

Control Number: 41606



Item Number: 1145

Addendum StartPage: 0

SOAH DOCKET NO. 473-13-5207 PUC DOCKET NO. 41606

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JOINT APPLICATION OF ELECTRIC TRANSMISSION TEXAS, LLC AND SHARYLAND UTILITIES, L.P. TO AMEND THEIR CERTIFICATES OF CONVENIENCE AND NECESSITY FOR THE NORTH EDINBURG TO LOMA ALTA DOUBLE-CIRCUIT 345-KV TRANSMISSION LINE IN HIDALGO AND CAMERON COUNTIES, TEXAS 2013 NOV -8 PM 1: 13 PUBLIC LETTHE 11551CY

STATE OFFICE OF

ADMINISTRATIVE HEARINGS

DIRECT TESTIMONY

OF

MAYOR JIM DARLING

ON BEHALF OF

THE CITY OF MCALLEN

NOVEMBER 8, 2013

DIRECT TESTIMONY OF MAYOR JIM DARLING

TABLE OF CONTENTS

I.	INTRODUCTION AND QUALIFICATIONS
II.	PURPOSE AND BACKGROUND4
III.	DESCRIPTION OF MCALLEN-MILLER INTERNATIONAL AIRPORT5
IV.	IMPACT OF THE PROPOSED TRANSMISSION LINE ON THE
	MCALLEN-MILLER INTERNATIONAL AIRPORT
V.	RECOMMENDATIONS AND CONCLUSION9
	chment A – Resolution
	chment B – McAllen Economic Overview
	chment C – Economic Impacts 2011—McAllen-Miller International Airport
	chment D – City Commission Minutes
Attac	hment E – Map of Property Acquired for Airport Expansion

DIRECT TESTIMONY OF MAYOR JIM DARLING

1		I. INTRODUCTION AND QUALIFICATIONS
2	Q.	PLEASE STATE YOUR NAME, TITLE, AND ADDRESS.
3	A.	My name is Jim Darling. I am the Mayor for the City of McAllen. My business
4		address is 1300 Houston Avenue, McAllen, TX 78501.
5	Q.	PLEASE BRIEFLY DESCRIBE YOUR BACKGROUND.
6	Α.	I have a long history of public service. I joined the United States Air Force in 1967,
7		where I served as Staff Sergeant until 1971. I am a Vietnam veteran who served two
8		tours of duty and I received the United States Air Force Distinguished Flying Cross in
9		1970. In 1973, I joined the United States Navy Reserve, where I served as a 2 nd Class
10		Petty Officer until 1977.
11		I attended Baylor University for both my undergraduate degree as well as my
12		law degree. I have been practicing law since 1977. As an attorney, I have
13		represented the City of McAllen and other governmental entities for 28 years.
14		I have been very involved with civic duty for the City of McAllen and the
15		surrounding areas. I previously served as one of the City Commissioners for District
16		6 of the City for two terms.
17		I was elected as Mayor for the City of McAllen in May of 2013. I also
18		currently serve as the general counsel for Doctor's Hospital at Renaissance in
19		Edinburg. My present leadership roles include: Chairman of the Lower Rio Grande
20		Valley River Water Authority, Vice Chairman of the Region M Water Planning
21		Group, member of the McAllen Public Utility Board, member of the Texas Municipal
22		League Executive Committee, Director of the Texas Municipal League Region 12,

SOAH DOCKET NO. 473-13-5207 PUC DOCKET NO. 41606

1	Boardmember of the Texas Municipal League, Co-Chair of the Texas Municipal
2	League Legislative Committee, Boardmember of the Senior Companionship Program,
3	Inc., Boardmember of the Lower Rio Grande Development Council, Co-Chair of the
4	Hidalgo County Drainage Advisory Committee, and a member of the International
5	Bridge Board.

6 Q. ON WHOSE BEHALF ARE YOU PRESENTING TESTIMONY IN THIS 7 PROCEEDING?

8 A. I am presenting testimony on behalf of the City of McAllen ("City").

9

II. PURPOSE AND BACKGROUND

10 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

11A.The purpose of my testimony is to present the official position of the City of McAllen12opposing the construction of the proposed transmission line on Link 118a or any13other links that would pose a hazard or an operational obstacle to the McAllen-Miller14International Airport ("MFE") as it is now or as it will be expanded. The City15intervened in this proceeding solely to support the McAllen-Miller International16Airport due to its great importance to the local community.

17 Q. HAS THE CITY MADE AN OFFICIAL STATEMENT AS TO ITS 18 POSITION?

A. On September 23, 2013, the City Commission issued an official resolution opposing
the use of Links 102, 111, and 118a. A copy of that resolution is attached to my
testimony as Attachment A.

Q. WHY DID THE COUNCIL PASS A RESOLUTION OPPOSING LINKS 102 AND 111 AS WELL AS 118A IF THE CITY ONLY OPPOSES THE USE OF LINK 118A?

A. At the time the Commission passed the resolution, it was believed that Links 102,
111, and 118a would all interfere with the operations of MFE. The City hired an
expert to evaluate the proposed transmission line. This expert has determined that it
is only Link 118a that would interfere with the operations of MFE. The City's sole
purpose in intervening in this proceeding was to oppose construction of the
transmission line if it would interfere with the operations of MFE.

10 III. DESCRIPTION OF MCALLEN-MILLER INTERNATIONAL AIRPORT

11 Q. WHY DOES THE CITY FEEL IT IS IMPORTANT TO SUPPORT THE 12 MCALLEN-MILLER INTERNATIONAL AIRPORT?

13 The McAllen-Miller International Airport is a City-owned, public airport that is of Α. 14 great importance not only to the City, but to the entire Rio Grande Valley area. The 15 McAllen-Miller International Airport is the busiest commercial passenger airport in the Rio Grande Valley Metropolitan area. The airport is ideally located in the 16 transportation center of the lower Rio Grande Valley, with easy access to 17 18 transportation corridors such as U.S. Highways 281 and 77, traversing north-south, and U.S. Highway 83, a six-lane highway traversing east-west. Not only do our city's 19 20 residents rely upon the airport, but the citizens of Mission, Pharr, La Joya, Palmhurst, 21 Edinburg, San Juan, Alamo, Donna, Weslaco, and many other communities rely on 22 McAllen-Miller International Airport as their primary airport.

The airport's close proximity to the U.S. border with Mexico makes it a crucial international trading hub. The air cargo facility is located within a portion of

SOAH DOCKET NO. 473-13-5207 PUC DOCKET NO. 41606

one of the first Foreign Trade Zones ("FTZ") in the U.S. FTZs are areas within the 1 United States that are considered to be "outside of the country" or at the minimum, 2 3 outside of the jurisdiction of U.S. Customs. Certain kinds of merchandise can be imported into an FTZ without going through formal U.S. Customs entry procedures 4 or paying import duties. From 1995-2006, the Rio Grande Valley's share of the 5 6 North American Free Trade Agreement ("NAFTA") trade increased from \$11.1 billion to \$13.6 billion. An overview of the McAllen economy as prepared by the 7 8 McAllen Chamber of Commerce is attached to my testimony as Attachment B.

Additionally, McAllen is a regional retail destination for Northeastern
Mexican States. Mexican citizens frequently enter the United States through
McAllen-Miller International Airport and contribute to the local (and greater Texas)
economy by eating and shopping as tourists in Texas.

13The airport is also a commercial hotspot. As of 2012, the United Parcel14Service ("UPS") began a new daily cargo flight to McAllen-Miller International15Airport. The UPS flights connect shippers in the Rio Grande Valley with customers16all over the world.

17 The airport also supports military activity. The bulk of this activity is
18 transient pilot training operations.

19 The airport comprises a significant amount of the local economy. The airport 20 affects the housing market, retail sales, food and entertainment sales, automobile 21 sales, sales and property taxes, and the local construction and industrial centers of the 22 economy. McAllen-Miller International Airport generates over \$250 million in 23 economic activity, near \$104 million in salary, wages, and benefits and provides 24 3,560 jobs. A copy of the 2011 Texas Department of Transportation Economic

Impacts Brochure for the McAllen-Miller International Airport is attached to my
 testimony as Attachment C.

3 Q. IS THE CITY CURRENTLY IMPROVING THE MFE FACILITIES?

Yes. As of March 2012, construction began on renovation of the airport terminal. 4 A. This renovation will add an additional gate, nearly double the Transportation Security 5 6 Administration ("TSA") area for quicker processing, add a post-security concession area for better retail and food, and it will increase the hold room seating areas for 7 passengers. The City received two federal grants for this renovation, one from TSA 8 9 and another from the Federal Aviation Administration ("FAA"). These grants 10 exceeded \$10 million. Overall, the renovation is expected to cost \$27 million.

11 Q. ARE THERE CURRENTLY PLANS TO EXPAND THE AIRPORT RUNWAY 12 FACILITIES?

13 A. Yes. In 2005, the City approved plans to expand the airport runway facilities. As I 14 have either been the city attorney or mayor since the development of the Airport Master Plan Update detailing the planned expansion of the airport, I have firsthand 15 knowledge of the adoption of the City's Airport Master Plan Update. The Airport 16 Master Plan Update was vetted at length by a public involvement program lasting 17 18 eighteen months. From 2003-2005, the City held three public workshops to discuss plans to expand the airport. A copy of the City Commission's meeting minutes 19 20 approving the expansion are attached as Attachment D to my testimony.

The primary runway will be lengthened to 10,000 feet. A new parallel runway will be constructed to the southwest of the existing runway. The expansion will allow McAllen a greater share of Border Texas air cargo and will allow McAllen to compete with other airports, such as Harlingen and Laredo. This expansion is

SOAH DOCKET NO. 473-13-5207 PUC DOCKET NO. 41606

especially necessary considering the high population growth in and around the
 McAllen-Edinburg-Mission metropolitan area. In fact, this area is one of the fastest
 growing metropolitan areas in the United States!

Additionally, the expansion is necessary due to the increasingly integrated
nature of the McAllen and Reynosa, Mexico economies. The maquiladora industry
benefits the McAllen-Edinburg-Mission metropolitan area greatly and the economies
of McAllen and Reynosa continue to become more and more integrated. The
expansion of the airport runway facilities will further facilitate the already great trade
and commerce between the United States and Mexico that I discussed earlier.

10 Q. WHAT STEPS HAS THE CITY TAKEN TOWARDS EFFECTUATING THE 11 AIRPORT EXPANSION?

A. The City has begun acquisition of land necessary to construct the airport expansion.
 For example, the City has purchased land on the other side of 10th Street from the
 airport, as well as lots in the neighborhood next to the airport. A map showing the
 property acquired in furtherance of the airport expansion is attached to my testimony
 as Attachment E.

17 18

IV. IMPACT OF THE PROPOSED TRANSMISSION LINE ON THE MCALLEN-MILLER INTERNATIONAL AIRPORT

19 Q. IF THE AIRPORT WAS CLOSED OR OPERATIONS RESTRICTED DUE

20 TO CONSTRUCTION OF THE PROPOSED TRANSMISSION LINE, HOW

- 21 WOULD THAT IMPACT THE LOCAL COMMUNITY?
- A. It would be devastating to the local community. As I discussed above, MFE is the
 only public airport in the area and it is critical to the region's economy. As I also
 discussed above, the airport's economic impact to the area figures in the hundreds of

millions of dollars and the airport employs approximately 3,500 people. If McAllen Miller International Airport were to close outright, the region would essentially be
 stranded and the loss of jobs would become a huge burden on the local economy and
 place a burden on the larger Texas economy.

5

V. RECOMMENDATIONS AND CONCLUSION

Q. WHAT IS YOUR RECOMMENDATION WITH REGARD TO ETT'S AND 7 SHARYLAND'S PROPOSED TRANSMISSION LINE IN THIS PROJECT?

8 The City opposes the construction of the proposed transmission line on Link 118a and Α. any other links that may jeopardize the operations of the McAllen-Miller 9 10 International Airport. The McAllen-Miller International Airport, including its 11 planned expansions, is good for both the local economy, as well as the greater Texas 12 From a business perspective, it just makes sense to route the line economy. 13 elsewhere. The City supports routes that do not use Link 118a, such as the "Rhodes 14 Alliance Route" or "Alternative Route 3S."

15 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

16 A. Yes.

Attachment A



JAMES E. DARLING, Mayor HILDA SALINAS, Mayor Pro-Tem and Commissioner District 3 AIDA RAMIREZ, Mayor Pro-Tem and Commissioner District 4 SCOTT C. CRANE, Commissioner District 1 TREY PEBLEY, Commissioner District 2 JOHN J. INGRAM, Commissioner District 5 VERONICA VELA WHITACRE, Commissioner District 6

MIKE R. PEREZ, City Manager

STATE OF TEXAS COUNTY OF HIDALGO CITY OF MCALLEN

I, Perla Zamora, Deputy City Secretary of the City of McAllen, do hereby certify that the following is a true and correct copy of Resolution 2013-56, which was approved by the McAllen Board of Commissioners at the Regular Meeting held September 23, 2013.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed the official seal of the City of McAllen, Texas, this 26th day of September, 2013.

SEAL



Perla Zamora, TRMC/CPM Deputy City Secretary

P.O. BOX 220 - MCALLEN, TEXAS 78505-0220 - (956) 681-1000 - FAX (956) 681-1010 - www.mcallen.net

RESOLUTION NO. 2013 - 56

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF MCALLEN, TEXAS, OPPOSING PLANS BY ELECTRIC TRANSMISSION TEXAS, LLC AND SHARYLAND UTILITIES, L.P. TO CONSTRUCT THE PROPOSED NORTH EDINBURG TO LOMA ALTA ELECTRIC TRANSMISSION LINE PROJECT IN HIDALGO AND CAMERON **COUNTIES;** AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.

WHEREAS, Electric Transmission Texas, LLC and Sharyland Utilities, L.P. ("ETT and Sharyland") have proposed the construction of a transmission line project in Hidalgo and Cameron Counties, designated the "North Edinburg to Loma Alta Project," and assigned Public Utility Commission of Texas ("PUC" or "Commission") Docket No. 41606; and

WHEREAS, ETT and Sharyland are considering routes for construction of the proposed transmission line that would utilize links near to the McAllen-Miller International Airport ("Links 102, 111, and 118a"); and

WHEREAS, links 102, 111, and 118a will negatively impact the McAllen-Miller International Airport, and especially, the planned expansion of the airport; and

WHEREAS, the McAllen-Miller International Airport is the closest commercial airport for McAllen and surrounding communities; and

WHEREAS, the McAllen-Miller International Airport is of great economic importance to the region, by enabling commerce and providing employment to citizens of the region; and

WHEREAS, the McAllen-Miller International Airport's close proximity to the United States border with Mexico makes it a crucial trading hub; and

WHEREAS, the McAllen-Miller International Airport is located adjacent to one of the first established Foreign Trade Zones in the United States; and

WHEREAS, in 2012, the United Parcel Service began a new daily cargo flight to McAllen-Miller International Airport to connect shippers in the Rio Grande Valley with customers all over the world; and

WHEREAS, Mexican citizens frequently enter the United States through the McAllen-Miller International Airport and contribute to the local and greater Texas economy by eating and shopping as tourists in Texas; and

WHEREAS, the airport generates hundreds of millions of dollars in economic activity for the area; and

WHEREAS, in 2012, construction began on renovation of the airport terminal; and

678/28/4151540

PAGE 1 OF 2

WHEREAS, both the City and the Federal Aviation Administration ("FAA") have approved plans to expand the airport, including extension of the primary existing runway and construction of an additional runway; and

WHEREAS, the City believes that construction of the transmission line utilizing links 102, 111, and/or 118a would not respect the character, integrity, and community values of the area.

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

SECTION ONE: The City Commission approves and adopts the findings set forth in the above recitals.

SECTION TWO: The City Commission believes that construction of the proposed transmission line along links 102, 111, and/or 118a is not consistent with the character, integrity, and community values of the area.

SECTION THREE: The City Commission encourages the PUC not to adversely affect the future development and economic viability of the McAllen-Miller International Airport and urges the PUC to select a route that does not utilize links 102, 111, and/or 118a.

SECTION FOUR: This Resolution shall become effective immediately upon its passage.

CONSIDERED, PASSED, APPROVED and **SIGNED** this <u>23rd</u> day of September, 2013 at a regular called meeting of the Board of Commissioners of the City of McAllen, Texas, at which a quorum was present and which was held in accordance with the provisions of Chapter 551, Texas Government Code.

Mcz ATTEST

CITY OF MCALLEN

Annette Villarreal, TRMC/CMC, CPM City Secretary

APPRO DAS TO FORM:

Kevin D. Pagan, City Attorney

PAGE 2 OF 2

678/28/4151540

McAllen Gramber of Commerce 1200 Ash Avenue, McAllen, TX 78501 | (956) 682-2871

For Members	Business & Community	Visitors and Tourism	About the Chamber	Contact the Chamber
Business & Community	McAllen Overv	/iew		
McAllen Overview	Fifty years ago, the Texas was a rural, a characterized by spo	Rio Grande Valley of South griculture-based economy rradic growth. Today, the area l into a major international	Download McAllen Overview	
Small Business Grant	trade area by develo retail, office, industri	oping first-rate commercial, ial, medical, retirement and	You can view the entire Download the McAilen Ecc	nomic Profile 2009
Economic Pulse	educational facilities. international and ret	ail trade, tourism and	You'll need the Adobe Acrol You can download it for free	bat reader to view this file.
McAllen Newsletters	the U.SMexico Bord	long the most successful along der.	Acrobat Reader	
Population	The Rio Grande Valle southern-most count	ties in Texas: Cameron,	Adobe Reader	
Retail Trade	center of the region i Rioplex, which includ	fillacy. It is in the geographic most recently termed the les the four Rio Grande Valley		
Transportation	between Matamoros	thern Mexico border cities and Ciudad Mier.		
Construction	among the most rapp	f McAllen, Brownsville and Harling dly growing region in America. In J.S. between 1990 and 2000. Fro	tact, the McAllen-Edinburg-Mic	cion MSA ranked 4th fastest
Quality of Life	The 2008 Census place	ces the population of the RGV at		
Economic Development	the Roy a population	is larger than hine states.		
Starting A Business	contribute at least an	The southern half of the Rioplex includes the Mexico border cites of Matamoros, Rio Bravo and Reynosa, which contribute at least another 3.0 million to the region's population. This brings the total population of this bi-national, bicultural, bilingual, international metropolitan area to 3.9 million or more. the Rioplex is larger than 25 states		
Education		ing to course but all and a line		
Health Care		ing to source, but all agree that H Grande Valley residents under 3 diverse, is defined by two domina	5 years of ane make up betwee	an 50% and 60% the
United States Entry-Exit Contro System		wel in the Valley Crown!		
Western Hemisphere Travel Initiative	McAllen is indeed the well. It is just apparer	McAllen is indeed the "Jewel in the Valley Crown." This is not to imply the other Valley communities are not doing well. It is just apparent that McAllen, economically, is running like a finely tuned engine Consider these facts:		
Economic Highlights	population of 1.7 million	The McAllen, Mission, Edinburg MSA and Reynosa, Mexico comprise a dynamic community with a combined population of 1.7 million. During the past two decades, this area has made bold advances, with unprecedented growth in both population and industrial attraction.		
Return to Homepage	The McAllen MSA is			
	 Forbes listed M The McAllen MS and 1st in high 3rd Lowest Cos CNNMoney recorranked 16th an McAllen's total 	test Growing Metros in the State IcAllen as one of the top ten best SA ranked 7th overall out of the 2 technology sector growth in 200 st of Living ognized McAllen among its Best P mong Mid-Size Cities and 23rd ov population is 15th among Texas of ral Retail Sales per household and	cities for recession recovery in 100 best performing U.S. metro 8 laces to Launch a Small Busine erall for Small Business Growth Cities, vet it ranked 12th in ove	politan areas in the nation, ss in 2009. McAllen was
	(Source: U.S. Census I	Bureau 2008, Milken Best Perforn	ning Cities Index 2008)	
	Reynosa Metro:			
	 Top 5 Fastest G Reynosa's Maqu 	g City in the State of Tamaulipas Growing Cities in Mexico uiladora Industry is recognized na opulation Growth Rate	itionally for continued job grow	th
	(Source: INEGI, Depar	tment of Labor-Mexico, State of 1	Tamaulipas)	
	McAllen is represented have operations in McA	by 40 of America's top 100 retail Men/Reynosa. Included among th n, GE, Johnson Controls, Nokia, R	ers. More than 80 of Fortune 5	Decker DMM Dates D
	It is an undisputed fact	that McAllen is the retail center of	of South Texas and Northern M	exico, drawing from a

consumer base of over 10 million people within a 200-mile radius. In the bi-national metropolitan area, McAllen retailers serve an immediate market population of 1.8 million.

The Texas Comptroller tracks the Top 20 Cities in Texas on a regular basis Retail sales tax collections provide the clearest illustration of McAllen's retail sales phenomenon. The table below presents the top 20 Cities in Texas in terms of the Sales Tax Collections for 2008. It also presents the most recent Census population estimates for 2008 By dividing Sales Tax collections by Population, the Sales Tax Per Capita is revealed. However, by including per capita income, number of households and total retail sales in each city, a whole new set of conclusions can be made¹.

While McAllen is 19th in Per capita Income, 15th in the number of Households, 14th in Population, and 11th in Sales Tax Collections, among the top 20 cities on the Comptrollers list, McAllen is ranked:

- 6th in total Retail Sales Per Household (\$ 82,819)
- 5th in Retails Sales Per Capita (\$ 27,496)
- 3rd in Per Capita Sales Tax Collections (\$349)
- In 2008 the City of McAllen achieved over \$3.57 Billion in total retail sales.
 This represents 46% of all retail sales in Hidalgo County and 103% of all retail sales in Cameron County
- According to the US Census Bureau, in 2008 McAllen had only 17.9% of Hidalgo County population, McAllen's share of 2008 retail sales were follows:
 - 47.4% of Motor Vehicle and Parts Dealers,
 - 59.7% of Furniture and Home Furnishings Stores,

 - 78.4% of Electronic and Appliance Stores,
 29.9% of Building Material and Garden Equipment and Supplies Dealers,
 25.4% of Food and Beverage Stores,
 25.4% of Food and Beverage Stores,
 - 39.1% of Health and Personal Care Stores,
 - 20.5% of Gasoline Stations,

 - 66.5% of Clothing and Clothing Accessories stores, 73.6% of Sporting Goods, Hobby, Book, and Music Stores,
 - 53.1% of General Merchandise Stores

McAllen is the retail center of South Texas and Northern Mexico, drawing from a consumer base of over 8.2 million people This sector has become the driving force in McAllen's economy, growing a staggering 138% over the last 10 years, to over \$ 3.58 billion and employing 27% of the workforce.

The McAllen area has also been successful in attracting a number of call centers as a result of a young and trainable workforce. A few of the call centers are Converges, T-Mobile, Merkafon, Hotel.com and Ticketmaster.

In Hidalgo County, cross-border cargo and vehicular traffic have increased 345% and 36 4% respectively since the beginning of 1990's, from 228,133 to 1,015,554 cargo trucks in 2008 and from 10.92 million to 14.9 million automobiles. US/Mexico trade crossing the international bridge in Hidalgo County increased from \$5.0 billion in 1994, pre-NAFTA, to \$12.56 billion in 2000 and \$19.9 billion in 2006. From 1995-2006 the Rio Grande Valley share of NAFTA trade increased 168% from \$11.1 billion to \$31.6 billion.

Single-family home sales by McAllen MLS Realtors in 2008 were 1,438. The average selling price for these new homes was \$122,584. In 2009, it is \$122,577. Total single-family permits in McAllen reached 1,270 in 2008. On the basis of permit value, the average new home cost is \$122,584. Building permit values in the Rio Grande Valley cities rose from \$264 million in 1990, over \$825 million in 2000, to almost \$8.93 billion in 2008.

McAllen MSA's share of total building permits was \$161 million and \$474 for 1990 and 2008 respectively. The city of McAllen leads the Valley with \$84 million and \$ 159 million respectively.

LAS VEGAS, NV-AZ	382 548	1,375,785	1542 384	1 770.676	1.363.746	107 37	118.82
PHOENTX-MESA, AZ	2 235 498	3 251 376	3.7 15 972	4,035,176		\$0.26	91.28
			230 7436 2532.0		Service Stock Processor	00.20	1125
ATLANTA GA	2 959 500	1247.981	4.301,255	5 1 13.92 4	5.378,285	72.80	8168
MIAME, FL	3 192 7 25	1.007.561	5.311 255	5 402 334	5.414,772	€9.21	69.60
DALLAS IN	4 337 282	5.161 544	5691 024	5 998 598	6,300,006	48.51	56.05
HOUSTON, TX	3 751 214	4,715,407	3.193 029	5 4 85 543	5.728.143	47.03	53.53
SAN ANTONIO, TX	1 524 749	1.711.703	1.311 101	1,931,994		45.84	53.35
EL PASO TX	891,510	679.622	-03.437	722.488	742,062	22.12	25.43
SAN PRANCISO, CA	3 7-1 7 58	1 123 740	1 149 620	4 177 611	1,271,231	12.56	15.18
PHILADELPHIA, PA	5.663 319	5 537,147	5 771 697	5 505 349	5 838 471	-1 49	-0.93
NEW ORLEANS, LA	1.286 2.52	1,3 16,510	1313742	991,932	1 134 029	-22.82	-1177
DETROIT MI	5 157 171	4.432,557	1.439.091	4.436.620	4,428,110	-13.51	-14.69

Comparison of Population within Selected Metro Areas

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ECONOMIC IMPACTS • 2011

Mc Allen Miller International Airport Mc Allen, TX

<u>, 2</u>

MC ALLEN MILLER INTERNATIONAL AIRPORT • MC ALLEN, TX



Leaders at **McAllen Miller International Airport** constantly look for innovative ways to work with the McAllen Economic Development Corporation to attract new businesses to the city. The Convention and Visitors Bureau often contacts the airport for assistance in drawing conventions to the area.

The city of McAllen and airport staff keep the community informed of activities at the airport. If a construction project is planned that will impact the community, a town hall meeting is held to inform citizens of the project and address any concerns they may have. The airport sponsors a variety of community events and charitable fund-raisers, including golf tournaments.



Runways: 13/31 - 7,120 ft. x 150 ft. 18/36 - 2,638 ft. x 60 ft. The airport sponsors several local professional sports teams, including baseball, basketball, and hockey.

2010 ECONOMIC IMPACTS

Description	Impacts				
General Aviation Activities:					
Economic Activity	\$ 30,410,956				
Salary, Wages, and Benefits	\$ 9,895,572				
Employment	262				
Commercial & General Avid	ation Activities:				
Economic Activity	\$ 250,382,419				
Salary, Wages, and Benefits	\$ 103,911,556				
Employment	3,560				
Sources: Survey responses, IMPLAN, and	Authors' estimates				

Capital Expenditures for infrastructure and other airport improvements from 2006-2010 generated \$26.4 million in economic activity that created 291 job-years of employment. (A job-year equals one job lasting one year.)

GENERAL AVIATION

Impacts on Texas

The general aviation system in Texas provides important infrastructure that promotes both regional economic development and community recreational opportunities. The system's airports also generate economic activity through capital and operations expenditures, business activities of airport tenants, and spending by visitors using airport facilities. This analysis examined the economic impacts of the facilities that are part of the Texas Airport System Plan (TASP). In total, the state's general aviation airports and general aviation activities at commercial airports create:

> Economic Activity \$14.6 billion

Salary, Wages, and Benefits \$3.1 billion

> **Employment** 56,635 permanent jobs

Airport Statistics

FAA Identifier - MFE

Latitude / Longitude 26-10-33.0000N / 098-14-19.0000W

Elevation - 107 ft.

Location

2 miles south of Mc Allen, TX





Department of Transportation Texas Department of Transportation Aviation Division www.TxDOT.gov/business/aviation 1-800-68-PILOT 125 E. Eleventh Street Austin, TX 78701-2483



Prepared by: Center for Economic Development and Research Department of Economics Denton, TX http://www.unt.edu/cedr

STATE OF TEXAS COUNTY OF HIDALGO CITY OF MCALLEN

. . .

485

The McAllen Board of Commissioners convened in a Regular Meeting on Monday, April 25, 2005 at McAllen City Hall in the Commission Chambers at 4:00 pm with the following present:

	Leo Montalvo Carlos I. Garza Marcus C. Barrera Hilda Salinas Aida Ramirez Ric Godinez	Mayor Mayor Pro Tem Commissioner Commissioner Commissioner Commissioner
Absent:	Jan M. Klinck	Commissioner
Staff:	Mike R. Perez Jim Darling Annette Villarreal Pilar Rodriguez David House Juli Rankin Ed Taylor Carla DeRoulac Belinda Mercado Amado Cano Miguel Ayala Al Garcia Fred Segundo Roy Cantu Elma Vela Perla Zamora	City Manager City Attorney City Secretary City Engineer City Architect Planning Director Senior Planner Grant Administrator IT Director Interim Fire Chief Deputy Fire Chief Director of Purchasing Deputy Director - Airport Media Relations Director City Commission Liaison Asst. City Secretary

CALL TO ORDER

Mayor Montalvo called the meeting to order.

PLEDGE

Mayor Montalvo led the pledge.

INVOCATION

Mayor Montalvo delivered the invocation.

PROCLAMATIONS

Mayor Pro Tem Garza and Commissioners Barrera and Salinas read and presented proclamations for Arbor Day, Municipal Clerks Week, and Chris Diaz Day, respectively.

1. MINUTES:

Commissioner Godinez moved to approve the minutes for the Regular Meeting held April 11, 2005 as submitted. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

2. BIDS/CONTRACTS:

A) LICENSE AGREEMENT WITH TSA FOR REIMBURSEMENT OF UTILITIES AND JANITORIAL SERVICES.

Mr. Segundo recommended approval of the License Agreement with TSA for reimbursement of Utilities and Janitorial Services. Annual reimbursement will be in the amount of \$4,190.20 for

equipment power consumption, \$5,190.30 for HVAC power consumption, and \$7,672.00 for janitorial services for a grand total of \$17,052.50 per year.

Commissioner Godinez moved to approve the license agreement as recommended. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

PURCHASE OF DESKTOP COMPUTERS. B)

Ms. Mercado recommended authorization to purchase 25 Desktop Computers directly through the State of Texas, Department of Information Resources (DIR) for the Police Department in the amount of \$27,625.

Commissioner Barrera moved to approve the purchase as recommended. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

C) INTERLOCAL AGREEMENT WITH HIDALGO COUNTY FOR **EMERGENCY RESPONSE EQUIPMENT.**

Interim Fire Chief Cano recommended approval of an Interlocal Cooperation Agreement for the transfer of emergency response equipment between Hidalgo County and the City of McAllen. He noted that said equipment was purchased through a grant.

Mayor Pro Tem Garza moved to approve the interlocal agreement as recommended. Commissioner Ramirez seconded the motion. Commissioner Salinas asked about the Regional Hazardous Material Team and whether our department is part of the team. Chief Cano responded that we are already a team that provides back up for each other in the valley. The motion carried unanimously by those present.

AWARD OF CONTRACT -- PURCHASE OF FIRE FIGHTER'S BUNKER D) GEAR.

Deputy Chief Ayala recommended award of supply contract for the Purchase of Fire Fighters' Bunker Gear to Casco Industries for the low bid as follows:

Item No. 1 - Protective Jacket & High Back Trousers "Proximity Fire Fighting" Manufacturer/Model: Globe 81884-4, Coat 91884-4, Pants Unit Price for Jacket \$ 650.00 Unit Price for High Back Trousers 495.00

\$1,145.00 Item No. 2 - Protective Jacket & High Back Trousers "Structural Fire Fighting" Manufacturer/Model: Globe 81084-4, Coat 91084-4, Pants Unit Price for Jacket \$ 695.00

Unit Price for High Back Trousers	510.00	
Total	\$1,205.00	
Delivery	90 Days	

Total

He noted that a present time they will purchase 12 sets due to new personnel; otherwise, the equipment is replaced every 5 years.

Commissioner Godinez moved to award the contract as recommended. Commissioner Salinas seconded the motion. The motion carried unanimously by those present.

LICENSE AGREEMENT WITH HESCO GATHERING COMPANY, E) L.L.C. FOR AN EXISTING GAS LINE WITHIN THE TRENTON ROAD AND NORTHEAST CENTRAL BLUELINE DRAINAGE DITCH RIGHT-OF-WAY.

Mr. Rodriguez recommended approval of a License Agreement with HESCO Gathering Company, L.L.C. for an existing gas line within the Trenton Road and Northeast Central Blueline Drainage Ditch Right-of-Way. Also, to waive the Right-of-Way filing and use fees required in the Right-of-Way Management Ordinance due to the cost to HESCO for the relocation of portions of this gas line to avoid conflicts with future roadway improvements to Auburn Avenue.

Mayor Pro Tem Garza moved to approve the license agreement as recommended. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

F) LEASE AGREEMENT WITH JOHN VAN RAMSHORST, JR. COVERING A PORTION OF LOTS 7 & 8, KING'S HIWAY SUBDIVISION.

Mr. Darling recommended approval of a License Agreement with John VanRamshorst, Jr. covering a portion of Lots 7 & 8, King's Hiway Subdivision for a temporary mailbox for residents on Bentsen Road due to utility and road construction on Bentsen Road between Expressway 83 and Business 83, as required by the United States Postal Service.

Commissioner Godinez moved to approve the license agreement as recommended. Commissioner Salinas seconded the motion. The motion carried unanimously by those present.

G) AWARD OF CONTRACT – 4TH & 8TH STREET DRAINAGE IMPROVEMENTS.

Mr. Rodriguez recommended award of contract for 4th and 8th Street Drainage Improvements to Ramos Industries as the lowest, responsive and responsible bidder for the base bid in the amount of \$871,641.00, subject to budget reclassification.

Commissioner Barrera moved to award the contract as recommended. Commissioner Godinez seconded the motion. Commissioner Barrera expressed a concern relating to being over budget. Mr. Rodriguez responded that the estimate was calculated last year during budget but have seen a substantial price increase due to fuel and material costs. Commissioner Salinas asked about combining with other projects to obtain a better price. Mr. Rodriguez replied that normally they would look into this but there are no other projects in the area to combine with at this time. The motion carried unanimously by those present.

H) DEDUCT CHANGE ORDER NO. 2 AND FINAL FOR THE PURCHASE AND DELIVERY OF TYPE "D" HOT MIX ASPHALTIC CONCRETE (H.M.A.C.) – 2004-2005.

Mr. Rodriguez recommended approval of the Deduct Change Order No. 2 and Final for the Purchase and Delivery of Type "D" Hot Mix Asphaltic Concrete (H.M.A.C.) for a credit amount of \$145,481.53 for a revised purchase order amount of \$1,130,883.54.

Commissioner Barrera moved to approve the change order as recommended. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

I) CHANGE ORDER NO. 2 FOR SINGLE MACHINE REPAVING/RECYCLING 2004-2005.

Mr. Rodriguez recommended approval of Change Order No. 2 for Single Machine Repaving/Recycling in the amount of \$227,659.50 for a revised contract amount of \$1,783,264.71.

Commissioner Barrera moved to approve the change order as recommended. Commissioner Salinas seconded the motion. Commissioner Salinas noted Quince Street, past the Police Department up to 27th Street, is in bad shape. Commissioner Godinez asked about the number of miles that would be repaired. Mr. Rodriguez noted that a report would be provided to the entire Commission depicting said amount. The motion carried unanimously by those present.

J) CHANGE ORDER NO. 1 FOR THE MCALLEN CONVENTION CENTER.

Mr. House recommended approval of a Deduct Change Order No. 1 for the McAllen Convention Center to Spaw-Glass Class Contractor, Inc. for a credit amount of \$82,603.00 for a revised contract amount of \$50,790,397.00.

Commissioner Godinez moved to approve the change order as recommended. Commissioner Salinas seconded the motion. The motion carried unanimously by those present.

K) EXTENSION OF CONTRACT PROVIDING FOR INCREASE OF TIME FOR THE CITY ENTRY MONUMENT PROJECT.

Mr. Rodriguez recommended approval of the extension of contract to provide for additional time to complete the City Entry Monument Project by 34 working days.

Commissioner Barrera moved to approve staff's recommendation. Commissioner Salinas seconded the motion. The motion carried unanimously by those present.

L) CHANGE ORDER NO. 4 FOR THE PALM VIEW DRIVING RANGE HOUSE.

Mr. Perez recommended approval of Change Order No. 4 for the Palm View Driving Range House to Marvel Construction in the amount of \$2,625.00 for a revised contract amount of \$96,787.00. Mr. Espinoza reviewed the proposed changes to allow the video room to be converted into a studio.

Commissioner Barrera moved to approve the change order as recommended. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

M) INTER-GOVERNMENTAL AGREEMENT WITH CONGRESSMAN LLOYD DOGGETT FOR LEASE OF OFFICE SPACE AT OLD CITY HALL BUILDING.

Mr. Perez recommended approval of the Inter-Governmental Agreement with Congressman Lloyd Doggett for lease of office space at Old City Hall in the amount of \$500 per month for the lease of a 1,608 square feet area. The term requested is for a two-year term.

Mayor Pro Tem Garza moved to approve the inter-governmental agreement as recommended. Commissioner Barrera seconded the motion. A discussion ensued relating to the two-year term. Mayor Pro Tem Garza suggested making the term of the lease standard to coincide with other leases for the building in case the city had another use for it. The Commission concurred on a one-year term. Commissioner Barrera asked staff to look into the 90-day termination clause in the agreement. The motion carried unanimously by those present.

N) AWARD OF BID – PURCHASE OF ONE (1) CURRENT MODEL FRONT LOAD DUMPSTER REFUSE VEHICLE.

Mr. Rodriguez recommended award of bid for the Purchase of One (1) Current Model Front Load Dumpster Refuse Vehicle to the lowest responsible bidder BUYBOARD Purchasing Cooperative in the amount of \$166,280.00.

Commissioner Salinas moved to award the bid as recommended. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

O) CONSIDER AUTHORIZING ALAMO ARCHITECTS TO PROCEED WITH THE SCHEMATIC DESIGN CONTRACT FOR THE DOWNTOWN PARKING GARAGES.

Mr. House recommended approval and authorization for Alamo Architects to proceed with the Schematic Design Phase Contract for the Downtown Parking Garages with direction given at workshop which was to work with the Heart of City Committee and to work on obtaining letters of intent for the possible lease space for the first floor and to bring back for consideration.

Commissioner Barrera moved to approve staff's recommendation. Commissioner Salinas seconded the motion. Mayor Pro Tem Garza requested a copy of the feasibility study to review the operation of the facility. Commissioner Godinez asked to obtain options on revenue side if the long term parking was increased. The motion carried unanimously by those present.

P) CONSIDERATION OF PROPOSAL FOR THE DEMOLITION OF THE CURRENT REGION ONE ADULT EDUCATION CENTER FACILITY AND THE CONSTRUCTION OF A NEW BUILDING.

Mayor Montalvo announced that he would abstain from any discussion and voting on said item and noted that he filed a Conflict of Interest form with the City Secretary. Mayor Pro Tem Garza presided over this item.

489

Mr. Perez recommended approval of the proposal providing for the demolition of the current Region One Adult Education Facility and the construction of a new building due to the bad condition of the building. The new building is proposed to be 22,570 square feet and cost an estimated \$1,385,380.

Commissioner Godinez moved to approve the proposal as recommended and as presented at the Workshop held earlier. Commissioner Salinas seconded the motion. Commissioner Barrera asked about the 20% city match. Mr. Perez clarified that the 20% match would not be required; however, once the building is complete the city would put in the landscaping and maintain same. Commissioner Godinez amended his motion to clarify that no match would be necessary aside from those noted at the workshop. Commissioner Salinas seconded the motion. Commissioner Salinas asked staff to work with Region One relating to curb cuts and to trying to keep traffic away from residential areas.

The vote and the motion is as follows:

 AYE:
 Commissioners Godinez, Salinas, Ramirez and Barrera

 NAY:
 None

 ABSTAIN:
 Mayor Montalvo

 ABSENT:
 Commissioner Klinck

Q) CONSIDER PURCHASE OF MATERIALS FOR FIBER OPTIC NETWORK BETWEEN MCALLEN CITY HALL AND THE MCALLEN POLICE DEPARTMENT IN SUPPORT OF THE DISASTER RECOVERY PROJECT.

Ms. Mercado recommended approval of the purchase of Materials for the Fiber Optic Network between McAllen City Hall and the McAllen Police Department in support of the Disaster Recovery Project. She noted that the fiber optics would increase the ban width and will go from 20 megabyte rate to 1000 megabytes; hence, this would be the first phase of the plan. The Police Department would be the back-up to City Hall but eventually plan to expand to other city facilities such as the Airport, Traffic Signs Shop, the new Fire Station and Public Works. She noted that this project will be paid with the 2003 Homeland Security Grant money.

Commissioner Godinez moved to approve the purchase as recommended. Commissioner Salinas seconded the motion. The motion carried unanimously by those present.

3. ORDINANCES:

A) CONSIDERATION AND ACTION ON RECOMMENDATION OF MCALLEN PUBLIC UTILITY BOARD'S PROPOSED SEPTIC TANK WASTE DISPOSAL FEES.

Mr. Perez recommended adoption of an ordinance approving the recommendation of McAllen Public Utility Board's relating to the proposed Septic Tank Waste Disposal Fees to come in line with others providing this service. The proposed rates are as follows:

- 0-1000 gallons (city limits) \$25.00; \$12.50 for each additional 1,000 gallons
- 0 1000 gallons (outside city limits) \$40.00; \$12.50 for each 1,000 gallons
- 2000 gallons (city/other) \$37.50/\$52.50

Commissioner Salinas moved to adopt the ordinance as recommended. Commissioner Ramirez seconded the motion. Commissioner Godinez asked if the charge would only be applied to the users. Commissioner Salinas replied yes and further clarified the situation involving out of city disposal service. The motion carried unanimously by those present.

B) AMENDING SPEED LIMITS ON THE FRONTAGE ROAD OF US 83 WITHIN THE CITY LIMITS AND ALONG TRENTON ROAD BETWEEN 23RD STREET AND WARE ROAD.

Mr. Darling recommended adoption of an ordinance amending the speed limits on the Frontage Road of US 83 within the city limits and along Trenton Road between 23rd Street and Ware Road.

Commissioner Salinas moved to adopt the ordinance as recommended. Commissioner Ramirez seconded the motion. Mayor Pro Tem Garza expressed concern with the speed limit along Ware Road leading up to the Convention Center. Mr. Rodriguez noted that he could go back to TXDOT for reconsideration.

After due consideration, the motion and second were withdrawn and a motion was made by Commissioner Ramirez to table said item. Mayor Pro Tem Garza seconded the motion. The motion carried unanimously by those present.

C) BUDGET AMENDMENT PROVIDING FOR ADDITIONAL FUNDING FOR THE NEIGHBORHOOD MATCHING GRANT PROGRAM.

Mr. Perez recommended adoption of an ordinance providing for a budget amendment in the amount of \$30,000 for additional funding for the Neighborhood Matching Grant Program. With said amendment, the total funding cost would be \$80,000.

Commissioner Salinas moved to adopt the ordinance as recommended. Commissioner Ramirez seconded the motion. Commissioner Godinez asked about marketing. Mr. Cervantes noted that a note has been posted next to the project sign; nevertheless, he recommended utilizing the quarterly newsletter. The motion carried unanimously by those present.

D) VOLUNTARY ANNEXATION OF 19.77 ACRES LOCATED ALONG S. 29TH STREET AT SARAH AVENUE.

Mr. Taylor recommended adoption of an ordinance providing for the voluntary annexation of 18.77 acres located along S. 29th Street at Sarah Avenue.

Commissioner Barrera moved to adopt the ordinance as recommended. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

E) VOLUNTARY ANNEXATION OF 16.69 ACRES LOCATED ALONG N. 29TH STREET APPROXIMATELY 1,740 FT. NORTH OF AUBURN AVENUE.

Mr. Taylor recommended adoption of an ordinance providing for the voluntary annexation of 16.69 acres located along N. 29th Street approximately 1,740 ft. north of Auburn Avenue.

Commissioner Barrera moved to adopt the ordinance as recommended. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

F) ABANDONING A 40 FT. ROAD RIGHT-OF-WAY OUT OF 150 FT. RESERVATION FOR CANAL AND ROAD ADJACENT TO LOT 3, BLOCK 13, STEELE & PERSHING SUBDIVISION.

Mr. Taylor recommended tabling said item at the applicant's request to allow time to further address access easement.

Commissioner Barrera moved to table said item as recommended. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

G) ABANDONING ASH AVENUE BETWEEN BICENTENNIAL BLVD. AND N. 17TH STREET OUT OF BLOCK 5, NORTH MCALLEN SUBDIVISION.

Mr. Taylor recommended adoption of an ordinance providing for the abandonment of Ash Avenue between Bicentennial Blvd. and N. 17th Street out of Block 5, North McAllen Subdivision.

Commissioner Barrera moved to adopt the ordinance as recommended. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

H) ABANDONING THE CITY'S INTEREST IN THE 35 FT. EXISTING CANAL AND ALLEY RIGHT-OF-WAY ADJACENT ON THE SOUTH SIDE OF LOT 1, BLOCK 1, GERT'S ADDITION NO. 1, REVISED.

Mr. Taylor recommended adoption of an ordinance providing for the abandonment of the city's interest in the 35 ft. existing canal and alley right-of-way adjacent on the south side of Lot 1, Block 1, Gert's Addition No. 1, Revised.

Commissioner Godinez moved to adopt the ordinance as recommended. Commissioner Ramirez seconded the motion. Commissioner Barrera asked about the abandonments and recommended looking beyond this property to identify all. A lengthy discussion ensued relating to alleys and fire truck access. After due consideration, the motion carried unanimously by those present.

I) BUDGET AMENDMENT PROVIDING FOR FUNDING FOR THE PURCHASE OF A FRONT LOADER FOR THE COMMERCIAL BOX DEPARTMENT.

Mr. Perez recommended adoption of an ordinance providing for a budget amendment in the amount of \$170.00 for funding for the purchase of a Front Loader Garbage Truck for the Commercial Box Division.

Commissioner Godinez moved to adopt the ordinance as recommended. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

J) BUDGET AMENDMENT PROVIDING FOR FUNDING FOR THE PURCHASE OF VEHICLES FOR THE POLICE DEPARTMENT ANIMAL CONTROL AND RECREATION DEPARTMENTS.

Mr. Perez recommended adoption of an ordinance providing for a budget amendment in the amount of \$513,365 for funding the purchase of vehicles for the Police Department Animal Control and Recreation Departments.

Commissioner Godinez moved to adopt the ordinance as recommended. Commissioner Salinas seconded the motion. The motion carried unanimously by those present.

K) BUDGET AMENDMENT FOR THE INSTALLATION OF LANDSCAPING AND IRRIGATION ALONG THE 2ND STREET HIKE AND BIKE TRAIL FROM NOLANA TO TRENTON ROAD.

Mr. Perez recommended adoption of an ordinance providing for a budget amendment in the amount of \$165,906 for the installation of landscaping and irrigation along the 2nd Street Hike and Bike Trail from Nolana to Trenton Road.

Commissioner Godinez moved to adopt the ordinance as recommended. Commissioner Barrera seconded the motion. The motion carried unanimously by those present.

L) AMENDING MCALLEN CODE, CHAPTER 90. SOLID WASTE RELATING TO RATE INCREASES.

Mr. Perez recommended adoption of an ordinance amending the McAllen Code, Chapter 90, Solid Waste, increasing the Sanitation Rate of Residential Collection by \$1.00 as follows:

Sec. 90-76. Residences generally-Monthly charge or rate shall be based on the front footage of the residential lot as follows:

- (1) On lots with frontage up to 50 feet..... \$10.80
- (2) On lots with frontage 51 feet to 75 feet \$12.10
- (3) On lots with frontage 76 feet to 100 feet...... \$13.40
- (4) On lots with frontage 101 feet to 150 feet...... \$14.70
- (5) On lots with frontage 151 feet..... \$17.40
- (6) On lots with frontage 200 feet and over...... \$22.60

Sec. 90-77. Apartments, duplexes, triplexes, condominiums and townhouses-\$10.80 per month for each residential unit.

491

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Sec. Section 90-78. Mobile Home and Travel Trailer Parks-\$10.80 per occupied mobile home or travel trailer. For unoccupied mobile homes and trailers-\$5.60.

Sec. 90-87. Day Care Centers with conditional use permits.

Number of children	
0-6	\$13.80 + 1.25 recycling fee
7-12	\$28.70 + 1.25 recycling fee

Commissioner Barrera moved to adopt the ordinance as recommended. Commissioner Salinas seconded the motion. The motion carried unanimously by those present.

4. **RESOLUTION:**

A) AUTHORIZING THE SUBMISSION OF A GRANT PROPOSAL TO THE TEXAS DEPARTMENT OF TRANSPORTATION FOR FUNDING UNDER THE CLICK IT OR TICKET CAMPAIGN.

Ms. de Roulac recommended approval of a resolution authorizing the submission of a grant proposal to the Texas Department of Transportation for funding under the *Click It* or *Ticket Campaign*.

Commissioner Godinez moved to approve the resolution as recommended. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

5. VARIANCE:

A) VARIANCE TO INSTALL DODGE FRANCHISE SIGN AT 1300 E. HIGHWAY 83.

Ms. Rankin recommended approval of the variance request to the height beyond the 600 ft. requirement from Expressway 83 to install a Dodge franchise sign at 1300 E. Highway 83.

Mayor Pro Tem Garza moved to approve the variance as recommended. Commissioner Barrera seconded the motion. A discussion was held relating to setting precedence based on prior denials. Commissioner Barrera clarified that this request is a unique situation. Commissioner Godinez noted that he would vote against it. The vote on the motion is as follows:

 AYE:
 Mayor Pro Tem Garza, Commissioners Barrera and Ramirez

 NAY:
 Commissioner Godinez and Salinas

 ABSENT:
 Commissioner Klinck

 ABSTAIN:
 None

6. MANAGER'S REPORT:

A) TAX REFUND OVER \$500.00 TO ALONZO CANTU ON 5400 N. CYNTHIA AVENUE.

Ms. Guel recommended approval of a tax refund to Alonzo Cantu for 5400 N. Cynthia Avenue in the amount of \$1,883.21.

Mayor Pro Tem Garza moved to approve the tax refund as recommended. Commissioner Barrera seconded the motion. The motion carried unanimously by those present.

B) CONSIDER DECLARING INVENTORY LISTS AS "SURPLUS" AND AUTHORIZATION TO CONDUCT A PUBLIC AUCTION.

Mr. Garcia recommended authorization to declare inventory lists as "surplus" and requested authorization to conduct a public auction to dispose of said items.

Commissioner Salinas moved to approve staff's recommendation. Commissioner Godinez seconded the motion. The motion carried unanimously by those present.

493

C) FUTURE AGENDA ITEMS.

- Workshop on commercial landscaping requirement and enforcement
- Workshop on the maintenance of same
- Dates for future workshops/retreats

7. TABLED ITEM:

A) APPROVAL OF AIRPORT MASTER PLAN UPDATE.

Commissioner Godinez moved to remove said item from the table. Commissioner Barrera seconded the motion. The motion carried unanimously by those present.

Mr. Segundo recommended adopting the Airport Master Plan Update as presented in the workshop held earlier. It was emphasized that Colonia Hermosa would not be relocated pursuant to the presentation of said Master Plan Update.

Commissioner Godinez moved to adopt the Airport Master Plan Update as recommended. Mayor Pro Tem Garza seconded the motion. The motion carried unanimously by those present.

THE CITY COMMISSION HAS THE PREROGATIVE TO RECESS INTO EXECUTIVE SESSION PRIOR TO 6:00 PM

8. PUBLIC HEARING BEGINNING AT 6:00 PM;

Mayor Montalvo declared the public hearing open.

A) **REZONINGS**:

TRACT ONE: INITIAL ZONING TO R-1 (SINGLE FAMILY RESIDENTIAL) DISTRICT:

14.85 ACRES OUT OF LOT 47, LA LOMITA IRRIGATION & CONSTRUCTION COMPANY SUBDIVISION; 8500 NORTH 29TH STREET.

Ms. Rankin recommended approval of the R-1 initial zoning per Planning and Zoning Board.

Mayor Pro Tem Garza moved to approve the R-1 initial zoning as recommended. Commissioner Ramirez seconded the motion. Mayor Montalvo asked if there was anyone to speak against the rezoning request. There being none, the motion carried unanimously by those present.

TRACT TWO: INITIAL ZONING TO R-1 (SINGLE FAMILY RESIDENTIAL) DISTRICT:

THE WEST ½ OF LOT 2, BLOCK 4, RIO BRAVO CANAL COMPANY SUBDIVISION; 2701 SARAH AVENUE.

Ms. Rankin recommended approval of the R-1 initial zoning per Planning and Zoning Board.

Commissioner Barrera moved to approve the R-1 initial zoning as recommended. Commissioner Ramirez seconded the motion. Mayor Montalvo asked if there was anyone to speak against the rezoning request. There being none, the motion carried unanimously by those present,

TRACT THREE: REZONE FROM A-O (AGRICULTURAL & OPEN SPACE) DISTRICT TO R-1 (SINGLE FAMILY RESIDENTIAL) DISTRICT:

10.0 ACRES OUT OF LOT 52, LA LOMITA IRRIGATION & CONSTRUCTION COMPANY SUBDIVISION; 8020 NORTH WARE ROAD.

Ms. Rankin recommended approval of the R-1 zoning per Planning and Zoning Board.

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Commissioner Salinas moved to approve the R-1 zoning as recommended. Commissioner Barrera seconded the motion. Mayor Montalvo asked if there was anyone to speak against the rezoning request. There being none, the motion carried unanimously by those present.

TRACT FOUR: REZONE FROM C-3 (GENERAL BUSINESS) DISTRICT TO R-1 (SINGLE FAMILY RESIDENTIAL) DISTRICT:

2.42 ACRES OUT OF LOT 5, BLOCK 7, STEELE & PERSHING SUBDIVISION; 4300 NORTH "C" STREET.

Ms. Rankin recommended approval of the R-1 zoning per Planning and Zoning Board.

Commissioner Barrera moved to approve the R-1 zoning as recommended. Mayor Pro Tem Garza seconded the motion. Mayor Montalvo asked if there was anyone to speak against the rezoning requests. There being none, the motion carried unanimously by those present.

TRACT FIVE: REZONE FROM A-O (AGRICULTURAL & OPEN SPACE) DISTRICT TO R-3A (MULTIFAMILY RESIDENTIAL APARTMENTS) DISTRICT;

1.19 ACRES OUT OF LOT 8, BLOCK 2, RIO BRAVO PLANTATION COMPANY'S SUBDIVISION; 4400 SOUTH WARE ROAD.

Ms. Rankin noted that the applicant may want to table the item until a full Commission is present since a petition was submitted against the rezoning request. The applicant requested that the item be heard.

Commissioner Godinez moved to approve the R-3A zoning as recommended. Commissioner Barrera seconded the motion. Mayor Montalvo asked if there was anyone to speak against the rezoning request. Ms. Fela Macias spoke against the rezoning request. Ms. Sara Lopez spoke against the rezoning request. The applicant, Ms. Rios, spoke in favor of the rezoning request. Mayor Montalvo addressed the issue involving the cost for the installation of a street noting that same would be solely bared by the property owners. Mayor Pro Tem Garza expressed concern with the five different zonings in the surrounding area; hence, he recommended a joint application to look at the area and suggested a city initiated zoning request. Mr. Alfonso Medina spoke in favor of the rezoning.

After due consideration, Mayor Pro Tem Garza moved to table said item to allow time for staff to study further. Commissioner Salinas seconded the motion. The motion carried unanimously by those present.

TRACT SIX: REZONE FROM R-2 (DUPLEX-FOURPLEX RESIDENTIAL) DISTRICT TO C-3 (GENERAL BUSINESS) DISTRICT:

0.15 ACRE OUT OF LOT 146, LA LOMITA IRRIGATION CONSTRUCTION SUBDIVISION; 2715 HIGHWAY 83.

Ms. Rankin recommended approval of the C-3 zoning per Planning and Zoning Board.

Mayor Pro Tem Garza moved to approve the C-3 zoning as recommended. Commissioner Salinas seconded the motion. Mayor Montalvo asked if there was anyone to speak against the rezoning request. Peter Cortez spoke against the rezoning request. Mayor Montalvo asked that a note on the subdivision plat be placed prohibiting traffic onto the cul-de-sac and residential area. He noted that the lighting requirement also be addressed with the plat. The motion carried unanimously by those present.

At this time, Mayor Pro Tem Garza excused himself from the meeting.

TRACT SEVEN: REZONE FROM A-O (AGRICULTURAL & OPEN SPACE) DISTRICT TO C-3 (GENERAL BUSINESS) DISTRICT:

11.83 ACRES OUT OF LOT 113, LA LOMITA IRRIGATION & CONSTRUCTION COMPANY SUBDIVISION; 3700 NOLANA AVENUE.

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Commissioner Barrera moved to approve the compromise zoning as recommended. Commissioner Ramirez seconded the motion. Mayor Montalvo asked if there was anyone to speak against the rezoning requests. Nedra Kinerk spoke in favor of the compromise rezoning. The motion carried unanimously by those present.

TRACT_EIGHT: REZONE FROM R-1 (SINGLE FAMILY RESIDENTIAL) DISTRICT TO C-3 (GENERAL BUSINESS) DISTRICT:

1.27 ACRES OUT OF LOT 5, BLOCK 7, STEELE & PERSHING SUBDIVISION; 4401 NORTH "E" STREET.

Ms. Rankin recommended disapproval of the C-3 zoning per Planning and Zoning Board and alternatively, approve C-1 zoning.

Commissioner Barrera moved to deny the C-3 and approve the C-1 zoning as recommended. Commissioner Godinez seconded the motion. Mayor Montalvo asked if there was anyone to speak against the rezoning requests. There being none, the motion carried unanimously by those present.

B) AMENDING THE ZONING ORDINANCE OF THE CITY OF MCALLEN ENACTED MAY 29, 1979.

Commissioner Ramirez moved to adopt the Zoning Ordinance for the approved tracts. Commissioner Barrera seconded the motion. The motion carried unanimously by those present.

C) ADOPTION OF INITIAL ZONING ORDINANCE.

Commissioner Barrera moved to adopt the Initial Zoning Ordinance for the approved tracts. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

D) CONDITIONAL USE PERMIT:

1) REQUEST OF TEMPLE EMMANUEL OF MCALLEN, INC. FOR A CONDITIONAL USE PERMIT, FOR LIFE OF THE USE (CHURCH) AT THE 4.20 ACRES OUT OF LOT 5, BLOCK 7, STEELE & PERSHING SUBDIVISION; 4300 NORTH "C" STREET.

Ms. Rankin recommended approval of the conditional use permit per Planning and Zoning Board subject to the following requirements:

- 1) The proposed use shall not generate traffic onto residential sized streets or disrupt residential areas, and shall be as close as possible to a major arterial. The property has direct access to N. "C" Street which is 50 feet of right-of-way and 40 ft. of pavement.
- 2) The proposed use shall comply with off-street parking requirements and make provisions to prevent the use of street parking, especially in residential areas. Based on the maximum seating capacity of 552 people in the main sanctuary, 138 parking spaces are required, which are shown on the proposed site plan. Five spaces are required to be accessible with one of which is to be van accessible.
- The proposed use shall prevent the unauthorized parking of its patrons on adjacent businesses or residences by providing fences, hedges or reorientation of entrances and exits.
- 4) The proposed use shall provide sufficient lighting to eliminate dark areas, perimeter fencing, and an orientation of the building to provide maximum visibility from a public street in order to discourage vandalism and criminal activities.
- 5) Provisions shall be made to prevent litter from blowing onto adjacent streets and residential areas.
- Sides adjacent to residentially zoned or used properties shall be screened by a 6 ft. opaque fence.

Commissioner Godinez moved to approve the conditional use permit as recommended. Commissioner Barrera seconded the motion. The motion carried unanimously by those present.

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2) REQUEST OF DOLLAR THRIFTY AUTOMOTIVE GROUP FOR A CONDITIONAL USE PERMIT, FOR LIFE OF THE USE, FOR AN AUTOMOTIVE SERVICE AND REPAIR AT LOT 1, BLOCK 2, CASA LINDA HEIGHTS SUBDIVISION; 2901 SOUTH 23RD STREET.

Ms. Rankin recommended approval of the conditional use permit per Planning and Zoning Board subject to the following requirements:

- A minimum lot size of 10,000 sq. ft. is required. The subject property consists of 11,634 square feet.
- 2) All service, repair, maintenance, painting and other work shall take place within an enclosed area. The work was proposed to be done inside.
- 3) Outside storage of materials is prohibited. No outside storage is proposed.
- 4) The building where the work is to take place shall be a minimum of 100 ft. from the nearest residence. The automotive service and repair establishment is approximately 130 ft. from the nearest residence.
- 5) A 6 ft. opaque fence buffering the proposed use from any residential use or residentially zoned area is required. The property is surrounded on all sides by commercial use and zoning; therefore, buffer was not required.
- 6) New buildings and conversions of existing buildings shall meet current Building and Fire Code requirements concerning separation of high hazard uses from other occupancy use classifications.

Commissioner Barrera moved to approve the conditional use permit as recommended. Commissioner Salinas seconded the motion. The motion carried unanimously by those present.

3) REQUEST OF BARRY E. TUBBS, REPRESENTING THE "XS" FOR A CONDITIONAL USE PERMIT, FOR LIFE OF THE USE, FOR AN INSTITUTIONAL USE (YOUTH CENTER) AT LOT 1 EXCLUDING THE EAST 497 FT. OF THE SOUTH 510 FT. AND THE WEST 188 FT. OF THE SOUTH 379.26 FT. AND THE NORTH 20 FT. AND A 0.19 ACRE AND THE WEST 188 FT. OF THE SOUTH 160 FT. OF THE NORTH 597 FT., PLAZA DEL NORTE SUBDIVISION; 3420 NORTH 10TH STREET.

Ms. Rankin recommended approval of the conditional use permit per Planning and Zoning Board subject to the following requirements:

- The proposed use shall not generate traffic onto residential sized streets or disrupt residential areas, and shall be as close as possible to a major arterial. N. 10th Street is a principal arterial roadway.
- 2) The proposed use shall comply with off-street parking requirement outlined in the Zoning Ordinance and make provision to prevent the use of street parking, especially in residential area. Based on the 6,500 sq. ft., 87 parking spaces are required and are provided as part of the common parking on site.
- 3) The proposed use shall prevent the unauthorized parking of its patrons on adjacent businesses or residences by providing fences, hedges or reorientation of entrances and exits.
- 4) The proposed use shall provide sufficient lighting to eliminate dark areas, perimeter fencing, and an orientation of the building to provide maximum visibility from a public street in order to discourage vandalism and criminal activities.
- Provisions shall be made to prevent litter from blowing onto adjacent streets and residential area.
- 6) The number of persons within the building shall be restricted to those allowed by the Fire Marshal and Building Official at the time of permit issuance. The allowable number of persons within the building for the use was previously set at 650 persons.
- 7) Sides adjacent to residentially zoned or used properties shall be screened by a 6 ft. opaque fence. A 6 ft. block wall is provided along the north side.

Commissioner Barrera moved to approve the conditional use permit as recommended. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

4) REQUEST OF GIL CISNEROS APPEALING THE DECISION OF THE PLANNING AND ZONING COMMISSION OF THE APRIL 5, 2005 MEETING DISAPPROVING A CONDITIONAL USE PERMIT REQUESTED FOR A RECEPTION HALL AT THE NORTH ½ OF LOT 3, BLOCK 25, ORIGINAL TOWNSITE SUBDIVISION; 314 SOUTH 17TH STREET.

Ms. Rankin recommended disapproval of the conditional use permit per Planning and Zoning Board based on non-compliance with Items 1, 3, & 4 of the Zoning Ordinance Section 138-118 (4) and made a recommendation to approve variances to the following requirements:

- #1 The property line of dancehalls, discos, lounges, etc., must be at least 600 ft. from the nearest residence or residentially zoned property, church, school or publicly-owned property and must be designed to prevent disruption of the character of adjacent residential areas, and must not be heard from the residential area after 10 pm. Within the 600 ft. distance are scattered residential uses, new multifamily construction on S. 16th street near Erie Avenue, a police substation, and Sacred Heart Church and related properties. Property owners from the immediate area submitted a petition in opposition which represents 10.92 % of the property within the 600 ft. notification area.
- #3 The business must provide parking in accordance with the McAllen Off-Street Parking Ordinance as a minimum, and make provisions to prevent the sue of adjacent streets for parking. Based on 2,500 sq. ft. for the proposed reception hall (1st floor), 25 parking spaces are required and 2,500 sq. ft. for office (2nd Floor), 13 parking spaces are required. A total of 38 parking spaces are required. Only two paved parking spaces are provided at the rear of the building, which are fenced. The applicant is currently using the vacant caliche based lot to the north for parking; however, no improvements have been made for a parking lot;
- #4 The business must do everything possible to prevent the unauthorized parking of its patrons on adjacent properties. Vehicles are parking on adjacent vacant lot.

Commissioner Godinez moved to disapprove the conditional use permit as recommended. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

Commissioner Barrera moved to approve the conditional use permit and grant variances to the above requirements as recommended. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

5) REQUEST OF JACOB ZAMORA APPEALING THE DECISION OF THE PLANNING AND ZONING COMMISSION OF THE APRIL 5, 2005 MEETING DISAPPROVING A CONDITIONAL USE PERMIT REQUESTED FOR A BAR AT LOT 6, MEJIA SUBDIVISION #1; 2010 NOLANA AVENUE.

Ms. Rankin recommended disapproval of the conditional use permit per Planning and Zoning Board based on non-compliance with Item 1 of the Zoning Ordinance Section 138-118 (4) as follows:

#1 - The property line of the lot of any of the above mentioned businesses must be at least 600 ft. form the nearest residence or residentially zoned property, church, school, or publicly owned property, and must be designed to prevent disruption of the character of adjacent residential areas, and must not be heard from the residential area after 10:00 pm. The proposed establishment is within 600 ft. of the McAllen International Museum which is owned by the City of McAllen.

Commissioner Barrera moved to disapprove the conditional use permit as recommended. Commissioner Ramirez seconded the motion.

After due consideration, Commissioner Barrera moved to approve the conditional use permit and grant variances to the above requirements as recommended. Commissioner Salinas seconded the motion. The motion carried unanimously by those present.

END OF PUBLIC HEARING

Mayor Montalvo declared the public hearing closed.

PUBLIC COMMENT SESSION

Ms. Nedra Kinerk addressed the Mayor and Commissioners.

9. EXECUTIVE SESSION, CHAPTER 551, TEXAS GOVERNMENT CODE, SECTION 551.071 ATTORNEY-CLIENT PRIVILEGE AND PENDING OR CONTEMPLATING LITIGATION, SECTION 551.072 LAND TRANSACTION, AND SECTION 551.074 PERSONNEL MATTERS.

Mayor Montalvo recessed the meeting at 7:35 pm to go into executive session. Mayor Montalvo reconvened the meeting at 8:48 pm and announced that the following action would be taken:

A) DISCUSSION AND POSSIBLE ACTION – COUNTER OFFER FOR ACQUISITION OF A PORTION OF KENNEDY AVENUE BETWEEN WARE AND BENTSEN.

Commissioner Salinas moved to direct the City Attorney to terminate negotiations relating to the acquisition of Kennedy Avenue being at the west side of the intersection of West Ware Road. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

B) DISCUSSION AND POSSIBLE ACTION --CONDEMNATION 1420-D AMENDING CONDEMNATION PLEADING TO REDUCE AREA TAKEN AND CHANGE PURPOSE FROM FEE FOR ROAD RIGHT-OF-WAY TO UTILITY EASEMENT FOR KENNEDY AVENUE PORTION.

Commissioner Barrera moved to authorize the City Attorney to file an amended condemnation pleading under Condemnation 1420-D to reduce the area taken and change the proposed from fee for road right-of-way to utility easement for Kennedy Avenue portion running along Bentsen Road eastward for ½ mile. Commissioner Godinez seconded the motion. The motion carried unanimously by those present.

C) DISCUSSION AND POSSIBLE ACTION - TOTAL FINA SETTLEMENT RELATING TO OVERRIDING ROYALTY INTEREST.

No action.

D) DISCUSSION AND POSSIBLE ACTION ON LITIGATION -- CAUSE NO. C-773-05-F; JESUS CRUZ VS. CITY OF MCALLEN AND CLIFFORD BAIN.

No action.

E) DISCUSSION AND POSSIBLE ACTION - WORKERS COMPENSATION/LOSS RUN REPORT AS OF MARCH 31, 2005.

No action.

F) DISCUSSION AND POSSIBLE ACTION ON COUNTEROFFER – IRRIGATION DISTRICT #1 – PURCHASE OF RADO DRAIN OUT OF LOT 152, LA LOMITA IRRIGATION AND CONSTRUCTION COMPANY SUBDIVISION.

No action.

G) DISCUSSION AND POSSIBLE ACTION – CONSIDER 380 INCENTIVE AGREEMENT FOR ALLEGIANT AIR, LLC.

Commissioner Barrera moved to approve the 380 Incentive Agreement for Allegiant Air, LLC. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

H) DISCUSSION AND POSSIBLE ACTION – CONSIDER PURCHASE OF LAND ON WICHITA AVENUE AND BICENTENNIAL BOULEVARD. Commissioner Barrera moved to authorize the Right-of-Way Department to commence purchase of the tract located at the northeast corner of Wichita and Bicentennial Boulevard. Commissioner Ramirez seconded the motion. The motion carried unanimously by those present.

I) DISCUSSION AND POSSIBLE ACTION - CONSIDER POSSIBLE SALE OF PROPERTY ON WARE ROAD AND EXPRESSWAY.

No action.

J) DISCUSSION AND POSSIBLE ACTION ON LITIGATION - CAUSE NO. CL-43,206-D; CITY OF MCALLEN VS. PABLO CRUZ.

No action.

ADJOURNMENT

There being no further business to come before the Commission, the meeting was unanimously adjourned at 8:50 pm.

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co Montalvo, Mayor

Annette Villarreal City Secretary

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