



**A REGULAR MEETING
OF THE WESLACO CITY COMMISSION
TUESDAY, MAY 1, 2018**

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, May 1, 2018 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discussed separately unless requested by one commission member, in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon.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 April 17, 2018.
(Staffed by City Secretary's Office.) Attachment.
- B. Approval on second and final reading of the following:
- 1) Ordinance 2018-08 rezoning 1905 Hollow Drive also being Lot 97, Westgate Village Phase II Subdivision, Weslaco, Hidalgo County, Texas from R-1 One Family Dwelling to B-1 Neighborhood Business District and authorize the Mayor to execute any related documents. (First reading held March 20, 2018; Staffed by the Planning and Code Enforcement Department.) Attachment
 - 2) Ordinance 2018-09 amending Ordinance 2017-10 The City of Weslaco International Energy Conservation Code creating a sampling protocol for multiple dwelling units for Building Thermal Envelope Test and Duct Leakage Test and authorize the Mayor to execute any related documents. (First Reading held April 17, 2018; Staffed by Planning and Code Enforcement Department.) Attachment
 - 3) Ordinance 2018-12 amending Ordinance 2017-10 The City of Weslaco International Energy Conservation Code regarding Commissioning. (First Reading held April 17, 2018; Staffed by Planning and Code Enforcement Department.) Attachment
- C. Approval of a renewal of a Local Agreement between the City of Weslaco Police Department and Criminal District Attorney of Hidalgo County and authorize the Mayor to execute any related documents. (Staffed by Police Department.) Attachment
- D. Approval on Park Project Development Agreement between Economic Development Corporation of Weslaco and City on financial support for the proposed north side park and authorize the Mayor to execute any related documents. (Staffed by Economic Development Corporation.) Attachment
- E. Approval of the renewal of Remote Birth Access contract with Department State Health Services for the period September 1, 2018 through August 31, 2023 and authorize the Mayor to execute any related documents. (Staffed by City Secretary's Department.) Attachment
- F. Acceptance of donation in the amount of \$1,000 from KSA Engineers for Weslaco City Hall Christmas Tree. (Staffed by Parks Department.) Attachment

- G. Approval of a Mid Valley Airport Hangar Lease Agreement with Mike Carey, Hangar E-2, and authorize the Mayor to execute any related documents. (Staffed by Airport.) Attachment

IV. OLD BUSINESS

- A. Discussion for establishing the Board of Adjustments to the Building Code and Zoning Ordinance (merging Board of Adjustments to the Construction and Housing Code and Board of Adjustment to the Zoning. (There was no action on April 17, 2018; Staffed by Planning and Code Enforcement Department.)

V. NEW BUSINESS

- A. Discussion and consideration to approve final payment for the Repairs of the Villa de Cortez Parking Garage Project in an amount not to exceed \$6,151.20 and authorize Mayor to execute any related documents. Possible action. (Staffed by Planning and Code Enforcement Department.) Attachment
- B. Discussion and consideration to approve Ordinance 2018-13 adopting a mid-year budget amendment and authorize the Mayor to executed any related documents. First reading of Ordinance 2018-13. Possible action. (Staffed by the Finance Department.) Attachment
- C. Discussion and consideration to accept, open, award or reject the sole bid received for Bid No.: 2017-18-16 Public Sale of Property and Building Structures located at 1411 West 18th Street. 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 Siemens Technologies on Performance Contracting Agreement.
- E. Report by Planning and Code Enforcement.
- F. Report by Public Works.

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. Pending Litigation - Consultation with City Attorney regarding Cause No. C-1301-18-F *Jimmie E. Steidinger, John Paul Blakely, and Roy Dale Kincaid, Plaintiffs, v. City of Weslaco and Andrew Munoz, Defendants* as authorized by §551.071 of the Texas Government Code.
- C. Legal Consultation - Seek City Attorney opinion relating to the mediation with CDM as authorized by §551.071 of the Texas Government Code.
- D. 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 Fire Union (IAFF-WFFA Local 3207) 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 27th day of April, 2018 at 4:30 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/ Elizabeth M. Walker, 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: May 1, 2018		Agenda Item No. (to be assigned by CSO): 2018-1665	
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):			
Elizabeth Walker		Created/Initiated	
Elizabeth Walker		Approved	
Mike Perez		Final Approval	
City Manager Comments:			
Staff Recommendation: A. Mayor will Call to Order and certify Public Notice. B. Pastor Raja Masilamony, Seventh Day Adventists 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 updated 2017 election			
Responsibilities upon Approval:			

City of Weslaco

"The City on the Grow"



David Suarez, Mayor
Gerardo "Jerry" Tafolla, Mayor Pro-Tem, District 4
Leo Muñoz, Commissioner, District 1
Greg Kerr, Commissioner, District 2
Jose "J.P." Rodriguez, Commissioner, District 3
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: May 1, 2018		Agenda Item No. (to be assigned by CSO): 2018-1670	
From:			
Subject: Approval of the Minutes of the Regular Meeting on April 17, 2018. (Staffed by City Secretary's Office.) Attachment.			
Background: Record of commission action for the regular meeting of April 17, 2018.			
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):			
Elizabeth Walker		Created/Initiated	
Mike Perez		Final Approval	
City Manager Comments: Approve.			
Staff Recommendation: Approve.			
Attachments, if any: 2018-4-17 minutes			
Responsibilities upon Approval: Execute and retain.			



**A REGULAR MEETING
OF THE WESLACO CITY COMMISSION
TUESDAY, APRIL 17, 2018**

On Tuesday, April 17, 2018, at 5:35 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 members present:

Mayor	David Suarez
Mayor Pro-Tem	Gerardo “Jerry” Tafolla
Commissioner	Leo Muñoz
Commissioner	Greg Kerr
Commissioner	Jose “J.P.” Rodriguez
Commissioner	Letty Lopez
Commissioner	Josh Pedraza
City Manager	Mike R. Perez
City Secretary	Elizabeth Walker
City Attorney	Juan E. Gonzalez

Also present: Mary Barrera, Finance Director; Veronica Ramirez, Human Resources Director; Rogelio Martinez, Interim Information Technology Director; Tony Lopez, Fire Chief; Joel Rivera, Police Chief; Mardoqueo Hinojosa, Planning and Code Enforcement Director and City Engineer; David Arce, Parks and Recreation Director; Andrew Munoz, Airport Director; Martin Mata, Assistant Library Director; Rosa Huerta, Municipal Court Coordinator; and other staff members and citizens.

I. CALL TO ORDER

A. Certification of Public Notice.

The Mayor called the meeting to order and certified the public notice of the meeting as properly posted Friday, April 13, 2018.

B. Invocation.

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

C. Pledge of Allegiance.

The Mayor led the Pledge of Allegiance and Texas Flag.

D. Mayoral Recognition.

The Mayor proclaimed April 17, 2018 as AARP Tax-Aide Program Day.

E. Roll Call.

Elizabeth Walker, City Secretary, called the roll noting perfect attendance and a quorum present.

II. PUBLIC COMMENTS

None received.

III. PUBLIC HEARING

Mayor Pro Tem Tafolla, seconded by Commissioner Kerr, 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 Ice House Sports Bar & Grill LLC for a Conditional Use Permit to obtain a Mixed Beverage Permit, Mixed Beverage Late Hours Permit and Beverage Cartage Permit at 3700 E. Expressway 83 also being Lot 5 of the Replat of Red Bird Subdivision No. 2, Weslaco, Hidalgo County, Texas. (Staffed by Planning and Code Enforcement Department.)

No comments received.

B. To solicit input on behalf of Reyna 5 Enterprises LLC for a Conditional Use Permit to obtain a Mixed Beverage Permit, Food and Beverage Certificate and Beverage Cartage Permit at 812 W. Interstate 2 also being Lot 2 Replat of Lot 1, Reyna Office Park, Unit 1 Subdivision, Weslaco, Hidalgo County, Texas. (Staffed by Planning and Code Enforcement Department.)

No comments received.

Mayor Pro Tem Tafolla, seconded by Commissioner Kerr, moved to close the public hearing at 5:43 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 following:

- 1) Regular Meeting on April 3, 2018;
- 2) Record of Workshop meeting on April 3, 2018. (Staffed by City Secretary's Office.)

B. Approval of a Mid Valley Airport Ground Lease Agreement with Tenant Nelson Clopine for Hangar W-31 and authorize the Mayor to execute any related documents. (Staffed by Airport.)

C. Approval of a Mid Valley Airport Ground Lease Agreement with Tenant Scott Fuller for Hangar W-21A and authorize the Mayor to execute any related documents. (Staffed by Airport.)

D. Authorization to hold the July 4th celebration with Weslaco Economic Development Corporation on Wednesday, July 4, 2018 at the Mayor Pablo G. Peña City Park at 300 N. Airport Drive, to sell beer during the event from 12 noon to 11 p.m., to waive appropriate ordinances associated with the event, and to place a banner promoting it at the intersection of Texas and Pike Boulevards and/or Westgate Drive and Frontage and authorize the Mayor to execute any related documents as may be required by the Texas Department of Transportation. (Staffed by Parks and Recreation Department.)

E. Acceptance as a permanent recipient of a CERT/MRC training trailer awarded June 20, 2017 from the State of Texas Citizen Corps program to the City of Weslaco Fire Department CERT/MRC community program. (Staffed by Fire Department.)

F. Authorization to submit an application to the Bulletproof Vest Partnership (BVP) Grant and authorize the Mayor to execute any related documents. (Staffed by Police Department.)

G. Approval of request by Elks Lodge #2057 to close Gibson Park early for their 21st Annual McCaleb Charity Shrimp Boil on May 18th, 2018 to accommodate parking beginning at 6 p.m. (Requested by Paul McDaniel, Chairman, Weslaco Elks Lodge #2057.)

H. Authorization of an expenditure in an amount not to exceed \$1,100.00 from the Preservation Fund for the purchase of death record binders, birth record binders, secure life ledger paper, and other supplies for the permanent retention of vital records as prescribed by the Texas Health & Safety Code §191.0045 (h). (Staffed by City Secretary's Office.)

I. Authorization to bid and purchase a 2018 F-350 Ambulance at a cost of \$150,000.00 with awarded funding from Emergency Services District #1 through HGAC contract #AM10-16 and authorize the Mayor to execute any related documents. (Staffed by the Fire Department.)

Mayor Pro Tem Tafolla, seconded by Commissioner Muñoz, moved to approve consent agenda items A through I as presented; Mayor Suarez requested item I be withheld.

Mayor Pro Tem Tafolla, seconded by Commissioner Muñoz amended the motion to approve consent agenda items A through H. The motion carried unanimously; Mayor Suarez was present and voting.

I. Authorization to bid and purchase a 2018 F-350 Ambulance at a cost of \$150,000.00 with awarded funding from Emergency Services District #1 through HGAC contract #AM10-16 and authorize the Mayor to execute any related documents. (Staffed by the Fire Department.)

Antonio Lopez, Fire Chief, stated Emergency Services District #1 awarded a grant to the City in the amount of \$30,000 per year for five years; first payment is expected September 2018 then each January after that. The City Manager noted the payment schedule will be aligned with funds as received. Staff recommended approval.

Commissioner Kerr, seconded by Commissioner Lopez, moved to authorize to bid and purchase a 2018 F-350 Ambulance at a cost of \$150,000.00 with awarded funding from Emergency Services

District #1 through HGAC contract #AM10-16. The motion carried unanimously; Mayor Suarez was present and voting.

V. OLD BUSINESS

A. Discussion and consideration to approve the City of Weslaco's Comprehensive Annual Financial Report for fiscal year ending September 30, 2017 as presented by Carr, Riggs & Ingram, LLC. Possible action. (There was no action on April 3, 2018; requested by Carr, Riggs & Ingram, LLC; Staffed by Finance Department.)

Mary Barrera, Finance Director, stated the Comprehensive Annual Financial Report ending September 30, 2017 was completed by Carr, Riggs & Ingram.

Quintin Anderson, Partner with Carr, Riggs & Ingram, reviewed the 190-page document with transmittal letter profiling the financial position, noting the Certificate of Achievement for Excellence in Financial Reporting recognition received. He summarized assets and liabilities of the governmental funds, with a net position of \$7.5 million representing 30% of the annual operations which exceeds internal policies. Following an overview of debt, he summarized recommendations as follows: implement document protocols, develop IT controls, and reconcile payable and liability accounts timelier. There were no significant deficiencies noted.

Mayor Pro Tem Tafolla, seconded by Commissioner Lopez, moved to approve the City of Weslaco's Comprehensive Annual Financial Report for fiscal year ending September 30, 2017. The motion carried unanimously; Mayor Suarez was present and voting.

B. Discussion and consideration to approve Change Order No. 001 with Noble Texas Builders on the University of Texas Rio Grande Valley Center for Innovation and Commercialization project to decrease the project sum by \$96,956.00 per value engineering items and authorize the Mayor to execute any related documents. Possible action. (There was no action on this item March 20 and April 3, 2018; Requested by Economic Development Corporation.)

Mike Perez, City Manager, stated the contract was reviewed and it favors the contractors; however, sales tax is included. He stated the project has an additional savings of \$43,000; he recommends approval to retain the integrity of the project and completion on time.

Mayor Pro Tem Tafolla, seconded by Commissioner Lopez, moved to approve Change Order No. 001 with Noble Texas Builders on the University of Texas Rio Grande Valley Center for Innovation and Commercialization project to decrease the project sum by \$96,956.00 per value engineering items. The motion carried unanimously; Mayor Suarez was present and voting.

VI. NEW BUSINESS

A. Discussion and consideration after public hearing on behalf of Ice House Sports Bar & Grill to approve a Conditional Use Permit to obtain a Mixed Beverage Permit, Mixed Beverage Late Hours Permit and Beverage Cartage Permit at 3700 E. Expressway 83 also being Lot 5 of the Replat of Red Bird Subdivision No. 2, Weslaco, Hidalgo County, Texas. Possible action. (Staffed by the Planning and Code Enforcement Department.)

Mardoqueo Hinojosa, City Engineer/Planning and Code Enforcement Director, stated eight property owners were notified with no objection received. The Planning and Zoning Commission and staff recommend approval.

Commissioner Kerr, seconded by Commissioner Lopez, moved to approve after public hearing on behalf of Ice House Sports Bar & Grill a conditional use permit for a Mixed Beverage Permit, Mixed Beverage Late Hours Permit and Beverage Cartage Permit as presented. The motion carried unanimously; Mayor Suarez was present and voting.

B. Discussion and consideration after public hearing on behalf of Reyna 5 Enterprises LLC for a Conditional Use Permit to obtain a Mixed Beverage Permit, Food and Beverage Certificate and Beverage Cartage Permit at 812 W. Interstate 2 also being Lot 2 Replat of Lot 1, Reyna Office Park, Unit 1 Subdivision, Weslaco, Hidalgo County, Texas. Possible action. (Staffed by Planning and Code Enforcement Department.)

Mardoqueo Hinojosa, City Engineer/Planning and Code Enforcement Director, stated four property owners were notified with no objection received. The Planning and Zoning Commission and staff recommend approval.

Commissioner Lopez, seconded by Commissioner Rodriguez, moved to approve after public hearing on behalf of Reyna 5 Enterprises LLC for a Conditional Use Permit to obtain a Mixed Beverage Permit, Food and Beverage Certificate and Beverage Cartage Permit The motion carried unanimously; Mayor Suarez was present and voting.

C. Discussion and consideration to adopt Ordinance 2018-09 amending ordinance 2017-10 The City of Weslaco International Energy Conservation Code creating a sampling protocol for multiple dwelling units for Building Thermal Envelope Test and Duct Leakage Test and authorize the Mayor to execute any related documents. First Reading of Ordinance 2018-09. Possible action. (Staffed by Planning and Code Enforcement.)

Mardoqueo Hinojosa stated the proposed amendment to the ordinance would allow a third-party sample test of 30% of newly constructed apartments instead of every unit; all must pass, in any fail all units will require testing.

In response to Mayor Pro Tem Tafolla, the intent is to reduce the cost borne by businesses for the test. In response to Commissioner Muñoz, second reading of ordinance language will clarify minimum standards, with one story of eight units or two-story greater than 4 units would require 30% sampling done. Cost to test is \$200 per unit.

Mayor Pro Tem Tafolla, seconded by Commissioner Pedraza, moved to approve Ordinance 2018-09 amending ordinance 2017-10 The City of Weslaco International Energy Conservation Code creating a sampling protocol for multiple dwelling units for Building Thermal Envelope Test and Duct Leakage Test. The motion carried unanimously; Mayor Suarez was present and voting.

D. Discussion and consideration to adopt Ordinance 2018-12 amending Ordinance 2017-10 The City of Weslaco International Energy Conservation Code regarding Commissioning. First Reading of Ordinance 2018-12. Possible action. (Staffed by Planning & Code Enforcement.)

Mardoqueo Hinojosa stated commissioning is a third-party review of mechanical and lighting systems to ensure energy efficiency is properly balanced for heating and cooling purposes. The amendment allows consideration to smaller buildings. Commissioner Muñoz asked to review the electrical sampling component and see if this can also be included in the ordinance.

Commissioner Kerr, seconded by Commissioner Lopez, moved to approve. Ordinance 2018-12 amending Ordinance 2017-10 The City of Weslaco International Energy Conservation Code regarding Commissioning. The motion carried unanimously; Mayor Suarez was present and voting.

E. Discussion and consideration to approve Change Order No. 1 for the Repairs of the Villa de Cortez Parking Garage Project in an amount not to exceed \$11,887.00 and authorize the Mayor to execute any related documents. Possible action. (Staffed by Planning and Code Enforcement Department.)

Mardoqueo Hinojosa stated after sandblasting the rail corrosion was found and a portion of the bracing has water leakage. Staff recommends epoxy coat be used in 51 locations identified and later consider the whole second deck. The change order is for \$11,887 and staff recommends approval. In response to Commissioner Muñoz, the change order is 20% of the contract.

Mayor Pro Tem Tafolla, seconded by Commissioner Lopez, moved to approve Change Order No. 1 for the Repairs of the Villa de Cortez Parking Garage Project in an amount not to exceed \$11,887.00. The motion carried unanimously; Mayor Suarez was present and voting.

F. Discussion and consideration on Resolution 2017-84 to terminate the Multiple Use Agreement with the Texas Department of Transportation for inactive approved bus stop locations along their right-of-way on U.S. Business Highway 83 and Texas Boulevard. Possible action. (There was no action on December 19, 2017; Staffed by Planning and Code Enforcement

The City Manager stated the Texas Department of Transportation requested the item be approved to release the bus stop locations. Andrew Muñoz, Airport Director, stated he spoke with Tom Logan, Director of Valley Metro, as they are the designated recipient. Mr. Logan had no objection and staff recommends approval.

Commissioner Muñoz, seconded by Commissioner Lopez, moved to approve Resolution 2017-84 to terminate the Multiple Use Agreement with the Texas Department of Transportation for inactive approved bus stop locations along their right-of-way on U.S. Business Highway 83 and Texas Boulevard. The motion carried unanimously; Mayor Suarez was present and voting.

G. Discussion for establishing the Board of Adjustments to the Building Code and Zoning Ordinance (merging Board of Adjustments to the Construction and Housing Code and Board of Adjustment to the Zoning). (Staffed by Planning and Code Enforcement Department.)

Mayor Pro Tem Tafolla, seconded by Commissioner Pedraza, moved to discuss.

Mardoqueo Hinojosa stated with the terms of the Board of Adjustment of building codes expiring, staff is recommending consideration of merging the Board of Adjustment and Appeals for Zoning and Board of Adjustment for Construction and Housing Codes and establish the Board of

Adjustments to the Building Code and Zoning Ordinance. Currently the Appeals for Zoning Board is composed of five members and the Appeals to Building Codes is composed of seven members. One board meets monthly, the other as-needed. Staff proposes a board of seven that includes a Master Electrician, Master Plumber, Engineer/Architect, Vocational Instructor or Mechanical, contractor and two at-large citizens.

Commissioner Lopez expressed concern that citizens would be losing an opportunity to serve.

Mayor Suarez requested staff to outline the positive and negative in merging the boards and bring back to the Commission for further consideration. There was no action on this item.

H. Discussion and consideration to approve the North Fire Station layout and finalize plan. Possible action. (Staffed by City Manager's Office).

The City Manager stated this is a \$1.3 million project; staff changed the building orientation of the fire station to save on the cost of concrete. He recommended to bid as presented with an alternate bid for two bays without the garage doors. Project budget is \$650,000; estimated cost of layout as designed is \$900,000.

Mayor Pro Tem Tafolla, seconded by Commissioner Kerr, moved to approve the North Fire Station layout and finalize plan. The motion carried unanimously; Mayor Suarez was present and voting.

I. Discussion and consideration to approve Resolution 2018-33 finding that AEP Texas Central Company's application for a distribution cost recovery factor to increase distribution rates within the city should be denied; finding that the city's reasonable rate case expenses shall be reimbursed by the company; and authorize the Mayor to execute any related documents. Possible action. (Staffed by City Manager's Office.)

Commissioner Kerr abstained from discussion and vote.

The City Manager stated AEP filed for a rate distribution cost increase; he recommends approving the resolution, cooperating with other cities to deny the rate and negotiate on their course of action.

Mayor Pro Tem Tafolla, seconded by Commissioner Lopez, moved to approve Resolution 2018-33 finding that AEP Texas Central Company's application for a distribution cost recovery factor to increase distribution rates within the city should be denied; finding that the city's reasonable rate case expenses shall be reimbursed by the company. The motion carried with Commissioner Kerr abstaining; Mayor Suarez was present and voting.

For the record, the following is the resolution:

RESOLUTION NO. 2018-33

A RESOLUTION OF THE CITY OF WESLACO, TEXAS FINDING THAT AEP TEXAS INC.'S APPLICATION TO AMEND ITS DISTRIBUTION COST RECOVERY FACTORS TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING

**AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC
AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS
RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.**

WHEREAS, the City of Weslaco, Texas ("City") is an electric utility customer of AEP Texas Inc. ("AEP" or "Company"), and a regulatory authority with an interest in the rates and charges of AEP; and

WHEREAS, the City is a member of the Cities Served by AEP ("Cities"), a membership of similarly situated cities served by AEP that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in AEP's service area; and

WHEREAS, on or about April 3, 2018 AEP filed with the City an Application to Amend its Distribution Cost Recovery Factor ("DCRF"), PUC Docket No. 48222, seeking to increase electric distribution rates by approximately \$3.1 million (an approximately \$800,000 decrease for the Central Division and \$3.9 million increase for the North Division); and

WHEREAS, all electric utility customers residing in the City will be impacted by this ratemaking proceeding if it is granted; and

WHEREAS, Cities are coordinating its review of AEP's DCRF filing with designated attorneys and consultants to resolve issues in the Company's application; and

WHEREAS, Cities members and attorneys recommend that members deny the DCRF.

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

Section 1. That the City is authorized to participate with Cities in PUC Docket No. 48222.

Section 2. That subject to the right to terminate employment at any time, the City of hereby authorizes the hiring of the law firm of Lloyd Gosselink and consultants to negotiate with the Company, make recommendations to the City regarding reasonable rates, and to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.

Section 3. That the rates proposed by AEP to be recovered through its DCRF charged to customers located within the City limits, are hereby found to be unreasonable and shall be denied.

Section 4. That the Company shall continue to charge its existing rates to customers within the City.

Section 5. That the City's reasonable rate case expenses shall be reimbursed in full by AEP within 30 days of presentation of an invoice to AEP.

Section 6. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

Section 7. That a copy of this Resolution shall be sent to Melissa Gage, American Electric Power Service Corporation, 400 West 15th Street, Suite 1520, Austin, Texas 78701 and to Thomas Brocato, General Counsel to the Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

PASSED AND APPROVED this 17th day of April 2018.

CITY OF WESLACO

/s/David Suarez, MAYOR

ATTEST:

/s/Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:

/s/Juan E. Gonzalez, CITY ATTORNEY

J. Discussion and consideration to approve Resolution 2018-34 opposing inclusion of a citizenship question in the 2020 Census and authorize the Mayor to execute any related documents. Possible action. (Staffed by City Manager's Office.)

The City Manager stated it has been proposed that the upcoming 2020 Census questionnaire would have a citizenship question; many cities believe that may affect the true population count. He recommends approval of Resolution 2018-34.

Commissioner Kerr, seconded by Commissioner Pedraza, moved to approve Resolution 2018-34 opposing inclusion of a citizenship question in the 2020 Census. The motion carried unanimously; Mayor Suarez was present and voting.

For the record, following is the resolution.

RESOLUTION NO. 2018-34

RESOLUTION OPPOSING CITIZENSHIP QUESTION IN THE 2020 CENSUS

WHEREAS, Hidalgo County, one of the most populous counties in the State of Texas, is currently ranked by Census Bureau as the 7th most populous of 254 counties; and

WHEREAS, Hidalgo County has historically faced undercounts and other challenges during the Census process and made great strides to overcome those challenges with the 2020 Census Committee; and

WHEREAS, even with alternative enumeration processes and messaging, properly recording Hidalgo County's population has proven challenging; and

WHEREAS, an internet based Census, Census Bureau funding shortage, and anti-immigrant rhetoric pose new challenges for our region; and

WHEREAS, a greater challenge has now been imposed by adding a citizenship question to the Census Questionnaire; and

WHEREAS, the Constitutional mandate is that all people residing in the United States be counted; and

WHEREAS, a citizenship question is not necessary nor beneficial for the Census process and will be costly and ineffective; and

WHEREAS, a citizenship question will deter residents from responding and negatively affect our regions congressional, state, and local representation as well as funding for programs and infrastructure vital for our community's continued development;

NOW, THEREFORE, BE IT RESOLVED that the Weslaco City Commission hereby opposes inclusion of a citizenship question in the 2020 Census and urges Congress members and the administration to remove the citizenship question from the 2020 Census Form.

PASSED AND APPROVED on this 17th day of April 2018.

CITY OF WESLACO
/s/David Suarez, MAYOR

ATTEST:

/s/Elizabeth M. Walker, CITY SECRETARY

APPROVED AS TO FORM:

/s/Juan E. Gonzalez, CITY ATTORNEY

K. Discussion and consideration to purchase an administrative truck for the Weslaco Police Department Chief utilizing a Buyboard contract #521-16 Silsbee Ford in the amount not to exceed \$33,145.00 and authorize the Mayor to execute any related documents. Possible action. (Staffed by Finance Department.)

The City Manager stated the four-wheel drive pickup is for the Police Chief and recommends approval.

Commissioner Pedraza, seconded by Commissioner Lopez, moved to approve the purchase of an administrative truck for the Weslaco Police Department Chief utilizing a Buyboard contract #521-16 Silsbee Ford in the amount not to exceed \$33,145.00. The motion carried unanimously; Mayor Suarez was present and voting.

VII. EXECUTIVE SESSION

At 7:00 p.m. Mayor Pro Tem Tafolla, seconded by Commissioner Pedraza, moved to convene the regular meeting in Executive Session. The motion carried unanimously; Mayor Suarez was present and voting.

At 7:46 p.m. Mayor Suarez announced 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.

There was no action.

B. Pending Litigation - Consultation with City Attorney regarding Cause No. C-1301-18-F Jimmie E. Steidinger, John Paul Blakely, and Roy Dale Kincaid, Plaintiffs, v. City of Weslaco and Andrew Munoz, Defendants as authorized by §551.071 of the Texas Government Code.

There was no action.

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

There was no action.

D. Legal Consultation - Seek City Attorney opinion relating to the demand letter from Noble Texas as authorized by §551.071 of the Texas Government Code.

Commissioner Kerr abstained from vote and discussion.

Commissioner Muñoz, seconded by Commissioner Lopez, moved to authorize the City Manager to make an offer on the demand letter from Noble Texas as discussed in Executive Session. The motion carried with Commissioner Kerr abstaining; Mayor Suarez was present and voting.

E. Economic Development – Consultation with City Attorney regarding Economic Development incentive programs related to Project Academy as authorized by §551.087 of the Texas Government Code.

There was no action.

IX. ADJOURNMENT

Commissioner Muñoz seconded by Commissioner Lopez, moved to adjourn at 7:42 p.m. The motion carried unanimously; Mayor Suarez was present and voting.

CITY OF WESLACO

MAYOR, David Suarez

ATTEST:

CITY SECRETARY, Elizabeth Walker

MAYOR PRO-TEM, Gerardo “Jerry” Tafolla

COMMISSIONER, Leo Muñoz

COMMISSIONER, Greg Kerr

COMMISSIONER, Jose “J.P.” Rodriguez

COMMISSIONER, Letty Lopez

COMMISSIONER, Josh Pedraza



Standardized Agenda Request Form

Date of Meeting: May 1, 2018		Agenda Item No. (to be assigned by CSO): 2018-1598
From: Mardoqueo Hinojosa		
Subject: Ordinance 2018-08 rezoning 1905 Hollow Drive also being Lot 97, Westgate Village Phase II Subdivision, Weslaco, Hidalgo County, Texas from R-1 One Family Dwelling to B-1 Neighborhood Business District and authorize the Mayor to execute any related documents. (First reading held March 20, 2018; Staffed by the Planning and Code Enforcement Department.)		
Background: The applicant is requesting to rezone property from R-1 One Family Dwelling to B-1 Neighborhood Business District. Nineteen (19) property owners within 200et of the applicant's property were notified by letter on February 23, 2018.		
Funding Source (budget code, if applicable):		
Amount:	Term of Impact:	Identified in Current Budget:
Additional Action Prompted: Mayor's Signature Public Hearing 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 Planning and Zoning Commission and the City Commission appeared in The Monitor on February 19, 2018.		
Advisory Review, if any (name of board/committee, date of action, recommendation): Planning & Zoning recommended approval on March 7, 2018.		
Aida Vega Mardoqueo Hinojosa Mike Perez		Created/Initiated Approved Final Approval
City Manager Comments: Approved.		
Staff Recommendation: Staff recommends approval based on location and nearby Commercial Zones.		
Attachments, if any: Rezone 1905 Hollow Drive, 1905 HOLLOW RD - attachments, O2018-08 rezone 1905+Hollow+Rd		
Responsibilities upon Approval:		

Planning staff will advise applicant.

Rezone Request

R-1 One-Family Dwelling District to
B-1 Neighborhood Office District

Legend

 Rezone Request
Oak Ln

Abilene Drive

Corpus Christi Drive

Google Earth

© 2018 Google

N Westgate Dr.

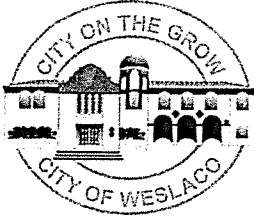
Hollow Rd

Canyon Dr

Home Depot



700 ft



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. REZ18-00003

RECEIVED

FEB 01 2018

PROPOSED PROJECT

Legal Description of Property to be rezoned:

Lot 97 Block _____

Subdivision Name Westgate Village

Street Address Holloway

Existing Zoning Residential Existing Land Use nothing

Proposed Zoning Commercial Proposed Land Use office

Planning &
Code Enforcement Dept.

_____ \$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 Javier Pena Phone 956-520-0141

Address 1502 Mackenzie Fax: _____

City _____ State _____ Zip Code _____ E-Mail: _____

OWNER

Name Javier Pena Phone 956-520-0141

Address 1502 Mackenzie Fax: _____

City _____ State _____ Zip Code _____ E-Mail: _____

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 Javier Pena

Date 2-1-18

Signature Javier Pena

Date 2-1-18

Signature Javier Pena

Date 2-1-18

Owner

Applicant

Authorized Agent

STAFF USE ONLY

Accepted By _____ Payment Received By _____ Date Paid _____

Notice of Public Hearing Sent to Property Owners within 200' of Proposed Site Date _____

P & Z Notice of Public Hearing Published in Newspaper Date _____

City Commission Notice of Public Hearing Published Date _____

Presented to P & Z Commission Date _____
Approved _____ Disapproved _____ Tabled _____

Presented to City Commission Date _____
Approved _____ Disapproved _____ Tabled _____

Ordinance No. _____

THE INTENT OF ZONING

Zoning is defined as the division of a municipality into districts for the purpose of regulating the use of private land. A city's police powers enable the municipality to regulate various land welfare of the entire public. They have been designed to lessen the congestion in the streets; to secure safety from, fire, panic, or other dangers; to provide adequate light and air, to prevent the overcrowding of land; to avoid undue concentration of population; to facilitate the adequate provisions of transportation, water, sewage, schools, parks and other public requirements. Zoning must be done in accordance with a comprehensive master plan. Such a plan will be a pattern for future development and prohibits the arbitrary and capricious control of land.

HOW AM I AFFECTED

A city's unique character, just like Weslaco is preserved through the various arrangements of land uses permitted in an area. If incomplete land uses are placed together then the safety and character of Weslaco will be placed in danger. Zoning is used as a tool to establish and maintain the character of a neighborhood, if improper land uses are permitted; in the future they became non-conforming uses and spoil the character of an area. Zoning intent is to prevent this and cannot deny the continued use of a site if the site is non-conforming to the rest of the area. The intent of zoning is to provide guidelines for creating compatible land uses and provide the character Weslaco wishes to preserve.

A STATEMENT ON WESLACO'S ZONING ORDINANCE

Weslaco's Zoning Ordinance consists of the description of uses permitted in each district. It defines the different types of uses permitted in each zone. The Zoning Ordinance specifies height regulations, accessory building regulations parking and loading regulations and area, and density regulations.

WHAT IF A BUILDING OR SITE DOES NOT COMPLY WITH ITS ZONING

If a building infringes upon the required building setbacks requirements; the Weslaco Board of Adjustments and Appeals of Zoning must consider the granting of an exception and may permit modifications to various building and lot requirements when necessitated. This may be due to the unusual size or shape of a parcel of land. Board of Adjustments and Appeals of Zoning Petition Packages are available at the Planning Department.

REZONING APPLICATIONS INSTRUCTIONS

1. Application form must be completed in full with applicant's signature.
2. Statement must be attached to the application stating why the rezoning is requested and the type of operation to be conducted on the property.
3. A three-hundred dollar (\$300.00) application fee must also be submitted along with the application.
4. Once the application is submitted in completed form, the Planning Department is required by State Law to notify by mail all property owners within the 200 foot radius of the affected proposed zone change and advertise in a newspaper fifteen (15) days prior to the public hearing to be held by both the Planning and Zoning and City Commissions on the zone change request.
5. After the Planning and Zoning Commission meeting, the request will be placed on the next available City Commission agenda for final consideration.
6. Should the Planning and Zoning Commission or the owners of 20% of the property within the 200 foot radius of the proposed zone change request, oppose the request, a $\frac{3}{4}$ th vote will be required by the City Commission to receive approval.
7. Only after the second and final reading by the City Commission of the rezoning ordinance, may the activity proposed on the property begin operation after all appropriate permits have been issued.

2017 TAX STATEMENT



PABLO (PAUL) VILLARREAL JR., PCC
HIDALGO COUNTY TAX ASSESSOR - COLLECTOR
PO BOX 178
EDINBURG, TEXAS 78540

Certified Owner:

PENA JAVIER
1905 HOLLOW RD
WESLACO, TX 78599-3997

Legal Description:

WESTGATE VILLAGE M/H PH 2 LOT 97

Account No: W3920-02-000-0097-00

Appr. Dist. No.: 611180

Legal Acres: .1597

Parcel Address: 1905 HOLLOW RD

As of Date: 01/31/2018

Cause No: T0629-13A

Print Date: 01/31/2018

Market Value		Appraised Value	Assessed Value	Capped Value	Homesite Value	Agricultural Market Value	Non-Qualifying Value
Land	Improvement						
\$20,865	\$0	\$20,865	\$20,865	\$0	\$0	\$0	\$20,865
Taxing Unit	Assessed Value (100%)	Exemptions		Taxable Value	Tax Rate	Tax	
		Code	Amount				
HIDALGO COUNTY	\$20,865		\$0.00	\$20,865	0.5800000	\$121.02	
DRAINAGE DIST #1	\$20,865		\$0.00	\$20,865	0.0951000	\$19.84	
CITY OF WESLACO	\$20,865		\$0.00	\$20,865	0.6667000	\$139.11	
<i>Amount saved by additional sales tax revenue \$36.78</i>							
WESLACO ISD	\$20,865		\$0.00	\$20,865	1.1597000	\$241.97	
SOUTH TEXAS ISD	\$20,865		\$0.00	\$20,865	0.0492000	\$10.27	
SOUTH TEXAS COLLEGE	\$20,865		\$0.00	\$20,865	0.1850000	\$38.60	

Total Tax: \$570.81

Total Tax Paid to date: \$0.00

Total Tax Remaining: \$570.81

Exemptions:**AMOUNT DUE IF PAID BY:**

01/31/2018 0%	02/28/2018 7%	04/02/2018 9%	04/30/2018 11%	05/31/2018 13%	07/02/2018 15%
\$570.81	\$610.77	\$622.18	\$633.60	\$645.02	\$656.44
07/31/2018 18 + up to 15%	08/31/2018 19 + up to 15%	10/01/2018 20 + up to 15%	10/31/2018 21 + up to 15%	11/30/2018 22 + up to 15%	12/31/2018 23 + up to 15%
\$774.58	\$781.13	\$787.70	\$794.28	\$800.83	\$807.40

School Information:

WESLACO ISD 2017 M&O 1.1397000 I&S .02000000 Total 1.1597000 2016 M&O 1.1397000 I&S .00000000 Total 1.1397000

PLEASE CUT AT THE DOTTED LINE AND RETURN THIS PORTION WITH YOUR PAYMENT.

4.1.67



Print Date: 01/31/2018

PLEASE NOTE YOUR ACCOUNT NUMBER ON YOUR CHECK AND MAKE CHECKS PAYABLE TO:

PABLO (PAUL) VILLARREAL JR., PCC
HIDALGO COUNTY TAX ASSESSOR - COLLECTOR
PO BOX 178
EDINBURG, TEXAS 78540
(956) 318-2157



* W 3 9 2 0 0 2 0 0 0 0 9 7 0 0 *

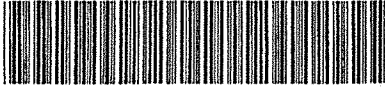
W3920-02-000-0097-00

PENA JAVIER
1905 HOLLOW RD
WESLACO, TX 78599-3997

AMOUNT PAID:

\$ _____

00006111800000057081



70 2013 02435290

Hidalgo County
Arturo Guajardo Jr.
County Clerk
Edinburg, TX 78540

Instrument Number: 2013-2435290

Recorded On: July 30, 2013

As
Recording

Parties:

To

Billable Pages: 3
Number of Pages: 4

Comment: SPL WRNTY DEED LOT97

** Examined and Charged as Follows: **

Recording	24.00
Total Recording:	24.00

***** THIS PAGE IS PART OF THE INSTRUMENT *****
Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2013-2435290
Receipt Number: 1376529
Recorded Date/Time: July 30, 2013 04:21P

Record and Return To:

WESTGATE VILLAGE HOMES
ORIGINAL RETURNED TO CUSTOMER
TX

User / Station: D Rodriguez - Cash Superstation 10



STATE OF TEXAS
COUNTY OF HIDALGO

I hereby certify that this Instrument was FILED in the File Number sequence on the date/time
printed hereon, and was duly RECORDED in the Official Records of Hidalgo County, Texas

Arturo Guajardo Jr.
County Clerk
Hidalgo County, TX

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER.

SPECIAL WARRANTY DEED

Date: April 30, 2013

2435290

Grantor: Westgate Village Homes, LLC, a Texas LLC
Grantor's Mailing Address:
P.O. Box 1124
Weslaco, Texas 78599

Grantee: Javier Pena
Grantee's Mailing Address (including county):
1905 Hollow Rd
Weslaco, Texas 78596
Hidalgo County, Texas

Consideration: Ten Dollars and other valuable consideration paid by Grantee to Grantor, the receipt of which is hereby acknowledged.

Property (including any improvements):

Part I: Lot(s) 97, Westgate Village Phase II, as shown by the map or plat thereof recorded in Volume 36, Page 117B, Map Records, Hidalgo County, Texas, reference to which is here made for all purposes

Reservations from and Exceptions to Conveyance and Warranty:

1. Visible and apparent easements on or across the subject property;
2. Rights of parties in possession;
3. Easements, rights-of-way, and prescriptive rights, whether of record or not;
4. All recorded restrictions, reservations, covenants, conditions, oil and gas leases, mineral severances, and other instruments, other than liens and conveyances, that affect the property;
5. Rights of adjoining owners in any walls and fences situated on a common boundary;
6. Any discrepancies, conflicts, or shortages an area or boundary lines;
7. Any encroachments or overlapping of improvements;
8. All rights, obligations, and other matters emanating from and existing by reason of the creation, establishment, maintenance, and operation of any Water Improvement District, Irrigation District, or other applicable governmental district, agency, or authority;

9. Taxes for the current year and subsequent years, and subsequent assessments for prior years due to change in land usage or ownership;
10. The prior reservation or conveyance of all oil, gas, and other minerals previously reserved or conveyed by any parties having the right to do so;
11. All Easements, restrictions, set back lines, drainage sewage requirements, and other matters shown on the plat of Westgate Village Phase II, as shown on the plat thereof, recorded in Volume 36, Page 117B, Map records of Hidalgo County, Texas.
12. Subdivision Restrictions filed for record in the Office of the County Clerk of Hidalgo County, Texas affecting the subject property.

SAVE AND EXCEPT, and there is hereby reserved unto Grantor, Grantor's successors and assigns, all oil, gas, and other minerals in, on, or under, or that may be produced from the Property, together with the right of ingress and egress at all times for the purpose of mining, drilling, exploring, operating, and developing said Property for oil, gas, and/or other minerals and removing the same therefrom.

SAVE AND EXCEPT, and there is hereby reserved unto Grantor, Grantor's successors and assigns, (to the fullest extent permitted by law) all water rights and rights to water (whether riparian, appropriative or otherwise) presently appended or annexed to said property.

Grantor, for the consideration and subject to the reservations from, and exceptions to conveyance and warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors, or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to warranty, when the claim is by, through, or under Grantor, but not otherwise.

By the acceptance of this Deed, Grantee is taking the Property "as is", "where is" and "with all faults", and without any representations or warranties whatsoever, express or implied, written or oral, it being the intention of Grantor and Grantee to expressly negate and exclude all representations and warranties, including, but not limited to (i) the physical condition of the property or any element thereof, including, without limitation, warranties related to suitability for habitation, merchantability or fitness for a particular purpose; (ii) the nature or quality of construction, structural design and engineering of any improvements; (iii) the quality of the labor and materials included in any improvements; (iv) the soil conditions; drainage or other conditions existing at the property with respect to any particular purpose, developmental potential or otherwise; (v) all warranties created by any affirmation of fact or promise or by any description of the property; and (vi) all other warranties and representations whatsoever, except the warranty of title expressly set forth herein.

When the context requires, singular nouns and pronouns include the plural.

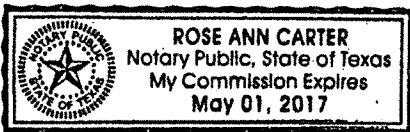
Westgate Village Homes, LLC, a Texas LLC

BY: Samuel S. Crego
Samuel S. Crego, Member

(Acknowledgment)

State of Texas
County of Hidalgo

This instrument was acknowledged before me on the 16 day of July,
20 13, by Samuel S. Crego, Westgate Village Homes LLC, a Texas LLC of behalf of
said Texas Limited Liability Company.

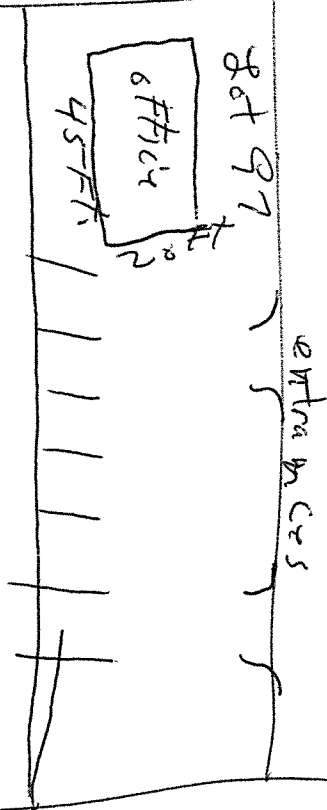


Rose Ann Carter
Notary Public, State of Texas

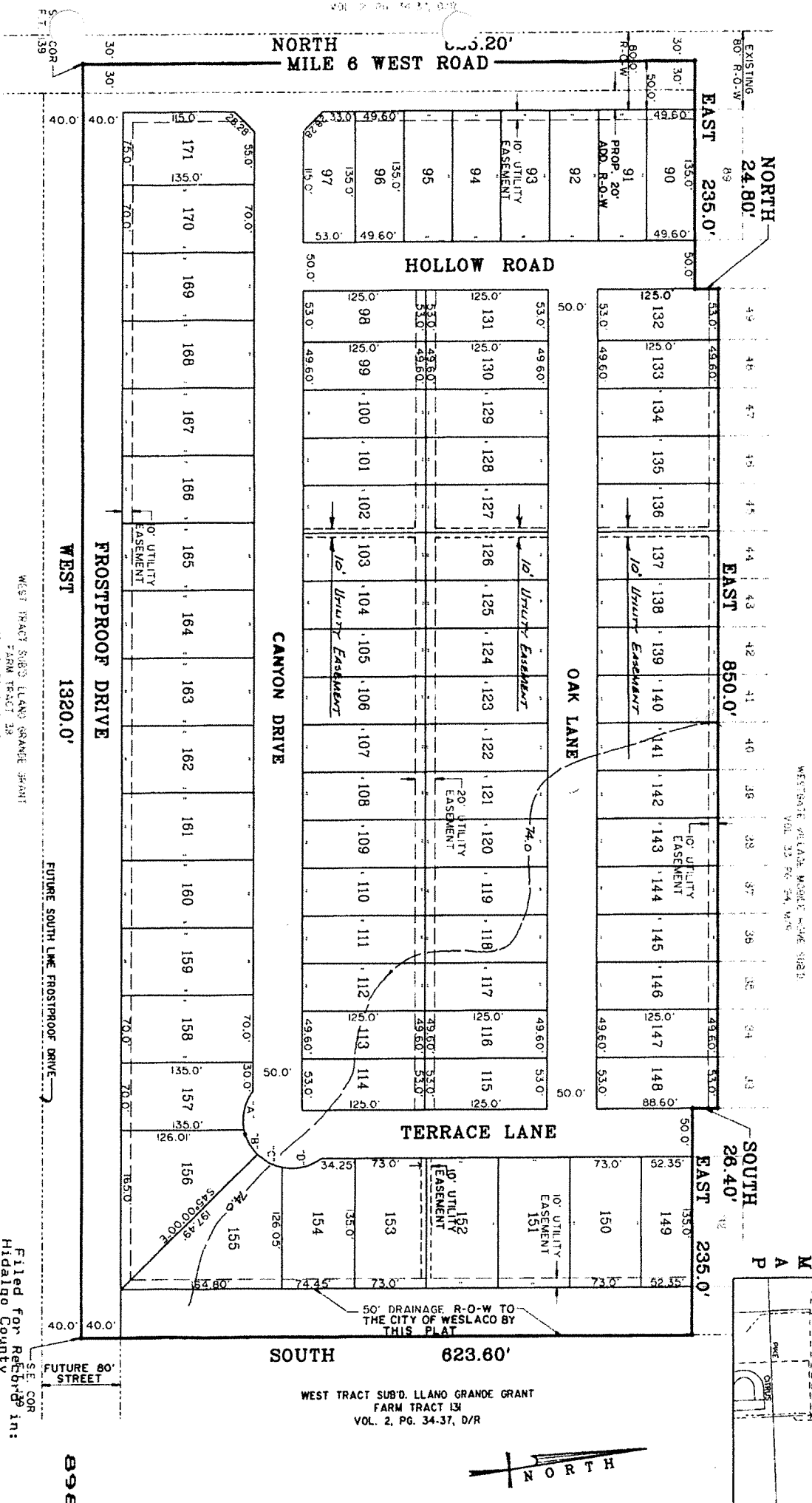
AFTER RECORDING RETURN TO:
Westgate Village Homes, LLC
P.O. Box 1124
Weslaco, Texas 78599
956-968-3729

Jan P
958-520-0141
Soon as I get approved
I'll get plans done

Hollow



2/56/52M



WESTGATE VILLAGE MOBILE HOME SUBDIVISION PHASE II

WESLACO, TEXAS

BEING A SUBDIVISION OF A 19.42 AC. TRACT OF LAND OUT OF FARM TRACT 139 WEST TRACT SUBDIVISION OF THE LLANO GRANDE GRANT, HIDALGO COUNTY, TEXAS REC. IN VOL. 2, PG. 34-37, W/R

MAP OF

Recorded in Volume **36** Page **117B**
of the map records of Hidalgo County, Texas
Menden and Hunt, Inc.

STATE OF TEXAS
COUNTY OF HIDALGO

I, (WE), UNDERSIGNED OWNER(S) OF THE LAND SHOWN ON THIS PLAT, AND DESIGNATED HEREIN AS THE WESLACO, TEXAS, AND WHOSE NAME IS SUBSCRIBED HERETO, HEREBY DEDICATE TO THE USE OF THE PUBLIC ALL STREETS, ALLEYS, PARKS, WATER COURSES, DRAINS, EAS AND PUBLIC PLACES THEREON SHOWN, FOR THE PURPOSES OF CONSIDERATION THEREIN EXPRESSED.

PREPARED BY:
FABIAN, NELSON & MEDINA, INC.
320 N. 15TH STREET, MCALLEN, TEXAS
SCALE: 1"=100' DATE: 12-1-99

Document Number: **898752**
Total Fees: **48.50**
Receipt Number - **2993331**
By: **Flo Chavez**

On: Aug 22, 2000 at 01:17P

Map - Small

Filed for Recording in:
Hidalgo County
by Juan D. Salinas III
County Clerk

M & H PROPERTIES
Carl W. Howard
CARL HOWLAND, PRES.

WESTGATE VILLAGE MOBILE HOME PHASE II, A SUBDIVISION TO THE CITY

CITY OF WESLACO
956-968-3181

REC#: 02345190 2/01/2018 10:25 AM
OPER: KArev TERM: 036
REF#:
PAID BY:

TRAN: 235.1000 PROCESSING FEE
6171
01 -400-3200
PROCESSING FEE-ONLI 5.00CR

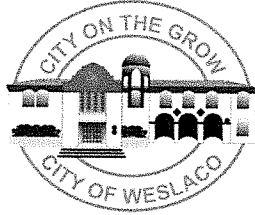
TRAN: 204.0000 REZONING APPL FEE
6171
01 -400-1027
REZONING APPLICATIO 300.00CR

TENDERED: 305.00 CASH
APPLIED: 305.00-

CHANGE: 0.00

City of Weslaco

"The City on the Grow"



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

Mike R. Perez, City Manager

PLANNING DEPARTMENT

February 23, 2018

Legal Notice

Dear Occupant:

The Weslaco Planning and Zoning Commission will hold a public hearing on Wednesday, March 7, 2018 at 5:30 p.m. and the City Commission will also hold a public hearing on Tuesday, March 20, 2018 at 5:30 p.m. at the City Hall Legislative Chambers located at 255 South Kansas Avenue to consider the following request:

REZONE REQUEST:

Javier Pena is requesting to rezone 1905 Hollow Drive also being Lot 97, Westgate Village Phase II Subdivision, Weslaco, Hidalgo County, Texas from R-1 One Family Dwelling to B-1 Neighborhood Business District.

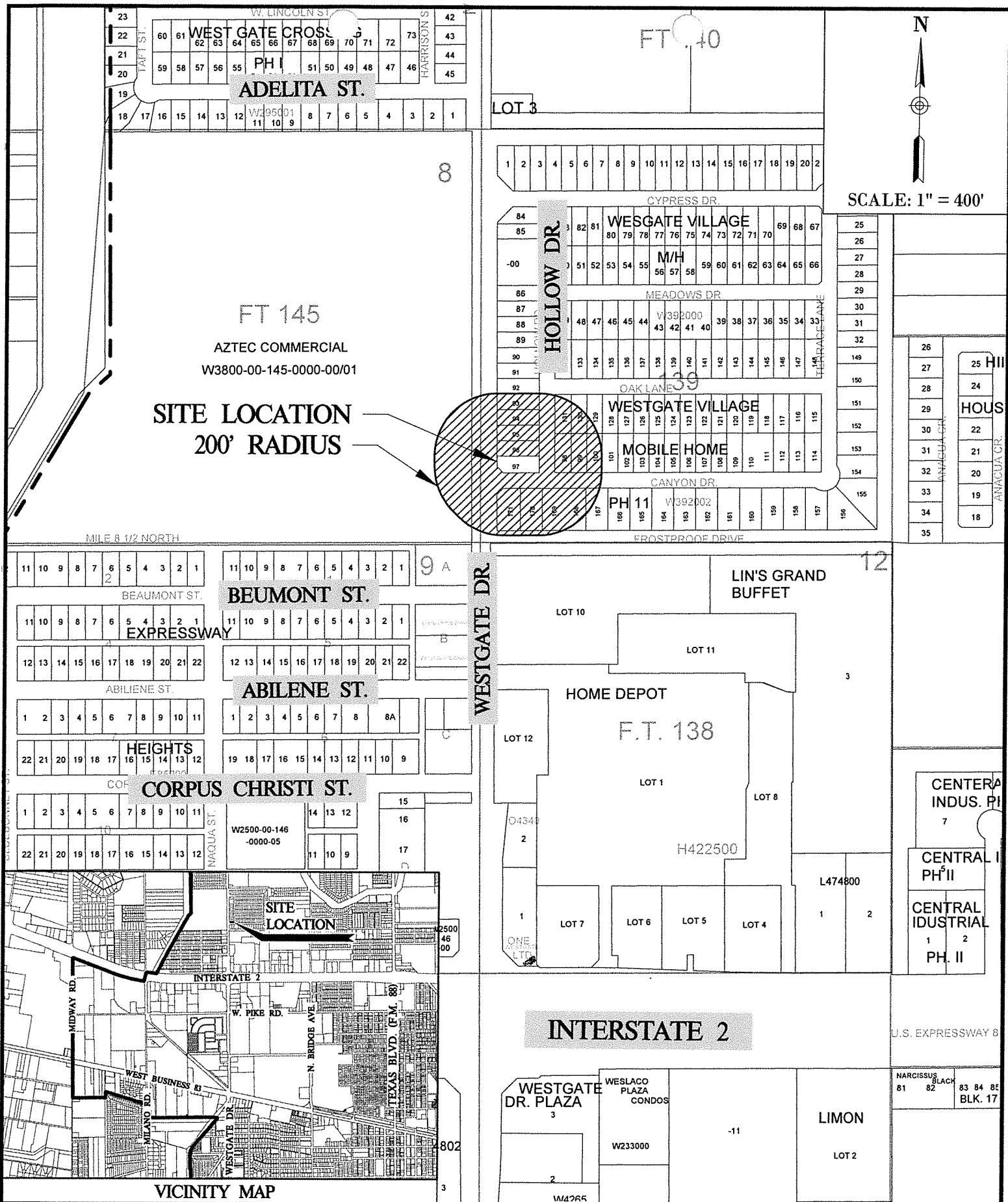
The public is hereby invited to attend and express their support or opposition to the request. You may also file a written notice supporting or protesting this action. For more information please call the Planning Department at (956) 447-3403.

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

Sincerely,

Mardoqueo Hinojosa, P.E., CFM
Planning Director/City Engineer

MH/mh



City of Weslaco Code Enforcement Dept.

FEB 21, 2018

DOMAIN DEVELOPMENT	W3800-00-145-0000-00	L: 0
1528 W DOVE AVE	WEST TRACT AN IRR TR W1296.96'-E	B: 0
MCALLEN TX 78504	1570'- FT 145 30.775 AC NET	
	0 WESTGATE DR	
CANTU NOELIA L	W3920-02-000-0092-00	L: 20088
PO BOX 264	WESTGATE VILLAGE M/H PH 2 LOT 92	B: 13756
ALAMO TX 78516	1919 HOLLOW RD	
VILLARREAL FRANCISCO J	W3920-02-000-0093-00	L: 20088
9919 N MILE 6 W	WESTGATE VILLAGE M/H PH 2 LOT 93	B: 13949
WESLACO TX 78599	1917 HOLLOW RD	
YADO HECTOR & MONICA	W3920-02-000-0094-00	L: 20088
PO BOX 1352	WESTGATE VILLAGE M/H PH 2 LOT 94	B: 42915
SANTA ROSA TX 78593	1915 HOLLOW RD	
VASQUEZ WILLIAM	W3920-02-000-0095-00	L: 20088
1913 HOLLOW RD	WESTGATE VILLAGE M/H PH 2 LOT 95	B: 0
WESLACO TX 78599	1913 HOLLOW RD	
BOTELLO JUAN G	W3920-02-000-0096-00	L: 20088
700 W 6TH ST	WESTGATE VILLAGE M/H PH 2 LOT 96	B: 0
WESLACO TX 78596	1909 HOLLOW RD	
PENA JAVIER	W3920-02-000-0097-00	L: 20865
1905 HOLLOW RD	WESTGATE VILLAGE M/H PH 2 LOT 97	B: 0
WESLACO TX 78599	1905 HOLLOW RD	
PARRA MARIA G	W3920-02-000-0098-00	L: 19875
118 N LIBERY ST	WESTGATE VILLAGE M/H PH 2 LOT 98	B: 0
WESLACO TX 78596	1617 CANYON DR	
GONZALEZ SUSANA	W3920-02-000-0099-00	L: 18600
1613 CANYON DR	WESTGATE VILLAGE M/H PH 2 LOT 99	B: 26767
WESLACO TX 78599	1613 CANYON DR	
PALOMARES JULIA	W3920-02-000-0100-00	L: 18600
1609 CANYON DR	WESTGATE VILLAGE M/H PH 2 LOT 10	B: 0
WESLACO TX 78599	0	
	1609 CANYON DR	
WESTGATE VILLAGE HOMES LLC	W3920-02-000-0101-00	L: 13020
PO BOX 1124	WESTGATE VILLAGE M/H PH 2 LOT 10	B: 0
WESLACO TX 78599	1	
	1605 CANYON DR	
ORTIZ NATALIA E ORTIZ	W3920-02-000-0129-00	L: 18600
1608 OAK LN	WESTGATE VILLAGE M/H PH 2 LOT 12	B: 15173
WESLACO TX 78599	9	
	1608 OAK LN	

City of Weslaco Code Enforcement Dept.

FEB 21, 2018

CASIMIRO KAREN & ENRIQUE 1612 OAK LN WESLACO TX 78599	W3920-02-000-0130-00 WESTGATE VILLAGE M/H PH 2 LOT 13 0 1612 OAK LN	L: 18600 B: 26103
J MERCADO INVESTMENTS LLC 1616 OAK LN WESLACO TX 78599	W3920-02-000-0131-00 WESTGATE VILLAGE M/H PH 2 LOT 13 1 1616 OAK LN	L: 19875 B: 42133
CASAREZ YOLANDA H & ELOY 1608 CANYON DR WESLACO TX 78599	W3920-02-000-0167-00 WESTGATE VILLAGE M/H PH 2 LOT 16 7 1608 CANYON DR	L: 28350 B: 0
MOLINA MARIA I 1616 CANYON DR WESLACO TX 78599	W3920-02-000-0168-00 WESTGATE VILLAGE M/H PH 2 LOT 16 8 & 169 1616 CANYON DR	L: 51030 B: 40357
MOLINA MARIA I 1620 CANYON DR WESLACO TX 78599	W3920-02-000-0169-00 WESTGATE VILLAGE M/H PH 2 LOT 16 9 1620 CANYON DR	L: 21263 B: 47725
ZAMBRANO EFRAIN 100 LA HERENCIA APT 174 MERCEDES TX 78570	W3920-02-000-0170-00 WESTGATE VILLAGE M/H PH 2 LOT 17 0 1628 CANYON DR	L: 28350 B: 0
TAX RANCH LLC 3910 W FREDDY GONZALEZ EDINBURG TX 78539	W3920-02-000-0171-00 WESTGATE VILLAGE M/H PH 2 LOT 17 1 1630 CANYON DR	L: 20843 B: 0

ORDINANCE NO. 2018-08

AN ORDINANCE AMENDING ZONING ORDINANCE NO. 320 AND AMENDING THE ZONING MAP OF THE CITY OF WESLACO TO CHANGE THE ZONING OF 1905 HOLLOW ROAD ALSO BEING LOT 97 WESTGATE VILLAGE PHASE II SUBDIVISION, WESLACO, HIDALGO COUNTY, TEXAS, FROM R-1 ONE FAMILY DWELLING TO B-1 NEIGHBORHOOD 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-1 Neighborhood Business District being Lot 97, Westgate Village Phase II Subdivision, also being 1905 Hollow Road, 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 20th day of March 2018.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this 1st day of May 2018.

CITY OF WESLACO

David Suarez, **MAYOR**

ATTEST:

Elizabeth M. Walker, **CITY SECRETARY**

APPROVED AS TO FORM:

Juan E. Gonzalez, **CITY ATTORNEY**



Standardized Agenda Request Form

Date of Meeting: May 1, 2018		Agenda Item No. (to be assigned by CSO): 2018-1624
From: Rolando Gonzalez		
Subject: Ordinance 2018-09 amending Ordinance 2017-10 The City of Weslaco International Energy Conservation Code creating a sampling protocol for multiple dwelling units for Building Thermal Envelope Test and Duct Leakage Test and authorize the Mayor to execute any related documents. (First Reading held April 17, 2018; Staffed by Planning and Code Enforcement Department.)		
Background: Current ordinance requires 100% testing for Building Thermal Envelope Test and Duct Leakage Test. Modified ordinance allow for a 30% sample test which would be selected at random by City staff. Failure to Meet Code Requirement(s) will result in the following: a. If any dwelling units within the identified "sample group" fail to meet a code requirement as determined by testing, the builder will be directed to fix the cause(s) of failure, and 30% of the remaining dwelling units in the "sample group" will be randomly selected for testing by the building official, or third-party testing contractor, regarding the specific cause(s) of failure. b. If any failures occur in the additional dwelling units, all remaining dwelling units in the sample group must be individually tested for code compliance. c. A multifamily property with 3 failures within a 90-day period is no longer eligible to use the sampling protocol in that community or project until successfully repeating "Initial Testing." Sampling can be reinstated after at least 3 consecutive dwelling units are individually verified to meet all code requirements. d. No building may be issued a Certificate of Occupancy until testing has been performed and deemed to satisfy the minimum code requirements on the dwelling unit(s) identified for testing.		
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: Original ordinance was passed on May 2, 2017.		
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 Mardoqueo Hinojosa Mike Perez	Created/Initiated Approved Final Approval
City Manager Comments: Approve.	
Staff Recommendation: Staff recommends approval.	
Attachments, if any: 2018-09 amend Energy+Ordinance 2017-10, 2018-09 re 2017+Energy+Ordinance+change final	
Responsibilities upon Approval: Staff will enforce ordinance.	

ORDINANCE 2018-09

AN ORDINANCE AMENDING ORDINANCE NUMBER 2017-10, THE CITY OF WESLACO INTERNATIONAL ENERGY CONSERVATION CODE ORDINANCE; CODIFIED AS ARTICLE I, SECTION 26-3 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 2017-10 passed and approved on May 2, 2017 as “International Energy Conservation Code Ordinance” and Codified as Article I Section 26-3 of the Weslaco Code of Ordinances is hereby amended.

SECTION II.

After second and final reading of this Ordinance the amended International Energy Conservation ordinance sections will be adopted and codified as Article I Section 26-3 International Energy Conservation Code of the Weslaco Code of Ordinances and said Article shall read as follows:

Chapter 26-3

International Energy Conservation Code

(c) SAMPLING PROTOCOL FOR GROUP R2, R3 AND R4 OCCUPANCIES

- 1. Sampling for Testing.** For buildings having three or more dwelling units, a minimum of 30% of the dwelling units in each building must be tested as required by Sections R402.4.1.2 and R403.3.3 of the 2015 *International Energy Conservation Code* (Code). Prior to beginning sampling for testing, “Initial Testing” is required for each multifamily property. “Initial Testing” shall consist of the 3rd party testing contractor performing the required tests on at least three consecutive dwelling units. Test results from the “Initial Testing” must satisfy minimum code requirements before sampling is permitted. Dwelling units selected for the “Initial Testing” must be within the same building. Dwelling units selected for “Initial Testing” shall not be included in a “sample group” or counted toward the minimum 30% of dwelling units tested. The building official shall randomly select the three dwelling units for “Initial Testing.” The building official may delegate the random selection to the designated 3rd party testing contractor.
- 2. Sample group Identification and Sampling** The builder shall identify a "sample group" which may be a building, floor, fire area or portion thereof. All of the

dwelling units within the “sample group” must be at the same stage of construction and must be ready for testing. The building official shall randomly select at least 30% of dwelling units from each “sample group” for testing. The building official may delegate the random selection to the designated 3rd party testing contractor.

If each tested dwelling unit within a “sample group” meets the minimum code requirements, then all dwelling units in the “sample group” are considered to meet the minimum code requirements. Before a building may be deemed compliant with the testing as required, each “sample group” must be deemed to be compliant with the minimum code requirements. The sum total of all of the tested dwelling units across all “sample groups” shall not be less than a minimum of 30% of the dwelling units in a building.

3. Failure to Meet Code Requirement(s)

- a. If any dwelling units within the identified “sample group” fail to meet a code requirement as determined by testing, the builder will be directed to fix the cause(s) of failure, and 30% of the remaining dwelling units in the “sample group” will be randomly selected for testing by the building official, or third-party testing contractor, regarding the specific cause(s) of failure.
- b. If any failures occur in the additional dwelling units, all remaining dwelling units in the sample group must be individually tested for code compliance.
- c. A multifamily property with 3 failures within a 90-day period is no longer eligible to use the sampling protocol in that community or project until successfully repeating "Initial Testing." Sampling can be reinstated after at least 3 consecutive dwelling units are individually verified to meet all code requirements.
- d. No building may be issued a Certificate of Occupancy until testing has been performed and deemed to satisfy the minimum code requirements on the dwelling unit(s) identified for testing.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 17th day of April 2018.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this ____ day of _____, 2018.

CITY OF WESLACO

David Suarez, **MAYOR**

ATTEST:

Elizabeth Walker, **CITY SECRETARY**

APPROVED AS TO FORM:

Juan E. Gonzalez, **CITY ATTORNEY**

ORDINANCE 2018-09

AN ORDINANCE AMENDING ORDINANCE NUMBER 2017-10, THE CITY OF WESLACO INTERNATIONAL ENERGY CONSERVATION CODE ORDINANCE; CODIFIED AS ARTICLE I, SECTION 26-3 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 2017-10 passed and approved on May 2, 2017 as “International Energy Conservation Code Ordinance” and Codified as Article I Section 26-3 of the Weslaco Code of Ordinances is hereby amended.

SECTION II.

After second and final reading of this Ordinance the amended International Energy Conservation ordinance sections will be adopted and codified as Article I Section 26-3 International Energy Conservation Code of the Weslaco Code of Ordinances and said Article shall read as follows:

Chapter 26-3

International Energy Conservation Code

(c) SAMPLING PROTOCOL FOR GROUP R2, R3 AND R4 OCCUPANCIES

- 1. Sampling for Testing.** For buildings having three or more dwelling units, a minimum of 30% of the dwelling units in each building must be tested as required by Sections R402.4.1.2 and R403.3.3 of the 2015 *International Energy Conservation Code* (Code). Prior to beginning sampling for testing, “Initial Testing” is required for each multifamily property. “Initial Testing” shall consist of the 3rd party testing contractor performing the required tests on at least three consecutive dwelling units. Test results from the “Initial Testing” must satisfy minimum code requirements before sampling is permitted. Dwelling units selected for the “Initial Testing” must be within the same building. Dwelling units selected for “Initial Testing” shall not be included in a “sample group” or counted toward the minimum 30% of dwelling units tested. The building official shall randomly select the three dwelling units for “Initial Testing.” The building official may delegate the random selection to the designated 3rd party testing contractor.
- 2. Sample group Identification and Sampling** The builder shall identify a "sample group" which may be a building, floor, fire area or portion thereof. All of the

dwelling units within the “sample group” must be at the same stage of construction and must be ready for testing. The building official shall randomly select at least 30% of dwelling units from each “sample group” for testing. The building official may delegate the random selection to the designated 3rd party testing contractor.

If each tested dwelling unit within a “sample group” meets the minimum code requirements, then all dwelling units in the “sample group” are considered to meet the minimum code requirements. Before a building may be deemed compliant with the testing as required, each “sample group” must be deemed to be compliant with the minimum code requirements. The sum total of all of the tested dwelling units across all “sample groups” shall not be less than a minimum of 30% of the dwelling units in a building. Multi-family units less than 8 will require 100% testing, if building is one story.

3. Failure to Meet Code Requirement(s)

- a. If any dwelling units within the identified “sample group” fail to meet a code requirement as determined by testing, the builder will be directed to fix the cause(s) of failure, and 30% of the remaining dwelling units in the “sample group” will be randomly selected for testing by the building official, or third-party testing contractor, regarding the specific cause(s) of failure.
- b. If any failures occur in the additional dwelling units, all remaining dwelling units in the sample group must be individually tested for code compliance.
- c. A multifamily property with 3 failures within a 90-day period is no longer eligible to use the sampling protocol in that community or project until successfully repeating "Initial Testing." Sampling can be reinstated after at least 3 consecutive dwelling units are individually verified to meet all code requirements.
- d. No building may be issued a Certificate of Occupancy until testing has been performed and deemed to satisfy the minimum code requirements on the dwelling unit(s) identified for testing.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 17th day of April, 2018.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this 1st day of May 2018.

CITY OF WESLACO

David Suarez, **MAYOR**

ATTEST:

Elizabeth Walker, **CITY SECRETARY**

APPROVED AS TO FORM:

Juan E. Gonzalez, **CITY ATTORNEY**



Standardized Agenda Request Form

Date of Meeting: May 1, 2018		Agenda Item No. (to be assigned by CSO): 2018-1651
From: Mardoqueo Hinojosa		
Subject: Ordinance 2018-12 amending Ordinance 2017-10 The City of Weslaco International Energy Conservation Code regarding Commissioning. (First Reading held April 17, 2018; Staffed by Planning and Code Enforcement Department.)		
Background: Commissioning is a 3rd party review of mechanical, lighting and electrical systems to ensure energy efficiency by licensed professionals. Current ordinance requires for buildings more than 480,000 BTU/hr for cooling systems and a combined 600,000 BTU/hr combined heating and cooling. Revised ordinance raises threshold to 580,000 BTU/hr cooling system and 700,000 BTU/hr combined.		
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: Original ordinance approved May 2, 2017.		
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 Mardoqueo Hinojosa Mike Perez		Created/Initiated Approved Final Approval
City Manager Comments: Approve.		
Staff Recommendation: Staff recommends approval.		
Attachments, if any: 2017 Energy Ordinance Commissioning		
Responsibilities upon Approval: Staff will enforce ordinance.		

ORDINANCE 2018-12

AN ORDINANCE AMENDING ORDINANCE NUMBER 2017-10, THE CITY OF WESLACO INTERNATIONAL ENERGY CONSERVATION CODE ORDINANCE; CODIFIED AS ARTICLE I, SECTION 26-3 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 2017-10 passed and approved on May 2, 2017 as “International Energy Conservation Code Ordinance” and Codified as Article I Section 26-3 of the Weslaco Code of Ordinances is hereby amended.

SECTION II.

After second and final reading of this Ordinance the amended International Energy Conservation ordinance sections will be adopted and codified as Article I Section 26-3 International Energy Conservation Code of the Weslaco Code of Ordinances and said Article shall read as follows:

Chapter 26-3

International Energy Conservation Code

C408.2 MECHANICAL SYSTEMS AND SERVICE WATER-HEATING SYSTEMS COMMISSIONING AND COMPLETION REQUIREMENTS.

Exceptions: The following systems are exempt:

1. Mechanical systems and service water heater systems in buildings where the total equipment capacity is less than 580,000 BTU/h cooling capacity and 700,000 BTU/h combined service water-heating and space-heating capacity.
2. Systems included in Section C403.3 that serve individual dwelling units and sleeping units.

PASSED AND APPROVED on first reading at a regular meeting of the City Commission this 17th day of April, 2018.

PASSED AND APPROVED on second reading at a regular meeting of the City Commission this ____ day of _____, 2018.

CITY OF WESLACO

David Suarez, **MAYOR**

ATTEST:

Elizabeth Walker, **CITY SECRETARY**

APPROVED AS TO FORM:

Juan E. Gonzalez, **CITY ATTORNEY**



Standardized Agenda Request Form

Date of Meeting: May 1, 2018		Agenda Item No. (to be assigned by CSO): 2018-1676	
From: Joel Rivera			
Subject: Approval of a renewal of a Local Agreement between the City of Weslaco Police Department and Criminal District Attorney of Hidalgo County and authorize the Mayor to execute any related documents. (Staffed by Police Department.)			
Background: Discussion & Consideration to approve a Memorandum of Understanding with the Criminal District Attorney of Hidalgo Texas. This agreement pursuant to Chapter 59 of the Texas Code of Criminal Procedures; any/all property found to be "contraband" forfeited property, shall be divided as per agreement.			
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):			
Roxanne Saavedra		Created/Initiated	
Ted Walensky		Approved	
Mike Perez		Final Approval	
City Manager Comments: Approve.			
Staff Recommendation: Weslaco Police Department Staff Recommends			
Attachments, if any: MOU - Chapter 59-Weslaco-2018 (003)			
Responsibilities upon Approval: Process accordingly w/Finance and Filed executed document properly			

STATE OF TEXAS)

) **LOCAL AGREEMENT**

COUNTY OF HIDALGO)

This **LOCAL AGREEMENT** is entered into, by and between the CITY OF WESLACO POLICE DEPARTMENT, located in Hidalgo County, Texas, hereinafter called "**LAW ENFORCEMENT AGENCY**", and the Office of Criminal District Attorney of Hidalgo, Texas, hereinafter called "**STATE'S ATTORNEY**". This agreement supersedes any and all other prior local agreements and will apply to all pending forfeiture cases filed on or after the date this agreement is signed.

- I. The Parties hereto desire to enter in an agreement to dispose of forfeited "contraband", pursuant to Chapter 59 of the Texas Code of Criminal Procedures;
- II. All property found to be "contraband" pursuant to Article 59.01, 59.02 of the Texas Code of Criminal Procedure, with the State's Attorney representing the state as agent for the state, shall be subject to this local agreement;
- III. The Criminal District Attorney of Hidalgo County, Texas (State's Attorney) represents the State of Texas regarding forfeiture of "contraband" seized pursuant to Chapter 59 of the Texas Code of Criminal Procedure; and
- IV. Article 59.06 of the Texas Code of Criminal Procedure mandates that a local agreement be reached between the State's Attorney, acting as an agent of the state, and the Law Enforcement Agency to effect the disposition of contraband forfeited to the state.

THEREFORE, this **LOCAL AGREEMENT** is hereby made and entered into by the LAW ENFORCEMENT AGENCY and the STATE'S ATTORNEY for the mutual considerations stated herein, and the following is understood and agreed to by the parties;

In consideration for services associated with forfeitures of contraband, the Law Enforcement Agency agrees to pay all court costs, attorney ad litem fees, depositions, title searches, title policies, confidential informants, storage costs, and all other related costs in the forfeiture of vehicles and all other personal property, as outlined below. This clause does not pertain to the forfeiture of real estate, currency, banking accounts and negotiable instruments which is detailed more fully below as to the disposition of costs and which agency will pay same.

1. **PERSONAL PROPERTY**, including, but not limited to vehicles, laptops, computers, cell phones, weapons, etc., and all other personal property to be forfeited to the Law Enforcement Agency and the State's Attorney pursuant to this Agreement, then the forfeited property shall be divided as follows:
 - If personal property, including vehicles retained by the Law Enforcement Agency are to be sold, net proceeds from the sale of said property, after deduction of costs above described, is to be divided as follows: 75% to the Law Enforcement Agency and 25% to the State's Attorney.
 - If personal property, including passenger vehicles, pick-ups trucks, sport utility vehicles, vans, tractor trailers, etc., are to be used for law enforcement purposes pursuant to Article 59.06 (b) of the Texas Code of Criminal Procedures, the Law Enforcement Agency shall obtain the title of said vehicles and will be solely

responsible for their use and maintenance. The State's Attorney will not retain an interest in said vehicles and will be completely absolved of any liability.

- If personal property, including vehicles that are retained by the Law Enforcement Agency for law enforcement purposes are at any time decommissioned and then sold, net proceeds from the sale of said property, after deduction of costs above described, is to be divided as follows: 75% to the Law Enforcement Agency and 25% to the State's Attorney.

All property seized in accordance with this Agreement, with the exception of currency, bank accounts, negotiable instruments, and jewelry, shall be kept in the possession of the Law Enforcement Agency. The Law Enforcement Agency shall be responsible for the upkeep and maintenance of said property and the State's Attorney will be completely absolved of any liability.

The parties further agree that the Law Enforcement Agency shall account for all seized property in their possession until the property is disposed of by court order. Disposition of all property shall comply with Article 59 of the Texas Code of Criminal Procedure.

All other personal property, not suitable for nor desired for use, pursuant to Article 59 of the Texas Code of Criminal Procedure, shall be forfeited to the State's Attorney, as an agent for the State of Texas, and shall be sold at public auction. The net proceeds of said sale of said property, after deduction of sale expenses, shall be divided as follows: 60% to the Law Enforcement Agency and 40% to the State's Attorney.

For the purposes of this Agreement, the definition of "**Personal Property**" includes, but is not limited to, vehicles of all types, weapons, laptops, computers, cell phones, jewelry, gold, and other precious metals and tangible objects of value. The Law Enforcement Agency and the State's Attorney reserve the right to negotiate unique individual agreements on a case by case basis to satisfy special requirements; however, if an agreement cannot be reached, this local agreement shall be binding.

2. **REAL ESTATE**, upon sale of real estate, all court costs, attorney ad litem fees, depositions, title searches, title policies, confidential informants, storage costs, and all other related costs shall be paid or credited to the Law Enforcement Agency if such cost have been previously paid by the Law Enforcement Agency, from the final sum received, with the remaining amounts disbursed to the Law Enforcement Agency and the State's Attorney as agreed upon for CURRENCY, BANKING ACCOUNTS and NEGOTIABLE INSTRUMENTS in Paragraph 3 below.
3. **CURRENCY, BANKING ACCOUNTS, and NEGOTIABLE INSTRUMENTS**, upon being awarded to the State via court order, are to be disbursed and divided up as follows, after the payment of costs:

<u>Amount</u>	<u>Law Enforcement Agency</u>	<u>State's Attorney</u>
Over \$50,000.00	70%	30%
Less than \$50,000.00	60%	40%

4. **JEWELRY** will be sold and its proceeds divided as follows:
60% to the Law Enforcement Agency and 40% to the State's Attorney.

Currency, bank accounts, negotiable instruments and jewelry shall be held and maintained by the State's Attorney pending final disposition via court order. However, the parties agree that the State's Attorney may exercise discretion and allow the Law Enforcement Agency to maintain physical possession of the currency, bank account, negotiable instruments and jewelry where feasible.

The State's Attorney agrees that remaining contraband, after retention of the above stated portion for the State's Attorney, shall be retained by the Law Enforcement Agency for law enforcement purposes only.

The Law Enforcement Agency and the State's Attorney agree that all costs involved in the forfeiture of the above mentioned money and property shall be paid first and the remaining sum shall be divided and disbursed according to the provisions contained within this agreement. The parties further agree that the percentages will be determined prior to the payment of costs.

In the event costs to prosecute forfeiture of "contraband" seized pursuant to Chapter 59 of the Texas Code of Criminal Procedure, including court costs, attorney ad litem fees, depositions, title searches, title policies, confidential informants, storage costs, and all other related costs exceed the net proceeds of the sale of said contraband, the State's Attorney agrees to pay 50% and the Law Enforcement Agency agrees to pay 50% of those costs.

This agreement shall apply to all money and/or property seized and all money or property sold by the said Law Enforcement Agency on or after the date this agreement is signed. Money and property shall be considered forfeited to the State once a forfeiture judgment has become final, and no Motion for New Trial or Notice of Appeal has been taken.

Proceeds from the sale of real, personal, tangible or intangible property subject to this Agreement shall be apportioned within thirty (30) days of said sale, or pursuant to any other agreements reached between the parties. Distribution to each party shall be made according to this Local Agreement and Article 59.06(a) of the Texas Code of Criminal Procedure.

The term of this agreement shall be for a period of one (1) year upon execution. This Agreement shall automatically be renewed on a yearly basis after the initial one (1) year term. This Agreement may be terminated by either party upon thirty (30) days prior written notice thereof to the other of its intention to terminate upon the date specified in such notice. Any pending forfeiture under this Agreement, filed prior to the termination date, however, shall not be affected by such notices.

Any notice, payment, statement, or demand required or permitted to be given hereunder by either party to the other may be effected by personal delivery, in writing or by certified mail. Mailed notices shall be addressed to the parties at the addresses appearing below, and any change of address must be made by written notice in accordance with this section. Mail notices shall be deemed communicated as of three (3) days after mailing or upon certified mail receipt.

Notice to State's Attorney:	100 N. Closner, Room 303 Hidalgo County Courthouse Edinburg, Texas 78539
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Notice to Law Enforcement Agency:	901 N. Airport Drive Weslaco, Texas 78596
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The Law Enforcement Agency further agrees to pay all costs incurred if the forfeiture action does not result in the property being found to be contraband.

The Law Enforcement Agency agrees to return all real, personal, tangible or intangible property or proceeds therefrom, if a bill of review is successfully taken against the State.

CITY OF WESLACO POLICE DEPARTMENT

By: _____
Joel Rivera, Chief of Police

Date

**OFFICE OF CRIMINAL DISTRICT ATTORNEY,
HIDALGO COUNTY, TEXAS**

By: _____
Ricardo Rodriguez, Jr., Hidalgo County District Attorney

Date

APPROVED AS TO FORM
Hidalgo County District Attorney's Office

By: _____ Date: _____
Josephine Ramirez Solis, Assistant DA



Standardized Agenda Request Form

Date of Meeting: May 1, 2018		Agenda Item No. (to be assigned by CSO): 2018-1678	
From:			
Subject: Approval on Park Project Development Agreement between Economic Development Corporation of Weslaco and City on financial support for the proposed north side park and authorize the Mayor to execute any related documents. (Staffed by Economic Development Corporation.)			
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		Created/Initiated	
David Arce		Approved	
Mike Perez		Final Approval	
City Manager Comments: Approve.			
Staff Recommendation:			
Attachments, if any: 2018-04_ EDC committment of \$500,000 re \$100,000 for yearly for 5 years, Park Project Development Agreement EDC and City			
Responsibilities upon Approval:			



THE ECONOMIC DEVELOPMENT CORPORATION
OF WESLACO

April 10, 2018

Mike R. Perez
City Manager
City of Weslaco
255 South Kansas Ave.
Weslaco, Texas 78596

Mike
Dear Mr. Perez:

The Economic Development Corporation of Weslaco on its recent board meeting, April 2, 2018, approved of Weslaco's new park planned for the northern parts of the city, off Texas Blvd (FM 88 and Mile 5 West) for \$500,000, over five years. The EDC will finance a \$100,000 for 5 years to fund a portion of the new park.

These funds will help Weslaco and improve the quality of life for the citizens. Parks are vital part of creating a livable community.

Sincerely,

A handwritten signature in black ink that reads "Marie McDermott".

Marie McDermott
Executive Director

A yellow rectangular sticky note with handwritten text in black ink. The text reads: "Copies to Elizabeth David A. Andrew M. Fredy Mew".

Copies to
Elizabeth
David A.
Andrew M.
Fredy Mew

STATE OF TEXAS

COUNTY OF HIDALGO

§
§
§
§

PARK PROJECT DEVELOPMENT
AGREEMENT

This PARK PROJECT DEVELOPMENT AGREEMENT (hereinafter the "Agreement") is made as of the last date set forth below, by and between ECONOMIC DEVELOPMENT CORPORATION OF WESLACO (the "EDC"), a Texas non-profit corporation, and the CITY OF WESLACO (the "City"); and

WHEREAS, the City has purchased a tract of land (the "Land") on the City's northside; at 3 miles north of Interstate 2 and East Mile 11 North, Weslaco, Texas, undertaken the development plans for its improvements into a Sports Complex thereon and requests project financial support from the EDC;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed by the EDC and City as follows:

1. EDC Obligations. In consideration of obligations and representations of the City, the EDC agrees to support the City's Sport Complex Project by providing to the City the sum of \$500,000, payable annually in the amount of \$100,000;

2. City Obligations. In consideration of the EDC's performance commitments in this agreement, City obligates itself as follows:

(a) Project Construction. The City shall construct on the Land, a Sports Complex for public recreation, substantially in accordance with the plans attached hereto as Exhibit "A".

(b) Inducement and Representations. To induce the EDC to enter into this Agreement, the City agrees to delay for a period of not less than 5 years, any EDC obligation to contribute to any assessment imposed by the City for off-site public improvements related to or benefitting any or all of the EDC's 20 acre subdivision referred to as Weslaco EDC Subdivision No. 1, a preliminary subdivision plat of which is attached hereto as Exhibit "B".

3. The EDC's \$100,000 annual payment shall commence on October 1, 2018 and continue thereafter on each anniversary date thereof.

EXECUTED this 18 day of April, 2018.

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

EXECUTED this _____ day of _____, 2018.

CITY OF WESLACO,
a Texas Municipal Corporation

By: _____
David Suarez, Mayor

ATTEST:

Elizabeth Walker, City 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 _____, 2018.

EXECUTED this _____ day of _____, 2018.

CITY OF WESLACO, TEXAS

By: _____

ATTEST:

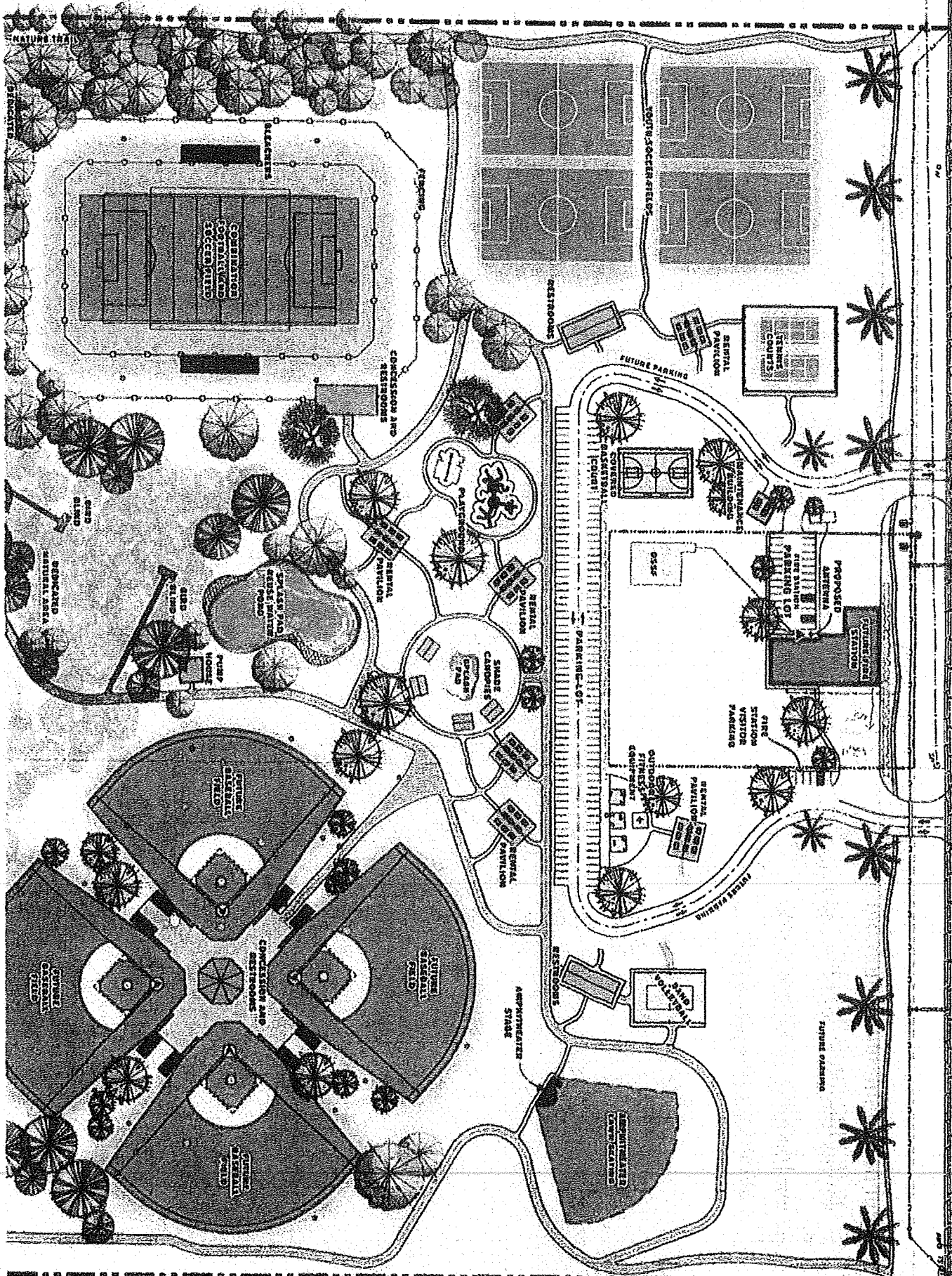
City Secretary

APPROVED:

City Attorney

EXHIBIT "A"

EXHIBIT "B"



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EXISTING
SINGLE 5A
RESIDUE
NEIGHBOR

Page 8



Standardized Agenda Request Form

Date of Meeting: May 1, 2018		Agenda Item No. (to be assigned by CSO): 2018-1679	
From:			
Subject: Approval of the renewal of Remote Birth Access contract with Department State Health Services for the period September 1, 2018 through August 31, 2023 and authorize the Mayor to execute any related documents. (Staffed by City Secretary's Department.)			
Background: This allows the Local Registrar continued access to the State's electronic repository of birth certificates so that qualified applicants may obtain at Weslaco City Hall an abstract copy of a birth certificate filed anywhere in Texas. Upon renewal of this agreement, the City effectively serves as an agent of the Texas Department of State Health Services (Vital Statistics Unit), bound by their policies in the issuance of these certificates, particularly determinations of qualifications, proof of identification, and cost of services. Additionally, the City agrees to compensate the State \$1.83/each certificate printed from the database. This contract, as proposed, allows the City of Weslaco, through its Vital Statistics Division of the City Secretary's Office, to continue to access an electronic repository of state-wide vital records. In turn, this allows qualified applicants to obtain on official bank note paper a copy of a birth certificate for an individual born anywhere in the State of Texas from the convenience of Weslaco City Hall. This service is expected to expand in 2019, during the proposed contract term, with the implementation of the TexEver initiative which will allow full-sized copies of the original birth certificate. This is an invaluable service to our constituents, as City Hall typically can process the transaction while the individual waits. Increasingly, this office assists in such transactions for those seeking to obtain or renew their drivers' licenses at the regional headquarters of the Texas Department of Transportation, located on North FM 1015/International Boulevard.			
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: September 15, 2015			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners: N/A			
Advisory Review, if any (name of board/committee, date of action, recommendation): N/A			

Aida Vega Elizabeth Walker Mike Perez	Created/Initiated Approved Final Approval
City Manager Comments: Approve.	
Staff Recommendation: Approve.	
Attachments, if any: City of Weslaco_signed, HHS_SPI	
Responsibilities upon Approval: Execute and return to State.	

DEPARTMENT OF STATE HEALTH SERVICES



Contract number HHSREV100000812 (the "Contract"), is entered into by Department of State Health Services ("DSHS") Vital Statistics Section and City of Weslaco ("Contractor"). DSHS and Contractor are collectively referred to herein as the "Parties."

- I. **Purpose of the Contract.** DSHS agrees to provide access to the DSHS Vital Event Electronic Registration System for the purpose of issuing individual birth certificates.
- II. **Term of the Contract.** This Contract will begin on September 1, 2018 and end on August 31, 2023.
- III. **Authority.** The Parties enter into this Contract under the authority of Texas Health and Safety Code Chapter 191 and Texas Government Code Chapter 791.
- IV. **Statement of Work.**
 - A. DSHS agrees to provide on-line computer services in support of Contractor from 7:00 a.m. to 6:00 p.m. (CST) Monday through Friday, except holidays. In the event of an emergency or computer application error, DSHS may temporarily suspend services without advance notice.
 - B. Contractor may search DSHS databases, locate data, and issue Certifications of Birth to authorized individuals requesting such data. The certifications will be in a format formally approved by DSHS. Contractor will take reasonable efforts to ensure use of the DSHS Vital Event Electronic Registration System is not abused by its staff. Abuse of the access to confidential information in the DSHS Vital Event Electronic Registration System may be cause for termination of this Contract in accordance with Section IX.K.
 - C. Contractor will acquire the necessary data processing equipment, communications, hardware or software, and purchase "bank note" paper, as specified by DSHS. DSHS will assist in connection of the equipment, furnish software program and provide technical assistance, if necessary.
 - D. Contractor will complete the DSHS Vital Event Electronic Registration System registration forms as specified by DSHS. Contractor will remain in compliance with any requirements specified by DSHS for accessing the DSHS Vital Event Electronic Registration System. Contractor will not be required to pay an additional fee pursuant to this Subsection.
 - E. Contractor acknowledges that records may not be located in the searching process instituted by Contractor, or records which are located may have errors due to:

1. Normal key-entry errors in spellings;
 2. Accidental failure on the part of the DSHS to update a file for an amendment or paternity determination; and
 3. The event year does not exist on the system.
- F. Contractor will notify DSHS in writing, at least monthly of errors or suspected errors that exist on the database information.
- G. Contractor is to maintain an inventory control and account for each document produced on "bank note" paper, including voided documents.
- H. Contractor will issue Certificates of Birth utilizing remote access to the DSHS system in conformance with Health and Safety Code Chapters 191, 192 and 195, as well as 25 Tex. Admin. Code Chapter 181.
- I. The Parties are required to comply with all applicable state and federal laws relating to the privacy and confidentiality of this data and records, which includes Texas Government Code Section 552.115.
- J. The Parties will use confidential records and information obtained under this Contract only for purposes as described in this Contract and as otherwise allowed by law.

V. **Fees.**

Contractor agrees to pay DSHS ONE DOLLAR AND EIGHTY-THREE CENTS (\$1.83) for each Certification of Vital Record printed as a result of searches of the database. Contractor agrees to charge the same base search fee for a birth certificate as DSHS. Additional fees may only be charged as authorized by Texas Health and Safety Code Chapter 191 and 25 Tex. Admin. Code Chapter 181.

VI. **Billing.**

- A. DSHS will send an itemized billing to Contractor on a monthly basis for each Certification of Birth printed. This billing will be sent through the U.S. Postal Service to the Contractor at:

Name: City of Weslaco

Address: 255 S. Kansas Ave.
Weslaco, TX 78596

- B. Contractor will direct any billing inquiries either by phone to 512-776-7206 or email to vsbusinessservices@dshs.texas.gov.

VII. Payment Method.

A. Contractor will remit payment to DSHS within thirty days after a billing is received by them. Payment by the Contractor will be considered made on the date postmarked.

B. Contractor will send payments to DSHS at:

Texas Department of State Health Services
Cash Receipts Branch MC 2096
P.O. Box 149347
Austin, TX 78714-9347

C. Contractor will make payment to DSHS out of its current revenues.

VIII. Representatives. The following will act as the Representative authorized to administer activities under this Contract on behalf of their respective Party.

City of Weslaco	DSHS
City of Weslaco City Secretary's Office Attn: Elizabeth M. Walker 255 S. Kansas Ave. Weslaco, TX 78596 Phone: 956-968-3181 Email: ewalker@weslacotx.gov	Texas Department of State Health Services Contract Management Section Attn: Tina Walker Mail Code 1990 P.O. Box 149347 Austin, TX 78714-9347 Phone: (512) 776-2732 Email: tina.walker@dshs.texas.gov

IX. General Terms and Conditions.

A. **Governing Law.** Regarding all issues related to this Contract's formation, performance, interpretation, and any issues that may arise in any dispute between the parties, the Contract will be governed by and construed in accordance with the laws of the State of Texas.

B. **Amendment.** This Contract may be modified by written amendment signed by the Parties.

C. **Confidentiality.**
The Parties are required to comply with all applicable state and federal laws relating to the privacy and confidentiality of records that contain Personal Identifying Information (PII) or Personally Sensitive Information (PSI) or other information or records made confidential by law, including Tex. Bus. & Comm. Code Section 521.002. The attached Data Use Agreement (Attachment A) applies to this Contract.

- D. Exchange of Personal Identifying Information.** This Contract concerns personal identifying information. Except as prohibited by other law, Contractor and DSHS may exchange PII without consent, in accordance with Chapter 191 of the Health and Safety Code.
- E. Records Retention.** DSHS will retain records in accordance with DSHS State of Texas Records Retention Schedule at <http://www.dshs.texas.gov/records/schedules.shtm>, Department Rules and other applicable state and federal statutes and regulations governing medical, mental health, and substance abuse information.
- F. Severability.** If any provision of this Contract is construed to be illegal or invalid, the illegal or invalid provision will be deemed stricken and deleted to the same extent and effect as if never incorporated, but all other provisions will continue.
- G. Notice.** Any notice required or permitted to be given under this Contract will be in writing and sent to the respective Party's Representative in Section VIII. Notice will be deemed to have been received by a Party on the third business day after the date on which it was mailed to the Party at the address specified in writing by the Party to the other Party, or, if sent by certified mail, on the date of receipt.
- H. Waiver.** Acceptance by either Party of partial performance or failure to complain of any action, non-action or default under this Contract will not constitute a waiver of either Party's rights under the Contract.
- I. Assignment.** Neither DSHS nor Contractor will transfer, assign, or sell its interest, in whole or in part, in this Contract without prior written consent by both Parties.
- J. Suspension of Services Under This Contract.** In the event of an emergency or information technology system failure, DSHS may temporarily suspend services without advance notice. Use of services for purposes inconsistent with applicable law may also result in a suspension of services.
- K. Termination.**
- 1. Convenience.** This Contract may be terminated by mutual agreement of the Parties. Either Party may terminate this Contract without cause by giving 30 days written notice of its intent to terminate to the non-terminating Party.
 - 2. Cause.** This Contract may be terminated for cause by either Party for breach or failure to perform an essential requirement of the Contract. Use of services for purposes inconsistent with applicable law may be cause for Contract termination.
 - 3. Notice of Termination.** Written notice may be sent by any method that provides verification of receipt, which will be calculated from the date of receipt by the non-terminating Party's Representative provided in Section VIII.

- 4. Equitable Settlement.** At the end of the Term of this Contract or termination as provided for in this Section, the Parties will equitably settle their respective accrued interests or obligations incurred prior to termination.

By signing below, the Parties agree that this Contract constitutes the entire legal and binding agreement between them. The Parties acknowledge that they have read the Contract and agree to its terms, and that the persons whose signatures appear below have the authority to execute this Contract on behalf of their respective Party.

DEPARTMENT OF STATE HEALTH SERVICES

CITY OF WESLACO

Manda Hall MD

Manda Hall, M.D.
Associate Commissioner
Department of State Health Services

David Suarez
Mayor
City of Weslaco

4/19/18
Date

Date

THE FOLLOWING ATTACHMENTS ARE ATTACHED AND INCORPORATED AS PART OF THE CONTRACT HHSREV100000812:

ATTACHMENT A- DATA USE AGREEMENT

ATTACHMENT A – DATA USE AGREEMENT

DATA USE AGREEMENT BETWEEN THE TEXAS HEALTH AND HUMAN SERVICES ENTERPRISE AND CITY OF WESLACO (“CONTRACTOR”)

This Data Use Agreement (“DUA”) is incorporated into System Agency Contract No. HHSREV100000812 (the “Base Contract”) between the Texas Department of State Health Services (“System Agency”) and City of Weslaco (“Contractor”).

ARTICLE 1. PURPOSE; APPLICABILITY; ORDER OF PRECEDENCE

ATTACHMENT 1. The purpose of this DUA is to facilitate creation, receipt, maintenance, use, disclosure or access to Confidential Information with Contractor, and describe Contractor’s rights and obligations with respect to the Confidential Information and the limited purposes for which the Contractor may create, receive, maintain, use, disclose or have access to Confidential Information. 45 CFR 164.504(e)(1)-(3). This DUA also describes System Agency’s remedies in the event of Contractor’s noncompliance with its obligations under this DUA. This DUA applies to both Business Associates and contractors who are not Business Associates who create, receive, maintain, use, disclose or have access to Confidential Information on behalf of System Agency, its programs or clients as described in the Base Contract.

As of the Effective Date of the Contract, if any provision of the Base Contract, including any General Provisions or Uniform Terms and Conditions, conflicts with this DUA, this DUA controls.

ARTICLE 2. DEFINITIONS

For the purposes of this DUA, **capitalized, underlined terms have the meanings set forth in the following:** Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (42 U.S.C. §1320d, *et seq.*) and regulations thereunder in 45 CFR Parts 160 and 164, including all amendments, regulations and guidance issued thereafter; The Social Security Act, including Section 1137 (42 U.S.C. §§ 1320b-7), Title XVI of the Act; The Privacy Act of 1974, as amended by the Computer Matching and Privacy Protection Act of 1988, 5 U.S.C. § 552a and regulations and guidance thereunder; Internal Revenue Code, Title 26 of the United States Code and regulations and publications adopted under that code, including IRS Publication 1075; OMB Memorandum 07-18; Texas Business and Commerce Code Ch. 521; Texas Government Code, Ch. 552, and Texas Government Code §2054.1125. In addition, the following terms in this DUA are defined as follows:

“**Authorized Purpose**” means the specific purpose or purposes described in the Scope of Work of the Base Contract for Contractor to fulfill its obligations under the Base Contract, or any other purpose expressly authorized by System Agency in writing in advance.

“**Authorized User**” means a Person:

- (1) Who is authorized to create, receive, maintain, have access to, process, view, handle, examine, interpret, or analyze Confidential Information pursuant to this DUA;
- (2) For whom Contractor warrants and represents has a demonstrable need to create, receive, maintain, use, disclose or have access to the Confidential Information; and

(3) Who has agreed in writing to be bound by the disclosure and use limitations pertaining to the Confidential Information as required by this DUA.

"Confidential Information" means any communication or record (whether oral, written, electronically stored or transmitted, or in any other form) provided to or made available to Contractor or that Contractor may create, receive, maintain, use, disclose or have access to on behalf of System Agency that consists of or includes any or all of the following:

- (1) Client Information;
- (2) Protected Health Information in any form including without limitation, Electronic Protected Health Information or Unsecured Protected Health Information;
- (3) Sensitive Personal Information defined by Texas Business and Commerce Code Ch. 521;
- (4) Federal Tax Information;
- (5) Personally Identifiable Information;
- (6) Social Security Administration Data, including, without limitation, Medicaid information;
- (7) All privileged work product;
- (8) All information designated as confidential under the constitution and laws of the State of Texas and of the United States, including the Texas Health & Safety Code and the Texas Public Information Act, Texas Government Code, Chapter 552.

"Legally Authorized Representative" of the Individual, as defined by Texas law, including as provided in 45 CFR 435.923 (Medicaid); 45 CFR 164.502(g)(1) (HIPAA); Tex. Occ. Code § 151.002(6); Tex. H. & S. Code § 166.164; Estates Code Ch. 752 and Texas Prob. Code § 3.

ARTICLE 3. CONTRACTOR'S DUTIES REGARDING CONFIDENTIAL INFORMATION

Section 3.01 *Obligations of Contractor*

Contractor agrees that:

(A) Contractor will exercise reasonable care and no less than the same degree of care Contractor uses to protect its own confidential, proprietary and trade secret information to prevent any portion of the Confidential Information from being used in a manner that is not expressly an Authorized Purpose under this DUA or as Required by Law. *45 CFR 164.502(b)(1); 45 CFR 164.514(d)*

(B) Contractor will not, without System Agency's prior written consent, disclose or allow access to any portion of the Confidential Information to any Person or other entity, other than Authorized User's Workforce or Subcontractors of Contractor who have completed training in confidentiality, privacy, security and the importance of promptly reporting any Event or Breach to Contractor's management, to carry out the Authorized Purpose or as Required by Law.

System Agency, at its election, may assist Contractor in training and education on specific or unique System Agency processes, systems or requirements. Contractor will produce evidence of completed training to System Agency upon request. *45 C.F.R. 164.308(a)(5)(i); Texas Health & Safety Code §181.101*

(C) Contractor will establish, implement and maintain appropriate sanctions against any member of its Workforce or Subcontractor who fails to comply with this DUA, the Base Contract or applicable law. Contractor will maintain evidence of sanctions and produce it to System Agency upon request. *45 C.F.R. 164.308(a)(1)(ii)(C); 164.530(e); 164.410(b); 164.530(b)(1)*

(D) Contractor will not, without prior written approval of System Agency, disclose or provide access to any Confidential Information on the basis that such act is Required by Law without notifying System Agency so that System Agency may have the opportunity to object to the disclosure or access and seek appropriate relief. If System Agency objects to such disclosure or access, Contractor will refrain from disclosing or providing access to the Confidential Information until System Agency has exhausted all alternatives for relief. *45 CFR 164.504(e)(2)(ii)(A)*

(E) Contractor will not attempt to re-identify or further identify Confidential Information or De-identified Information, or attempt to contact any Individuals whose records are contained in the Confidential Information, except for an Authorized Purpose, without express written authorization from System Agency or as expressly permitted by the Base Contract. *45 CFR 164.502(d)(2)(i) and (ii)* Contractor will not engage in prohibited marketing or sale of Confidential Information. *45 CFR 164.501, 164.508(a)(3) and (4); Texas Health & Safety Code Ch. 181.002*

(F) Contractor will not permit, or enter into any agreement with a Subcontractor to, create, receive, maintain, use, disclose, have access to or transmit Confidential Information, on behalf of Contractor without requiring that Subcontractor first execute the Form Subcontractor Agreement, Attachment 1, which ensures that the Subcontractor will comply with the identical terms, conditions, safeguards and restrictions as contained in this DUA for PHI and any other relevant Confidential Information and which permits more strict limitations; and *45 CFR 164.502(e)(1)(i)(ii); 164.504(e)(1)(i) and (2)*

(G) Contractor is directly responsible for compliance with, and enforcement of, all conditions for creation, maintenance, use, disclosure, transmission and Destruction of Confidential Information and the acts or omissions of Subcontractors as may be reasonably necessary to prevent unauthorized use. *45 CFR 164.504(e)(5); 42 CFR 431.300, et seq.*

(H) If Contractor maintains PHI in a Designated Record Set, Contractor will make PHI available to System Agency in a Designated Record Set or, as directed by System Agency, provide PHI to the Individual, or Legally Authorized Representative of the Individual who is requesting PHI in compliance with the requirements of the HIPAA Privacy Regulations. Contractor will make other Confidential Information in Contractor's possession available pursuant to the requirements of HIPAA or other applicable law upon a determination of a Breach of Unsecured PHI as defined in HIPAA. *45 CFR 164.524 and 164.504(e)(2)(ii)(E)*

(I) Contractor will make PHI as required by HIPAA available to System Agency for amendment and incorporate any amendments to this information that System Agency directs or agrees to pursuant to the HIPAA. *45 CFR 164.504(e)(2)(ii)(E) and (F)*

(J) Contractor will document and make available to System Agency the PHI required to provide access, an accounting of disclosures or amendment in compliance with the requirements of the HIPAA Privacy Regulations. *45 CFR 164.504(e)(2)(ii)(G) and 164.528*

(K) If Contractor receives a request for access, amendment or accounting of PHI by any Individual subject to this DUA, it will promptly forward the request to System Agency; however, if it would violate HIPAA to forward the request, Contractor will promptly notify of the request and of Contractor's response. Unless Contractor is prohibited by law from forwarding a request, System Agency will respond to all such requests, unless System Agency has given prior written consent for Contractor to respond to and account for all such requests. *45 CFR 164.504(e)(2)*

(L) Contractor will provide, and will cause its Subcontractors and agents to provide, to System Agency periodic written certifications of compliance with controls and provisions relating to information privacy, security and breach notification, including without limitation information related to

data transfers and the handling and disposal of Confidential Information. *45 CFR 164.308; 164.530(c); 1 TAC 202*

(M) Except as otherwise limited by this DUA, the Base Contract, or law applicable to the Confidential Information, Contractor may use or disclose PHI for the proper management and administration of Contractor or to carry out Contractor's legal responsibilities if: *45 CFR 164.504(e)(ii)(1)(A)*

- (1) Disclosure is Required by Law, provided that Contractor complies with Section 3.01(D);
- (2) Contractor obtains reasonable assurances from the Person to whom the information is disclosed that the Person will:
 - (a) Maintain the confidentiality of the Confidential Information in accordance with this DUA;
 - (b) Use or further disclose the information only as Required by Law or for the Authorized Purpose for which it was disclosed to the Person; and
 - (c) Notify Contractor in accordance with Section 4.01 of any Event or Breach of Confidential Information of which the Person discovers or should have discovered with the exercise of reasonable diligence. *45 CFR 164.504(e)(4)(ii)(B)*

(N) Except as otherwise limited by this DUA, Contractor will, if requested by System Agency, use PHI to provide data aggregation services to System Agency, as that term is defined in the HIPAA, 45 C.F.R. §164.501 and permitted by HIPAA. *45 CFR 164.504(e)(2)(i)(B)*

(O) Contractor will, on the termination or expiration of this DUA or the Base Contract, at its expense, return to System Agency or Destroy, at System Agency's election, and to the extent reasonably feasible and permissible by law, all Confidential Information received from System Agency or created or maintained by Contractor or any of Contractor's agents or Subcontractors on System Agency's behalf if that data contains Confidential Information. Contractor will certify in writing to System Agency that all the Confidential Information that has been created, received, maintained, used by or disclosed to Contractor, has been Destroyed or returned to System Agency, and that Contractor and its agents and Subcontractors have retained no copies thereof. Notwithstanding the foregoing, Contractor acknowledges and agrees that it may not Destroy any Confidential Information if federal or state law, or System Agency record retention policy or a litigation hold notice prohibits such Destruction. If such return or Destruction is not reasonably feasible, or is impermissible by law, Contractor will immediately notify System Agency of the reasons such return or Destruction is not feasible, and agree to extend indefinitely the protections of this DUA to the Confidential Information and limit its further uses and disclosures to the purposes that make the return of the Confidential Information not feasible for as long as Contractor maintains such Confidential Information. *45 CFR 164.504(e)(2)(ii)(J)*

(P) Contractor will create, maintain, use, disclose, transmit or Destroy Confidential Information in a secure fashion that protects against any reasonably anticipated threats or hazards to the security or integrity of such information or unauthorized uses. *45 CFR 164.306; 164.530(c)*

(Q) If Contractor accesses, transmits, stores, or maintains Confidential Information, Contractor will complete and return to System Agency at infosecurity@hhsc.state.tx.us the System Agency information security and privacy initial inquiry (SPI) at Attachment 2. The SPI identifies basic privacy and security controls with which Contractor must comply to protect System Agency Confidential Information. Contractor will comply with periodic security controls compliance assessment and monitoring by System Agency as required by state and federal law, based on the type of Confidential Information Contractor creates, receives, maintains, uses, discloses or has access to and the Authorized Purpose and level of risk. Contractor's security controls will be based on the National Institute of Standards and Technology (NIST) Special Publication 800-53. Contractor will update its security controls assessment whenever there are significant changes in security controls for System Agency

Confidential Information and will provide the updated document to System Agency. System Agency also reserves the right to request updates as needed to satisfy state and federal monitoring requirements. **45 CFR 164.306**

(R) Contractor will establish, implement and maintain any and all appropriate procedural, administrative, physical and technical safeguards to preserve and maintain the confidentiality, integrity, and availability of the Confidential Information, and with respect to PHI, as described in the HIPAA Privacy and Security Regulations, or other applicable laws or regulations relating to Confidential Information, to prevent any unauthorized use or disclosure of Confidential Information as long as Contractor has such Confidential Information in its actual or constructive possession. **45 CFR 164.308 (administrative safeguards); 164.310 (physical safeguards); 164.312 (technical safeguards); 164.530(c)(privacy safeguards)**

(S) Contractor will designate and identify, subject to System Agency approval, a Person or Persons, as Privacy Official **45 CFR 164.530(a)(1)** and Information Security Official, each of whom is authorized to act on behalf of Contractor and is responsible for the development and implementation of the privacy and security requirements in this DUA. Contractor will provide name and current address, phone number and e-mail address for such designated officials to System Agency upon execution of this DUA and prior to any change. **45 CFR 164.308(a)(2)**

(T) Contractor represents and warrants that its Authorized Users each have a demonstrated need to know and have access to Confidential Information solely to the minimum extent necessary to accomplish the Authorized Purpose pursuant to this DUA and the Base Contract, and further, that each has agreed in writing to be bound by the disclosure and use limitations pertaining to the Confidential Information contained in this DUA. **45 CFR 164.502; 164.514(d)**

(U) Contractor and its Subcontractors will maintain an updated, complete, accurate and numbered list of Authorized Users, their signatures, titles and the date they agreed to be bound by the terms of this DUA, at all times and supply it to System Agency, as directed, upon request.

(V) Contractor will implement, update as necessary, and document reasonable and appropriate policies and procedures for privacy, security and Breach of Confidential Information and an incident response plan for an Event or Breach, to comply with the privacy, security and breach notice requirements of this DUA prior to conducting work under the DUA. **45 CFR 164.308; 164.316; 164.514(d); 164.530(i)(1)**

(W) Contractor will produce copies of its information security and privacy policies and procedures and records relating to the use or disclosure of Confidential Information received from, created by, or received, used or disclosed by Contractor on behalf of System Agency for System Agency's review and approval within 30 days of execution of this DUA and upon request by System Agency the following business day or other agreed upon time frame. **45 CFR 164.308; 164.514(d)**

(X) Contractor will make available to System Agency any information System Agency requires to fulfill System Agency's obligations to provide access to, or copies of, PHI in accordance with HIPAA and other applicable laws and regulations relating to Confidential Information. Contractor will provide such information in a time and manner reasonably agreed upon or as designated by the Secretary, or other federal or state law. **45 CFR 164.504(e)(2)(i)(I)**

(Y) Contractor will only conduct secure transmissions of Confidential Information whether in paper, oral or electronic form. A secure transmission of electronic Confidential Information *in motion* includes secure File Transfer Protocol (SFTP) or Encryption at an appropriate level or otherwise protected as required by rule, regulation or law. System Agency Confidential Information *at rest* requires Encryption unless there is adequate administrative, technical, and physical security, or as otherwise

protected as required by rule, regulation or law. All electronic data transfer and communications of Confidential Information will be through secure systems. Proof of system, media or device security or Encryption must be produced to System Agency no later than 48 hours after System Agency's written request in response to a compliance investigation, audit or the Discovery of an Event or Breach. Otherwise, requested production of such proof will be made as agreed upon by the parties. De-identification of System Agency Confidential Information is a means of security. With respect to de-identification of PHI, "secure" means de-identified according to HIPAA Privacy standards and regulatory guidance. *45 CFR 164.312; 164.530(d)*

(Z) Contractor will comply with the following laws and standards *if applicable to the type of Confidential Information and Contractor's Authorized Purpose*:

- Title 1, Part 10, Chapter 202, Subchapter B, Texas Administrative Code;
- The Privacy Act of 1974;
- OMB Memorandum 07-16;
- The Federal Information Security Management Act of 2002 (FISMA);
- The Health Insurance Portability and Accountability Act of 1996 (HIPAA) as defined in the DUA;
- Internal Revenue Publication 1075 – Tax Information Security Guidelines for Federal, State and Local Agencies;
- National Institute of Standards and Technology (NIST) Special Publication 800-66 Revision 1 – An Introductory Resource Guide for Implementing the Health Insurance Portability and Accountability Act (HIPAA) Security Rule;
- NIST Special Publications 800-53 and 800-53A – Recommended Security Controls for Federal Information Systems and Organizations, as currently revised;
- NIST Special Publication 800-47 – Security Guide for Interconnecting Information Technology Systems;
- NIST Special Publication 800-88, Guidelines for Media Sanitization;
- NIST Special Publication 800-111, Guide to Storage of Encryption Technologies for End User Devices containing PHI; and
- Any other State or Federal law, regulation, or administrative rule relating to the specific System Agency program area that Contractor supports on behalf of System Agency.

ARTICLE 4. BREACH NOTICE, REPORTING AND CORRECTION REQUIREMENTS

Section 4.01. Breach or Event Notification to System Agency. 45 CFR 164.400-414

(A) Contractor will cooperate fully with System Agency in investigating, mitigating to the extent practicable and issuing notifications directed by System Agency, for any Event or Breach of Confidential Information to the extent and in the manner determined by System Agency.

(B) Contractor's obligation begins at the Discovery of an Event or Breach and continues as long as related activity continues, until all effects of the Event are mitigated to System Agency's satisfaction (the "incident response period"). *45 CFR 164.404*

(C) Breach Notice:

1. Initial Notice.

System Agency Data Use Agreement V.8.3 HIPAA Omnibus Compliant April 1, 2015

a. For federal information, including without limitation, Federal Tax Information, Social Security Administration Data, and Medicaid Client Information, within the first, consecutive clock hour of Discovery, and for all other types of Confidential Information not more than 24 hours after Discovery, or in a timeframe otherwise approved by System Agency in writing, initially report to System Agency's Privacy and Security Officers via email at: privacy@SystemAgencyC.state.tx.us and to the System Agency division responsible for this DUA; and *IRS Publication 1075; Privacy Act of 1974, as amended by the Computer Matching and Privacy Protection Act of 1988, 5 U.S.C. § 552a; OMB Memorandum 07-16 as cited in System AgencyC-CMS Contracts for information exchange.*

b. Report all information reasonably available to Contractor about the Event or Breach of the privacy or security of Confidential Information. *45 CFR 164.410*

c. Name, and provide contact information to System Agency for, Contractor's single point of contact who will communicate with System Agency both on and off business hours during the incident response period.

2. 48-Hour Formal Notice. No later than 48 consecutive clock hours after Discovery, or a time within which Discovery reasonably should have been made by Contractor of an Event or Breach of Confidential Information, provide formal notification to the State, including all reasonably available information about the Event or Breach, and Contractor's investigation, including without limitation and to the extent available: *For (a) - (m) below: 45 CFR 164.400-414*

a. The date the Event or Breach occurred;

b. The date of Contractor's and, if applicable, Subcontractor's Discovery;

c. A brief description of the Event or Breach; including how it occurred and who is responsible (or hypotheses, if not yet determined);

d. A brief description of Contractor's investigation and the status of the investigation;

e. A description of the types and amount of Confidential Information involved;

f. Identification of and number of all Individuals reasonably believed to be affected, including first and last name of the individual and if applicable the, Legally authorized representative, last known address, age, telephone number, and email address if it is a preferred contact method, to the extent known or can be reasonably determined by Contractor at that time;

g. Contractor's initial risk assessment of the Event or Breach demonstrating whether individual or other notices are required by applicable law or this DUA for System Agency approval, including an analysis of whether there is a low probability of compromise of the Confidential Information or whether any legal exceptions to notification apply;

h. Contractor's recommendation for System Agency's approval as to the steps Individuals or Contractor on behalf of Individuals, should take to protect the Individuals from potential harm, including without limitation Contractor's provision of notifications, credit protection, claims monitoring, and any specific protections for a Legally Authorized Representative to take on behalf of an Individual with special capacity or circumstances;

i. The steps Contractor has taken to mitigate the harm or potential harm caused (including without limitation the provision of sufficient resources to mitigate);

j. The steps Contractor has taken, or will take, to prevent or reduce the likelihood of recurrence of a similar Event or Breach;

- k. Identify, describe or estimate of the Persons, Workforce, Subcontractor, or Individuals and any law enforcement that may be involved in the Event or Breach;
- l. A reasonable schedule for Contractor to provide regular updates to the foregoing in the future for response to the Event or Breach, but no less than every three (3) business days or as otherwise directed by System Agency, including information about risk estimations, reporting, notification, if any, mitigation, corrective action, root cause analysis and when such activities are expected to be completed; and
- m. Any reasonably available, pertinent information, documents or reports related to an Event or Breach that System Agency requests following Discovery.

Section 4.02 *Investigation, Response and Mitigation. For A-F below: 45 CFR 164.308, 310 and 312; 164.530*

- (A) Contractor will immediately conduct a full and complete investigation, respond to the Event or Breach, commit necessary and appropriate staff and resources to expeditiously respond, and report as required to and by System Agency for incident response purposes and for purposes of System Agency's compliance with report and notification requirements, to the satisfaction of System Agency.
- (B) Contractor will complete or participate in a risk assessment as directed by System Agency following an Event or Breach, and provide the final assessment, corrective actions and mitigations to System Agency for review and approval.
- (C) Contractor will fully cooperate with System Agency to respond to inquiries and proceedings by state and federal authorities, Persons and Individuals about the Event or Breach.
- (D) Contractor will fully cooperate with System Agency's efforts to seek appropriate injunctive relief or otherwise prevent or curtail such Event or Breach, or to recover or protect any Confidential Information, including complying with reasonable corrective action or measures, as specified by System Agency in a Corrective Action Plan if directed by System Agency under the Base Contract.

Section 4.03 *Breach Notification to Individuals and Reporting to Authorities. Tex. Bus. & Comm. Code §521.053; 45 CFR 164.404 (Individuals), 164.406 (Media); 164.408 (Authorities)*

- (A) System Agency may direct Contractor to provide Breach notification to Individuals, regulators or third-parties, as specified by System Agency following a Breach.
- (B) Contractor must obtain System Agency's prior written approval of the time, manner and content of any notification to Individuals, regulators or third-parties, or any notice required by other state or federal authorities. Notice letters will be in Contractor's name and on Contractor's letterhead, unless otherwise directed by System Agency, and will contain contact information, including the name and title of Contractor's representative, an email address and a toll-free telephone number, for the Individual to obtain additional information.
- (C) Contractor will provide System Agency with copies of distributed and approved communications.
- (D) Contractor will have the burden of demonstrating to the satisfaction of System Agency that any notification required by System Agency was timely made. If there are delays outside of Contractor's control, Contractor will provide written documentation of the reasons for the delay.

(E) If System Agency delegates notice requirements to Contractor, System Agency shall, in the time and manner reasonably requested by Contractor, cooperate and assist with Contractor's information requests in order to make such notifications and reports.

ARTICLE 5. SCOPE OF WORK

Scope of Work means the services and deliverables to be performed or provided by Contractor, or on behalf of Contractor by its Subcontractors or agents for System Agency that are described in detail in the Base Contract. The Scope of Work, including any future amendments thereto, is incorporated by reference in this DUA as if set out word-for-word herein.

ARTICLE 6. GENERAL PROVISIONS

Section 6.01 *Ownership of Confidential Information*

Contractor acknowledges and agrees that the Confidential Information is and will remain the property of System Agency. Contractor agrees it acquires no title or rights to the Confidential Information.

Section 6.02 *System Agency Commitment and Obligations*

System Agency will not request that Contractor create, maintain, transmit, use or disclose PHI in any manner that would not be permissible under applicable law if done by System Agency.

Section 6.03 *System Agency Right to Inspection*

At any time upon reasonable notice to Contractor, or if System Agency determines that Contractor has violated this DUA, System Agency, directly or through its agent, will have the right to inspect the facilities, systems, books and records of Contractor to monitor compliance with this DUA. For purposes of this subsection, System Agency's agent(s) include, without limitation, the System Agency Office of the Inspector General or the Office of the Attorney General of Texas, outside consultants or legal counsel or other designee.

Section 6.04 *Term; Termination of DUA; Survival*

This DUA will take effect with the Base Contract, and will terminate upon termination of the Base Contract and as set forth herein. If the Base Contract is extended or amended, this DUA is updated automatically concurrent with such extension or amendment.

(A) System Agency may immediately terminate this DUA and Base Contract upon a material violation of this DUA.

(B) Termination or Expiration of this DUA will not relieve Contractor of its obligation to return or Destroy the Confidential Information as set forth in this DUA and to continue to safeguard the Confidential Information until such time as determined by System Agency.

(D) If System Agency determines that Contractor has violated a material term of this DUA; System Agency may in its sole discretion:

1. Exercise any of its rights including but not limited to reports, access and inspection under this DUA or the Base Contract; or
2. Require Contractor to submit to a corrective action plan, including a plan for monitoring and plan for reporting, as System Agency may determine necessary to maintain compliance with this DUA; or

3. Provide Contractor with a reasonable period to cure the violation as determined by System Agency; or
4. Terminate the DUA and Base Contract immediately, and seek relief in a court of competent jurisdiction in Travis County, Texas.

Before exercising any of these options, System Agency will provide written notice to Contractor describing the violation and the action it intends to take.

(E) If neither termination nor cure is feasible, System Agency shall report the violation to the Secretary.

(F) The duties of Contractor or its Subcontractor under this DUA survive the expiration or termination of this DUA until all the Confidential Information is Destroyed or returned to System Agency, as required by this DUA.

Section 6.05 *Governing Law, Venue and Litigation*

(A) The validity, construction and performance of this DUA and the legal relations among the Parties to this DUA will be governed by and construed in accordance with the laws of the State of Texas.

(B) The Parties agree that the courts of Travis County, Texas, will be the exclusive venue for any litigation, special proceeding or other proceeding as between the parties that may be brought, or arise out of, or in connection with, or by reason of this DUA.

Section 6.06 *Injunctive Relief*

(A) Contractor acknowledges and agrees that System Agency may suffer irreparable injury if Contractor or its Subcontractor fails to comply with any of the terms of this DUA with respect to the Confidential Information or a provision of HIPAA or other laws or regulations applicable to Confidential Information.

(B) Contractor further agrees that monetary damages may be inadequate to compensate System Agency for Contractor's or its Subcontractor's failure to comply. Accordingly, Contractor agrees that System Agency will, in addition to any other remedies available to it at law or in equity, be entitled to seek injunctive relief without posting a bond and without the necessity of demonstrating actual damages, to enforce the terms of this DUA.

Section 6.07 *Indemnification*

To the extent permitted by law, Contractor will indemnify, defend and hold harmless System Agency and its respective Executive Commissioner, employees, Subcontractors, agents (including other state agencies acting on behalf of System Agency) or other members of its Workforce (each of the foregoing hereinafter referred to as "Indemnified Party") against all actual and direct losses suffered by the Indemnified Party and all liability to third parties arising from or in connection with any breach of this DUA or from any acts or omissions related to this DUA by Contractor or its employees, directors, officers, Subcontractors, or agents or other members of its Workforce. The duty to indemnify, defend and hold harmless is independent of the duty to insure and continues to apply even in the event insurance coverage required, if any, in the DUA or Base Contract is denied, or coverage rights are reserved by any insurance carrier. Upon demand, Contractor will reimburse System Agency for any and all losses, liabilities, lost profits, fines, penalties, costs or expenses (including reasonable attorneys' fees) which may for any reason be imposed upon any Indemnified Party by reason of any suit, claim, action, proceeding or demand by any third party to the extent caused by and which results from the Contractor's failure to meet any of its obligations under this DUA. To the extent permitted

by law, Contractor's obligation to defend, indemnify and hold harmless any Indemnified Party will survive the expiration or termination of this DUA.

Section 6.08 *Insurance*

(A) Contractor represents and warrants that it maintains either self-insurance or commercial insurance with policy limits sufficient to cover any liability arising from any acts or omissions by Contractor or its employees, directors, officers, Subcontractors, or agents or other members of its Workforce under this DUA. Contractor warrants that System Agency will be a loss payee and beneficiary for any such claims. .

(B) Contractor will provide System Agency with written proof that required insurance coverage is in effect, at the request of System Agency.

Section 6.09 *Fees and Costs*

Except as otherwise specified in this DUA or the Base Contract, including but not limited to requirements to insure or indemnify System Agency, if any legal action or other proceeding is brought for the enforcement of this DUA, or because of an alleged dispute, contract violation, Event, Breach, default, misrepresentation, or injunctive action, in connection with any of the provisions of this DUA, each party will bear their own legal expenses and the other cost incurred in that action or proceeding.

Section 6.10 *Entirety of the Contract*

This Data Use Agreement is incorporated by reference into the Base Contract and, together with the Base Contract, constitutes the entire agreement between the parties. No change, waiver, or discharge of obligations arising under those documents will be valid unless in writing and executed by the party against whom such change, waiver, or discharge is sought to be enforced.

Section 6.11 *Automatic Amendment and Interpretation*

Upon the effective date of any amendment or issuance of additional regulations to HIPAA, or any other law applicable to Confidential Information, this DUA will automatically be amended so that the obligations imposed on System Agency or Contractor remain in compliance with such requirements. Any ambiguity in this DUA will be resolved in favor of a meaning that permits System Agency and Contractor to comply with HIPAA or any other law applicable to Confidential Information.

ATTACHMENT 1. SUBCONTRACTOR AGREEMENT FORM
System Agency CONTRACT NUMBER HHSREV100000812

The DUA between System Agency and Contractor establishes the permitted and required uses and disclosures of Confidential Information by Contractor.

Contractor has subcontracted with _____ (SUBContractor) for performance of duties on behalf of CONTACTOR which are subject to the DUA. SUBContractor acknowledges, understands and agrees to be bound by the identical terms and conditions applicable to Contractor under the DUA, incorporated by reference in this Agreement, with respect to System Agency Confidential Information. Contractor and SUBContractor agree that System Agency is a third-party beneficiary to applicable provisions of the subcontract.

System Agency has the right but not the obligation to review or approve the terms and conditions of the subcontract by virtue of this Subcontractor Agreement Form.

Contractor and SUBContractor assure System Agency that any Breach or Event as defined by the DUA that SUBContractor Discovers will be reported to System Agency by Contractor in the time, manner and content required by the DUA.

If Contractor knows or should have known in the exercise of reasonable diligence of a pattern of activity or practice by SUBContractor that constitutes a material breach or violation of the DUA or the SUBContractor's obligations Contractor will:

1. Take reasonable steps to cure the violation or end the violation, as applicable;
2. If the steps are unsuccessful, terminate the contract or arrangement with SUBContractor, if feasible;
3. Notify System Agency immediately upon reasonably discovery of the pattern of activity or practice of SUBContractor that constitutes a material breach or violation of the DUA and keep System Agency reasonably and regularly informed about steps Contractor is taking to cure or end the violation or terminate SUBCONTACTOR's contract or arrangement.

This Subcontractor Agreement Form is executed by the parties in their capacities indicated below.

CONTRACTOR

SUBCONTRACTOR

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

DATE _____, 201 .

DATE: _____



HHS Enterprise Data Use Agreement - Attachment 2 SECURITY AND PRIVACY INITIAL INQUIRY (SPI)

If you are a bidder for a new procurement/contract, in order to participate in the bidding process, you must have corrected any "No" responses in sections B and C prior to the contract award date. If you are an applicant for an open enrollment, you must have corrected any "No" answers in Sections B and C below prior to performing any work on behalf of any HHS agency. For existing contracts or renewals with "No" responses, there must be an action plan for remediation of Section B and C within 30 calendar days for HIPAA related contracts and 90 calendar days from the date the form is signed for all non-HIPAA contracts.

SECTION A: APPLICANT/BIDDER INFORMATION (To be completed by Applicant/Bidder)

1. Does the applicant/bidder access, create, disclose, receive, transmit, maintain, or store HHS Confidential Information in electronic systems (e.g., laptop, personal use computer, mobile device, database, server, etc.)? IF NO, STOP. THE SPI FORM IS NOT REQUIRED.	☐ Yes ☐ No
2. Entity or Applicant/Bidder Legal Name	Legal Name: Legal Entity Tax Identification Number (TIN) (Last Four Numbers Only): Procurement/Contract#: Address: City: State: ZIP: Telephone #: Email Address:
3. Number of Employees, at all locations, in Applicant Bidder's Workforce "Workforce" means all employees, volunteers, trainees, and other Persons whose conduct is under the direct control of Applicant/Bidder, whether or not they are paid by Applicant/Bidder. If Applicant/Bidder is a sole proprietor, the workforce may be only one employee.	Total Employees:
4. Number of Subcontractors (if Applicant/Bidder will not use subcontractors, enter "0")	Total Subcontractors:
5. Name of Information Technology Security Official and Name of Privacy Official for Applicant/Bidder (Privacy and Security Official may be the same person.)	A. Security Official: Legal Name: Address: City: State: ZIP: Telephone #: Email Address: B. Privacy Official: Legal Name: Address: City: State: ZIP: Telephone #: Email Address:

6. Type(s) of HHS Confidential Information the Entity or Applicant/Bidder will create, receive, maintain, use, disclose or have access to: (Check all that apply) • Health Insurance Portability and Accountability Act (HIPAA) data • Criminal Justice Information Services (CJIS) data • Internal Revenue Service Federal Tax Information (IRS FTI) data • Centers for Medicare & Medicaid Services (CMS) • Social Security Administration (SSA) • Personally Identifiable Information (PII)	HIPAA ☐	CJIS ☐	IRS FTI ☐	CMS ☐	SSA ☐	PII ☐
Other (Please List)						
7. Number of Storage Devices for HHS Confidential Information (as defined in the HHS Data Use Agreement (DUA)) Cloud Services involve using a network of remote servers hosted on the Internet to store, manage, and process data, rather than a local server or a personal computer. A Data Center is a centralized repository, either physical or virtual, for the storage, management, and dissemination of data and information organized around a particular body of knowledge or pertaining to a particular business.						Total # (Sum a-d) 0
a. Devices. Number of personal user computers, devices or drives, including mobile devices and mobile drives.						
b. Servers. Number of Servers that are not in a data center or using Cloud Services.						
c. Cloud Services. Number of Cloud Services in use.						
d. Data Centers. Number of Data Centers in use.						
8. Number of unduplicated individuals for whom Applicant/Bidder reasonably expects to handle HHS Confidential Information during one year:						Select Option
a. 499 individuals or less b. 500 to 999 individuals c. 1,000 to 99,999 individuals d. 100,000 individuals or more						☐ a. ☐ b. ☐ c. ☐ d.
9. HIPAA Business Associate Agreement						Yes or No
a. Will Applicant/Bidder use, disclose, create, receive, transmit or maintain protected health information on behalf of a HIPAA-covered HHS agency for a HIPAA-covered function?						☐ Yes ☐ No
b. Does Applicant/Bidder have a Privacy Notice prominently displayed on a Webpage or a Public Office of Applicant/Bidder's business open to or that serves the public? (This is a HIPAA requirement. Answer "No" if not applicable, such as for agencies not covered by HIPAA.)						☐ Yes ☐ No
10. Subcontractors. If the Applicant/Bidder responded "0" to Question 4 (indicating no subcontractors), check "No" for both 'a.' and 'b.' to indicate "N/A."						Yes or No
a. Does Applicant/Bidder require subcontractors to execute the DUA Attachment 1 Subcontractor Agreement Form?						☐ Yes ☐ No
b. Will Applicant/Bidder obtain written approval from an HHS agency before entering into any agreements with subcontractors to handle HHS Confidential Information on behalf of Applicant/Bidder?						☐ Yes ☐ No

11. Does Applicant/Bidder have any Optional Insurance currently in place? Optional Insurance provides coverage for: (1) Network Security and Privacy; (2) Data Breach; (3) Cyber Liability (lost data, lost use or delay/suspension in business, denial of service with e-business, the Internet, networks and informational assets, such as privacy, intellectual property, virus transmission, extortion, sabotage or web activities); (4) Electronic Media Liability; (5) Crime/Theft; (6) Advertising Injury and Personal Injury Liability; and (7) Crisis Management and Notification Expense Coverage.	☐ Yes ☐ No
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Section B: PRIVACY RISK ANALYSIS AND ASSESSMENT (To be completed by Applicant/Bidder)

For any questions answered "No", an Action Plan for Compliance with a timeline must be documented in the designated area below the question. The timeline for compliance with HIPAA related items is 30 calendar days, PII related items is 90 calendar days.

1. Written Policies & Procedures. Does Applicant/Bidder have current written privacy and security policies and procedures that, at a minimum:	Yes or No
a. Does Applicant/Bidder have current written privacy and security policies and procedures that identify Authorized Users and Authorized Purposes (as defined in the DUA) relating to creation, receipt, maintenance, use, disclosure, access or transmission of HHS Confidential Information?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
b. Does Applicant/Bidder have current written privacy and security policies and procedures that require Applicant/Bidder and its Workforce to comply with the applicable provisions of HIPAA and other laws referenced in the DUA, relating to creation, receipt, maintenance, use, disclosure, access or transmission of HHS Confidential Information on behalf of an HHS agency?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
c. Does Applicant/Bidder have current written privacy and security policies and procedures that limit use or disclosure of HHS Confidential Information to the minimum that is necessary to fulfill the Authorized Purposes?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
d. Does Applicant/Bidder have current written privacy and security policies and procedures that respond to an actual or suspected breach of HHS Confidential Information, to include at a minimum (if any responses are "No" check "No" for all three): i. Immediate breach notification to the HHS agency, regulatory authorities, and other required Individuals or Authorities, in accordance with Article 4 of the DUA; ii. Following a documented breach response plan, in accordance with the DUA and applicable law; & iii. Notifying Individuals and Reporting Authorities whose HHS Confidential Information has been breached, as directed by the HHS agency?	☐ Yes ☐ No

<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
e. Does Applicant/Bidder have current written privacy and security policies and procedures that conduct annual workforce training and monitoring for and correction of any training delinquencies?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
f. Does Applicant/Bidder have current written privacy and security policies and procedures that permit or deny individual rights of access, and amendment or correction, when appropriate?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
g. Does Applicant/Bidder have current written privacy and security policies and procedures that permit only Authorized Users with up-to-date privacy and security training, and with a reasonable and demonstrable need to use, disclose, create, receive, maintain, access or transmit the HHS Confidential Information, to carry out an obligation under the DUA for an Authorized Purpose, unless otherwise approved in writing by an HHS agency?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
h. Does Applicant/Bidder have current written privacy and security policies and procedures that establish, implement and maintain proof of appropriate sanctions against any Workforce or Subcontractors who fail to comply with an Authorized Purpose or who is not an Authorized User, and used or disclosed HHS Confidential Information in violation of the DUA, the Base Contract or applicable law?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
i. Does Applicant/Bidder have current written privacy and security policies and procedures that require updates to policies, procedures and plans following major changes with use or disclosure of HHS Confidential Information within 60 days of identification of a need for update?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>

j. Does Applicant/Bidder have current written privacy and security policies and procedures that restrict permissions or attempts to re-identify or further identify de-identified HHS Confidential Information, or attempt to contact any Individuals whose records are contained in the HHS Confidential Information, except for an Authorized Purpose, without express written authorization from an HHS agency or as expressly permitted by the Base Contract?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
k. If Applicant/Bidder intends to use, disclose, create, maintain, store or transmit HHS Confidential Information outside of the United States of America, will Applicant/Bidder obtain the express prior written permission from the HHS agency and comply with the HHS agency conditions for safeguarding offshore HHS Confidential Information?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
l. Does Applicant/Bidder have current written privacy and security policies and procedures that require cooperation with HHS agencies' or federal regulatory inspections, audits or investigations related to compliance with the DUA or applicable law?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
m. Does Applicant/Bidder have current written privacy and security policies and procedures that require appropriate standards and methods to destroy or dispose of HHS Confidential Information?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
n. Does Applicant/Bidder have current written privacy and security policies and procedures that prohibit disclosure of Applicant/Bidder's work product done on behalf of HHS pursuant to the DUA, or to publish HHS Confidential Information without express prior approval of the HHS agency?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
2. Does Applicant/Bidder have a current Workforce training program? Training of Workforce must occur at least once every year, and within 30 days of date of hiring a new Workforce member who will handle HHS Confidential Information. Training must include: (1) privacy and security policies, procedures, plans and applicable requirements for handling HHS Confidential Information, (2) a requirement to complete training before access is given to HHS Confidential Information, and (3) written proof of training and a procedure for monitoring timely completion of training.	☐ Yes ☐ No

<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
3. Does Applicant/Bidder have Privacy Safeguards to protect HHS Confidential Information in oral, paper and/or electronic form? "Privacy Safeguards" means protection of HHS Confidential Information by establishing, implementing and maintaining required Administrative, Physical and Technical policies, procedures, processes and controls, required by the DUA, HIPAA (45 CFR 164.530), Social Security Administration, Medicaid and laws, rules or regulations, as applicable. Administrative safeguards include administrative protections, policies and procedures for matters such as training, provision of access, termination, and review of safeguards, incident management, disaster recovery plans, and contract provisions. Technical safeguards include technical protections, policies and procedures, such as passwords, logging, emergencies, how paper is faxed or mailed, and electronic protections such as encryption of data. Physical safeguards include physical protections, policies and procedures, such as locks, keys, physical access, physical storage and trash.	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
4. Does Applicant/Bidder and all subcontractors (if applicable) maintain a current list of Authorized Users who have access to HHS Confidential Information, whether oral, written or electronic?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
5. Does Applicant/Bidder and all subcontractors (if applicable) monitor for and remove terminated employees or those no longer authorized to handle HHS Confidential Information from the list of Authorized Users?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>

Section C: SECURITY RISK ANALYSIS AND ASSESSMENT (to be completed by Applicant/Bidder)

This section is about your electronic system. If your business DOES NOT store, access, or transmit HHS Confidential Information in electronic systems (e.g., laptop, personal use computer, mobile device, database, server, etc.) select the box to the right, and "YES" will be entered for all questions in this section.

No Electronic Systems

☐

For any questions answered "No", an Action Plan for Compliance with a timeline must be documented in the designated area below the question. The timeline for compliance with HIPAA related items is 30 calendar days, PII related items is 90 calendar days.

1. Does the Applicant/Bidder ensure that services which access, create, disclose, receive, transmit, maintain, or store HHS Confidential Information are maintained **IN** the United States (no offshoring) unless **ALL** of the following requirements are met?

- a. The data is encrypted with FIPS 140-2 compliant encryption
- b. The offshore provider does not have access to the encryption keys
- c. The Applicant/Bidder maintains the encryption key within the United States
- d. The Application/Bidder has obtained the express prior written permission of the HHS agency

For more information regarding FIPS 140-2 encryption products, please refer to:
<http://csrc.nist.gov/groups/STM/cmvp/documents/140-1/140val-all.htm>

- ☐ Yes
☐ No

Action Plan for Compliance with a Timeline:

Compliance Date:

2. Does Applicant/Bidder utilize an IT security-knowledgeable person or company to maintain or oversee the configurations of Applicant/Bidder's computing systems and devices?

- ☐ Yes
☐ No

Action Plan for Compliance with a Timeline:

Compliance Date:

3. Does Applicant/Bidder monitor and manage access to HHS Confidential Information (e.g., a formal process exists for granting access and validating the need for users to access HHS Confidential Information, and access is limited to Authorized Users)?

- ☐ Yes
☐ No

Action Plan for Compliance with a Timeline:

Compliance Date:

4. Does Applicant/Bidder a) have a system for changing default passwords, b) require user password changes at least every 90 calendar days, and c) prohibit the creation of weak passwords (e.g., require a minimum of 8 characters with a combination of uppercase, lowercase, special characters, and numerals, where possible) for all computer systems that access or store HHS Confidential Information.

If yes, upon request must provide evidence such as a screen shot or a system report.

- ☐ Yes
☐ No

Action Plan for Compliance with a Timeline:

Compliance Date:

5. Does each member of Applicant/Bidder's Workforce who will use, disclose, create, receive, transmit or maintain HHS Confidential Information have a unique user name (account) and private password?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
6. Does Applicant/Bidder lock the password after a certain number of failed attempts and after 15 minutes of user inactivity in all computing devices that access or store HHS Confidential Information?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
7. Does Applicant/Bidder secure, manage and encrypt remote access (including wireless access) to computer systems containing HHS Confidential Information? (e.g., a formal process exists for granting access and validating the need for users to remotely access HHS Confidential Information, and remote access is limited to Authorized Users). <i>Encryption is required for all HHS Confidential Information. Additionally, FIPS 140-2 compliant encryption is required for Health Insurance Portability and Accountability Act (HIPAA) data, Criminal Justice Information Services (CJIS) data, Internal Revenue Service Federal Tax Information (IRS FTI) data, and Centers for Medicare & Medicaid Services (CMS) data.</i> <i>For more information regarding FIPS 140-2 encryption products, please refer to: http://csrc.nist.gov/groups/STM/cmvp/documents/140-1/140val-all.htm</i>	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
8. Does Applicant/Bidder implement computer security configurations or settings for all computers and systems that access or store HHS Confidential Information? (e.g., non-essential features or services have been removed or disabled to reduce the threat of breach and to limit exploitation opportunities for hackers or intruders, etc.)	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
9. Does Applicant/Bidder secure physical access to computer, paper, or other systems containing HHS Confidential Information from unauthorized personnel and theft (e.g., door locks, cable locks, laptops are stored in the trunk of the car instead of the passenger area, etc.)?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>

10. Does Applicant/Bidder use encryption products to protect HHS Confidential Information that is <u>transmitted</u> over a public network (e.g., the Internet, WiFi, etc.). If yes, upon request must provide evidence such as a screen shot or a system report. <i>Encryption is required for all HHS Confidential Information. Additionally, FIPS 140-2 compliant encryption is required for Health Insurance Portability and Accountability Act (HIPAA) data, Criminal Justice Information Services (CJIS) data, Internal Revenue Service Federal Tax Information (IRS FTI) data, and Centers for Medicare & Medicaid Services (CMS) data.</i> <i>For more information regarding FIPS 140-2 encryption products, please refer to: http://csrc.nist.gov/groups/STM/cmvp/documents/140-1/140val-all.htm</i>	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
11. Does Applicant/Bidder use encryption products to protect HHS Confidential Information <u>stored</u> on end user devices (e.g., laptops, USBs, tablets, smartphones, external hard drives, desktops, etc.)? If yes, upon request must provide evidence such as a screen shot or a system report. <i>Encryption is required for all HHS Confidential Information. Additionally, FIPS 140-2 compliant encryption is required for Health Insurance Portability and Accountability Act (HIPAA) data, Criminal Justice Information Services (CJIS) data, Internal Revenue Service Federal Tax Information (IRS FTI) data, and Centers for Medicare & Medicaid Services (CMS) data.</i> <i>For more information regarding FIPS 140-2 encryption products, please refer to: http://csrc.nist.gov/groups/STM/cmvp/documents/140-1/140val-all.htm</i>	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
12. Does Applicant/Bidder require Workforce members to formally acknowledge rules outlining their responsibilities for protecting HHS Confidential Information and associated systems containing HHS Confidential Information before their access is provided?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
13. Is Applicant/Bidder willing to perform or submit to a criminal background check on Authorized Users?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>
14. Does Applicant/Bidder prohibit the access, creation, disclosure, reception, transmission, maintenance, and storage of HHS Confidential Information with a subcontractor (e.g. cloud services, social media, etc.) unless HHS has approved the subcontractor agreement which must include compliance and liability clauses with the same requirements as the Applicant/Bidder?	☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>	<u>Compliance Date:</u>

15. Does Applicant/Bidder keep current on security updates/patches (including firmware, software and applications) for computing systems that use, disclose, access, create, transmit, maintain or store HHS Confidential Information?		☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>		<u>Compliance Date:</u>
16. Do Applicant/Bidder's computing systems that use, disclose, access, create, transmit, maintain or store HHS Confidential Information contain up-to-date anti-malware and antivirus protection?		☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>		<u>Compliance Date:</u>
17. Does the Applicant/Bidder review system security logs on computing systems that access or store HHS Confidential Information for abnormal activity or security concerns on a regular basis?		☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>		<u>Compliance Date:</u>
18. Notwithstanding records retention requirements, does Applicant/Bidder's disposal processes for HHS Confidential Information ensure that HHS Confidential Information is destroyed so that it is unreadable or undecipherable?		☐ Yes ☐ No
<u>Action Plan for Compliance with a Timeline:</u>		<u>Compliance Date:</u>
Section D: Signature and Submission		
<i>Please sign the form digitally, if possible. If you can't, provide a handwritten signature.</i>		
1. I certify that all of the information provided in this form is truthful and correct to the best of my knowledge. If I learn that any such information was not correct, I agree to notify HHS of this immediately.		
2. Signature	3. Title	4. Date:
To submit the completed, signed form: Email the form as an attachment to the appropriate HHS Contract Manager.		

Section E: To Be Completed by HHS Agency Staff:

Agency(s): HHSC: ☐ DADS: ☐ DFPS: ☐ DSHS: ☐		Requesting Department(s):											
Legal Entity Tax Identification Number (TIN) (Last four Only): <table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>												PO/Contract(s) #:	
Contract Manager:		Contract Manager Email Address:		Contract Manager Telephone #:									

INSTRUCTIONS FOR COMPLETING THE SECURITY AND PRIVACY INITIAL INQUIRY (SPI)

Attachment 2 to the HHS Enterprise Data Use Agreement

Below are instructions for Applicants, Bidders and Contractors for Health and Human Services requiring the Attachment 2, Security and Privacy Inquiry (SPI) to the Data Use Agreement (DUA). Instruction item numbers below correspond to sections on the SPI form.

If you are a bidder for a new procurement/contract, in order to participate in the bidding process, you must have corrected any "No" responses in sections B and C prior to the contract award date. If you are an applicant for an open enrollment, you must have corrected any "No" answers in Sections B and C below prior to performing any work on behalf of any HHS agency. For existing contracts or renewals with "No" responses, there must be an action plan for remediation of Section B and C within 30 calendar days for HIPAA related contracts and 90 days for others from the date the form is signed

SECTION A. APPLICANT /BIDDER INFORMATION

Item #1. *Only contractors that access, transmit, store, and/or maintain Confidential Information will complete and email this form as an attachment to the appropriate HHS Contract Manager.*

Item #2. Entity or Applicant/Bidder Legal Name. *Provide the legal name of the business (the name used for legal purposes, like filing a federal or state tax form on behalf of the business, and is not a trade or assumed named "dba"), the legal tax identification number (last four numbers only) of the entity or applicant/bidder, the address of the corporate or main branch of the business, the telephone number where the business can be contacted regarding questions related to the information on this form and the website of the business, if a website exists.*

Item #3. Number of Employees, at all locations, in Applicant/Bidder's workforce. *Provide the total number of individuals, including volunteers, subcontractors, trainees, and other persons who work for the business. If you are the only employee, please answer "1."*

Item #4. Number of Subcontractors. *Provide the total number of subcontractors working for the business. If you have none, please answer "0" zero.*

Item #5. Number of unduplicated individuals for whom Applicant/Bidder reasonably expects to handle HHS Confidential Information during one year. *Select the radio button that corresponds with the number of clients/consumers for whom you expect to handle HHS Confidential Information during a year. Only count clients/consumers once, no matter how many direct services the client receives during a year.*

Item #5. Name of Information Technology Security Official and Name of Privacy Official for Applicant/Bidder. *As with all other fields on the SPI, this is a required field. This may be the same person and the owner of the business if such person has the security and privacy knowledge that is required to implement the requirements of the DUA and respond to questions related to the SPI. In 4.A. provide the name, address, telephone number, and email address of the person whom you have designated to answer any security questions found in Section C and in 4.B. provide this information for the person whom you have designated as the person to answer any privacy questions found in Section B. The business may contract out for this expertise; however, designated individual(s) must have knowledge of the business's devices, systems and methods for use, disclosure, creation, receipt, transmission and maintenance of HHS Confidential Information and be willing to be the point of contact for privacy and security questions.*

Item #6. Type(s) of HHS Confidential Information the Entity or Applicant/Bidder Will Create, Receive, Maintain, Use, Disclose or Have Access to: *Provide a complete listing of all HHS Confidential Information that the Contractor will create, receive, maintain, use, disclose or have access to. The DUA section Article 2, Definitions, defines HHS Confidential Information as:*

"Confidential Information" means any communication or record (whether oral, written, electronically stored or transmitted, or in any other form) provided to or made available to CONTRACTOR or that CONTRACTOR may create, receive, maintain, use, disclose or have access to on behalf of HHS that consists of or includes any or all of the following:

- (1) Client Information;*
- (2) Protected Health Information in any form including without limitation, Electronic Protected Health Information or Unsecured Protected Health Information;*
- (3) Sensitive Personal Information defined by Texas Business and Commerce Code Ch. 521;*

- (4) Federal Tax Information;
- (5) Personally Identifiable Information;
- (6) Social Security Administration Data, including, without limitation, Medicaid information;
- (7) All privileged work product;
- (8) All information designated as confidential under the constitution and laws of the State of Texas and of the United States, including the Texas Health & Safety Code and the Texas Public Information Act, Texas Government Code, Chapter 552.

Definitions for the following types of confidential information can be found the following sites:

- Health Insurance Portability and Accountability Act (HIPAA) - <http://www.hhs.gov/hipaa/index.html>
- Criminal Justice Information Services (CJIS) - <https://www.fbi.gov/services/cjis/cjis-security-policy-resource-center>
- Internal Revenue Service Federal Tax Information (IRS FTI) - <https://www.irs.gov/pub/irs-pdf/p1075.pdf>
- Centers for Medicare & Medicaid Services (CMS) - <https://www.cms.gov/Regulations-and-Guidance/Regulations-and-Guidance.html>
- Social Security Administration (SSA) - <https://www.ssa.gov/regulations/>
- Personally Identifiable Information (PII) - <http://csrc.nist.gov/publications/nistpubs/800-122/sp800-122.pdf>

Item #7. Number of Storage devices for HHS Confidential Information. The total number of devices is automatically calculated by exiting the fields in lines a - d. Use the <Tab> key when exiting the field to prompt calculation, if it doesn't otherwise sum correctly.

- **Item 7a. Devices.** Provide the number of personal user computers, devices, and drives (including mobile devices, laptops, USB drives, and external drives) on which your business stores or will store HHS Confidential Information.
- **Item 7b. Servers.** Provide the number of servers not housed in a data center or "in the cloud," on which HHS Confidential Information is stored or will be stored. A server is a dedicated computer that provides data or services to other computers. It may provide services or data to systems on a local area network (LAN) or a wide area network (WAN) over the Internet. If none, answer "0" (zero).
- **Item 7c. Cloud Services.** Provide the number of cloud services to which HHS Confidential Information is stored. Cloud Services involve using a network of remote servers hosted on the Internet to store, manage, and process data, rather than on a local server or a personal computer. If none, answer "0" (zero.)
- **Item 7d. Data Centers.** Provide the number of data centers in which you store HHS Confidential Information. A Data Center is a centralized repository, either physical or virtual, for the storage, management, and dissemination of data and information organized around a particular body of knowledge or pertaining to a particular business. If none, answer "0" (zero).

Item #8. Number of unduplicated individuals for whom Applicant/Bidder reasonably expects to handle Confidential Information during one year. Select the radio button that corresponds with the number of clients/consumers for whom you expect to handle Confidential Information during a year. Only count clients/consumers once, no matter how many direct services the client receives during a year.

Item #9. HIPAA Business Associate Agreement.

- **Item #9a.** Answer "yes" if your business will use, disclose, create, receive, transmit, or store information relating to a client/consumer's healthcare on behalf of the Department of State Health Service, the Department of Disability and Aging Services, or the Health and Human Services commission for treatment, payment, or operation of Medicaid or Medicaid clients. If your contract does not include HIPAA covered information, respond "no."
- **Item #9b.** Answer "yes" if your business has a notice of privacy practices (a document that explains how you protect and use a client/consumer's healthcare information) displayed either on a website (if one exists for your business) or in your place of business (if that location is open to clients/consumers or the public). If your contract does not include HIPAA covered information, respond "no."

Item #10. Subcontractors. If your business responded "0" to question 3 (number of subcontractors), Answer "no" to Items 9a and 9b to indicate not applicable.

- **Item #10a.** Answer "yes" if your business requires that all subcontractors sign Attachment 1 of the DUA.
- **Item #10b.** Answer "yes" if your business obtains HHS approval before permitting subcontractors to handle HHS Confidential Information on your business's behalf.

Item #11. Optional Insurance. Answer "yes" if applicant has optional insurance in place to provide coverage for a Breach or any

other situations listed in this question. If you do not have this optional coverage, answer "no."

SECTION B. PRIVACY RISK ANALYSIS AND ASSESSMENT

Reasonable and appropriate written Privacy and Security policies and procedures are required, even for sole proprietors who are the only employee, to demonstrate how your business will safeguard HHS Confidential Information and respond in the event of a Breach of HHS Confidential Information. To ensure that your business is prepared, all of the items below must be addressed in your written Privacy and Security policies and procedures.

For any question Section B or Section C question that is answered "no", an explanation of how compliance will be corrected and a date when compliance will be complete in the designated areas below the question.

Item #1. Answer "yes" if you have written policies in place for each of the areas (a-o).

- **Item #1a.** Answer "yes" if your business has written policies and procedures that identify everyone, including subcontractors, who are authorized to use HHS Confidential Information. The policies and procedures should also identify the reason why these Authorized Users need to access the HHS Confidential Information and this reason must align with the Authorized Purpose described in the Scope of Work or description of services in the Base Contract with the HHS agency.
- **Item #1b.** Answer "yes" if your business has written policies and procedures that require your employees (including yourself), your volunteers, your trainees, and any other persons whose work you direct, to comply with the requirements of HIPAA, if applicable, and other confidentiality laws as they relate to your handling of HHS Confidential Information. Refer to the laws and rules that apply, including those referenced in the DUA and Scope of Work or description of services in the Base Contract.
- **Item #1c.** Answer "yes" if your business has written policies and procedures that limit the HHS Confidential Information you disclose to the minimum necessary for your workforce and subcontractors (if applicable) to perform the obligations described in the Scope of Work or service description in the Base Contract. (e.g., if a client/consumer's Social Security Number is not required for a workforce member to perform the obligations described in the Scope of Work or service description in the Base Contract, then the Social Security Number will not be given to them.) If you are the only employee for your business, policies and procedures must not include a request for, or use of, HHS Confidential Information that is not required for performance of the services.
- **Item #1d.** Answer "yes" if your business has written policies and procedures that explain how your business would respond to an actual or a suspected breach of HHS Confidential Information. The written policies and procedures, at a minimum, must include the three items below. If any response to the three items below are no, answer "no."
 - **Item #1di.** Answer "yes" if your business has written policies and procedures that require your business to immediately notify HHS, the HHS Agency, regulatory authorities, or other required Individuals or Authorities of a Breach as described in Article 4, Section 4 of the DUA.
Refer to Article 4, Section 4.01:
***Initial Notice of Breach** must be provided in accordance with HHS and DUA requirements with as much information as possible about the Event/Breach and a name and contact who will serve as the single point of contact with HHS both on and off business hours. Time frames related to Initial Notice include:*
 - *within one hour of Discovery of an Event or Breach of Federal Tax Information, Social Security Administration Data, or Medicaid Client Information*
 - *within 24 hours of all other types of HHS Confidential Information* **48-hour Formal Notice** *must be provided no later than 48 hours after Discovery for protected health information, sensitive personal information or other non-public information and must include applicable information as referenced in Section 4.01 (C) 2. of the DUA.*
 - **Item #1dii.** Answer yes, if your business has written policies and procedures require you to have and follow a written breach response plan as described in Article 4 Section 4.02 of the DUA.
 - **Item #1diii.** Answer "yes", if your business has written policies and procedures require you to notify Reporting Authorities and Individuals whose HHS Confidential Information has been breached as described in Article 4 Section 4.03 of the DUA.
- **Item #1e.** Answer "yes", if your business has written policies and procedures requiring annual training of your entire workforce on matters related to confidentiality, privacy, and security, stressing the importance of promptly reporting any

Event or Breach, outlines the process that you will use to require attendance and track completion for employees who failed to complete annual training.

- **Item #1f.** Answer "yes", if your business has written policies and procedures requiring you to allow individuals (clients/consumers) to access their individual record of HHS Confidential Information, and allow them to amend or correct that information, if applicable.
- **Item #1g.** Answer "yes", if your business has written policies and procedures restricting access to HHS Confidential Information to only persons who have been authorized and trained on how to handle HHS Confidential Information
- **Item #1h.** Answer "yes", if your business has written policies and procedures requiring sanctioning of any subcontractor, employee, trainee, volunteer, or anyone whose work you direct when they have accessed HHS Confidential Information but are not authorized to do so, and that you have a method of proving that you have sanctioned such an individuals. If you are the only employee, you must demonstrate how you will document the noncompliance, update policies and procedures if needed, and seek additional training or education to prevent future occurrences.
- **Item #1i.** Answer "yes", if your business has written policies and procedures requiring you to update your policies within 60 days after you have made changes to how you use or disclose HHS Confidential Information.
- **Item #1j.** Answer "yes" if your business has written policies and procedures requiring you to restrict attempts to take de-identified data and re-identify it or restrict any subcontractor, employee, trainee, volunteer, or anyone whose work you direct, from contacting any individuals for whom you have HHS Confidential Information except to perform obligations under the contract, or with written permission from HHS.
- **Item #1k.** Answer "yes" if your business has written policies and procedures prohibiting you from using, disclosing, creating, maintaining, storing or transmitting HHS Confidential Information outside of the United States.
- **Item #1l.** Answer "yes", if your business has written policies and procedures requiring your business to cooperate with HHS agencies or federal regulatory entities for inspections, audits, or investigations related to compliance with the DUA or applicable law.
- **Item #1m.** Answer "yes" if your business has written policies and procedures requiring your business to use appropriate standards and methods to destroy or dispose of HHS Confidential Information. Policies and procedures should comply with HHS requirements for retention of records and methods of disposal.
- **Item #1n.** Answer "yes" if your business has written policies and procedures prohibiting the publication of the work you created or performed on behalf of HHS pursuant to the DUA, or other HHS Confidential Information, without express prior written approval of the HHS agency.

Item #2. Answer "yes" if your business has a current training program that meets the requirements specified in the SPI for you, your employees, your subcontractors, your volunteers, your trainees, and any other persons under your direct supervision.

Item #3. Answer "yes" if your business has privacy safeguards to protect HHS Confidential Information as described in the SPI.

Item #4. Answer "yes" if your business maintains current lists of persons in your workforce, including subcontractors (if applicable), who are authorized to access HHS Confidential Information. If you are the only person with access to HHS Confidential Information, please answer "yes."

Item #5. Answer "yes", if your business and subcontractors (if applicable) monitor for and remove from the list of Authorized Users, members of the workforce who are terminated or are no longer authorized to handle HHS Confidential Information. If you are the only one with access to HHS Confidential Information, please answer "yes".

SECTION C. SECURITY RISK ANALYSIS AND ASSESSMENT

This section is about your electronic systems. If you DO NOT store HHS Confidential Information in electronic systems (e.g., laptop, personal computer, mobile device, database, server, etc.), select the "No Electronic Systems" box and respond "yes" for all questions in this section.

Item #1. Answer "yes" if your business does not "offshore" or use, disclose, create, receive, transmit or maintain HHS Confidential Information outside of the United States. If you are not certain, contact your provider of technology services (application, cloud, data center, network, etc.) and request confirmation that they do not off-shore their data.

Item #2. Answer "yes" if your business uses a person or company who is knowledgeable in IT security to maintain or oversee the configurations of your business's computing systems and devices. You may be that person, or you may hire someone who can provide that service for you.

Item #3. Answer "yes" if your business monitors and manages access to HHS Confidential Information (i.e., reviews systems to ensure that access is limited to Authorized Users; has formal processes for granting, validating, and reviews the need for remote access to Authorized Users to HHS Confidential Information, etc.). If you are the only employee, answer "yes" if you have implemented a process to periodically evaluate the need for accessing HHS Confidential Information to fulfill your Authorized Purposes.

Item #4. Answer "yes" if your business has implemented a system for changing the password a system initially assigns to the user (also known as the default password), and requires users to change their passwords at least every 90 days, and prohibits the creation of weak passwords for all computer systems that access or store HHS Confidential Information (e.g., a strong password has a minimum of 8 characters with a combination of uppercase, lowercase, special characters, and numbers, where possible). If your business uses a Microsoft Windows system, refer to the Microsoft website on how to do this, see example: <http://windows.microsoft.com/en-us/windows/change-password-policy-settings#1TC=windows-7>

Item #5. Answer "yes" if your business assigns a unique user name and private password to each of your employees, your subcontractors, your volunteers, your trainees and any other persons under your direct control who will use, disclose, create, receive, transmit or maintain HHS Confidential Information.

Item #6. Answer "yes" if your business locks the access after a certain number of failed attempts to login and after 15 minutes of user inactivity on all computing devices that access or store HHS Confidential Information. If your business uses a Microsoft Windows system, refer to the Microsoft website on how to do this, see example: <http://windows.microsoft.com/en-us/windows/change-password-policy-settings#1TC=windows-7>

Item #7. Answer "yes", if your business secures, manages, and encrypts remote access, such as: using Virtual Private Network (VPN) software on your home computer to access HHS Confidential Information that resides on a computer system at a business location or, if you use wireless, ensuring that the wireless is secured using a password code. If you do not access systems remotely or over wireless, answer "yes."

Item #8. Answer "yes" if your business updates the computer security settings for all your computers and electronic systems that access or store HHS Confidential Information to prevent hacking or breaches (e.g., non-essential features or services have been removed or disabled to reduce the threat of breach and to limit opportunities for hackers or intruders to access your system). For example, Microsoft's Windows security checklist: <http://windows.microsoft.com/en-us/windows7/Security-checklist-for-Windows-7>

Item #9. Answer "yes" if your business secures physical access to computer, paper, or other systems containing HHS Confidential Information from unauthorized personnel and theft (e.g., door locks, cable locks, laptops are stored in the trunk of the car instead of the passenger area, etc.). If you are the only employee and use these practices for your business, answer "yes."

Item #10. Answer "yes" if your business uses encryption products to protect HHS Confidential Information that is transmitted over a public network (e.g., the Internet, WIFI, etc.) or that is stored on a computer system that is physically or electronically accessible to the public (FIPS 140-2 compliant encryption is required for Health Insurance Portability and Accountability Act (HIPAA) data, Criminal Justice Information Services (CJIS) data, Internal Revenue Service Federal Tax Information (IRS FTI) data, and Centers for Medicare & Medicaid Services (CMS) data.) For more information regarding FIPS 140-2 encryption products, please refer to: <http://csrc.nist.gov/groups/STM/cmvp/documents/140-1/140val-all.htm>.

Item #11. Answer "yes" if your business stores HHS Confidential Information on encrypted end-user electronic devices (e.g., laptops, USBs, tablets, smartphones, external hard drives, desktops, etc.) and can produce evidence of the encryption, such as, a screen shot or a system report (FIPS 140-2 encryption is required for Health Insurance Portability and Accountability Act (HIPAA) data, Criminal Justice Information Services (CJIS) data, Internal Revenue Service Federal Tax Information (IRS FTI) data, and Centers for Medicare & Medicaid Services (CMS) data.) . For more information regarding FIPS 140-2 compliant encryption products, please refer to: <http://csrc.nist.gov/groups/STM/cmvp/documents/140-1/140val-all.htm>). If you do not utilize end-

user electronic devices for storing HHS Confidential Information, answer "yes."

Item #12. Answer "yes" if your business requires employees, volunteers, trainees and other workforce members to sign a document that clearly outlines their responsibilities for protecting HHS Confidential Information and associated systems containing HHS Confidential Information before they can obtain access. If you are the only employee answer "yes" if you have signed or are willing to sign the DUA, acknowledging your adherence to requirements and responsibilities.

Item #13. Answer "yes" if your business is willing to perform a criminal background check on employees, subcontractors, volunteers, or trainees who access HHS Confidential Information. If you are the only employee, answer "yes" if you are willing to submit to a background check.

Item #14. Answer "yes" if your business prohibits the access, creation, disclosure, reception, transmission, maintenance, and storage of HHS Confidential Information on Cloud Services or social media sites if you use such services or sites, and there is an HHS approved subcontractor agreement that includes compliance and liability clauses with the same requirements as the Applicant/Bidder. If you do not utilize Cloud Services or media sites for storing HHS Confidential Information, answer "yes."

Item #15. Answer "yes" if your business keeps current on security updates/patches (including firmware, software and applications) for computing systems that use, disclose, access, create, transmit, maintain or store HHS Confidential Information. If you use a Microsoft Windows system, refer to the Microsoft website on how to ensure your system is automatically updating, see example:

<http://windows.microsoft.com/en-US/windows7/products/features/windows-update>

Item #16. Answer "yes" if your business's computing systems that use, disclose, access, create, transmit, maintain or store HHS Confidential Information contain up-to-date anti-malware and antivirus protection. If you use a Microsoft Windows system, refer to the Microsoft website on how to ensure your system is automatically updating, see example:

<http://windows.microsoft.com/en-US/windows7/products/features/windows-update>

Item #17. Answer "yes" if your business reviews system security logs on computing systems that access or store HHS Confidential Information for abnormal activity or security concerns on a regular basis. If you use a Microsoft Windows system, refer to the Microsoft website for ensuring your system is logging security events, see example:

<http://windows.microsoft.com/en-us/windows/what-information-event-logs-event-viewer#1TC=windows-7>

Item #18. Answer "yes" if your business disposal processes for HHS Confidential Information ensures that HHS Confidential Information is destroyed so that it is unreadable or undecipherable. Simply deleting data or formatting the hard drive is not enough; ensure you use products that perform a secure disk wipe. Please see NIST SP 800-88 R1, *Guidelines for Media Sanitization* and the applicable laws and regulations for the information type for further guidance.

SECTION D. SIGNATURE AND SUBMISSION

Click on the signature area to digitally sign the document. Email the form as an attachment to the appropriate HHS Contract Manager.



Standardized Agenda Request Form

Date of Meeting: May 1, 2018		Agenda Item No. (to be assigned by CSO): 2018-1689
From:		
Subject: Acceptance of donation in the amount of \$1,000 from KSA Engineers for Weslaco City Hall Christmas Tree. (Staffed by Parks 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):		
Aida Vega	Created/Initiated	
David Arce	Approved	
Mike Perez	Final Approval	
City Manager Comments: Approve.		
Staff Recommendation: Approval		
Attachments, if any: KSA SPONSOR		
Responsibilities upon Approval:		

KSA

140 EAST TYLER ST., SUITE 600
LONGVIEW, TX 75601
(903) 236-7700

TEXAS BANK AND TRUST
300 E. Whaley • P.O. Box 3188
Longview, TX 75606 • 903-237-5500
88-2323/1119

 E-Z-Sign® Quick Print
Transaction by Business

104359

CHECK DATE

April 20, 2018

PAY One Thousand and 00/100 Dollars

TO

City of Weslaco
1909 Joe Stephens Ave.
Weslaco, TX 78599

AMOUNT 1,000.00


Jugan Bickham
Carrie Motta
AUTHORIZED SIGNATURE

⑈ 104359⑈ ⑆ 1193338⑆ 04 0801 8⑈

KSA

104359

Check Date: 4/20/2018

Invoice Number	Date	Voucher	Amount	Discounts	Previous Pay	Net Amount
WESSPONSOR-2.6.18	2/6/2018	000000073120	1,000.00			1,000.00
City of Weslaco		TOTAL	1,000.00			1,000.00
Texas Bank & Trust	3	CITYOFWESLA201702786				

400000 Ship



Standardized Agenda Request Form

Date of Meeting: May 1, 2018		Agenda Item No. (to be assigned by CSO): 2018-1691	
From:			
Subject: Approval of a Mid Valley Airport Hangar Lease Agreement with Mike Carey, Hangar E-2, and authorize the Mayor to execute any related documents. (Staffed by Airport.)			
Background: Over the course of the past year, the Airport Advisory Board worked with Airport staff, KSA, TXDOT and City Attorney's office to draft Hangar lease agreement templates. The hangar lease agreement being presented is for the city owned hangar E-2 located on the east side of the airport. The proposed hangar lease agreement is for two (2) years with a two (2) year renewal option. There is a 3% review and cap every three (3) years.			
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): The Airport Advisory Board does not approve revenue lease agreements but did approve the hangar lease template.			
Elizabeth Walker		Created/Initiated	
Andrew Muñoz		Approved	
Mike Perez		Final Approval	
City Manager Comments: Approve.			
Staff Recommendation: Staff recommends approval.			
Attachments, if any: E-2 Mike Carey			
Responsibilities upon Approval:			

Lease Agreement

STATE OF TEXAS)
CITY OF WESLACO) **KNOW ALL PERSONS BY THESE PRESENTS:**
HIDALGO COUNTY)

This lease is entered into this ____ day of _____, 2018, between the City of Weslaco, a home ruled municipal corporation with its principal place of business at 255 S. Kansas Avenue, Weslaco, Hidalgo County, Texas, hereinafter referred to as the "Lessor" and the owner of the Weslaco Mid Valley Airport, hereinafter referred to as "Airport" and Mike Carey, hereinafter referred to as "Lessee" who covenant and agree as follows:

WHEREAS, Lessor owns and operates the Airport and all grounds within the area designated as the Weslaco Mid Valley Airport for aeronautical and non-aeronautical purposes to include landings, takeoffs, storage of aircraft and sales of fuel; and

WHEREAS, Lessor and Lessee are committed to the proper operation, improvement, and continued development of the Airport; and

WHEREAS, Lessor deems it advantageous to itself and to the operation of the Airport to lease to Lessee certain land/hangar/building/office as stated herein;

NOW THEREFORE, in consideration of the terms, premises, and mutual covenants contained herein and other good and valuable considerations, the sufficiency of which is hereby acknowledged, Lessor and Lessee covenant and agree as follows:

Section 1. Lease Premises

- A) Lessor does hereby lease to Lessee Hangar E-2 more particularly described as set forth in Exhibit "A" which is attached and incorporated by reference, hereinafter referred to as the lease premises.

Section 2. Term

- A) This lease shall be for the term of 2 years. Thereafter, this lease may be renewed for a subsequent two (2) year extension upon giving of written notice by Lessee to Lessor not more than one hundred eighty (180) nor less than sixty (60) days prior to the expiration of the preceding year lease term and upon mutual and written agreement by Lessor as provided for in this lease.
- B) **Surrender and Holding Over.** Upon the expiration or termination of this Lease, Lessee shall quit and surrender the Premises in good and serviceable condition, reasonable wear and tear excepted. Thereafter, the Lessor shall have the right to enter


Lessee Initials

and take possession of the Premises, with or without process of law and without liability for trespass. Holding over or failure to vacate the Premises at the end of the Initial Term or the Extended Term shall not be construed to be the granting or exercise of any additional term.

Any Improvements erected or constructed on the Premises shall be permanently and inseparably attached to the Premises and shall not be removed without prior written approval of the Lessor.

Section 3. Consideration

- A) In consideration for the lease of the Hangars referenced herein Lessee hereby agrees to pay monthly the sum of \$ 225.00. The first month's payment is to be made at lease execution. Thereafter, all future payments shall be made on or before the first working day of the month due for the term of this contract plus any extensions thereto.
- B) All lease fees shall be paid as the same becomes due, without demand, in lawful currency of the United States made payable to the City of Weslaco, Hidalgo County, Texas by mail or delivery as specified in Section 13. Notice Requirements of this agreement.
- C) In the event Lessee fails to remit any payments when the same are due, interest at the rate of 10 % shall be charged by Lessor beginning on the tenth (10) day after the date the payment is due and such interest shall continue to accrue against such delinquent payment until the payment plus interest is received by Lessor. In the event Lessee shall become delinquent for more than thirty (30) days, this lease may be terminated by Lessor.
- D) Lessee shall be liable for all taxes and fees owed on or by his personal business or himself. Under no circumstances shall Lessor be liable for or be required to pay any tax or fee owed by Lessee. Lessor shall provide insurance for all Lessor owned real property located at the Airport under Lessor's policy which shall be for the sole benefit and protection of Lessor. Lessee should provide his own insurance coverage for any personal property located in or on the Hangar and is required herein to provide business liability insurance in an amount of \$1,000,000.00 per occurrence. Certificates of such required insurance shall be furnished by Lessee to Lessor and certificates presently then in effect shall be on file at all times and Lessor shall be listed as an additional insured with the condition that said insurance shall provide Lessor notice of any cancellation of said insurance. Any changes in those certificates must have prior written approval of Lessor.
- E) Any sum that Lessee is obligated to pay to Lessor arising from or relating to this agreement or Lessee's use, occupancy or operations at the Airport constitutes additional rent, which may include, but is not limited to, fees, fuel flowage fees for self-fueling activities (at the rate and on the terms imposed by Lessor), fines, civil penalties, damages, claims, interest, charges and utility charges.

- F) Lessee shall pay all taxes, fees, assessments, and levies that relate to Lessee's use, occupancy, or operation at the lease premises or the Airport and all other obligations for which a lien may be created relating thereto. Within thirty (30) days Lessee shall remove any such lien that may be created or commence a protest of such lien by depositing with Lessor cash or other security acceptable to Lessor in an amount sufficient to cover the cost of removing such lien. When contracting for any work in connection with the lease premises, Lessee shall include in such contract a provision prohibiting the contractor or any subcontractor or supplier from filing a lien or asserting a claim against Lessor's real property or any interest therein.

Section 4. Use of Lease Premises

- A) Lessee and Lessee's associates shall comply at all times, at Lessee's sole cost, with any and all laws and regulation that are applicable to Lessee's use, occupancy, or operations at the lease premises or the Airport, which include, but are not limited to, all laws, statutes, ordinances, regulations, rules, orders, writs, judgments, decrees, injunctions, directives, rulings, guidelines, standards, codes, policies, common law and other pronouncements of any kind having the effect of law including, but not limited, to the Airport Rules and Regulations, City of Weslaco master plans and zoning codes, and all laws and regulations pertaining to the environment, any and all plans and programs developed in compliance with such requirements and all lawful, reasonable, and nondiscriminatory airport policies and other requirements.
- B) Lessee agrees that the leased Hangar may be used for any noncommercial aeronautical activity which must be made known to and agreed upon by Lessor and for no other purposes.
- C) Lessee may park his and/or his passenger's privately owned automobile(s) inside the Hangar, but only while on a flight which originated at the Airport.
- D) Lessee may store containers of aviation oil, in accordance with the Airport Rules and Regulations, inside the Hangar for aircraft use so long, and only so long, as such oil is contained in marked, approved containers. Such storage will be at the discretion of and with written approval from the local fire marshal if such storage is allowed under local fire codes.
- E) Lessee agrees that he will at all times keep the premises of the Hangar, including the inside and the outside of the Hangar, clean and free of trash, litter, tall grass, weeds, junked automobiles, and scrap aircraft parts. Lessee shall abide by all applicable rules and regulations of the Environmental Protection Agency, the Texas Commission on Environmental Quality, the Texas Department of Agriculture, the Texas Department of Transportation, and any other public agency concerning the use, storage, and disposal of hazardous chemicals, fuel, and/or oil. Lessee further agrees to abide by the manufacturer's directions in regards to the use, storage, and disposal of all pesticides, herbicides, and other chemicals plus their containers used at the airport. Should Lessee fail to keep the leased Land/Hangar/Building/Office clean and free of hazards, Lessor may, after thirty (30) days written notice, arrange for the cleanup of the littered or

hazardous area. Such cleanup shall be charged to Lessee and payable on demand. Failure to render proper payment for such cleanup and/or general disregard for the considerations and restrictions listed in this lease agreement are grounds for Lessor to terminate this lease.

- F) Lessee agrees that the usage of the Hangar plus any associated apron shall be limited to the parking/hangaring of his personal/company owned aircraft. No automobile, bus, truck, or other transportation mode may be permanently or habitually parked or stored on/in the Land/Hangar except in approved automobile parking areas and as agreed upon by Lessor.
- G) Lessee agrees that he will not conduct any commercial activity such as pilot instruction, aerial spraying, charter flights, air taxi, sight-seeing, aerial photography, aircraft engine or airframe repair, avionics repair, or any other at the Airport without the written consent of Lessor. Any such approved commercial operation must be in accordance with a separate contract agreement with Lessor.
- H) Lessee agrees that he will not store or permit the storage of any fuel or hazardous, volatile, and/or dangerous chemicals on/inside the Land/Hangar/Building/Office except as authorized in this agreement without the written consent of Lessor.
- I) Lessee agrees not to fuel or defuel any aircraft parked inside the Hangar.
- J) Lessee agrees that he will not operate any non-aviation related business or activity on/in the Hangar without the expressed written consent of Lessor. Any such non-aviation related business or activity must be so established by a separate contract.
- K) Lessee agrees that none of the leased premises shall be used for residential purposes or any other purpose prohibited by any federal, state or municipal law, statute, regulation or ordinance

Section 5. Sublease, Assignment, or Sale

- A) The Lessee shall not sublease, assign, sell, or transfer this contract agreement or any right hereunder to any person, corporation, or association. Any such sublease, assignment, sale, or transfer shall be grounds, at the option of the Lessor, to immediately terminate this lease agreement. Lessor shall have the right, in Lessor's sole discretion, to assign any of its rights under this agreement and upon any such assignment, Lessee agrees that Lessee shall perform its obligations under this agreement in favor of such assignee.

Section 6. Termination

- A) This contract agreement may be prematurely terminated by Lessor or Lessee if either fails to abide by the terms and conditions expressed herein and due the complainant and so decreed by a court of competent jurisdiction. Lessee shall have no more than


Lessee Initials

fifteen (15) days upon notification to resolve said violation(s). Should Lessee be declared bankrupt or incompetent, this contract agreement shall immediately terminate. In the event Lessee fails to make timely payments of all taxes or fees, fails to provide proof of required insurance, uses the Airport property or permits the Airport property to be used for any illegal or unauthorized purpose, files bankruptcy, abandons or leaves the property vacant or unoccupied for thirty (30) consecutive days, or violates any of the terms and conditions of this contract agreement, Lessor has the right to terminate this contract agreement and retake possession of any Airport property leased to or under the control of Lessee.

- B) Lessee agrees and understands that Lessor reserves the right to further expand, develop, or improve the airport, including the termination of this lease agreement, in such instance that the continued leasing of the Hangar would have a negative impact on any proposed development or improvements at the Airport. This contract agreement may be terminated regardless of the desires, wishes, or views of Lessee and without interference or hindrance from Lessee, but only so long as such expansion, development, or improvements are shown on a Texas Department of Transportation and/or FAA approved Airport Layout Plan or Master Plan.
- C) This contract may be prematurely terminated by mutual agreement and consent of both parties in writing. Such termination by mutual agreement shall cause both Lessor and Lessee to be free of any and all requirements of this contract hereunder, and neither Lessor nor Lessee shall have any derogatory remarks or entries made upon their resumés or upon any public or private records which would indicate failure to successfully fulfill the conditions of this contract.
- D) At the termination of this contract agreement, either by normal expiration, premature termination, or mutual agreement, Lessee shall peaceably vacate the premises. Should Lessee be in default of any monies owed to Lessor, Lessor may take possession of any personal property owned by Lessee and located at the Airport and hold until the monetary default is settled. In such case that Lessee cannot or will not settle any claims against him owed to Lessor, Lessor may liquidate any personal property seized, subject to the disposition of a court of competent jurisdiction. Lessee shall be liable for any and all expenses incurred by Lessor in such action.
- E) Upon any expiration or termination of this Agreement, Lessee, at Lessee's sole cost, shall (i) promptly and peaceably surrender to Lessor the lease premises "broom clean", free of debris, and in good order and condition; (ii) repair in a good and workmanlike manner any damage to the lease premises or the Airport that arises from or relates to Lessee's use, occupancy, or operations under this Agreement (iii) deliver to Lessor all keys and access credentials relating to the Airport (iv) perform Lessee's environmental obligations as provided in this Agreement; and (v) remove all movable personal property and trade fixtures that are not owned by Lessor. All property that Lessee leaves on the lease premises shall conclusively be deemed to have been abandoned and may be appropriated, sold, stored, destroyed, or otherwise disposed of by Lessor without notice to and without any obligation to account to Lessee or any other person. Lessee shall pay to Lessor all expenses incurred in connection with the disposition of such property in excess of any amount received by Lessor from such disposition. Lessee shall not be released from Lessee's obligations under this Agreement in

connection with surrender of the lease premises until lessor has inspected the lease premises and delivered to Lessee a written acceptance of such surrender.

Section 7. Hold Harmless

- A) Lessee agrees to save and hold harmless Lessor and its agents, servants, and employees of and from any and all liabilities, expenses, causes of action, damages, and/or attorney's fees resulting from or as a result of any of Lessee's businesses, operation, occupancy, or use of the Airport or from any act or omission of Lessee's agents, servants, or employees.

Section 8. Maintenance of Landing Area

- A) Lessee understands and agrees that Lessor reserves the right, but not the obligation, to maintain the Airport to at least the minimum standards as recommended by the FAA and/or the Texas Department of Transportation. Such right includes the right to maintain and keep in repair all public use areas at the Airport and the right to direct and control all activities as necessary at the Airport.

Section 9. Non-Discrimination

- A) Lessee for itself, successors in interest, and assigns (to the extent successors and assigns are permitted by this Agreement), as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the property described in this Agreement for a purpose for which a U.S. Department of Transportation program or activity is extended, or for another purpose involving the provision of similar services or benefits, Tenant/Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said regulations may be amended.
- B) Lessee for itself, successors in interest, and assigns (to the extent successors and assigns are permitted by this Agreement), as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, creed, color, national origin, sex, age, or handicap shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities or any activity conducted with or benefiting from Federal assistance, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that Lessee shall use the Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, as said regulations may be amended, and other applicable Laws and

Regulations, and shall obtain such compliance from any sub-leases or other parties holding lower tier agreements (to the extent the same are permitted by this Agreement).

Section 10. Exclusions

- A) Nothing in this Agreement shall be construed to grant to Lessee any exclusive right or privilege for the conduct of any activity on the Airport (except to lease the Premises for Lessee's exclusive use as provided herein).
- B) This Agreement shall be interpreted to preserve Lessor's rights and powers to comply with Lessor's Federal and other governmental obligations.
- C) This Agreement is subordinate to the provisions of any agreement between Lessor and the United States or other governmental authority (regardless of when made) that affects the Airport, including, but not limited to, agreements governing the expenditure of Federal funds for Airport improvements. In the event that the Federal Aviation Administration or other governmental authority requires any modification to this Agreement as a condition of Lessor entering any agreement or participating in any program applicable to the Airport (including, but not limited to, those providing funding), Lessee agrees to consent to any such modification. If a governmental authority determines that any act or omission of Lessee or Lessee's Associates has caused or will cause Lessor to be noncompliant with any of Lessor's government commitments (including, but not limited to, any assurances or covenants required of Lessor or obligations imposed by law), Lessee shall immediately take all actions that may be necessary to preserve Lessor's compliance with the same. Without liability to Lessor, Lessor shall have the right to terminate this Agreement and reenter and repossess any portion of the Premises if the U.S. Department of Transportation or other governmental authority having jurisdiction expressly requires any such action, subject to any review that may be afforded to Lessee by such authority.

Section 11. Force Majeure

- A) No act or event, whether foreseen or unforeseen, shall operate to excuse Lessee from the prompt payment of rent or any other amounts required to be paid under this Agreement. If Lessor (or Lessee in connection with obligations other than payment obligations) is delayed or hindered in any performance under this Agreement by a force majeure event, such performance shall be excused to the extent so delayed or hindered during the time when such force majeure event is in effect, and such performance shall promptly occur or resume thereafter at the expense of the party so delayed or hindered. A "force majeure event" is an act or event, whether foreseen or unforeseen, that prevents a party in whole or in part from performing as provided in this Agreement, that is beyond the reasonable control of and not the fault of such party, and that such party has been unable to avoid or overcome by exercising due diligence, and may include, but is not limited to, acts of nature, war, riots, strikes, accidents, fire, and changes in law.

Section 12. Rights and Remedies

- A) Except as expressly set forth in this Agreement, the rights and remedies set forth in this Agreement are not intended to be exhaustive and the exercise by either party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently exist.

Section 13. Notice Requirements

- A) **This Agreement has specific and strict notice requirements. All payments by Lessee are to be made to Lessor through the Aviation Director at Weslaco Mid-Valley Airport, 1909 Joe Stephens, Weslaco, TX 78596.**

All notices between the Lessor and Lessee shall be sent to the following addresses for Lessor in paragraph B and for Lessee in paragraph C. All notices shall be sent regular mail and certified mail return receipt requested. No other form of payment or notice will be accepted. Notice by email is not accepted.

- B) Notice to Lessor is to be sent to:

Aviation Director
Weslaco Mid-Valley Airport
1909 Joe Stephens
Weslaco, TX 78596

with a required, simultaneous copy to:

City Attorney
255 South Kansas Street
Weslaco, TX 78596


Lessee Initials

- C) Notice to Lessee to be sent to:

Lessee Name: Mike Carey
Address: 1 Lodestar
Harlingen, TX 78550


Lessee Initials


Lessee Initials

- D) Either Lessor or Lessee may change its notice address by giving written notice (as provided herein) of such change to the other party. Any notice, demand, or written consent or communication shall be deemed to have been given, and shall be effective, upon compliance with this Section and delivery to the notice address then in effect for the party to which the notice is directed; provided, however, that such delivery shall not be defeated or delayed by any refusal to accept delivery or an inability to effect delivery because of an address change that was not properly communicated.

Section 14. Miscellaneous

- A) This Agreement and the respective rights and obligations of the parties shall be governed by, interpreted, and enforced in accordance with the laws of the State of Texas. Venue for any action arising out of or related to this Agreement or actions contemplated hereby may be brought in the District Court for the State of Texas sitting in Hidalgo County, Texas so long as one of such courts shall have subject matter jurisdiction over such action or proceeding, and each of the parties hereby irrevocably consents to the jurisdiction of the same and of the appropriate appellate courts therefrom. Process in any such action may be served on any party anywhere in the world. LESSOR AND LESSEE EACH KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ITS RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY EITHER OF THEM AGAINST THE OTHER FOR ALL MATTERS ARISING OUT OF OR RELATING TO THIS LEASE OR ANY USE, OCCUPANCY, OR OPERATIONS AT THE PREMISES OR THE AIRPORT. The provisions of this agreement shall survive any expiration or termination of this Agreement.
- B) No amendment to this Agreement shall be binding on Lessor or Lessee unless reduced to writing and signed by both parties. No provision of this Agreement may be waived, except pursuant to a writing executed by the party against whom the waiver is sought to be enforced.
- C) If any provision of this Agreement is determined to be invalid, illegal, or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect if both the economic and legal substance of the transactions that this Agreement contemplates is not affected in any manner materially adverse to any party. If any provision of this Agreement is held invalid, illegal, or unenforceable, the parties shall negotiate in good faith to modify this Agreement to fulfill as closely as possible the original intents and purposes of this Agreement.
- D) This Agreement constitutes the final, complete, and exclusive agreement between the parties on the matters contained in this Agreement. All prior and contemporaneous negotiations and agreements between the parties on the matters contained in this Agreement are expressly merged into and superseded by this Agreement. In entering into this Agreement, neither party has relied on any statement, representation, warranty, nor agreement of the other party except for those expressly contained in this Agreement.

- E) Lessee acknowledges that Lessor is subject to legal requirements regarding the public disclosure of records. Lessee shall comply with such laws in connection with making any request that Lessor maintain a record confidentially, and if Lessee complies with the same Lessee shall have the right to defend any such request for confidentiality at Lessee's expense.
- F) This Agreement does not create any partnership, joint venture, employment, or agency relationship between the parties. Nothing in this Agreement shall confer upon any other person or entity any right, benefit, or remedy of any nature.
- G) Each party shall execute any document or take any action that may be necessary or desirable to consummate and make effective a performance that is required under this Agreement.
- H) The headings in this Agreement are provided for convenience only and do not affect this Agreement's construction or interpretation. All references to Sections are to Sections in this Agreement. Each provision to be performed by Lessee shall be construed as both a covenant and a condition. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the drafting party. If Lessee consists of more than one individual or entity, the obligations of all such individuals and entities shall be joint and several. References in this Agreement to any period of days shall mean calendar days unless specifically stated otherwise.
- I) Lessee is not authorized to install or operate any signage outside of enclosed structures on the lease premises or at the Airport, except with the prior written approval of Lessor, which may be given or withheld in Lessor's sole discretion. Any approved signage shall be at Lessee's expense and shall comply with local, state or federal laws and regulation. Lessee shall not advertise or permit other to advertise at the Airport by any means, whether or not such advertising is for profit.
- J) Lessor and its associates, agents or employees reserve the right to enter the lease premises at any time and the same does not constitute a trespass on the lease premises or a violation of any of Lessee's rights.
- K) Lessee warrants and represents that it has the right, power, and legal capacity to enter into and perform its obligations under this agreement as a legal, valid, and binding obligation of Lessee.
- L) Time is of the essence of this Agreement.


Lessee Initials

EXECUTED this _____ day of _____, 2018.

City of Weslaco, Hidalgo County, Texas

Mayor

Approved as to Form:

City Attorney

Attest: _____
City Secretary



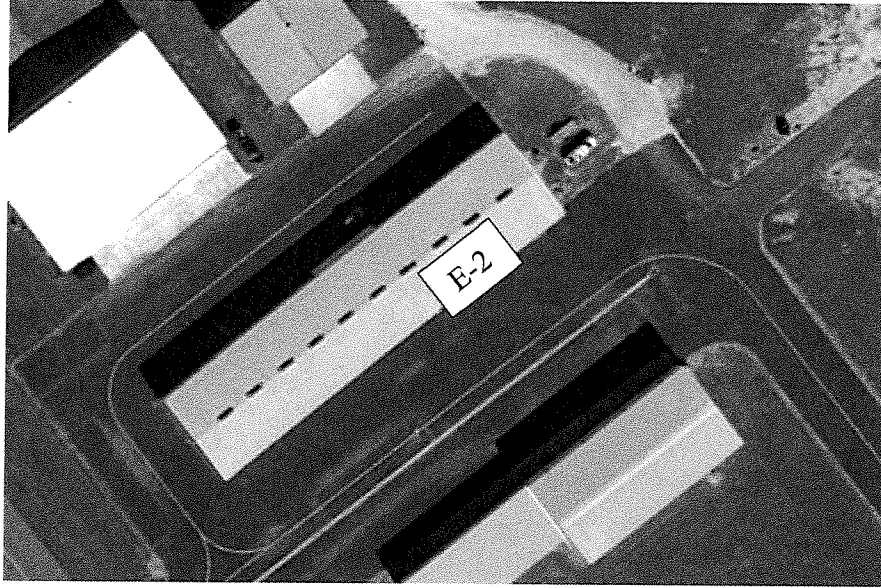
Lessee



Lessee Initials

“EXHIBIT A”

Hangar E-2





Standardized Agenda Request Form

Date of Meeting: May 1, 2018	Agenda Item No. (to be assigned by CSO): 2018-1661
From: Mardoqueo Hinojosa	
Subject: Discussion for establishing the Board of Adjustments to the Building Code and Zoning Ordinance (merging Board of Adjustments to the Construction and Housing Code and Board of Adjustment to the Zoning. (There was no action on April 17, 2018; Staffed by Planning and Code Enforcement Department.)	
Background: City has a total of 15 boards. Board of Adjustments and Appeals for Zoning and for Construction and Housing Codes are two boards that are the final decision on specific topics. Only appeal to these boards is District Court. Board of Adjustments to the Zoning is a board that is comprised of 5 citizens at-large that address items related to zoning, setbacks and sign conflicts. This board meets the 2nd Wednesday of every month throughout the year. Board of Adjustments for Construction and Housing Codes is a board that is comprised of 7 citizens. This board meets on an as-needed basis. It has been the practice that, due to the nature of items that go upon this board, these members have specific professional backgrounds. Currently, this board includes a Master Electrician, Master Plumber, Material Supplier, Vocational Instructor, Contractor and 2 at-large citizens. City staff is proposing to merge the two Board of Adjustment and Appeals Boards. The intent of this proposal is to reduce the amount of boards and being more efficient with the meeting times, as one of the boards does not meet regularly. If merged, staff proposes that specific professional backgrounds are a requirement. The intent is to have a board of 7 that includes: Master Electrician, Master Plumber, Engineer/Architect, Vocational Instructor or Mechanical, Contractor and 2 at-large Citizens. Pros- 1. Less boards for City to run. 2. Having a merged board will keep a board of 7 engaged. 3. Requirements for Board members can be placed. 4. Better understanding of building and zoning codes. 5. Meetings will be scheduled monthly on Construction and Housing Codes, if boards were merged. 6. Different backgrounds bring a healthy discussion. Cons- 1. Less citizens become involved with the community.	

2. Construction and Housing Board meets on as needed basis.
3. Currently both boards have at-large citizens.
4. 5 board members might lose their slot on a board.

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
Mardoqueo Hinojosa	Approved
Mike Perez	Final Approval

City Manager Comments:

Seek direction from Commission.

Staff Recommendation:

Discussion item to seek direction from City Commission.

Attachments, if any:

Responsibilities upon Approval:

Direction from City Commission is requested.



Standardized Agenda Request Form

Date of Meeting: May 1, 2018		Agenda Item No. (to be assigned by CSO): 2018-1699	
From: Mardoqueo Hinojosa			
Subject: Discussion and consideration to approve final payment for the Repairs of the Villa de Cortez Parking Garage Project in an amount not to exceed \$6,151.20 and authorize Mayor to execute any related documents. Possible action. (Staffed by Planning and Code Enforcement Department.)			
Background: Project repairs have been completed for the Villa de Cortez Parking Garage. Original contract was for \$49,625. Change Order No. 1 was approved for \$11,887. Final payment for retainage is for 10%, as per contract. Project was completed on April 26, 2018.			
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: Change Order No. 1 was approved on April 17, 2018.			
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):			
Elizabeth Walker Mardoqueo Hinojosa Mike Perez		Created/Initiated Approved Final Approval	
City Manager Comments: Approve.			
Staff Recommendation: Staff recommends approval.			
Attachments, if any: SCS Payment Application Retainage - 4-26-18 - Weslaco, Warranty			
Responsibilities upon Approval: Staff will proceed with final payment.			

APPLICATION AND CERTIFICATE FOR PAYMENT

AIA DOCUMENT G702

PAGE ONE OF 1 PAGE

TO (OWNER): Mardoqueo Hinojosa, PE, CFM
Planning Director / City Engineer
City of Weslaco
255 S. Kansas Avenue
Weslaco, Texas 78596

PROJECT Repairs for Villa de Cortez Parking Garage APPLICATION NO: One (1)

PROJECT NO. 2017-18-09

Distribution to:
☒ OWNER
☐ ENGINEER
☐ CONST. MANAGER
☐ INSPECTOR
☒ CONTRACTOR

FROM (CONTRACTOR):
Structural Concrete Systems, LLC
21200 Country Pines Road
Magnolia, Texas 77355

PERIOD TO: 04/25/18

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract. Continuation Sheet, Schedule of Values 4-25-18, is attached.

1. ORIGINAL CONTRACT SUM.	\$	49,625.00
2. Net change by Change Orders.	\$	11,887.00
3. CONTRACT SUM TO DATE (Line 1 + 2)	\$	61,512.00
4. TOTAL COMPLETED & STORED TO DATE.	\$	61,512.00
(Column G on Schedule of Values)		
5. RETAINAGE:		
10% of Completed Work		\$6,151.20
(Column D + E on Schedule of Values)		
10% of Stored Material		\$0.00
(Column F on Schedule of Values)		
Total Retainage (line 5a + 5b or		
Total in Column I of Schedule of Values.	\$	6,151.20
6. TOTAL EARNED LESS RETAINAGE		
(Line 4 less line 5 Total).	\$	55,360.80
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT		
(Line 6 from prior Certification).	\$	
8. CURRENT PAYMENT DUE.	\$	55,360.80
9. BALANCE TO FINISH, PLUS RETAINAGE.	\$	6,151.20
(line 3 less Line 6)		

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work which previous Certificates for Payment were issued and payments received from the Owner, and that current payments shown herein is now due.

CONTRACTOR: Structural Concrete Systems, LLC

By: Michel DiBain Date: 4/25/2018

State of: Texas County of: Montgomery

Subscribed and sworn to before me this 25th day of April, 2018

Notary Public: Amber Nicole Lungford
My Commission expires: 12/08/2018

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT:

By: _____ Date: _____

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CHANGE ORDER SUMMARY

Change Orders approved by Owner	ADDITIONS	DEDUCTIONS
C01 Remove concrete at connection plates 51 locations	11,887.00	
TOTALS	11,887.00	0.00
Net Change by Change Orders		\$11,887.00

STRUCTURAL CONCRETE SYSTEMS, LLC 21200 COUNTRY PINES ROAD MAGNOLIA, TEXAS 77355		Schedule of Values City of Weslaco Repairs for Villa de Cortez Parking Garage						APPLICATION NO: One (1) PERIOD TO: April 24, 2018 APPLICATION DATE: April 26, 2018		
A	B	C	D	E	F	G			H	I
NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	WORK COMPLETED		MATERIALS PRESENTLY STORED	D+E+F TOTAL COMPLETED	E / C % THIS PERIOD	G / C TOTAL % COMPLETE	C-G BALANCE TO FINISH	G x 10% TOTAL RETAINAGE
			FROM PREVIOUS APPLICATION	THIS PERIOD						
1	railing, electrical conduit, bearing pads, coatings	49,625.00	0.00	49,625.00		49,625.00	100.00%	100.00%	0.00	4,962.50
C01	Remove concrete at connection plates 51 locations	11,887.00	0.00	11,887.00		11,887.00	100.00%	100.00%	0.00	1,188.70
			0.00	0.00		0.00	0.00%	0.00%	0.00	0.00
			0.00	0.00		0.00	0.00%	0.00%	0.00	0.00
TOTAL - \$61,512.00		61,512.00	0.00	61,512.00	0.00	61,512.00	100.00%	100.00%	0.00	6,151.20

CONDITIONAL WAIVER AND RELEASE ON FINAL PAYMENT

Project: Repairs for Villa de Cortez Parking Garage

Job No. 2017-18-09

On receipt by the signer of this document of a check from City of Weslaco in the sum of \$6,151.20 payable to Structural Concrete Systems, LLC and when the check has been properly endorsed and has been paid by the bank on which it is drawn, this document becomes effective to release any mechanic's lien right, any right arising from a payment bond that complies with a state or federal statute, any common law payment bond right, any claim for payment, and any rights under any similar ordinance, rule, or statute related to claim or payment rights for persons in the signer's position that the signer has on the property of City of Weslaco located at 260 Texas Blvd. Weslaco, Texas 78596 to the following extent: Repairs for Villa de Cortez Parking Garage.

This release covers the final payment to the signer for all labor, services, equipment, or materials furnished to the property or to City of Weslaco.

Before any recipient of this document relies on this document, the recipient should verify evidence of payment to the signer.

The signer warrants that the signer has already paid or will use the funds received from this final payment to promptly pay in full all of the signer's laborers, subcontractors, materialmen, and suppliers for all work, materials, equipment, or services provided for or to the above referenced project up to the date of this waiver and release.

Date: April 26, 2018

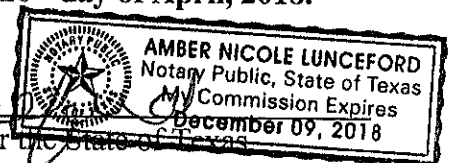
Structural Concrete Systems, LLC

By Michel DiBain
Member

SUBSCRIBED AND SWORN TO BEFORE ME this the 26th day of April, 2018.

My Commission on Expires: 12.09.18

Amber Nicole Lunceford
Notary Public in and for the State of Texas



APPLICATION AND CERTIFICATE FOR PAYMENT

AIA DOCUMENT G702

PAGE ONE OF 1 PAGE

TO (OWNER): Mardoqueo Hinojosa, PE, CFM
Planning Director / City Engineer
City of Weslaco
255 S. Kansas Avenue
Weslaco, Texas 78596

PROJECT Repairs for Villa de Cortez Parking Garage APPLICATION NO: One (1)

PROJECT NO. 2017-18-09

Distribution to:
☒ OWNER
☐ ENGINEER
☐ CONST. MANAGER
☐ INSPECTOR
☒ CONTRACTOR

FROM (CONTRACTOR):
Structural Concrete Systems, LLC
21200 Country Pines Road
Magnolia, Texas 77355

PERIOD TO: 04/25/18

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet, Schedule of Values 4-25-18, is attached.

1. ORIGINAL CONTRACT SUM.	\$	49,625.00
2. Net change by Change Orders.	\$	11,887.00
3. CONTRACT SUM TO DATE (Line 1 + 2)	\$	61,512.00
4. TOTAL COMPLETED & STORED TO DATE.	\$	61,512.00
(Column G on Schedule of Values)		
5. RETAINAGE:		
10% of Completed Work	\$0.00	
(Column D + E on Schedule of Values)		
10% of Stored Material	\$0.00	
(Column F on Schedule of Values)		
Total Retainage (line 5a + 5b or		
Total in Column I of Schedule of Values.	\$	0.00
6. TOTAL EARNED LESS RETAINAGE		
(Line 4 less line 5 Total).	\$	61,512.00
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT		
(Line 6 from prior Certification).	\$	55,360.80
8. CURRENT PAYMENT DUE.	\$	6,151.20
9. BALANCE TO FINISH, PLUS RETAINAGE.	\$	0.00
(line 3 less Line 6)		

CHANGE ORDER SUMMARY		
Change Orders approved by Owner	ADDITIONS	DEDUCTIONS
C01 Remove concrete at connection plates 51 locations	11,887.00	
TOTALS	11,887.00	0.00
Net Change by Change Orders		\$11,887.00

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work which previous Certificates for Payment were issued and payments received from the Owner, and that current payments shown herein is now due.

CONTRACTOR: Structural Concrete Systems, LLC

By: Michael DiBain Date: 4/26/2018

State of: Texas County of: Montgomery

Subscribed and sworn to before me this 26th day of April, 2018

Notary Public: Amber Nicole Lunceford
My Commission expires: 12-09-18
ARCHITECT'S CERTIFICATION FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT:

By: _____ Date: _____

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

STRUCTURAL CONCRETE SYSTEMS, LLC 21200 COUNTRY PINES ROAD MAGNOLIA, TEXAS 77355			Schedule of Values City of Weslaco Repairs for Villa de Cortez Parking Garage					APPLICATION NO: One (1) PERIOD TO: April 24, 2018 APPLICATION DATE: April 25, 2018		
A	B	C	D	E	F	G			H	I
NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	WORK COMPLETED		MATERIALS PRESENTLY STORED	D+E+F TOTAL COMPLETED	E / C % THIS PERIOD	G / C TOTAL % COMPLETE	C-G BALANCE TO FINISH	G x 10% TOTAL RETAINAGE
			FROM PREVIOUS APPLICATION	THIS PERIOD						
1	railing, electrical conduit, bearing pads, coatings	49,625.00	0.00	49,625.00		49,625.00	100.00%	100.00%	0.00	4,962.50
C01	Remove concrete at connection plates 51 locations	11,887.00	0.00	11,887.00		11,887.00	100.00%	100.00%	0.00	1,188.70
			0.00	0.00		0.00	0.00%	0.00%	0.00	0.00
			0.00	0.00		0.00	0.00%	0.00%	0.00	0.00
TOTAL - \$61,512.00		61,512.00	0.00	61,512.00	0.00	61,512.00	100.00%	100.00%	0.00	6,151.20

CONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

Project: Repairs for Villa de Cortez Parking Garage

Job No. 2017-18-09

On receipt by the signer of this document of a check from City of Weslaco in the sum of \$6,151.20 payable to Structural Concrete Systems, LLC and when the check has been properly endorsed and has been paid by the bank on which it is drawn, this document becomes effective to release any mechanic's lien right, any right arising from a payment bond that complies with a state or federal statute, any common law payment bond right, any claim for payment, and any rights under any similar ordinance, rule, or statute related to claim or payment rights for persons in the signer's position that the signer has on the property of City of Weslaco located at 260 Texas Blvd. Weslaco, Texas 78596 to the following extent: Repairs for Villa de Cortez Parking Garage.

This release covers the progress payment to the signer for all labor, services, equipment, or materials furnished to the property or to City of Weslaco as indicated in the attached statement(s) or progress payment request(s), except for unpaid retention, pending modifications and changes, or other items furnished.

Before any recipient of this document relies on this document, the recipient should verify evidence of payment to the signer.

The signer warrants that the signer has already paid or will use the funds received from this progress payment to promptly pay in full all of the signer's laborers, subcontractors, materialmen, and suppliers for all work, materials, equipment, or services provided for or to the above referenced project in regard to the attached statement(s) or progress payment request(s).

Date: April 25, 2018

Structural Concrete Systems, LLC

By

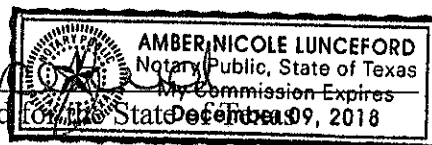
Michael DiBain

Member

SUBSCRIBED AND SWORN TO BEFORE ME this the 25th day of April, 2018.

My Commission on Expires: 12-09-18

Amber Nicole Lunceford
Notary Public in and for the State of Texas



GENERAL CONTRACTOR'S WARRANTY

Whereas: Structural Concrete Systems, LLC ("SCS")

Address: 21200 Country Pines Road
Magnolia, Texas 77355

Telephone: 281-583-7776

has provided all labor and materials per customer's instructions, as General Contractor for the following project:

Project: Repairs for Villa de Cortez Parking Garage
Alternate Proposal \$49,625.00
Job No: 2017-18-09

Address: Villa de Cortez Parking Garage
260 Texas Blvd.
Weslaco, Texas 78596

WHEREAS, SCS has agreed to warrant materials and installation to be of good quality and new, unless otherwise specified in the Proposal and General Conditions, that the contracted work will be free from defects not inherent in the quality required or permitted, and that the work will conform to the requirements of the Project.

SCS agrees to repair or replace all work provided by its own forces that proves defective in workmanship or materials together with all other work which may be damaged or displaced in so doing. SCS shall not be liable under this warranty for damage caused by any other contractor's work, abuse, modifications not executed by SCS, insufficient maintenance, improper operation, or normal wear and tear under normal usage.

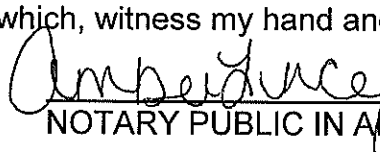
All repairs or replacements shall have a period for correction of the work equal to the original period for correction of the work as herein stated. PERIOD FOR CORRECTION OF THE WORK: ONE (1) YEAR, STARTING APRIL 25, 2018, and TERMINATING APRIL 25, 2019.

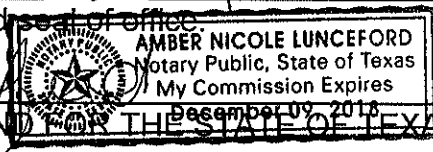
IN WITNESS THEREOF, this instrument has been duly executed this 25th day of April, 2018, for Structural Concrete Systems, LLC by:



Michele DiBassie, Member

SWORN TO AND SUBSCRIBED BEFORE ME, by the said Michele DiBassie, Member of Structural Concrete Systems, LLC this the 25th day of April, 2018, to certify which, witness my hand and seal of office.


NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS.



MY COMMISSION EXPIRES 12.09.18

Sika® Armatec® 110 EpoCem

Bonding Agent and Reinforcement Protection

Description	Sika® Armatec® 110 EpoCem is a 3-component, solvent-free, moisture-tolerant, epoxy-modified, cementitious product specifically formulated as a bonding agent and anti-corrosion coating.
Where to Use	■ As an anti-corrosion coating for reinforcing steel in concrete restoration. ■ As added protection to reinforcing steel in areas of thin concrete cover. ■ As a bonding agent for repairs to concrete and steel. ■ As a bonding agent for placing fresh, plastic concrete to existing hardened concrete.
Advantages	■ Excellent adhesion to concrete and steel. ■ Acts as an effective barrier against penetration of water and chlorides. ■ Long open time - up to 16 hours. ■ Not a vapor barrier. ■ Can be used exterior on-grade. ■ Contains corrosion inhibitors. ■ Excellent bonding bridge for cement or epoxy based repair mortars. ■ High strength, unaffected by moisture when cured. ■ Spray, brush or roller application. ■ Non-flammable, solvent free.
Coverage	Bonding agent: minimum (theoretical) on smooth, even substrate 80 ft.²/gal. (=20 mils thickness). Coverage will vary depending on substrate profile and porosity. Reinforcement Protection: 40 ft.²/gal. (=20 mils thickness) (2 coat application).
Packaging	3.5 gal. unit. (47.6 fl. oz. Comp. A + 122.1 fl. oz. Comp. B + 46.82 lb. Comp. C) Comp. A + B in carton, Comp. C in multi-wall bag. 1.65 gal. unit. (22.7 fl. oz. A + 57.6 fl. oz. B + 4 bags @ 5.5 lb.) Factory-proportioned units in a pail.

Typical Data (Material and curing conditions @ 73°F and 50% R.H.)

RESULTS MAY DIFFER BASED UPON STATISTICAL VARIATIONS DEPENDING UPON MIXING METHODS AND EQUIPMENT, TEMPERATURE, APPLICATION METHODS, TEST METHODS, ACTUAL SITE CONDITIONS AND CURING CONDITIONS.

Shelf Life	1 year in original, unopened packaging.		
Storage	Store dry at 40°-95°F (4°-35°C). Condition material to 65°-75°F (18°-24°C) before using. If components A and B are frozen, discard. Protect Component C from humidity.		
Color	Concrete gray		
Density (Mixed)	125 lb./ft. ³ (2.0 kg.)		
Pot Life	Approximately 90 minutes		
Compressive Strength (ASTM C-109)	3 days	4500 psi	(31.0 MPa)
	7 days	6500 psi	(44.8 MPa)
	28 days	8500 psi	(58.6 MPa)
Flexural Strength (ASTM C-348)	28 days	1250 psi	(8.6 MPa)
Splitting Tensile Strength (ASTM C-496)	28 days	600 psi	(4.1 MPa)
Important Data for Sika Armatec 110 as a Corrosion Protective Coating			
Water	Water Permeability at 10 bar (145 psi)	8.92 x 10 ⁻¹⁵	ft./sec.
	Control	7.32 x 10 ⁻¹⁰	ft./sec.
	Water vapor diffusion coefficient μ H ₂ O	110	
Carbon Dioxide	Carbon dioxide diffusion coefficient μ CO ₂	14000	

TEST DATA: Time-to-Corrosion Study

- Sika® Armatec® 110 more than tripled the time to corrosion
- Reduced corrosion rate by over 40%



PRIOR TO EACH USE OF ANY SIKA PRODUCT, THE USER MUST ALWAYS READ AND FOLLOW THE WARNINGS AND INSTRUCTIONS ON THE PRODUCT'S MOST CURRENT PRODUCT DATA SHEET, PRODUCT LABEL AND SAFETY DATA SHEET WHICH ARE AVAILABLE ONLINE AT [HTTP://USA.SIKA.COM/](http://usa.sika.com/) OR BY CALLING SIKA'S TECHNICAL SERVICE DEPARTMENT AT 800.933.7452 NOTHING CONTAINED IN ANY SIKA MATERIALS RELIEVES THE USER OF THE OBLIGATION TO READ AND FOLLOW THE WARNINGS AND INSTRUCTIONS FOR EACH SIKA PRODUCT AS SET FORTH IN THE CURRENT PRODUCT DATA SHEET, PRODUCT LABEL AND SAFETY DATA SHEET PRIOR TO PRODUCT USE.

Important Data for Sika® Armatec® 110 as a Bonding Agent

Bond Strength (ASTM C882)		14 days moist cure, plastic concrete to hardened concrete:	
Wet on Wet	2800 psi	(19.3 MPa)	
24 hr. Open Time	2600 psi	(17.9 MPa)	
Bond of Steel Reinforcement to Concrete (Pullout Test):			
Sika® Armatec® 110 Coated	625 psi	(4.3 MPa)	
Epoxy Coated	508 psi	(3.5 MPa)	
Plain Reinforcement	573 psi	(3.95 MPa)	

How to Use

Surface Preparation	Cementitious substrates: Should be cleaned and prepared to achieve a laitance and contaminant-free surface prepared in accordance with the requirements specified by the overlay or repair material by blast cleaning or equivalent mechanical means. Substrate must be saturated surface dry (SSD) with no standing water. Steel: Should be fully exposed and have all corrosion removed by blast cleaning or other means of mechanical abrasion								
Mixing	Shake contents of both Component 'A' and Component 'B'. Empty entire contents of both Component 'A' and Component 'B' into a clean, dry mixing pail. Mix thoroughly for 30 seconds with a Sika paddle on a low speed (400-600 rpm) drill. Slowly add the entire contents of Component 'C' while continuing to mix for 3 minutes until blend is uniform and free of lumps. Mix only that quantity that can be applied within its pot life.								
Application	As a bonding agent - Apply by stiff-bristle brush or broom. Spray apply with Goldblatt Pattern Pistol or equal equipment. For best results, work the bonding slurry well into the substrate to ensure complete coverage of all surface irregularities. Apply the freshly mixed patching mortar or concrete wet on wet, or up to the maximum recommended open time, onto the bonding slurry. Maximum recommended open time between application of Armatec® 110 and patching mortar or concrete: <table> <tr> <td>80°-95°F (26°-35°C)</td> <td>6 hours</td> </tr> <tr> <td>65°-79°F (18°-26°C)</td> <td>12 hours</td> </tr> <tr> <td>50°-64°F (10°-17°C)</td> <td>16 hours</td> </tr> <tr> <td>40°-49°F (4°-9°C)</td> <td>wet-on-wet</td> </tr> </table> For corrosion protection only - Apply by stiff-bristle brush or spray at 80 ft.²/gal. (20 mils). Take special care to properly coat the underside of the totally exposed steel. Allow coating to dry 2-3 hours at 73°F, then apply a second coat at the same coverage. Allow to dry again before the repair mortar or concrete is applied. Pour or place repair within 7 days.	80°-95°F (26°-35°C)	6 hours	65°-79°F (18°-26°C)	12 hours	50°-64°F (10°-17°C)	16 hours	40°-49°F (4°-9°C)	wet-on-wet
80°-95°F (26°-35°C)	6 hours								
65°-79°F (18°-26°C)	12 hours								
50°-64°F (10°-17°C)	16 hours								
40°-49°F (4°-9°C)	wet-on-wet								
Limitations	- Substrate and ambient temperature: Minimum 40°F (5°C). - Maximum 95°F (35°C). - Minimum thickness: As a bonding agent 20 mils. - For reinforcement protection 40 mils. (2 coats, 20 mils each). - Not recommended for use with expansive grouts. - Use of semi-dry mortars onto Sika® Armatec® 110 EpoCem must be applied "wet on wet". - When used in overhead applications with hand placed patching mortars, use "wet on wet" for maximum mortar built thickness. - Substrate profile as specified by the overlay or repair material is still required. - As with all cement based materials, avoid contact with aluminum to prevent adverse chemical reaction and possible product failure. Insulate potential areas of contact by coating aluminum bars, rails, posts etc. with an appropriate epoxy such as Sikadur® Hi-Mod 32.								

PRIOR TO EACH USE OF ANY SIKA PRODUCT, THE USER MUST ALWAYS READ AND FOLLOW THE WARNINGS AND INSTRUCTIONS ON THE PRODUCT'S MOST CURRENT PRODUCT DATA SHEET, PRODUCT LABEL AND SAFETY DATA SHEET WHICH ARE AVAILABLE ONLINE AT [HTTP://USA.SIKA.COM/](http://usa.sika.com/) OR BY CALLING SIKA'S TECHNICAL SERVICE DEPARTMENT AT 800-933-7452. NOTHING CONTAINED IN ANY SIKA MATERIALS RELIEVES THE USER OF THE OBLIGATION TO READ AND FOLLOW THE WARNINGS AND INSTRUCTIONS FOR EACH SIKA PRODUCT AS SET FORTH IN THE CURRENT PRODUCT DATA SHEET, PRODUCT LABEL AND SAFETY DATA SHEET PRIOR TO PRODUCT USE.

KEEP CONTAINER TIGHTLY CLOSED. KEEP OUT OF REACH OF CHILDREN. NOT FOR INTERNAL CONSUMPTION. FOR INDUSTRIAL USE ONLY. FOR PROFESSIONAL USE ONLY.

For further information and advice regarding transportation, handling, storage and disposal of chemical products, users should refer to the actual Safety Data Sheets containing physical, ecological, toxicological and other safety related data. Read the current actual Safety Data Sheet before using the product. In case of emergency, call CHEMTREC at 1-800-424-9300, International 703-527-3887.

Prior to each use of any Sika product, the user must always read and follow the warnings and instructions on the product's most current Product Data Sheet, product label and Safety Data Sheet which are available online at <http://usa.sika.com/> or by calling Sika's Technical Service Department at 800-933-7452. Nothing contained in any Sika materials relieves the user of the obligation to read and follow the warnings and instruction for each Sika product as set forth in the current Product Data Sheet, product label and Safety Data Sheet prior to product use.

SIKA warrants this product for one year from date of installation to be free from manufacturing defects and to meet the technical properties on the current Product Data Sheet if used as directed within shelf life. User determines suitability of product for intended use and assumes all risks. Buyer's sole remedy shall be limited to the purchase price or replacement of product exclusive of labor or cost of labor. NO OTHER WARRANTIES EXPRESS OR IMPLIED SHALL APPLY INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SIKA SHALL NOT BE LIABLE UNDER ANY LEGAL THEORY FOR SPECIAL OR CONSEQUENTIAL DAMAGES. SIKA SHALL NOT BE RESPONSIBLE FOR THE USE OF THIS PRODUCT IN A MANNER TO INFRINGE ON ANY PATENT OR ANY OTHER INTELLECTUAL PROPERTY RIGHTS HELD BY OTHERS. SALE OF SIKA PRODUCTS ARE SUBJECT SIKA'S TERMS AND CONDITIONS OF SALE AVAILABLE AT [HTTP://USA.SIKA.COM/](http://usa.sika.com/) OR BY CALLING 201-933-8800.

Visit our website at usa.sika.com

1-800-933-SIKA NATIONWIDE

Regional Information and Sales Centers. For the location of your nearest Sika sales office, contact your regional center.

Sika Corporation
201 Polito Avenue
Lyndhurst, NJ 07071
Phone: 800-933-7452
Fax: 201-933-6225

Sika Canada Inc.
601 Delmar Avenue
Pointe Claire
Quebec H9R 4A9
Phone: 514-697-2610
Fax: 514-694-2792

Sika Mexicana S.A. de C.V.
Carretera Libre Celaya Km. 8.5
Fracc. Industrial Balvanera
Corregidora, Queretaro
C.P. 76920
Phone: 52 442 2385800
Fax: 52 442 2250537



Sika and Armatec are registered trademarks. Printed in Canada.



Sikacrete® 211 SCC Plus

One-component, cementitious, polymer-modified, self consolidating concrete mix with an integral migrating corrosion inhibitor

Description	Sikacrete® 211 SCC Plus is a one-component, self consolidating concrete containing factory blended coarse aggregate. This self consolidating concrete bag is silica fume and polymer modified and also contains a migrating corrosion inhibitor.
Where to Use	■ Full depth repairs. ■ On grade, above and below grade on concrete. ■ On horizontal surfaces. ■ Vertical and overhead surfaces when formed and pumped or poured. ■ As a structural repair material for parking facilities, industrial plants, walkways, bridges, tunnels, dams, and balconies. ■ Filler for voids and cavities.
Advantages	■ Self consolidating concrete - Excellent placement characteristics. ■ Polymer-modified. ■ Integral Penetrating Corrosion Inhibitor. ■ Silica Fume Enhanced. ■ Prepackaged coarse aggregate. Eliminates the need to extend material in the field. Eliminates the risk of reactive aggregate. ■ Can be pumped or poured into forms and gets excellent consolidation without vibrating.
Coverage	Approximately 0.50 ft. ³ /bag. Actual results on site may vary.
Packaging	65 lb. bag.

Typical Data (Material and curing conditions @ 73°F (23°C) and 50% R.H.)

RESULTS MAY DIFFER BASED UPON STATISTICAL VARIATIONS DEPENDING UPON MIXING METHODS AND EQUIPMENT, TEMPERATURE, APPLICATION METHODS, TEST METHODS, ACTUAL SITE CONDITIONS AND CURING CONDITIONS.

Shelf Life	1 year in original, unopened packaging.	
Storage Conditions	Store dry at 40°-95°F (4°-35°C). Condition material to 65°-75°F (18°-24°C) before using.	
Initial Spread	SCC, 27-33 Inches approx.	
Spread at 30 min.	> 15 inches	
Application Time	60 minutes	
Flexural Strength (ASTM C-78)	1 day	500 psi (3.4 MPa)
	7 days	750 psi (5.2 MPa)
	28 days	1,000 psi (6.9 MPa)
Splitting Tensile Strength (ASTM C-496)	7 days	750 psi (5.1 MPa)
	28 days	1,000 psi (6.9 MPa)
Slant Shear Bond Strength* (ASTM C-882 modified)	1 day	1,000 psi (6.9 MPa)
	7 days	1,500 psi (10.3 MPa)
	28 days	2,500 psi (17.2 MPa)
Direct Tensile Bond (ACI 503)	1 day	250 psi (1.7 MPa)
	7 days	300 psi (2.1 MPa)
Compressive Strength (ASTM C-39)	1 day	2,000 psi (13.8 MPa)
	7 days	5,500 psi (37.9 MPa)
	28 days	6,500 psi (44.8 MPa)
Shrinkage (ASTM C-157)	28 days	<0.05%
Chloride ion permeability (ASTM C-1202)	28 days	<650 Coloumbs

Freeze Thaw Resistance (ASTM C-666)	300 cycles	> 99%
Scaling Resistance (ASTM C-672)	50 cycles	2
Sulfate Resistance (ASTM C-1012)		
Length change after 6 months		0.006

* Mortar scrubbed into substrate.

How to Use

Surface Preparation

Remove all deteriorated concrete, dirt, oil, grease, and all bond-inhibiting materials from surface. Be sure repair area is not less than 1 in. in depth. Preparation work should be done by high pressure water blast, scabber, or other appropriate mechanical means to obtain an exposed aggregate surface with a minimum surface profile of $\pm 1/8$ in. (CSP-7-8). Saturate surface with clean water. Substrate should be saturated surface dry (SSD) with no standing water during application.

Reinforcing Steel: Steel reinforcement should be thoroughly prepared by mechanical cleaning to remove all traces of rust. Where corrosion has occurred due to the presence of chlorides, the steel should be high-pressure washed with clean water after mechanical cleaning. For priming and protection of reinforcing steel use Sika® Armatec® 110 EpoCem (consult Technical Data Sheet).

Mixing

Start mixing with 5.5 pints of water. An additional 0.5 pint can be added if needed. Do not over water as excess water will cause segregation. Add Sikacrete® 211 while continuing to mix. Mix to a uniform consistency, maximum 3 minutes. Mechanically mix with a low-speed drill (400-600 rpm) and paddle or in appropriate-size mortar mixer or concrete mixer.

Application

Pre-wet surface to SSD (Saturated Surface Dry). Ensure good intimate contact with the substrate is achieved. To accomplish this, material should be scrubbed into the substrate or other suitable means should be employed such as vibration of the material or pumping under pressure. Vibrate form while pouring or pumping. Pump with a variable pressure pump. Continue pumping until a 3 to 5 psi increase in normal line pressure is evident then STOP pumping. Form should not deflect. Vent to be capped when steady flow is evident, and forms stripped when appropriate.

Tooling and finishing

As per ACI recommendations for portland cement concrete, curing is required. Moist cure with wet burlap and polyethylene, a fine mist of water or a water based* compatible curing compound. Curing compounds adversely affect the adhesion of following layers of mortar, leveling mortar or protective coatings. Moist curing should commence immediately after finishing. Protect newly applied material from direct sunlight, wind, rain and frost.

*Pretesting of curing compound is recommended.

Limitations

- Application thickness: Minimum 1 in. (25 mm); Maximum 8 in. (200 mm). Thicker applications have been done successfully. Please consult Sika Technical Service.
- Minimum ambient and surface temperatures 45°F (7°C) and rising at time of application.
- As with all cement based materials, avoid contact with aluminum to prevent adverse chemical reaction and possible product failure. Insulate potential areas of contact by coating aluminum bars, rails, posts, with an appropriate epoxy such as Sikadur® 32 Hi-Mod.

PRIOR TO EACH USE OF ANY SIKA PRODUCT, THE USER MUST ALWAYS READ AND FOLLOW THE WARNINGS AND INSTRUCTIONS ON THE PRODUCT'S MOST CURRENT PRODUCT DATA SHEET, PRODUCT LABEL AND SAFETY DATA SHEET WHICH ARE AVAILABLE ONLINE AT [HTTP://USA.SIKA.COM/](http://usa.sika.com/) OR BY CALLING SIKA'S TECHNICAL SERVICE DEPARTMENT AT 800-933-7452. NOTHING CONTAINED IN ANY SIKA MATERIALS RELIEVES THE USER OF THE OBLIGATION TO READ AND FOLLOW THE WARNINGS AND INSTRUCTIONS FOR EACH SIKA PRODUCT AS SET FORTH IN THE CURRENT PRODUCT DATA SHEET, PRODUCT LABEL AND SAFETY DATA SHEET PRIOR TO PRODUCT USE.

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For further information and advice regarding transportation, handling, storage and disposal of chemical products, users should refer to the actual Safety Data Sheets containing physical, ecological, toxicological and other safety related data. Read the current actual Safety Data Sheet before using the product. In case of emergency, call CHEMTREC at 1-800-424-9300, International 703-527-3887.

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SIKA warrants this product for one year from date of installation to be free from manufacturing defects and to meet the technical properties on the current Product Data Sheet if used as directed within shelf life. User determines suitability of product for intended use and assumes all risks. Buyer's sole remedy shall be limited to the purchase price or replacement of product exclusive of labor or cost of labor. NO OTHER WARRANTIES EXPRESS OR IMPLIED SHALL APPLY INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SIKA SHALL NOT BE LIABLE UNDER ANY LEGAL THEORY FOR SPECIAL OR CONSEQUENTIAL DAMAGES. SIKA SHALL NOT BE RESPONSIBLE FOR THE USE OF THIS PRODUCT IN A MANNER TO INFRINGE ON ANY PATENT OR ANY OTHER INTELLECTUAL PROPERTY RIGHTS HELD BY OTHERS. SALE OF SIKA PRODUCTS ARE SUBJECT SIKA'S TERMS AND CONDITIONS OF SALE AVAILABLE AT [HTTP://USA.SIKA.COM/](http://usa.sika.com/) OR BY CALLING 201-933-8800.

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Regional Information and Sales Centers. For the location of your nearest Sika sales office, contact your regional center.

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Carretera Libre Celaya Km. 8.5
Fracc. Industrial Balvanera
Corregidora, Queretaro
C.P. 76920
Phone: 52 442 2385800
Fax: 52 442 2250537



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SikaQuick® VOH

Fast Setting, one component, cementitious vertical and overhead repair mortar with superior high build properties

Description	SikaQuick® VOH is a fast setting, one component, ready-to-use repair mortar for vertical and overhead applications using specialty cement blends.
Where to Use	■ Fast repairs to overhead and vertical concrete and mortar surfaces on grade, above and below grade. ■ As a repair material for building facades, parking structures, industrial plants, bridges, etc. ■ As a fast setting repair material for new construction defects.
Advantages	■ Minimal time required between lifts. ■ Fast finishing time ■ Time/labor-saving material; application up to 3 inches on vertical surfaces in one layer ■ Easy to use; just add water ■ High bond strength ensures excellent adhesion ■ High early and ultimate strength ■ Increased freeze/thaw durability and resistance to deicing salts ■ Suitable for exterior and interior applications. ■ Not a vapor barrier ■ Overhead thickness up to 2" ■ Fiber reinforced and polymer modified ■ Contains corrosion inhibitor
Coverage	~.44 cu. ft.
Packaging	44 lb bag

Typical Data (Material and curing conditions @ 73°F (23°C) and 50% R.H.)

RESULTS MAY DIFFER BASED UPON STATISTICAL VARIATIONS DEPENDING UPON MIXING METHODS AND EQUIPMENT, TEMPERATURE, APPLICATION METHODS, TEST METHODS, ACTUAL SITE CONDITIONS AND CURING CONDITIONS. THIS DATA REFLECTS MATERIAL TESTED AT A MIXING RATIO OF 6.25 PINTS/UNIT.

Shelf Life:	One year in original, unopened bags.			
Storage Conditions:	Store dry at 40°-95°F (4°-35°C).			
Product Conditioning:	Condition material to 65°-75°F before using.			
Color:	Concrete gray.			
Mixing Ratio:	6 - 6.5 pints/unit			
Density (Wet mix):	~ 125 lbs. / cu. ft.			
Application Time:	Approximately 20 minutes.			
Finishing Time:	20-30 minutes			
Lift Height:	Max: 3" Min: 1/8"			
Time Between Lifts:	After final set			
Splitting Tensile Strength, psi (ASTM C-496)		1 day 200	7 days 250	28 days 500
Compressive Strength, psi (ASTM C-109):	3 hrs >2000	1 day >3000	7 days >4500	28 days 5500
Flexural Strength, psi (ASTM C-293):		1 day 400	7 days 600	28 days 1000
Bond Strength*, psi (ASTM C-882 modified):		1 day 1000	7 days 1600	28 days 2000
Modulus of Elasticity, psi (ASTM C-469)			7 days >2.2 x 10 ⁶	
Rapid Chloride Permeability (ASTM C1202)		Low Range		
Bond Strength, psi - Direct Tensile (IRC No. 210.3):		Substrate failure >250		
Shrinkage (50% R.H.) (ASTM C-157; ICRI protocol):		<.05%		
Initial Set, min. (ASTM C-266)		20-25		
Final Set, min. (ASTM C-266)		30-40		

*Mortar scrubbed into substrate

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How to Use

Surface Preparation

Concrete/Mortar: Remove all deteriorated concrete, dirt, oil, grease, and all bond-inhibiting materials from surface. Preparation work should be done by high pressure water blast, scab-bler or other appropriate mechanical means to obtain an exposed aggregate surface profile of +/- 1/16 in. (CSP-5). After preparation, substrate strength should be verified prior to patch placement. Substrate should be saturated surface dry (SSD) with no standing water during application.

Reinforcing Steel: Steel reinforcement should be thoroughly prepared by mechanical cleaning to remove all traces of rust. Where corrosion has occurred due to the presence of chlorides, the steel should be high pressure washed with clean water after mechanical cleaning.

Priming:

Reinforcement Steel: For priming of reinforcement steel use Sika® Armatec® 110 EpoCem (Consult Technical Data Sheet).

Concrete Substrate: A scrub coat of SikaQuick® VOH should be applied prior to placement of mortar. The repair mortar has to be applied into the wet scrub coat before it dries. The use of Sika® Armatec® 110 EpoCem as a bonding agent for concrete is not recommended.

Mixing

Wet down all tools and mixer to be used. Mix mechanically with a low-speed drill (400 - 600 rpm) and mixing paddle or mortar mixer. Mix to a uniform consistency, maximum 3 minutes. Manual mixing can be tolerated only for less than a full unit. Thorough mixing and proper proportioning of the powder and liquid is necessary. Inaccurate proportioning of the powder to liquid will result in a finished product that may not conform with stated properties.

With water: Start mixing with 6 pints of water per 44 lb. bag. Adjust the water dosage by a maximum amount of +/- 1/2 pint, if necessary, to achieve the desired consistency. Do not over-water. Over-watering may result in difficulty handling and/or not meeting stated property values.

With Latex R: Start mixing with 6 pints of SikaLatex® R per 44 lb. bag. Adjust the SikaLatex® R dosage by a maximum amount of +/- 1/2 pint, if necessary, to achieve the desired consistency.

Application

The mixed SikaQuick® VOH must be worked well into the prepared substrate, filling all pores and voids. Compact well. Force material against edge of repair working towards the center. Thoroughly compact the mortar around exposed reinforcement. After filling repair, consolidate, then screed. Finish with steel, magnesium, wood, plastic floats, or damp sponges, depending on the desired surface texture. Where multiple lifts are required, score top surface on each lift to produce a roughened substrate for next lift. Allow preceding lift to harden before applying fresh material. Saturate surface of the lift with clean water. If previous layers are over 6 hours old, mechanically prepare the substrate and dampen.

Tooling and Finishing

As per ACI recommendations for portland cement concrete, curing is required. Moist cure with wet burlap and polyethylene, a fine mist of water or a water based* compatible curing compound. Curing compounds adversely affect the adhesion of following lifts of mortar, leveling mortar or protective coatings. Moist curing should commence immediately after finishing. Protect freshly applied mortar from direct sunlight, wind, rain and frost.

* Pretesting of curing compound is recommended.

Removal

Cured product must be removed mechanically.

Over Painting

Acrylic waterbased systems - 4 hrs
Epoxy/PU based systems - 6 hrs
Compatibility and adhesion testing is always recommended.

Limitations

- Application thickness: Minimum: With water: 1/8 inch (3 mm). Maximum in one lift: 3 inches (75 mm) vertical, 2 inches (51 mm) overhead.
- Minimum ambient and surface temperatures 45°F (7°C) and rising at time of application.
- To control setting times, cold water should be used in hot weather and hot water used in cold weather.
- Do not use solvent based curing compounds. As with all cement based materials, avoid contact with aluminum to prevent adverse chemical reaction and possible product failure. Insulate potential areas of contact by coating aluminum bars, rails, posts etc. with an appropriate epoxy such as Sikadur® Hi-Mod 32.
- Remixing product after it begins to set is prohibited.
- Do not use Sika® Armatec® 110 EpoCem as a bonding agent with SikaQuick® VOH.



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Construction



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SIKA warrants this product for one year from date of installation to be free from manufacturing defects and to meet the technical properties on the current Product Data Sheet if used as directed within shelf life. User determines suitability of product for intended use and assumes all risks. Buyer's sole remedy shall be limited to the purchase price or replacement of product exclusive of labor or cost of labor. NO OTHER WARRANTIES EXPRESS OR IMPLIED SHALL APPLY INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SIKA SHALL NOT BE LIABLE UNDER ANY LEGAL THEORY FOR SPECIAL OR CONSEQUENTIAL DAMAGES. SIKA SHALL NOT BE RESPONSIBLE FOR THE USE OF THIS PRODUCT IN A MANNER TO INFRINGE ON ANY PATENT OR ANY OTHER INTELLECTUAL PROPERTY RIGHTS HELD BY OTHERS. SALE OF SIKA PRODUCTS ARE SUBJECT SIKA'S TERMS AND CONDITIONS OF SALE AVAILABLE AT [HTTP://USA.SIKA.COM/](http://usa.sika.com/) OR BY CALLING 201-933-8800.

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SHERWIN-WILLIAMS®

15 Year Limited Warranty

If this exterior product, when applied according to label instructions to a properly prepared surface, peels or blisters within 15 years from the date of purchase, The Sherwin-Williams Company shall, upon presentation of proof of purchase to the store where the product was purchased, either replace an equivalent quantity of product sufficient to repair the peeling or blistering free of charge or refund the original purchase price. This warranty shall not apply to any defect or damage resulting from improper surface preparation, structural defects, failure of a previous paint or improper application of the product. This is your sole remedy under this warranty.

THIS WARRANTY EXCLUDES (1) LABOR OR COSTS ASSOCIATED WITH LABOR FOR THE APPLICATION OR REMOVAL OF ANY PRODUCT, AND (2) ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES.

Some states do not allow the exclusion or limitation of incidental or consequential damages, so the above limitation or exclusion may not apply to you. This warranty gives you specific legal rights, and you may have other rights, which vary from State to State.



Standardized Agenda Request Form

Date of Meeting: May 1, 2018		Agenda Item No. (to be assigned by CSO): 2018-1650	
From:			
Subject: Discussion and consideration to approve Ordinance 2018-12 adopting a mid-year budget amendment and authorize the Mayor to executed any related documents. First reading of Ordinance 2018-12. Possible action. (Staffed by the Finance Department.)			
Background: A mid-year budget amendment is typically done to take into consideration previous City Commission actions that addressed emergency expenditures, a review of midyear financials that indicates overages in line items that could not be anticipated during budget preparation, or to plan other unfunded items that will be necessary before the end of the current fiscal year. When possible, we have tried to identify sources of revenue that can be used to cover the increased expenditures, but most expenditures will need to be funded from fund balance. Despite using fund balance, a sufficient amount of reserves will remain in place to cover 25% (or 90 days) of operating reserves, which is in accordance with our Fund Balance policy.			
Funding Source (budget code, if applicable): General Fund 01-30053000 2013 Capital Project 45-30079000 Wastewater Fund 58-30079000 Water Fund 51-30079000 CIP Fund 50-30079000			
Amount: \$357,945.00 \$945,000.00 \$43,000.00 \$0.00 \$12,000.00	Term of Impact: 2017-2018 2017-2018 2017-2018 2017-2018 2017-2018	Identified in Current Budget: No No No No No	
Additional Action Prompted: 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):			
Mary Barrera Mary Barrera Mike Perez		Created/Initiated Approved Final Approval	
City Manager Comments: Approve.			
Staff Recommendation:			

Approval.

Attachments, if any:

2017-2018 exhibit Mid Yr amdnt 05.01.18, O2018-13 mid year budget amendment

Responsibilities upon Approval:

Account	Dept	Division	Description	Expenditure	Revenue	Approval
General						
01-400-0160	Revenue		Franchise fee higher than budgeted		24,000.00	
01-400-2000	Revenue		Revenue higher than budgeted		25,000.00	
01-400-3030	Revenue		Contract increase		30,000.00	
01-400-6700	Revenue		Capital lease proceeds-Siemens project		944,974.20	CC 11/21/17
01-400-6020	Revenue		Misc revenue-charged for training other entities		3,000.00	
01-400-7015	Revenue		Settlement-Briones litigation		500,000.00	CC 1/16/18
14-400-2100	Revenue		Technology fee-not in original budget		14,000.00	
14-400-4050	Revenue		Time payment fee-not in original budget		500.00	
21-400-6599	Revenue		Original budget estimate too low		125,000.00	
01-500-1025	CC		Extra meetings were not budgeted	600.00		
01-510-4010	BM		HVAC/Armor/Light retrofit-Siemens Contract	796,067.07		CC 11/21/17
01-511-2720	PCE		Spay/neuter program	8,000.00		
01-511-4010	PCE		Traffic light retrofit-Siemens Energy Perf Contract	148,907.13		CC 11/21/17
01-512-2010	PD		Cell phones/air cards not budgeted	33,000.00		
01-512-4010	PD		Vehicle for police chief	33,145.00		CC 4/17/18
01-516-1080	FD		OVERTIME	150,000.00		
01-516-2632	FD		Maintenance for Ambus-not in budget	10,000.00		
01-519-3640	FD/EMS		Training supplies for other entities	1,500.00		
01-597-6599	Trnsf		Trnsf Briones settlement proceeds to CIP	500,000.00		
01-597-6599	Trnsf		Original budget estimate too low	125,000.00		
14-503-2780	Court		Vendor support-not in original budget	10,200.00		
14-503-4010	Court		Equipment for Municipal Court	4,000.00		CC 3/20/18
21-501-4030	Econ Inc		Sales tax incentive estimate too low	125,000.00		
				1,945,419.20	1,587,474.20	
Impact on Fund Balance				(357,945.00)		

Account	Dept	Division	Description	Expenditure	Revenue	Approval
2013 Capital Project						
45-524-2624	Streets		3 Interlocal projects with Hidalgo Co. - Midway, Milano, and Phase 3 of Mile 6/Westgate	945,000.00		
				<u>945,000.00</u>	-	
			Impact on Fund Balance	(945,000.00)		
Sewer						
58-551-4010	WW Collection		Sanitary sewer upgrades-Midway Mobile	43,000.00		CC 12/19/17
				<u>43,000.00</u>	-	
			Impact on Fund Balance	(43,000.00)		
Water						
51-400-6700	Revenue		Capital lease proceeds-Siemens project		6,501,902.80	
51-561-4010	Meter Division		Meter replacement project	6,501,902.80		CC 11/21/17
				<u>6,501,902.80</u>	<u>6,501,902.80</u>	
			Impact on Fund Balance	-		
Capital Improvement Projects						
50-400-2470	Revenue		Knapp Foundation grant-Rodriguez Park		100,000.00	
50-400-2470	Revenue		Knapp Foundation grant-N Side Park		125,000.00	
50-540-4010	PK		Isaac Rodriguez Park improvements	100,000.00		CC 11/7/2017
50-540-4010	PK		N Side park improvements	125,000.00		CC 3/20/18
50-540-4010	PK		Gibson Park-WOW project	12,000.00		CC 3/6/18
				<u>237,000.00</u>	<u>225,000.00</u>	
			Impact on Fund Balance	(12,000.00)		

ORDINANCE 2018-13

AN ORDINANCE AMENDING ORDINANCE NUMBER 2017-37, APPROVING AND ADOPTING A BUDGET FOR THE CITY OF WESLACO, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2017 AND ENDING SEPTEMBER 30, 2018, FINDING NEED TO AMEND THE 2017-2018 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 2017-2018 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 2017-2018 Official Budget, adopted by Ordinance 2017-37, 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 1st day of May 2018.

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

CITY OF WESLACO

David Suarez, **MAYOR**

ATTEST:

Elizabeth M. Walker, **CITY SECRETARY**

APPROVED AS TO FORM:

Juan E. Gonzalez, **CITY ATTORNEY**



Standardized Agenda Request Form

Date of Meeting: May 1, 2018		Agenda Item No. (to be assigned by CSO): 2018-1690	
From:			
Subject: Discussion and consideration to accept, open, award or reject the sole bid received for Bid No.: 2017-18-16 Public Sale of Property and Building Structures located at 1411 West 18th Street. Possible action. (Staffed by Finance Department.)			
Background: Property was purchased by the city through a settlement on October 1, 2015 for the amount of \$107,926.81			
Funding Source (budget code, if applicable): 01-400-3070 Proceeds Sale of Assets			
Amount: \$0.00	Term of Impact: 2017-2018	Identified in Current Budget: No	
Additional Action Prompted: Budget Amendment			
If item previously considered, provide date and action by Commission: The sale of property was previously considered on two occasions: 1/3/2017 RFB No.: 2016-17-09 and 3/21/2017 RFB No.: 2016-17-21; On both of these occasions the financial institution failed to meet the sale requirements.			
If item requires Publication Notice, provide date and periodical of publication; indicate if comments received from letters mailed to property owners: Advertisement for RFB no.: 2017-18-16 was published on 4/11/2018 and 4/18/2018 in the Advance News Journal and also posted on the city's website.			
Advisory Review, if any (name of board/committee, date of action, recommendation):			
Aida Vega		Created/Initiated	
Mary Barrera		Approved	
Mike Perez		Final Approval	
City Manager Comments: Approve			
Staff Recommendation: Staff recommends approval if the bid offer exceeds the settlement amount in which the city paid to purchase the property			
Attachments, if any: RFB #2017-18-16 PROPERTY 18TH STREET, PROPERTY APPRAISAL 18th street, SETTLEMENT AMOUNT, ASHLEY & ANNIE SALINAS SEALED BID			
Responsibilities upon Approval: City attorney will make contact with successful bidder and proceed in title/deed paperwork.			

City of Weslaco

"The City on the Grow"



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

Mike R. Perez, City Manager

CITY OF WESLACO

Invitation to Bid

The City of Weslaco hereby requests sealed bids for the following:

Public Sale of Property & Building Structures / RFB No.: 2017-18-16

Sealed bids addressed to Homer Rhodes, Purchasing Agent, will be accepted at the Weslaco City Hall Purchasing Department, 255 S. Kansas, Weslaco, Texas 78596, until **3:00 p.m.** on **April 27, 2018** at which time they will be opened and read aloud. Please mark envelope, "Sealed Bid"

Public Sale of Building Structure / RFB No.: 2017-18-16."

Specifications and instructions to bidders may be secured at the Weslaco City Hall Purchasing Department, 255 S. Kansas, Weslaco, Texas 78596, or by calling (956) 447-2240. Potential Bidders/Respondents are also advised that the bidding documents can be downloaded from the City of Weslaco web page address: www.weslacotx.gov.

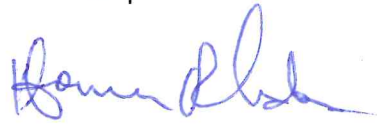
Property / Structure Location: 1411 W. 18th Street, Weslaco, Texas 78596

Open House/Inspection: March 10, 2016 from 10:00 a.m. to 12:00 p.m.

Minimum Deposit: A cashier's check in the amount of \$1,000.00 will be required with the bid submittal as a security deposit. Deposit will be retained as earnest money for the successful bidder and will be subject to administrative charges if awarded respondent does not execute purchase contract. No personal checks will be accepted.

The property & building structures as a whole will be sold to the highest bidder "AS IS". The City offers no warranties expressed or implied especially a warranty of habitability. It is recommended that Bidders make a careful and thorough inspection prior to bidding, defects discovered after bid date and time are the responsibility of the successful bidder.

The City of Weslaco reserves the right to accept or reject any or all bids to waive any informalities in the bidding or to accept the bid to the best and most advantageous to the City and to hold bids for a period of forty-five (45) days from the date of the bid opening without taking action for the purpose of reviewing the bids prior to bid award. Bids submitted past the aforementioned date and time will not be accepted.

City of Weslaco
Homer Rhodes, 
hrhodes@weslacotx.gov

CITY OF WESLACO

REQUEST FOR BIDS (RFB No.: 2017-18-16)

TO PURCHASE Property & Building Structures located at: 1411 W 18th STREET, WESLACO,
TX 78596

OVERVIEW / BID INFORMATION:

Bids are being accepted for the property & building structures as a whole - located at 1411 W. 18th Street – Weslaco, Texas 78596. The property has been appraised at \$130,000.00 and the city is requesting bids at \$130,000.00 or best offer.

PROPERTY & STRUCTURES BACKGROUND AND CURRENT CONDITIONS:

See Exhibit A : APPRAISAL REPORT

OPEN HOUSE:

Parties who are interested in viewing the property & structures are encouraged to Contact Homer Rhodes at (956)447-2240 or hrhodes@weslacotx.gov for an appointment.

BIDDER'S RESPONSIBILITIES:

Interested parties must accept the following key obligations:

1. The interested party must respond to this RFB by 3:00 pm on **Friday, April 27, 2018.**

Homer Rhodes
City of Weslaco
Purchasing Office
255 S. Kansas Ave.
Weslaco Tx, 78596

Bids should be clearly marked "RFB NO.: 2017-18-16 PUBLIC SALE OF PROPERTY & BUILDING STRUCTURES". Bids received after the closing time and date will be returned unopened. **Faxed or emailed proposals will not be accepted.**

2. Financial Viability. All interested parties will be responsible for demonstrating that they have the financial capacity to purchase property/structures, as described. Proof of financial capacity may include a certified financial statement, provision of approval for project financing from a financial institution licensed by the State of Texas, a designation of cash reserves for the purchase of property in an amount satisfactory for completion, or other means.

DEADLINE AND SUBMISSION REQUIREMENTS:

1. Bids are due April 27, 2018 at 3:00 pm and must be accompanied with a minimum deposit of \$1,000.00 cashier's check made payable to the City of Weslaco.
2. A cashier's check in the amount of \$1,000.00 will be required with the bid submittal as a security deposit. **Deposit will be retained as earnest money for the successful bidder and will be subject to administrative charges if awarded respondent does not execute purchase contract.** No personal checks will be accepted.

SELECTION CRITERIA/PROCESS:

City staff will review the bids, as well as any additional information that may be requested from the applicants, and make a recommendation to the City Council based on the following criteria:

1. The most advantageous bid offer.

AWARD:

The City Commission, at its sole discretion, may select the successful interested party under this RFB. The City reserves the right to reject any and all bids. The City reserves the right, at its sole discretion, to rescind its selection of any interested party under this RFB, and any subsequent agreement implementing its selection, in the event that the City determines, in its sole judgment, that:

1. The City cannot reach an agreement with the selected interested party under the proposed terms and conditions for conveyance of the sale of property and building structures to the interested party, and
2. There is any other procedural or substantive issue relating to the development of the property sale.

3. ADDITIONAL INFORMATION:

Specific questions regarding this RFB should be addressed to

Homer Rhodes, Purchasing Agent at 956.447.2240

hrhodes@weslacotx.gov

CITY OF WESLACO
Public Sale of Property & Building Structures / RFB No.: 2017-18-16

BID FORM

The _____ (Respondent), having read the instructions and specifications, proposes a bid to purchase property and structures located at 1411 W. 18th Street – Weslaco, Texas.

The undersigned affirms that they are duly authorized to execute this bid, and that bid is not in partnership or individual has not prepared this bid in collusion with any other individual, and that the contents of this bid as to prices, terms conditions of said bid have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this bid.

Property: Located at 1411 W. 18th Street, Weslaco, Texas \$ _____

The bid must be signed by an authorized representative to become valid.

Name: _____

Address: _____

City/State/Zip: _____

Phone No.: _____ Fax No.: _____

Signature: _____

(Please Print Above Signature)



GARZA
& ASSOCIATES

Leonel Garza Jr & Associates LLC

Real Estate Appraisal Services

Appraisal report of an improved tract of land, located at 1411 West 18th Street, Weslaco, Texas.

Client:
HCAD PID No.
Effective Date of Appraisal
Date of Report

City of Weslaco
326882
September 28, 2016
November 11, 2016

Appraisal Prepared For:
City of Weslaco
C/o: Mike Perez - City Manager
255 S. Kansas Avenue
Weslaco, Texas 78596



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Leonel Garza Jr. & Associates LLC

Real Estate Appraisal Services

November 11, 2016

City of Weslaco
c/o: Mike Perez, City Manager
255 S. Kansas Avenue
Weslaco, Texas 78596

RE: 1411 West 18th Street, Weslaco, Texas

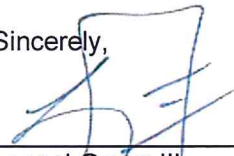
Mr. Perez:

In accordance with your request, we are pleased to present our appraisal report of the improved 0.676-acre (29,447 square feet) tract of land, located at 1411 West of 18th Street, Weslaco, Texas. The scope of the assignment is to value the subject property in fee simple "as is," as of September 28, 2016. The subject property is described as an improved tract of land consisting of two (2) buildings, which includes a 1,924-square-foot single-story wood frame building and a 2,004-square-foot steel frame metal building.

Due to the unique use and design of the subject property as a former childcare or daycare facility, consisting of two (2) separate buildings, as well as supporting site improvements, the subject property is determined to be a special-purpose property and will be appraised as a "Value In Use." The subject property is a limited-market property due to the unique design, special construction materials, and/or layout that restricts the utility of the site to the use for which the improvements were originally constructed. Therefore, the Cost Approach was determined to be the most applicable approach to value; the Income Approach and Sales Comparison Approach were determined to be inapplicable.

This cover letter alone does not constitute an appraisal and must be attached to the remaining pages of this report. This appraisal report details the scope of our analysis, assumptions & limiting conditions, and contains a signed certification. This appraiser personally made an on-site inspection of the property on September 28, 2016. From the facts provided by the client and those obtained during the on-site inspection, the market value of the subject property "as is", as of September 28, 2016, is \$130,000.

Sincerely,



Leonel Garza III
State Certified General Real Estate Appraiser
License No. TX-1328375-General

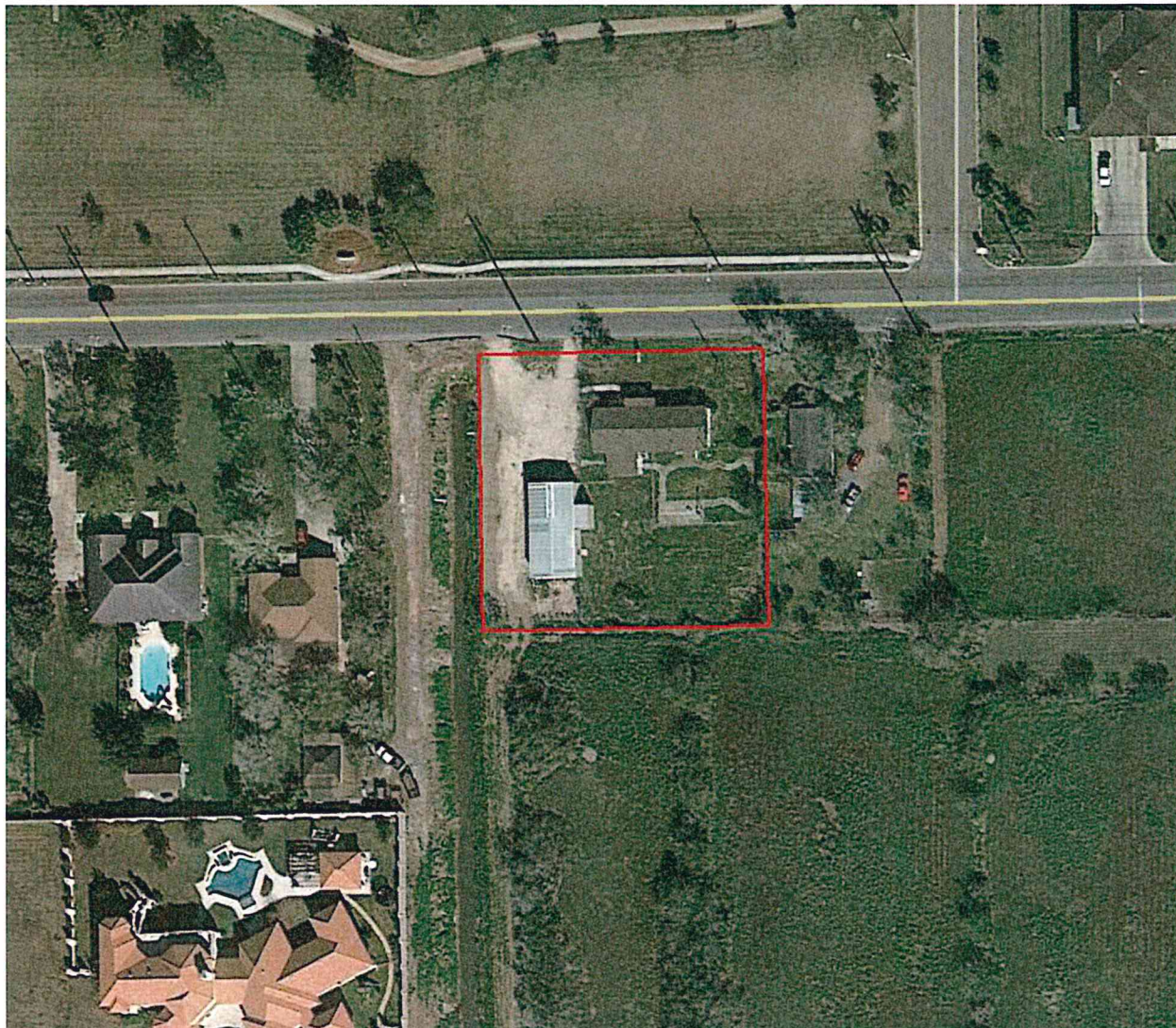
SUMMARY OF SALIENT FACTS & CONCLUSIONS

Client of Report _____ City of Weslaco
Hidalgo County Appraisal District PID ___W3800-00-732-0000-60 (Property ID No. 326882)
Owner-of-record _____ City of Weslaco
Subject Address _____ 1411 West 18th Street, Weslaco, Texas
Physical Location _____ The subject property is located on the south side of 18th Street, in-between Borders Avenue and Westgate Drive, within the city limits of Weslaco, Texas
Property Rights Appraised _____ Fee Simple Estate
Date of Report _____ November 11, 2016
Effective Date of Report _____ September 28, 2016
Legal Description _____ A 1.0 acre (gross) / 0.676 acres (net), tract of land, more or less, out of the North 212.07' of the West 205.40' of Farm Tract 732, West Tract Subdivision, an addition to the City of Weslaco, Hidalgo County, Texas, according to a map or plat recorded in Volume 2, Pages 34-37, Map Records of Hidalgo County, Texas
Whole Land Area (Gross) _____ 1.00 acre (43,560 square feet)
*As Per Deed
Whole Land Area (Net) _____ 0.676 acres (29,446.56 square feet)
*As Per Deed
Highest & Best Use _____ Residential or Light Commercial Use
Existing Use (2016) _____ Daycare or Childcare Facility
City Zoning Ordinance _____ R-1 (Single-Family Residential Use)
Flood Zone Designation _____ Zone "B" (FEMA Flood Panel 480334 0525 B)
Utilities Available _____ All City of Weslaco utilities are available

APPRAISAL CONCLUSIONS

Market Land Value _____ \$ 53,005
Depreciated Improvement Value _____ \$ 78,345
Combined Market Value (rounded) _____ \$ 130,000

AERIAL MAP



The above aerial image was taken on January, 2016. Source Google Earth Pro. Subject outlined in Red.

PHOTOGRAPHS



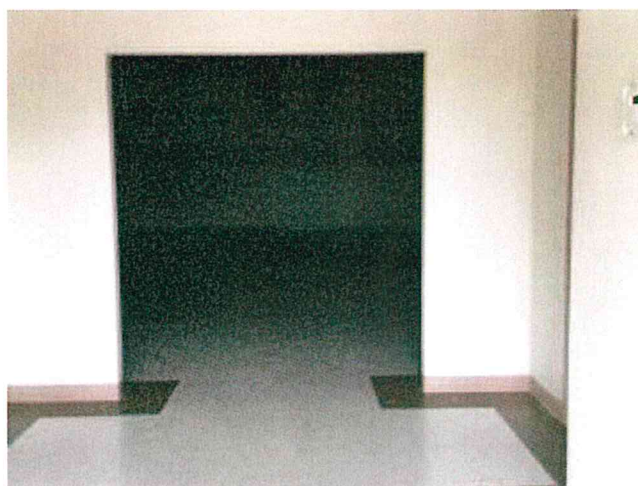
PHOTOGRAPHS



PHOTOGRAPHS



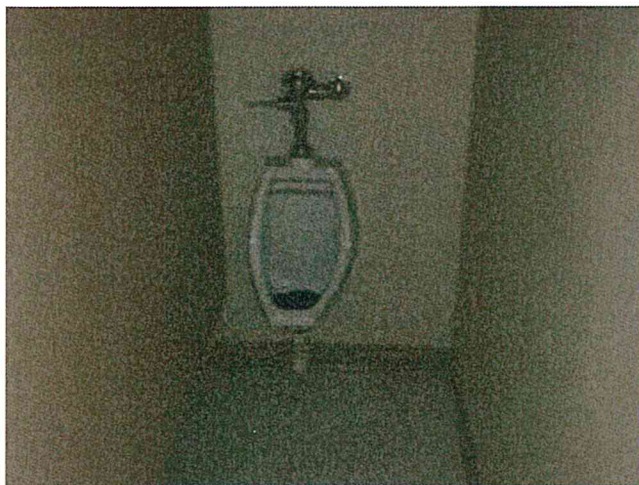
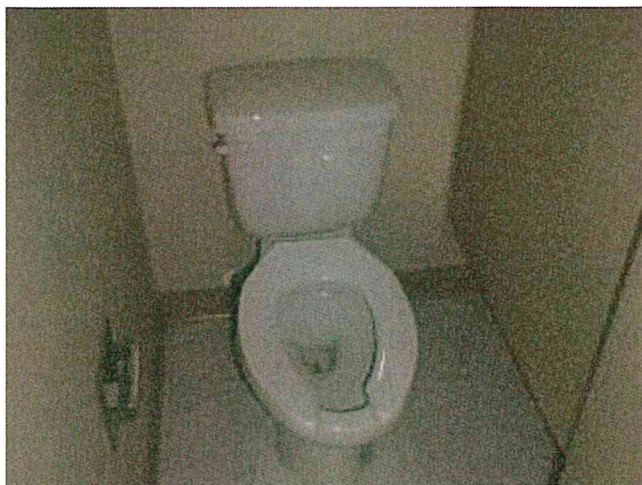
PHOTOGRAPHS



PHOTOGRAPHS



PHOTOGRAPHS



PHOTOGRAPHS



PURPOSE OF THE APPRAISAL

This appraisal is prepared for estimating the market value of the fee simple estate "as is", which is improved with two (2) buildings and includes a 1,924 square foot single-story wood frame building and a 2,004 square foot steel frame metal building, as defined within this report, as of the effective date of September 28, 2016. This appraisal does not include any enhancement in value resulting from items of intangible personal property such as marketing and management skill, an assembled work force, working capital, trade names, franchises, patents, trademarks, contracts, leases, or operating agreements.

PROPERTY RIGHTS APPRAISED

The property rights being appraised in this report consist of the fee simple estate and easement valuation of the subject property. Fee Simple Estate is defined by the Dictionary of Real Estate Appraisal, Sixth Edition by the Appraisal Institute as being: "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

CLIENT / USER AND INTENDED USE OF APPRAISAL

The client and intended user of this report is identified as City of Weslaco. Mike Perez, City Manager is the contact person for this assignment. The intended use of the report is to aid the City of Weslaco in determining the market value for internal purposes.

SCOPE OF ASSIGNMENT

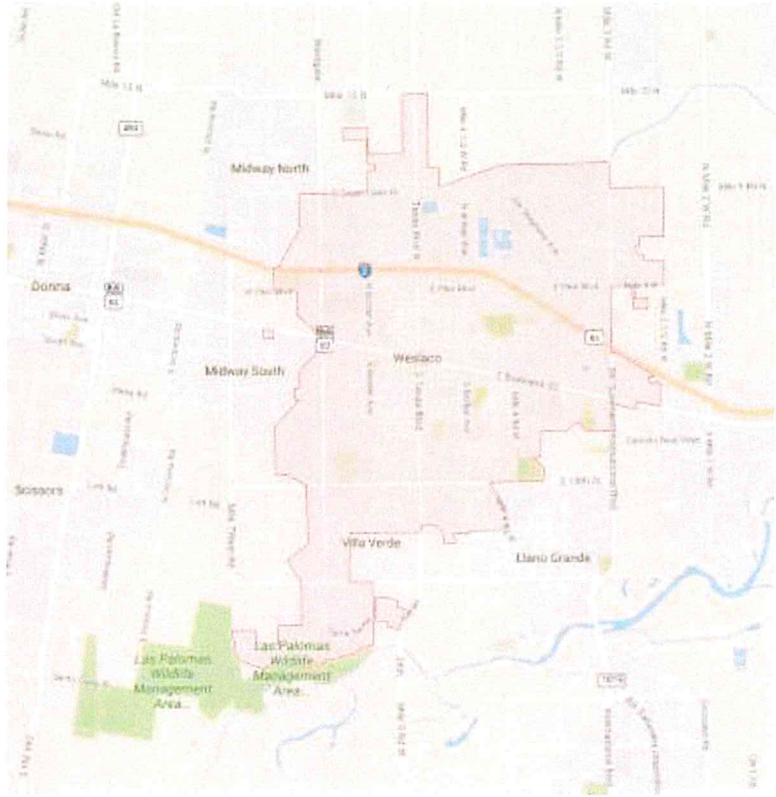
Mike Perez, City Manager with the City of Weslaco, requested for Leonel Garza Jr. & Associates, LLC to prepare an appraisal report of the fee simple estate of the subject property. The client indicated that the scope of the assignment is to determine the underlying land value of the subject property and any contributory value of the structural and site improvements as of the effective date of September 28, 2016. The land area is 0.676 acres (29,446.56 square feet rounded to 29,447 square feet), as indicated by the most recent deed recorded under Document No. 2015-2651673. The building and site improvement areas utilized in this report are based on the measurements taken during the on-site inspection on September 28, 2016. The Cost Approach was determined to be the most applicable approach to value; the Income Approach and Sales Comparison Approach were determined to be inapplicable due to the various types of structures on-site, which comparables within the Weslaco Market could not be located.

ENVIRONMENTAL STATEMENT

This appraiser made a visual on-site inspection of the subject property on September 28, 2016, and no obvious adverse environmental concerns, pesticides or other potentially hazardous materials were present. The subject property is currently unoccupied but was formerly utilized as a daycare / childcare facility. This appraiser is not qualified to make a detailed study on environmental concerns of the subject property, but is qualified to analyze the information provided concerning the extent to which the environmental issue affects market value. Based on this appraiser's on-site inspection, this appraisal shall be based on the extraordinary assumption that no environmental concerns exist. If an environmental concern is noted to this appraiser after the date of report, Garza & Associates, LLC, reserves the right to re-evaluate the market value of the subject property.

CITY AND NEIGHBORHOOD ANALYSIS

Weslaco, Texas, is in southern Hidalgo County, Texas, at the intersection of FM 88, FM 1015, and Interstate 2 (I-2), and is part of the McAllen-Mission-Edinburg MSA (Metropolitan Statistical Area), which is described by the United States Census Bureau as the entire County of Hidalgo, Texas. The population of Weslaco was estimated at 37,601 as of the 2014 U.S. Census. The City of Weslaco is located approximately 15.0 miles east of McAllen, 35.0 miles northwest of Brownsville, and 6.50 miles west of the Rio Grande Valley Premium Outlet Mall in Mercedes, Texas. The Knapp Medical Center is in Weslaco, Texas, which is a not-for-profit acute care hospital with 233 private rooms, and is rated one of the top hospitals in South Texas. The Rio Grande Valley Premium Outlets® were developed by Chelsea Property Group. The outlet mall is located at the northeast corner of Interstate 2 (US Expressway 83) and Mile 1 ½ East Road in Mercedes, Texas, which is just east of Weslaco, Texas. Located approximately 7.00 miles south of Weslaco is the Progreso International Bridge, and approximately 8.50 miles southwest of Weslaco is the Donna-Rio Bravo International Bridge.



The Progreso International Bridge, is the port of entry between the cities of Progreso and Nuevo Progreso, the latter of which is in the Mexican State of Tamaulipas, Mexico. Progreso International Bridge is located on FM 1015 (International Boulevard). It is a four-lane, asphalt-paved highway with a middle turning lane and paved shoulders, just south of Military Highway (U.S. Highway 281). Nuevo Progreso, also known as Las Flores (the flowers), a little town consisting of approximately 9,125 in population, has become the prime Mexico shopping destination for tourists, especially "Winter Texans." Nuevo Progreso has become a popular tourist destination due to the numerous restaurants, pharmacies, dentists and doctors, as well as being the safest and most family-friendly border town in the Rio Grande Valley. The Progreso International Bridge (a.k.a. B&P Bridge and Puente Las Flores) is owned privately by the B&P Bridge Company and handles a mix of commercial, passenger and pedestrian traffic. The bridge is actually two (2) bridges in one (1), with the main portion being utilized for four lanes of passenger traffic (two each way) and large covered pedestrian lanes, and the second separate bridge being utilized as a two-lane roadway for commercial traffic. The bridge was originally constructed in 1951 and rebuilt in 2003. Commercial traffic mainly consists of agricultural produce (i.e. corn, grains, cotton seed, sorghum, beans and popcorn) being exported to Mexico from the United States. The Progreso International Bridge connects directly to "El Centro" of Nuevo Progreso, which consists of six (6) city blocks in length by three (3) city blocks in width. The Donna International Bridge is also located along FM 493 southwest of Weslaco, Texas, at the intersection of Farm to Market 493 and Military Highway. The area has had little development in the past 5 years, however, plans for a large commercial / industrial development has been announced by the Donna Planning Department. The estimated time frame for construction of the development, known as Alliance River Crossing, has not been determined. This is a long-term plan according to the City of Donna.

The subject property is located at 1411 West 18th Street, Weslaco, Texas, on the south side of 18th Street, in-between Westgate Drive and Border Avenue, within the city limits of Weslaco. The subject property's market area is described as business Highway 83 to the North, Mile 5 North Road to the South, FM 1015 to the East, and Midway Road (Mile 7 West Road) to the West. The market area consists of mixed commercial, residential, industrial and agricultural uses and developments. Most commercial developments are located along the frontage of business Highway 83, FM 88, Westgate Drive, and FM 1015. Located across the street from the subject property is the Harlon Block Sports Complex and Memorial Elementary School.

PROPERTY DESCRIPTION

The subject property is located on the south side of 18th Street, in-between Borders Avenue and Westgate Drive, within the city limits of Weslaco, Texas. The physical address of the subject property is 1411 West 18th Street, Weslaco, Texas. The property consists of 1.00 acre (43,560 square feet) gross / 0.676 acres (29,447 square feet) net, with a property dimension of approximately 157.0' lineal feet (south side of 18th Street) x approximately 187.0' lineal feet. The subject property is improved two (2) separate buildings, which include a 1,924 square-foot single-story wood-frame building and a 2,004-square-foot steel frame metal building. Supporting site improvements include chain link fencing, a canopy, concrete pavement and caliche pavement.

According to a representative of the City of Weslaco Planning and Zoning Department, the subject property is currently zoned R-1 (Single-Family Residential District). It should be noted that the last use of the subject property was for a daycare center or facility, which is a legal non-conforming use. Any use outside of a single-family residential use would require a change in zoning through the Planning and Zoning Department. The subject property has full access to all City of Weslaco utilities, which includes water and sewer service.

SALES HISTORY

Research was performed through the Hidalgo County Appraisal District to verify the current ownership of the subject property. As of the date of appraisal, the subject property has been in the name of the City of Weslaco, since October 5, 2015. The subject property was transferred via a Warranty Deed from Adela Mireles (Grantor) to the City of Weslaco (Grantee) for sales price of \$105,000, recorded under Document No. 2015-2651673. Prior to the City of Weslaco owning the subject property, the subject property was owned by Adela Mireles, which was purchased from Serafin Vazquez and husband, Angeles Davila Vazquez, via a Warranty Deed w/ Vendor's Lien, dated December 10, 2012, recorded under Document No. 2012-2366131. Prior to Serafin Vazquez and husband, Angeles Davila Vazquez, the property was under the ownership of John Ted Stokes and wife, Lucy Stokes, according to a Warranty Deed w/ Vendor's Lien, dated July 1, 2005, recorded under Document No. 2005-1492618.

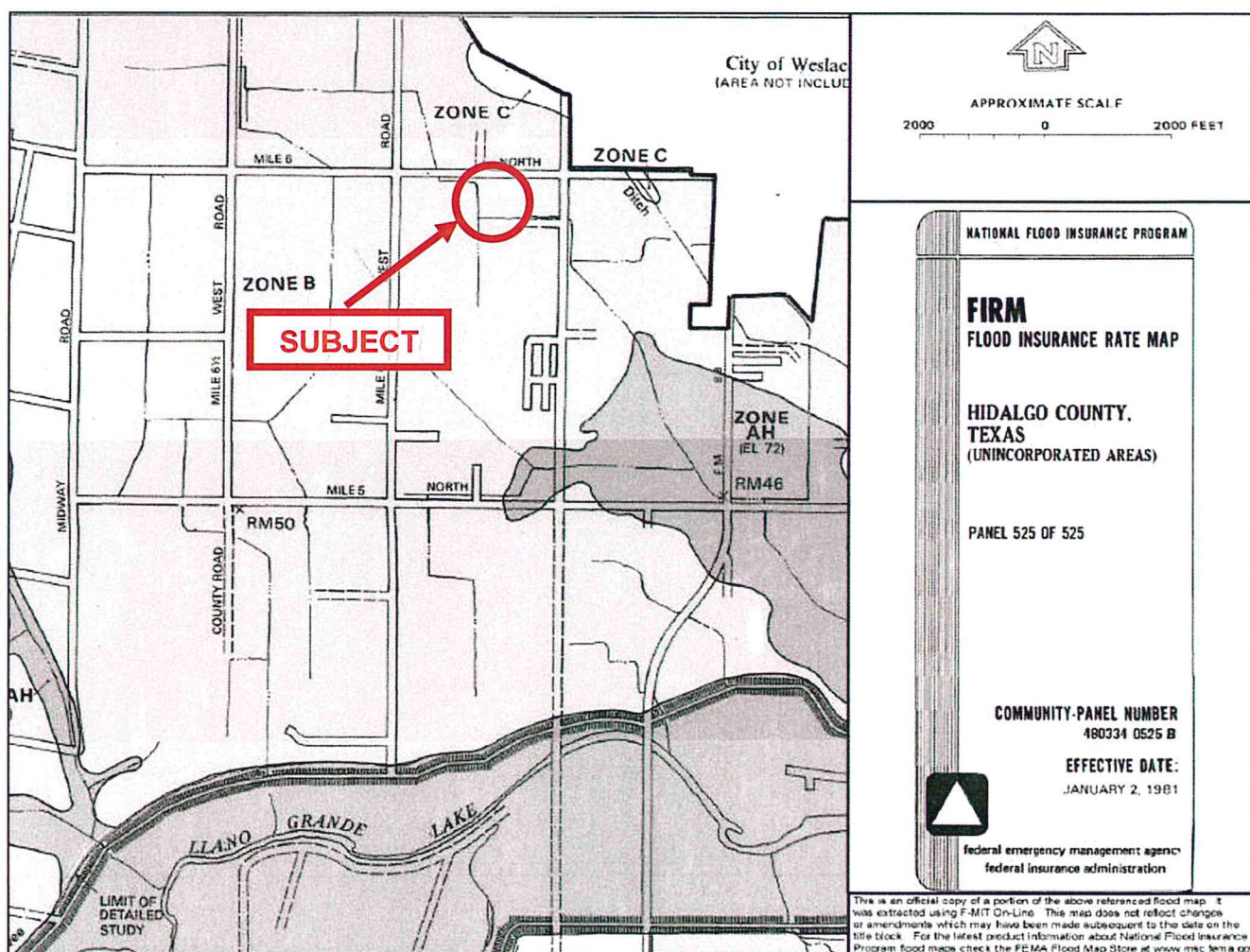
EASEMENTS / ENCROACHMENTS

Based on a survey provided by the client, the subject property is encumbered with a 70.0' drainage easement (drainage ditch & spoil bank), which encompasses 0.207 acres along the western boundary of the subject property, and 25.0' lineal feet of 18th Street road right-of-way, which encompasses 0.117 acres. No other encroachments, adverse easements, or rights-of-way were noted or were indicated, that would affect the market value of the subject property.

FLOOD ZONE DESIGNATION

FEMA MAP No. _____ 480334 0525B
FLOOD ZONE DESIGNATION* _____ Zone B

Flood hazard areas identified on the Flood Insurance Rate Map are identified as a Special Flood Hazard Area (SFHA). SFHA are defined as the area that will be inundated by the flood event having a 1-percent chance of being equaled or exceeded in any given year. The 1-percent annual chance flood is also referred to as the base flood or 100-year flood. SFHAs are labeled as Zone A, Zone AO, Zone AH, Zones A1-A30, Zone AE, Zone A99, Zone AR, Zone AR/AE, Zone AR/AO, Zone AR/A1-A30, Zone AR/A, Zone V, Zone VE, and Zones V1-V30. Moderate flood hazard areas, labeled Zone B or Zone X (shaded) are also shown on the FIRM, and are the areas between the limits of the base flood and the 0.2-percent-annual-chance (or 500-year) flood. The areas of minimal flood hazard, which are the areas outside the SFHA and higher than the elevation of the 0.2 percent annual chance flood, are labeled Zone C or Zone X (unshaded).



HIGHEST & BEST USE

The highest and best uses of the site, both "as if vacant" and "as is," are analyzed in-order to determine the highest and best use before and after the proposed development. Four tests have been applied in-order to determine highest and best use. The tests include: (1) physically possible use, (2) legally permissible use, (3) financially feasible use and (4) maximally productive use. The highest and best use is further defined as follows:

"Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements." Definitions are from The Dictionary of Real Estate Appraisal. 4th Edition Chicago: Appraisal Institute, 2010

The highest and best use analysis for the subject property is applied to the site "As Is," based on the on-site inspection of the subject property on September 28, 2016.

CONCLUSION:

Based on the overall location of the subject property, the use "as is" meet each of the tests of highest and best use for a single-family residential use or continued light commercial use. Upon inspection of the subject property, the subject property is rectangular and consists of approximately 0.676 acres (29,447 square feet) net. The first criteria whether it is physically possible for the property to have single-family residential or continued light commercial use. Based on the evidence, it is possible to utilize the property for single-family residential or light commercial use.

The second criteria for highest and best use analyzes whether it is legally permissible to utilize the property in a particular way. This refers to the current municipal zoning assigned to the subject property. The City of Weslaco Planning and Zoning Department was contacted on October 17, 2016. A representative indicated that the subject property is currently zoned R-1 (Single-Family Residential District). The current/former use as a daycare/childcare facility is a legal non-conforming use, and further action would be required through the Planning and Zoning Department for further or continued commercial use on-site. The third criteria is to analyze the financial feasibility of the subject property having a commercial or other similar type of use located on-site. Based on the continuing growth of traffic along 18th Street, it is feasible to utilize the property for single-family residential use or for continued light commercial purposes. The fourth and final criterion reviewed is for the maximally productivity of the subject property. The subject property shall be at its maximal productive state as a light commercial development. The property is in an area of Weslaco which is be converted from residential uses to light commercial uses. Based on each of the criteria for highest and best use, the subject property's highest and best use is confirmed to be for single-family residential or light commercial use.

SALES COMPARISON APPROACH

MARKET VALUE

Market Value is defined as the most probable price, which a property should bring in a competitive, and open market under all conditions requisite to a fair sale, the Buyer and Seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from Seller to Buyer under conditions whereby:

Buyer and Seller are typically motivated.

Both parties are well informed or well advised, and each acting in what they consider their own best interests.

A reasonable time is allowed for exposure in the open market.

Payment is made in terms of cash in U.S. Dollars or in terms of financial arrangements comparable thereto.

The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

The Office of the Comptroller of the Currency. (2006). 12 CFR, Part 34, Subpart C-Appraisals, 34-42, Definitions (g). Retrieved March 12, 2007, from <http://www.occ.treas.gov/fr/cfrparts/12CFR34.htm#%2034.42%20Definitions>.

SALES & RESEARCH DEVELOPMENT

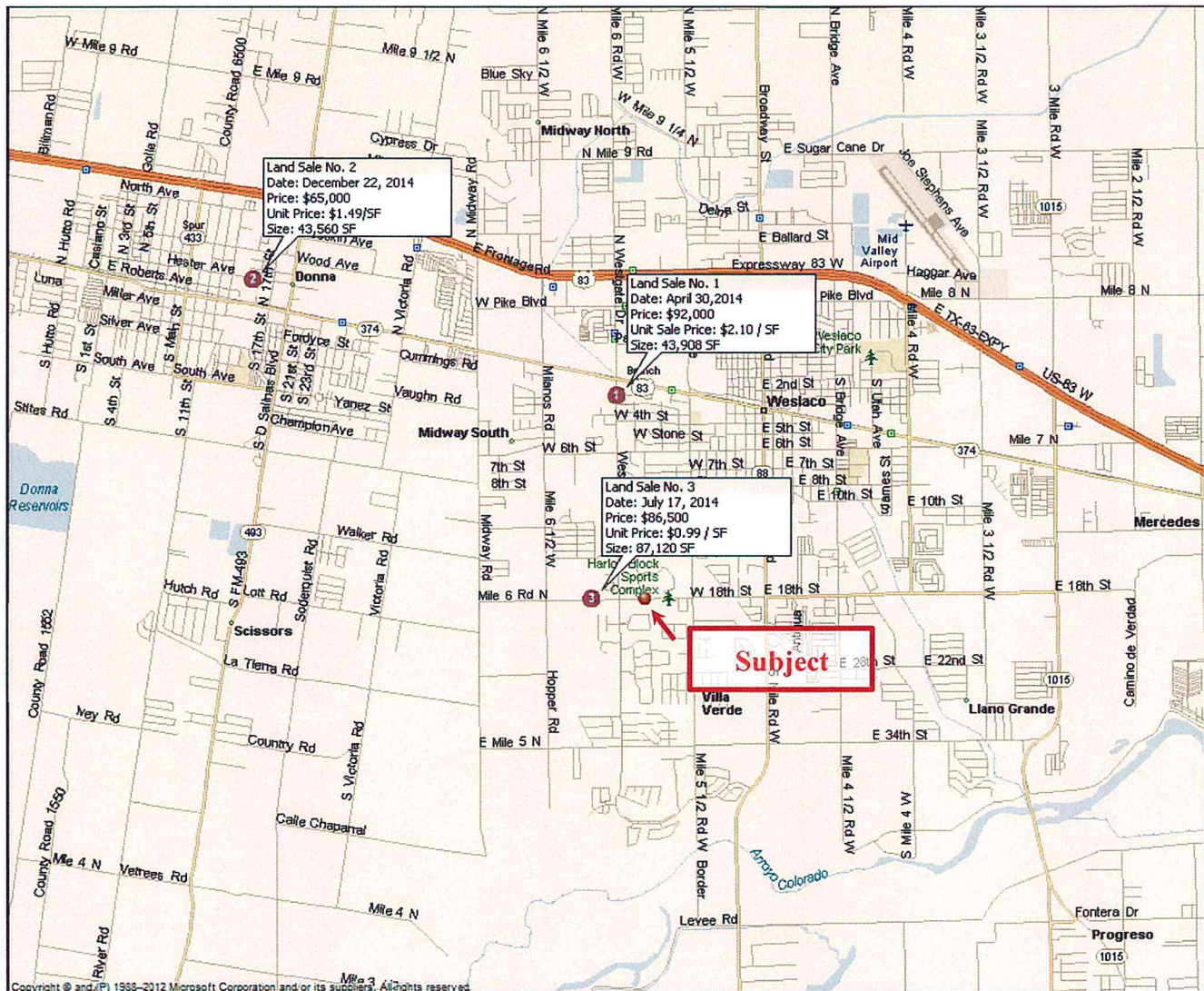
The following sales were derived from a multitude of sources, which include a local multiple listing service, Appraisal District public information, deed records and other appraisers and Realtors in the Rio Grande Valley. These sales are verified with at least two sources and are deemed reliable as of the date of this report.

MARKETING & EXPOSURE TIME

During the appraisal process, two additional factors must be considered within the Sales Comparison Approach: Marketing Time and the Exposure Time. Both items are important to establish the time required by the subject property to reach its market value potential within the current economic status. The estimated marketing period is based on the marketing periods for the comparable sales used in the Sales Comparison Approach. Based on the comparable sales within the market area, there is a twelve (12) to twenty-four (24) month time has been dictated by the market. The exposure time is the "length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Based on the information provided by the market for similar type properties within the market place, there is an exposure time of twelve (12) to twenty-four (24) months for the subject property.

LAND SALES

The following land sales were derived from a multitude of sources, which include a local multiple listing service, Appraisal District public information, deed records and other appraisers and Realtors in the Lower Rio Grande Valley. These sales are verified with at least two sources and are deemed reliable as of the date of this report. Other sales may have been identified in the area, however, if all information cannot be verified as of the date of the report, they may only be mentioned but not heavily weighted in the overall analysis of the subject property. Multiple sales were located within the Mission/Alton market area. Each sale is of similar dimension and land area and was sold and verified through the Greater McAllen Multiple Listing Service.



Land Sale No. 1



Sales Record ID	1470
Property Type	Multifamily / Light Commercial
Location	204 South Westgate Drive
Tax ID	W3800-00-634-0000-03
Grantor	Allen Acquisitions
Grantee	Mitchell Jay Jones
Sale Date	April 30, 2014
Verification	MLS: E149086S
Gross Land Size	1.008 Acres or 43,908 SF
Sale Price	\$92,000
Unit Sales Price	\$91,270 / Acre or \$2.10 / SF
Utilities	All Municipal Services

Legal Description

A 0.99-acre tract of land being the South 100 feet of the North 614.16 feet of Farm 634, West Tract Subdivision, Hidalgo County, Texas.

Land Sale No. 2



Sales Record ID	1932
Property Type	Commercial
Location	1507 Hester Avenue
Tax ID	L0250-00-071-0001-01
Grantor	Rogers Partnership
Grantee	Juanita G. Garza and Amir H. Shekarchi
Sale Date	December 22, 2014
Verification	MLS: A180850S
Gross Land Size	1.000 Acres or 43,560 SF
Sale Price	\$65,000
Unit Sales Price	\$65,000 / Acre or \$1.49 / SF
Utilities	All Municipal Services

Legal Description

Being 10.326 acres of land situated in Hidalgo County, Texas, and being all of Lots 1 through 7, 18 and 19, and parts of Lots 20 through 24, Resubdivision of Lots 1 and 2, Block 71, Lott Town and Improvement Company Subdivision.

Land Sale No. 3



Sales Record ID	1699
Property Type	Residential / Light Commercial Use
Location	2008 West 18th Street
Tax ID	W3800-00-650-0000-00
Grantor	Jose Heriberto Sandoval
Grantee	Jesus Silva
Sale Date	July 17, 2014
Verification	MLS: A173666S
Gross Land Size	2.000 Acres or 87,120 SF
Sale Price	\$86,500
Unit Sales Price	\$43,250 / Acre or \$0.99 / SF
Utilities	All Municipal Services

Legal Description

Being 2.00 acres, more or less, out of Farm Tract 650, West Tract Subdivision, as per map or plat recorded in Volume 2, Pages 34-37, Map Records of Hidalgo County, Texas

SALES AND IMPROVEMENT GRID

	SALES PRICE	SIZE OF TRACT	UNIT PRICE	DATE OF SALE
SUBJECT	\$ -	29,447 square feet	\$ - / sf	
SALE No. 1	\$ 92,000	43,908 square feet	\$ 2.10 / sf	April 30, 2014
SALE No. 2	\$ 65,000	43,560 square feet	\$ 1.49 / sf	December 22, 2014
SALE No. 3	\$ 86,500	87,120 square feet	\$ 0.99 / sf	July 17, 2014

	SUBJECT	SALE No. 1	SALE No. 2	SALE No. 3
SALE PRICE	\$ -	\$ 92,000	\$ 65,000	\$ 86,500
UNIT PRICE	\$ - / sf	\$ 2.10 / sf	\$ 1.49 / sf	\$ 0.99 / sf
DATE OF SALE	10/1/2015	April 30, 2014	December 22, 2014	July 17, 2014
FINANCING TERMS	Conventional	Cash 0%	Cash 0%	Cash 0%
CONDITIONS OF SALE	Arm's Length	Arm's Length 0%	Arm's Length 0%	Arm's Length 0%
TIME/MARKETING COND.	Average	Similar 0%	Similar 0%	Similar 0%
LOCATION	Average	Superior -15%	Similar 0%	Inferior 30%
STREET ACCESS	Average	Similar 0%	Similar 0%	Similar 0%
SITE UTILITY (Corner/Interior)	Interior	Similar 0%	Similar 0%	Similar 0%
UTILITIES: Water/Sewer/Electricity	All Municipal Utilities Available	Similar 0%	Similar 0%	Similar 0%
SIZE ADJUSTMENT (SF)	29,447 sf	43,908 10%	43,560 10%	87,120 20%
TOTALS		\$ (0.11) -5%	\$ 0.15 10%	\$ 0.50 50%
ADJUSTED UNIT RATE		\$ 1.99 / sf	\$ 1.64 / sf	\$ 1.49 / sf
MEAN UNIT RATE				\$ 1.71 / sf
SELECTED UNIT RATE				\$ 1.80 / sf
CALCULATED VALUE				\$ 53,005
APPRAISED MARKET VALUE (ROUNDED)				\$ 53,000

Reconciliation of Sales Comparison Approach

Based on the adjusted comparable sales, a final unit value of \$1.85 per square foot was utilized under the direct sales comparison approach. The first adjustment made was for the superior location of Sale No. 1 and the inferior location of Sale No. 3, as compared to the subject property. The second and final adjustment made was for the difference in land area, which was approximately +/-10% for each doubling in land area. This unit value is calculated with the total land area of 29,447 square feet. Therefore, the final market value of the subject property "as if vacant" is \$53,005, rounded to \$53,000.

Cost Approach

Using the Cost Approach, the Appraiser estimates the cost new of the improvements. The Appraiser, by using the Marshall & Swift Valuation Service, estimates the reproduction costs of the improvements. The indicated unit costs are tempered by current cost multipliers used to adjust the figures in the schedules assigned to the last quarter and by multiplying local multipliers to bring the costs to the level of those line items in the area. The Appraiser examines the age and condition of the improvements, quality of the construction, materials used in construction, and the functional utility of the subject property. The cost new is reduced by the appropriate percentages of wear and tear, called depreciation. The Appraiser, having examined the functional utility of the improvements, and based on the functional utility of similar buildings, makes any appropriate adjustments. The Appraiser examines the trends in the neighborhood or area of influence, which affect the value and makes adjustments.

Cost Component Data

All costs are based on professional labor supervised by a contractor or his or her foreman, and are adjusted if amateur workmanship is detected during inspection. The unit costs used in this appraisal are from segregated cost section number 48 dated March 2015. Also, this appraiser discussed this type of building and costs with local builders to verify the costs used by the Marshall & Swift Evaluation Guide, including the cost multiplier factor. We periodically continue to verify line items in which a higher or lower unit cost is proposed for the new construction, as learned through the experience of working on similar projects, both in appraising and in construction.

Cost Components Included

- Normal interest only on the actual building funds during the period of construction.
- Processing fees, Service Charges, and Sales Taxes on Materials.
- Normal site preparation, including grading, excavation for foundation, back fill, and finish work.
- Utilities from structure to lot line, calculated for typical setback.
- Contractors' profit and overhead, including job supervision, unemployment insurance, equipment, temporary facilities and security.

Cost Components Not Included:

- Cost of buying or assembling land. This is calculated from the appraiser's data of the sales in the area.
- Escrow fees, legal fees, right-of-way costs, demolition, or rough grading.
- Taxes or interest on the land, feasibility studies, certificates of need, appraisal fees, or consulting fees.
- Discounts or bonuses paid for financing are considered a cost of doing business.
- Off-site costs including road, utilities, and park fees.
- Furnishings and Fixtures
- Marketing costs to create first occupancy, including advertising expenses, leasing or brokers commissions.

Floor Area

The average floor area should be considered an estimate only, with minor deviations in actual square footage being of little or no consequence, as this appraiser is not a licensed surveyor or engineer.

Entrepreneurial Profit

"A market-derived figure that represents the amount an entrepreneur expects to receive for his or her contribution to a project; the difference between the total cost of a property and its market value, which represents the entrepreneur's compensation for the risk and expertise associated with development. In the Cost Approach, expected profit is reflected as Entrepreneurial Profit." "In Economics, the actual return on successful management practices, often identified with coordination, the fourth factor of production following land, labor, and capital; also called entrepreneurial return or entrepreneurial reward." Therefore, the entrepreneurial profit was zeroed out in the cost approach.

COST APPROACH ANALYSIS	
FILE No.	3973
OWNER OF RECORD	CITY OF WESLACO
SITUS ADDRESS	1411 WEST 18th STREET, WESLACO, TEXAS
EXISTING USE	DAYCARE / CHILDCARE FACILITY
CLASS & QUALITY OF STRUCTURE	CLASS "D" & "S" AVERAGE QUALITY
CONSTRUCTION TYPE	MIXED CONSTRUCTION
LAND AREA (SF)	29,447 SQUARE FEET (0.676 ACRES)

BUILDING IMPROVEMENTS					
BUILDING COMPONENT	AREA (SF)	UNIT COST	MULTIPLIER	DEPREC.	SUB TOTAL
SITE PREPARATION	29,447	\$ 0.29	0.75	75%	\$ 1,601
FOUNDATION	1,924	\$ 1.95	0.75	75%	\$ 703
FRAME	1,924	\$ 4.65	0.75	75%	\$ 1,677
FLOOR STRUCTURE	1,924	\$ 6.18	0.75	75%	\$ 2,229
FLOOR COVER	1,924	\$ 2.22	0.75	75%	\$ 801
INTERIOR CONSTRUCTION	1,924	\$ 26.20	0.75	75%	\$ 9,452
PLUMBING	1,924	\$ 5.76	0.75	75%	\$ 2,078
ELECTRICAL	1,924	\$ 7.07	0.75	75%	\$ 2,551
EXTERIOR WALL	2,000	\$ 15.55	0.75	75%	\$ 5,831
ROOF STRUCTURE	1,924	\$ 5.11	0.75	75%	\$ 1,843
ROOF COVER	1,924	\$ 1.80	0.75	75%	\$ 649
PORCH	96	\$ 23.85	0.75	75%	\$ 429
PORCH	36	\$ 23.85	0.75	75%	\$ 161
DECK	33	\$ 26.55	0.75	75%	\$ 164
CANAPY	320	\$ 29.48	0.75	75%	\$ 1,769
TOTAL					\$ 31,938

BUILDING IMPROVEMENTS					
BUILDING COMPONENT	AREA (SF)	UNIT COST	MULTIPLIER	DEPREC.	SUB TOTAL
FOUNDATION	2,004	\$ 1.95	0.75	25%	\$ 2,198
FRAME	2,004	\$ 3.32	0.75	25%	\$ 3,742
FLOOR STRUCTURE	2,004	\$ 4.20	0.75	25%	\$ 4,734
FLOOR COVER	2,004	\$ 2.22	0.75	25%	\$ 2,502
INTERIOR CONSTRUCTION	2,004	\$ 5.32	0.75	25%	\$ 5,997
PLUMBING	2,004	\$ 2.27	0.75	25%	\$ 2,559
ELECTRICAL	2,004	\$ 4.70	0.75	25%	\$ 5,298
EXTERIOR WALL	2,424	\$ 6.16	0.75	25%	\$ 8,399
ROOF STRUCTURE	2,004	\$ 3.19	0.75	25%	\$ 3,596
ROOF COVER	2,004	\$ 2.17	0.75	25%	\$ 2,446
TOTAL					\$ 41,471

SITE IMPROVEMENTS					
IMPROVEMENT	AREA (SF)	UNIT COST	MULTIPLIER	DEPREC.	SUB TOTAL
FENCING & GATES	462	\$ 8.50	0.75	75%	\$ 736
CONCRETE PAVEMENT	738	\$ 6.00	0.75	75%	\$ 830
CANOPY FRAME	450	\$ 5.50	0.75	75%	\$ 464
CALICHE PAVEMENT	9,679	\$ 1.05	0.75	75%	\$ 1,906
GENERAL LANDSCAPING	1	\$ 1,000	-	0%	\$ 1,000
TOTAL					\$ 4,936

FINAL COST ANALYSIS SUMMATION			
DEPRECIATED BUILDING IMPROVEMENT VALUE		\$	73,409
DEPRECIATED SITE IMPROVEMENT VALUE		\$	4,936
ENTREPRENEURIAL PROFIT		\$	-
SITE VALUE		\$	53,005
		TOTAL	\$ 131,350
		ROUNDED	\$ 130,000

APPRAISAL DISTRICT

During the analysis of the subject property, the property tax information was gathered from the Hidalgo County Appraisal District to determine the owner-of-record for the subject property and to determine the current assessed value of the subject property. The following data was gathered from the Hidalgo County Appraisal District website, www.hidalgoad.org.

OWNER-OF-RECORD	CITY OF WESLACO
PROPERTY TAX IDENTIFICATION NO.	326882
IMPROVEMENT VALUE	\$ 67,692
LAND VALUE	\$ 50,955
TOTAL ASSESSED VALUE	\$ 118,647
EXEMPTIONS	EX-XV

Property Search Results > 326882 CITY OF WESLACO for Year 2017

Property

Account

Property ID: 326882 Legal Description: WEST TRACT N212,07'-W205,40 FT 732 1AC GR 0,88AC NET
Geographic ID: W3800-00-732-0000-60 Agent Code:
Type: Real
Property Use Code:
Property Use Description:

Location

Address: 1411 W 18TH ST TX Mapsco:
Neighborhood: Map ID: CWL
Neighborhood CD:

Owner

Name: CITY OF WESLACO Owner ID: 121752
Mailing Address: 255 S KANSAS AVE % Ownership: 100.000000000000%
WESLACO, TX 78596-6158
Exemptions: EX-XV

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$67,692	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$50,955	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$0	\$0
(+) Timber Market Valuation:	+	\$0	\$0
(=) Market Value:	=	\$118,647	
(-) Ag or Timber Use Value Reduction:	-	\$0	
(=) Appraised Value:	=	\$118,647	
(-) HS Cap:	-	\$0	
(=) Assessed Value:	=	\$118,647	

Taxing Jurisdiction

Owner: CITY OF WESLACO
 % Ownership: 100,000000000000%
 Total Value: \$118,647

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
CAD	APPRAISAL DISTRICT	0,000000	\$118,647	\$0	\$0,00
CWL	CITY OF WESLACO	0,676700	\$118,647	\$0	\$0,00
DR1	DRAINAGE DISTRICT #1	0,095100	\$118,647	\$0	\$0,00
GHD	HIDALGO COUNTY	0,590000	\$118,647	\$0	\$0,00
JCC	SOUTH TEXAS COLLEGE	0,185000	\$118,647	\$0	\$0,00
R02	ROAD DIST 02	0,000000	\$118,647	\$0	\$0,00
SST	SOUTH TEXAS SCHOOL	0,049200	\$118,647	\$0	\$0,00
SWL	WESLACO ISD	1,139700	\$118,647	\$0	\$0,00
Total Tax Rate:		2,735700			
Taxes w/Current Exemptions:					\$0,00
Taxes w/o Exemptions:					\$3,245.83

Improvement #1: COMMERCIAL State Code: F1 Living Area: 1798,0 sqft Value: \$20,496

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
WHS	WAREHOUSE	100	PFM	1985	1160,0
OFF	OFFICE	100		2000	638,0
CAN	CANOPY	100		2000	48,0
STG	STORAGE	100		2000	112,0
CAN	CANOPY	*		1985	392,0

Improvement #2: COMMERCIAL State Code: F1 Living Area: 1898,0 sqft Value: \$47,196

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
OFF	OFFICE	50	DWD	1995	1898,0
CAN	CANOPY	*		1995	255,0
CAN	CANOPY	*		1995	48,0
CAN	CANOPY	*		1995	96,0
CLF	CHAIN LINK FENCE	*		1995	470,0
ASP2	ASPHALT 2	*		1990	2520,0

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	AC	ACREAGE	0,8800	38332,80	0,00	0,00	\$50,955	\$0

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2017	\$67,692	\$50,955		118,647	\$0	\$118,647
2016	\$71,310	\$40,995		112,305	\$0	\$112,305
2015	\$68,873	\$40,995		109,868	\$0	\$109,868
2014	\$71,294	\$40,995		112,289	\$0	\$112,289

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	10/5/2015 12:00:00 AM	WD	WARRANTY DEED	MIRELES ADELA	CITY OF WESLACO			2651673
2	12/12/2012 12:00:00 AM	WDV	WARRANTY DEED/VENDORS LIEN	VAZQUEZ SERAFIN	MIRELES ADELA			2366131
3	7/5/2005 12:00:00 AM	WDV	WARRANTY DEED/VENDORS LIEN	STOKES JOHN T &	VAZQUEZ SERAFIN			1492618

APPRAISAL CERTIFICATION

I, Leonel Garza III, certify that, to the best of my knowledge and belief;

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

I have no bias with respect to the property that is the subject of this report or towards the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.

I have made a personal inspection of the property that is the subject of this report. This inspection is limited to the permission given verbally or in writing of the subject owner.

Thomas M. Davis, State Certified General Real Estate Appraiser provided significant real property appraisal assistance to the person(s) signing the certification.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The use of this report is subject to the requirements of the Appraisal Institute relating to the review by its duly authorized representatives.

The Office of Garza & Associates has not performed an appraisal on the subject property within the last (3) three years.



Leonel Garza III
State Certified General Real Estate Appraiser
TX – 1328375-General

ASSUMPTIONS & LIMITING CONDITIONS

The appraisal report is based on facts present and found during the course of the report. The report is also conducted under the following assumptions and limiting conditions, except as otherwise noted in our report.

No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.

The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.

Responsible ownership and competent property management are assumed.

The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

All engineering is assumed to be correct. The survey and illustrative material in this report are included only to assist the reader in visualizing the property.

It is assumed that there are no hidden or indiscernible conditions of the property, subsoil that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.

It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.

It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

It is assumed that the use of the land is confined within the boundaries or property line of the property described and that there is no encroachment or trespass unless noted in the report.

Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by this appraiser. The appraiser does not have any knowledge of the existence of such material on or in the property. The appraiser, however, is not qualified to detect such substances. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

Any sketch the property included in the body of this report is for illustrative purposes only and should not be considered to be scaled accurately, as this is utilized for demonstrative purposes, only in order to have the reader understand the scope of the assignment, as stated in the report. Any survey provided by the client shall be utilized as the official indicator of land area to be acquired throughout the body of the report.

We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters. The distribution of the total valuation in this report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for the land must not be used in conjunction with any other appraisal and are invalid if so used. This appraisal report shall be considered only in its entirety. No part of this appraisal report shall be utilized separately or out of context.

No part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the appraisers.

Information, estimates and opinions contained in this report, obtained from sources outside of the office of the undersigned, are assumed to be reliable and have not been independently verified.

This appraisal report has been prepared for the exclusive benefit of client and or their assigns. It may not be used or relied upon by any other party. All parties who use or rely upon any information in this report without our written consent do so at their own risk.

Possession of this report, or a copy thereof, does not carry with it the right of publication. Any and all further copies of the report must be requested from the client.

The appraiser, because of this appraisal, is not required to give further consultation, testimony, or be in attendance in court regarding the property in question unless arrangements have been previously made.

No part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval from Leonel Garza III, President and Owner of Leonel Garza Jr. & Associates LLC.

QUALIFICATION OF APPRAISER

Leonel Garza Jr. & Associates, LLC, provides a variety of real estate consulting services with primary focus on real estate appraisals and appraisal litigation support. The company specializes in General Commercial Real Estate, Estate Valuations, and Right-of- Way Easement Acquisition and Defense. In addition to the appraisal services, the company provides Real Property Tax Consulting Services. The purpose of this division is to support property tax owners in the verification of property tax assessment as promulgated by the Texas Property Tax Code.

Property Tax Division

The property tax division of the firm conducts reviews of property tax assessments by various county appraisal districts to consult clients on their current tax liabilities. Reviews include attending informal and formal hearings on behalf of clients at local appraisal districts. With over 2,500 accounts throughout South Texas of which includes the County of Cameron, Brooks, Hidalgo, Starr, Willacy, Webb and Nueces County. Clients include dealerships, movie theaters, concrete batch plants, convenience stores, retail box centers, retail strip centers, warehouses, subdivisions, and many other commercial type properties.

Right-of-Way Division

The Right-of-Way Division of the firm conducts Real Estate Appraisals for various local and government agencies throughout South Texas. Leonel Garza III has undergone extensive training in this field of work. He specializes in acquisitions concerning diminution of market value and/or property bi-sections. ROW experience extends to various types of acquisitions including, but not limited to, expansion of existing roadways, development of new roadways, utility easements, transmission line easements, drainage or irrigation easements, damage assessment, cost to cure, relocation assistant research, budget analysis, condemnation hearing and trial support.

Education & Licensure

Graduate, 1995, Texas A&M University, College Station, Texas (Bachelor of Science)

State Certified General Real Estate Appraiser
Number TX - 1328375-General

State Certified Property Tax Consultant
Number TX – 00003181



Professional Organizations

Associate Member of the Appraisal Institute

Taking courses toward the designation of MAI through the Appraisal Institute.

Associate Member of the International Right-of-Way Association (IRWA) (Member # 7899430)

Public Service

Hidalgo County Subdivision Advisory Board (Active Member / Chairman)

This county board on subdivision reviews primary goal is to ensure that proper standards, set by Texas Water Development Board and the Texas Subdivision Model Rules and/or opinions from the Texas State Attorney General's Office, are conducted in the development of proposed subdivision within the County of Hidalgo and/or Extraterritorial Jurisdiction of municipalities throughout the County of Hidalgo. The board's secondary function is to review applications for variances against the Flood Plain Administrators decisions of the base flood elevations throughout the County of Hidalgo. (Appointed in 1998 – Present)

Hidalgo County Building Line of Adjustments (Active Member / Chairman)

This county board reviews applications of variances to general set-back regulations set forth by the County of Hidalgo. This review includes the review of existing and/or proposed encroachments into set-backs, easements, road right-of-way set-back, subdivision plat requirements and/or requirements set forth by adjoining municipalities of which the subject is within the extraterritorial jurisdiction.

McAllen Planning and Zoning Board (Former Member / Chairman)

This board is charged with submitting reports, plans, and recommendations to the City Commission for the orderly growth, development, and welfare of the City. They review and make recommendations on zoning change requests, conditional use permits for longer than one year, and variances to Subdivision Ordinance requirements for development.

McAllen Traffic Commission Board (Former Member & Vice Chairman)

Makes recommendations to the City Commission in order to reduce and eliminate traffic congestion and flow throughout the City.

McAllen Zoning Board of Adjustments and Appeals (Former Member & Chairman)

This city board has the duty to hear and decide appeals where it is alleged there is error in any requirement, or determination made administratively in the enforcement of the Zoning Ordinance. The Board hears appeals that grant variances to setback requirements and special exceptions to reconstruction of nonconforming buildings.

McAllen Ambulance Advisory Committee (Former Member & Vice Chairman)

Evaluates and reports to the City Commission on the operation of the emergency ambulance service rendered by company or companies rendering such service.

McAllen Building Board of Adjustments and Appeals (Former Member)

The BBOA reviews the decision of City Staff for the demolition of properties deemed unsafe through the City for a variety of reasons. The board review all facts and concerns and make the decision to secure or proceed with demolition based upon the safety of the neighboring property owners and occupants. The greatest concern for the commission is the safety of the surrounding neighborhood occupants.

McAllen Palm City Lions Club (Former Member)

Direct the fund raising for the annual Thanksgiving Drive on behalf of Lion Leonel Garza Jr. who founded the drive more than 20 years ago raising funds to provided dinners to as many as 60 families (approximately 240 – 300 individuals) throughout the City of McAllen.

Purchase Orders - (Drill Down)

File Edit Functions Options Help



P.O. Number	16-0003	Ordered	107,926.81	Receipt	107,926.81	Out	0.00
Req. Number	71436	Variance	0.00	Voided	0.00		

Item Distribution Additional Pending Invoices Misc. Req Approval Comments / Notes

Vendor Set	99-	Status	Completed
Vendor	51960 HODGE & JAMES, L.L.P.	Issued	10/01/2015
Department	CITY MAN	Est. Delivery	10/01/2015
Approved by	MIKE PEREZ	Last Receipt	10/01/2015
Ordered by	MIKE PEREZ	Completion	10/01/2015
Summary Desc	SETTLEMENT		

P.O. Description **RE: ADELA MIRELES
SETTLEMENT DATE: 10/1/2015**

Internal Notes

Return

Inquiry

hrhodes

Total Cost of Property was \$ 107,926.⁸¹



Sealed Bid
Public Sale of Building Structure
ZFB No: 2017-18-16



April
2018 Tourism Marketing Report
Presented to City of Weslaco

April Advertising - Total: \$8,168

- Winter Texans
 - ✓ Winer Texan Times - \$1,500

April Registered Visitors

Visitors	In-State	Out of State
	18	37

April Meetings & Events

25 events hosting 840 visitors

The City of Weslaco, Weslaco EDD, & Weslaco Area Chamber of Commerce have jointly bought into the new Discover STx app. The Chamber is providing content to the app developers. To date, we have sent 20 emails with lists of hotels, motels, community events, and 106 shopping locations. The links and content has not all be activated yet. We will send the final batch If content later this month.

Project: **Weslaco EDC/UTRGV CIC** EDA grant #08-01-05123

Contractor: Texas Noble Builders

Megamorphosis Project #:1617

Weather: Overcast - 85°

Time: 3:45 pm

Date: 2018.04.09

Est. Complete: 10%

Distributed: Texas Noble Builders (atten. Andrea Solis), Weslaco EDC (atten. Marie McDermott)

Present at Site: Chris Sias

On the above referenced date a representative of Megamorphosis Design visited the site to review the existing conditions. Photos of conditions are attached.

During the site visit, the following observations were noted:

- Interior work is progressing nicely. The slab and footings have been poured with the exception of the two footings that had the waste line running through them.
- Structural steel is being erected for the new second floor and the metal deck is also being installed.
- Interior metal stud walls are being installed as per the plans.
- The Contractor is working in preparing the foundations to be poured. The Contractor shall request a pre concrete pour inspection from the Structural Engineer.
- Electrical work is being roughed in.

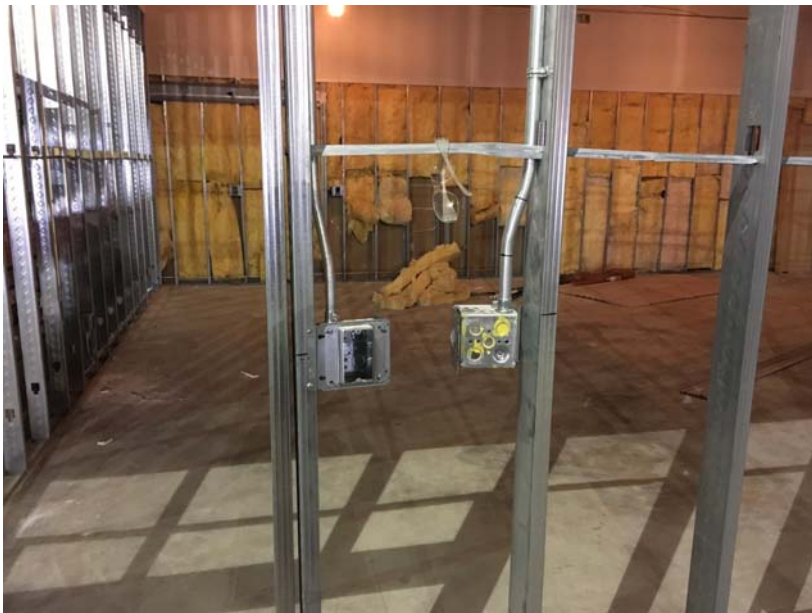
During the site visit, the following items were noted to be addressed by the GC:

- G.C. was requested to look at if there is enough slack in the existing fiber optic line to raise the existing conduit at the new second floor.
- Fire walls shall be caulked with fire caulk and labeled as 1 hr. fire walls above the ceiling.
- No walls are to be covered until MEP engineers have a chance to inspect.

Photo	Description
	Concrete footings and slab have been poured at the interior. Structural steel is being erected for the new second floor.
	Concrete was being placed at helical pier footing along gridline D.8



Metal deck is being installed at second floor. Contractor shall take care to not damage metal deck as it will be an exposed ceiling finish.



Electrical rough has begun. Contractor shall not cover up walls before MEP engineers have a chance to inspect the electrical rough in.



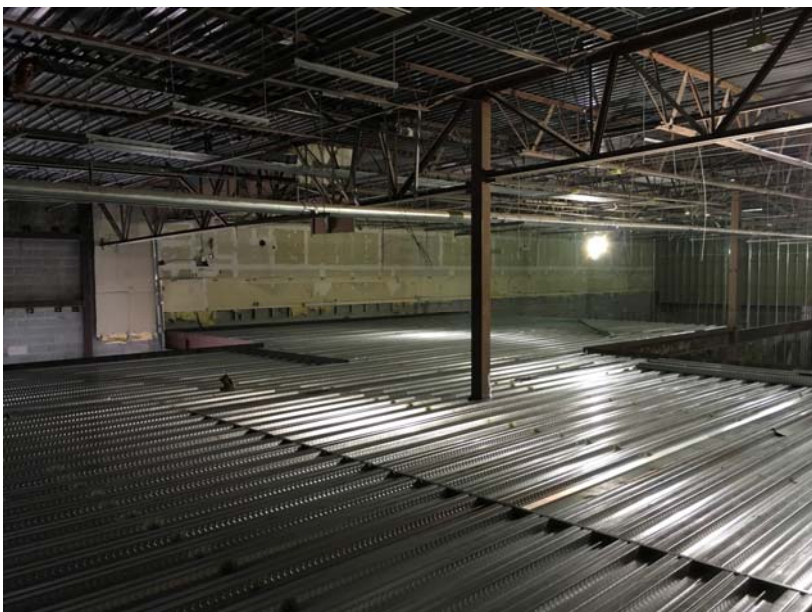
Fire caulking shall be installed at top of fire rated walls and walls shall be stenciled with "1hr fire wall" above the ceiling.



Disconnect is roughed in for Roof Top AC unit above Classroom 136.



The contractor has marked the openings for the roof top unit ductwork. Contractor shall verify clearances with other trades before cutting openings.



View of Second Floor. Installation of Nelson studs are pending and must be observed by the testing agency. The existing 6" metal conduit for data may need to be raised for head clearance.



View South elevation. Steel is being staged for installation. Squares above doorway are steel reinforcement for the new door and window openings.



View along the East elevation. Workers are preparing the subgrade for the tower foundation.



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!

April 26, 2018

UTRGV CIC

We received a progress report from the contractor on April 9, 2018, it is attached.

4th of July Committee

The committee for the second time and discussed electricity issues were discussed, parking and traffic issues, Park N Ride by Valley Metro, and vendors. The committee will meet May 8th.

Prospect Visited

A company from Central Texas to visit 3 buildings that would meet their needs. Staff has been working the deal by email since the visit.

ICSC Preparations

Staff is working the leads and making appointments for the ICSC visit.

Summary of Leads List

We have a summary of leads list that shows the retail/restaurants, hotels, warehouse, logistics & supply firms prospect interested in expanding or coming to Weslaco. There are 62 leads, and that translates into 671 jobs and \$30.1 million dollars' worth of investment if they all land in Weslaco.