626	Planning	Capital Outlay - A/C Unit	35,650	
			54,350	86,510
		Impact on Fund Balance		\$ 32,160

ORDINANCE 2019-25

AN ORDINANCE AMENDING ORDINANCE NUMBER 2018-27, APPROVING AND ADOPTING A BUDGET FOR THE CITY OF WESLACO, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2018 AND ENDING SEPTEMBER 30, 2019, FINDING NEED TO AMEND THE 2018-2019 MUNICIPAL BUDGET; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE, AND ORDAINING OTHER MATTERS WITH RESPECT TO THE SUBJECT MATTER HEREOF.

WHEREAS, the City Commission of the City of Weslaco utilized diligent thought and attention to the preparation of the 2018-2019 budget; and

WHEREAS, unusual and unforeseen conditions have arisen during the fiscal year which have, or will require, the expenditure of additional funds constituting an emergency expenditure; and

WHEREAS, Section 102.009 of the Texas Local Government Code authorizes the City to amend its budget in such a manner as to provide for emergency expenditures as an amendment to the original budget in a case of grave public necessity to meet an unusual and unforeseen condition; and

WHEREAS, the City Commission finds the amendments in the line items identified in the attached Exhibit are reasonable, necessary, and for municipal purposes.

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

SECTION 1. FINDINGS. The City Commission finds the statements made in the preamble above are true.

SECTION 2. BUDGET LINE ITEMS. The City Commission approves the budget amendments in the attached Exhibit as such change is necessary to meet an unusual and unforeseen condition as the result of an emergency.

SECTION 3. BUDGET TOTAL. The City Commission further finds the amended budget line items identified in such Exhibit will not cause the total expenditures in the budget to exceed the total amount of estimated revenue.

SECTION 4. APPROVAL. The 2018-2019 Official Budget, adopted by Ordinance 2018-27, is hereby reallocated, revised, amended and approved as set forth in the attached Exhibit.

SECTION 5. AUTHORIZATION. The City Manager is authorized to undertake action to execute such transfers in accordance with state law, and file, or cause to be filed, a true and correct copy of this Ordinance, with the attached budget amendment, with the City Secretary.

SECTION 6. SEVERABILITY CLAUSE. It is the intent of the City Commission that each sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be deemed severable and, should any such sentence, paragraph, subdivision, clause, phrase or section be declared invalid or unconstitutional for any reason, such declaration of invalidity or unconstitutionality shall not be construed to affect the validity of those provisions of the Ordinance left standing.

SECTION 7. EFFECTIVE DATE. This Ordinance shall take effect upon final reading.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 2nd day of July 2019.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this day of 2019.

CITY OF WESLACO

David Suarez, **MAYOR**

ATTEST:

Myra L. Ayala Garza, **CITY SECRETARY**

APPROVED AS TO FORM:

Juan E. Gonzalez, **CITY ATTORNEY**

June 2019

Weslaco Area Chamber of Commerce-Destination Marketing Report

June Advertising		
Item	Description	Cost
Mexico Advertising	deShopping/AIM Media	\$ 1,400.00
Texas Domestic	Benchmark-Billboards I-2/Expressway 83	\$2,300
Airport Promotions	DigitalAim-AIM Media	\$ 1,250
Logo Redesign	Weslaco Logo to include Visitors Center	\$1,550
Total:		\$6,500

Business, Visitor & Events Center	
Approximate # of Guests	185
In State Visitors	35
Out of State visitors	7
Total:	227

**total of 11 facility reservations (conference center/board room)*

Highlights:

- ✓ Rental Groups included
 - IDEA Public Schools, Coastal Solar, Well Med, VIDA
- ✓ Collaboration with local Visitors Center
 - Connecting Visitors to Weslaco and vice versa
 - Ensuring Weslaco Publications are available in different Visitors Centers
- ✓ Exhibit Wall
 - New piece added to Visitors Center that displays Weslaco's History and features local fame, Things to do and see, Weslaco 100 timeline, landmarks, nature, etc. Stop by and check it out!
- ✓ Mexico digital campaign targeted display in both Mexico and Airport results:
 - Total Impressions: 315,753
 - Total Clicks: 1,281
- ✓ Airport Campaign results:
 - Total Impressions: 182,121
 - Total Clicks: 1,367





THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO

Whether you are launching, expanding or relocation a business, it makes sense to choose Weslaco – it is the Business Center of the Rio Grande Valley!

June 26, 2019

Weslaco's 5th Annual Fireworks Festival on July 4th Event

A great event at Mayor Pablo G. Pena Park, including 3 bands: Yard Dogs; Southern Ashes; and Jaime De Anda (headliner) and Firework Spectacular at 9:05 pm.

The event is full of vendors, 55 in total.

Sponsorships for the event: Ci Logistics; David Fuentes Precinct 1 Commissioner; Valley Baptist Micro – Hospital Weslaco; AEP Texas; Guerra Construction; Trigen Construction; South Texas Federal Credit Union; SJ Hospice Services; Texas National Bank; Jason's Deli; Megamorphosis; Montalvo Insurance Agency; B.O.W. of Weslaco; RK Homes and Salsa El Gallo Premium Hot Sauce.

A committee meeting was held on June 21st. City of Weslaco, Weslaco Police Dept, Valley Metro, U.S. Customs & Border Patrol; Eudy Carrillo; Zach Sunderland are were instrumental in planning the event.

Free Parking/ Free Shuttle Buses from City Hall to the event by Valley Metro/ Free Entry/ Free Kiddie Rides

Workforce Training for Weslaco Companies

Kapal Cabinet House has completed OSHA training in June and ColiMex will undergo OSHA training in July.

EDC is offering training for Weslaco companies, with South Texas College Mid Valley Campus. The goal of the program is to improve skills and maintain the economic strength of Weslaco.

Incentive Agreement Audits

Texas Aviation Academy; Bar B Cutie Restaurant; UTRGV CIC

Working on the Budget for Next Fiscal Year

Summary of Leads List

Staff is working a total of 64 leads.

2016/2017 TOTAL WINS	14 WINS	JOBS: 296	CAPITAL INVEST. \$15,302,638
2017/2018 TOTAL WINS	23 WINS	JOBS: 266	CAPITAL INVEST. \$31,083,199
2018/2019 Partial WINS	17 WINS	JOBS: 136	CAPITAL INVEST. \$ 8,822,211

275 S. Kansas, Suite #A • Weslaco, Texas • 78596

(956) 969-0838 • (956) 969-8611 Fax

www.weslacoedc.com